

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

UNSTARRED QUESTION NO:1721
ANSWERED ON:02.08.2000
SCHEMES DURING NINTH FIVE YEAR PLAN
BHAWANA GAWALI (PATIL)

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

- (a) whether several schemes are being prepared by the Government to boost the small scale industries during Ninth Five Year Plan;
- (b) if so, the details thereof;
- (c) the amount allocated to boost the small scale industries during Eighth and Ninth Five Year Plans;
- (d) whether the Federation of Small Scale Industries has requested the Union Government to provide several new incentives for the health growth of small scale industries;
- (e) if so, the details thereof; and
- (f) the steps being taken by the Government in this regard?

Answer

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

(a)&(b): Yes, Sir. The strategy for development of Small scale Industries during the 9th Plan includes strengthening and continuation of the schemes/ programmes and also preparation of some new schemes. These relate to improving the supply of credit, fiscal exemptions and concessions, technology upgradation, infrastructural development, market development, entrepreneurial development and creation of Information technology network etc. Recently, in order to provide loans upto Rs. 10.00 lakhs without collaterals, a Credit Guarantee Fund has been created. A scheme of support for Technology Upgradation in specified industries is being formulated.

(c) The amounts allocated for the promotion of Small Scale Industries during 8th & 9th Five Year plan are Rs. 1629.55 crores and Rs. 4303.85 crores, respectively.

(d)(e)&(f): Yes, Sir. The Federation of Associations of Small Industries of India (FASII) in its representation submitted on 5th July, 2000 has urged the Government to provide fresh incentives for the growth of SSI sector which include assured access to credit to SSI particularly tiny units, creation of a viable credit guarantee scheme, earmarking of funds by Small industries Development Bank of India for modernisation of SSI units at concessional rates, nursing of sick units, marketing support, legal reforms etc. The Government is aware of these issues which affect the health of the SSI Sector and has already initiated necessary action in this regard.