

**GOVERNMENT OF INDIA
SMALL SCALE INDUSTRIES AND RURAL AND AGRO INDUSTRIES
LOK SABHA**

UNSTARRED QUESTION NO:4915
ANSWERED ON:26.04.2000
PRO ACTIVE POLICY FOR SMALL SCALE INDUSTRIES
DR. KIRIT SOMAIYA;JASWANT SINGH YADAV

Will the Minister of SMALL SCALE INDUSTRIES AND RURAL AND AGRO INDUSTRIES be pleased to state:

- (a) whether the Government is considering to formulate any pro-active policy for small scale industries to enhance their competitiveness;
- (b) whether any suggestion has been received from the Federation of Indian Chambers of Commerce and Industry in this regard; and
- (c) if so, the details thereof and the reaction of the Government thereto?

Answer

THE MINISTER OF STATE (INDEPENDENT CHARGE) IN THE MINISTRY OF SMALL SCALE INDUSTRIES AND AGRICULTURE AND RURAL INDUSTRIES

(SMT. VASUNDHARA RAJE)

(a) The Government has put in place several policy measures to help small enterprises become globally competitive. These include special focus on areas such as technology upgradation, infrastructure assistance through cluster approach, timely availability of credit, adoption of modern management practices, use of electronic infrastructure and other IT applications, marketing and timely information dissemination including sensitization of small industries to the emerging challenges of trade liberalization.

(b) & (c): Yes, Sir. These suggestions mainly pertain to the setting up of Guarantee Funds for Small Scale Industries (SSI), Factoring Services, Escrow account mechanism for SSI receivables, applicability of labour laws to units employing more than 100 workers only and certain relaxation to the SSI Sector in relation to the Apprentices' Act. These suggestions, along with others received from other forums, have been duly considered while formulating the policy initiatives for promoting and strengthening of the small scale sector in the country.