

**GOVERNMENT OF INDIA
SMALL SCALE INDUSTRIES
LOK SABHA**

UNSTARRED QUESTION NO:2842
ANSWERED ON:12.12.2006
IMPORT FROM ASIAN COUNTRIES
Siddeswara Shri Gowdar Mallikarjunappa

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

- (a): whether Small Scale Industries are facing hardship due to excess import of goods especially from some Asian countries;
- (b): the value and quantity of SSI products imported during the last three years and current year, year-wise; and
- (c): if so, the steps taken to increase export over import?

Answer

MINISTER OF SMALL SCALE INDUSTRIES & AGRO AND RURAL INDUSTRIES (SHRI MAHABIR PRASAD)

(a): No specific information is available with the Government that the small scale industries (SSI) are facing hardship due to excess import of goods, especially from some Asian countries. In the wake of trade liberalization, the Government has, in fact, put in place several measures to help the SSIs become globally competitive. These include a scheme of assistance for technology upgradation, various types of need-based cluster development schemes, assistance for making credit available, marketing assistance, information dissemination on export opportunities, etc. Besides protection is available in the form of raising customs duties upto the bound levels, imposing anti-dumping duties, taking safeguard measures in case of surge in imports, etc.,

(b): Data on the value and quantity of SSI products imported into the country are not compiled by the Government.

(c): The following schemes/programmes are implemented by the Central Government for promotion of SSIs exports:

(i) On 10th August, 2005 the Government announced a policy package for stepping up credit flow to the small and medium enterprises (SMEs) so as to double the flow of credit to them in the next five years.

(ii): In September, 2005, the loan ceiling under the Credit Linked Capital Subsidy Scheme for Technology upgradation was raised from Rs. 40 lakh to Rs. 100 lakh and the subsidy from 12 per cent to 15 per cent to make the Scheme more attractive.

(iii) The scheme of assisting SSI units in obtaining performance and credit rating from reputed credit rating agencies was introduced in April, 2005.

(iv) Under the Market Development Assistance (MDA) Scheme for SSI, various types of direct financial assistance is provided to SSI units to promote their exports. These include reimbursement of cost of air travel for participation in international fares/exhibitions, subsidy on cost of publicity, subsidy on fees for obtaining bar coding of products and assistance to SSI associations for export market studies, contesting anti-dumping cases, etc.