

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

UNSTARRED QUESTION NO:2801

ANSWERED ON:09.08.2000

INFRASTRUCTURE AND TECHNOLOGY FUND

GADDE RAMAMOHAN;M.V.V.S MURTHI;RAMSHETH THAKUR;SHIVAJI MANE

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

- (a) whether the study group of Planning Commission recommended for setting of infrastructure fund and technology fund for Small Scale Industries;
- (b) if so, the details thereof;
- (c) the objectives of these two proposed funds for the SSI Sector;
- (d) the time by which the fund is likely to become operational indicating the administrative authority of the fund;
- (e) whether the infrastructure development scheme would cover all areas of the country with 50 per cent reservation for backward and rural areas; and
- (f) if so, the details thereof alongwith the other recommendations made by the Study Group of Planning Commission for Small Scale Industries?

**Answer**

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

(a) to (f): Yes, Sir. The study group of Planning Commission headed by Sh. S.P. Gupta in its interim report has recommended, inter alia, the setting up of Infrastructure Development fund for Small scale Enterprises (SSEs) with a corpus of around Rs. 2000 crore to help States/UTs in creating, revamping and upgrading the industrial infrastructure. The Committee has also recommended that the Integrated Infrastructure Development (IID) scheme should cover all areas of the country with 50 % reservation for backward and rural areas. Further the Group has also recommended making available the funds for Technology upgradation and modernisation of SSEs at concessional rate of interest as is available under Technology Upgradation Fund Scheme for modernisation of textile sector. These recommendations are being examined by the Government.

The other important recommendations of the study Group are raising of the corpus of the Credit Guarantee Fund Scheme for the tiny sector to Rs. 2500 crores, strengthening of State Financial Corporations, the enhancement of the excise exemption limit to Rs. 1 crore, the enactment of a separate Act for the growth and development of small scale sector, conducting of third census of registered small scale units and extending of greater marketing support to the small scale sector by the Government.