

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:4987
ANSWERED ON:26.04.2002
ECONOMIC SLOWDOWN
GOWDAR MALLIKARJUNAPPA;IQBAL AHMED SARADGI;SHASHI KUMAR

Will the Minister of FINANCE be pleased to state:

- (a) Whether the Karnataka Small Scale Industries Association and the Greater Mysore Chamber of Industry have urged the Central Excise Department to be considerate towards the industry in the backdrop of the economic slowdown;
- (b) if so, whether the small scale industries are struggling owing to recession, impact of WTO and globalisation;
- (c) if so, whether these organisations have appealed to the Central Excise Department to give ample time to small industries to start research and development, production and marketing work in order to generate more revenue; and
- (d) if so, to what extent their suggestions have been agreed to by the Union Government?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI GINGEE N. RAMACHANDRAN)

- (a) In their pre-Budget memoranda, the Karnataka Small Scale Industries Association as well as the Greater Mysore Chamber of Industry, had requested for certain concessions in central excise duty rates on various grounds.
- (b) Though there is decline in the rate of growth in the SSI sector, it may not be feasible to attribute it entirely to impact of WTO and globalisation.
- (c) As per information available, no such appeal appears to have been made.
- (d) Does not arise in view of the reply to (c) above.