GOVERNMENT OF INDIA SMALL SCALE INDUSTRIES LOK SABHA

UNSTARRED QUESTION NO:3034 ANSWERED ON:20.03.2007 RESERVED ITEMS FOR SMALL SCALE INDUSTRIES Thummar Shri Virjibhai

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

- (a): whether the number of reserved items manufactured in small scale industries is constantly declining;
- (b): the names of the items which have been removed from the reserved list last time along with the reasons therefor;
- (c): whether such reduction in the number of reserved items is adversely affecting the small scale industries;
- (d): if so, the reaction of the Government thereto; and
- (e): the remedial measures taken by the Government in this regard?

Answer

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

- (a): The last item for exclusive manufacture in SSI (manufacturing micro and small enterprises) was reserved in 1989 and after that no reservation has been made. The Government has been following a policy of progressive dereservation of such items and currently, 239 items are reserved for exclusive manufacture by manufacturing micro and small enterprises.
- (b): The 87 items dereserved on 22 January 2007 are listed at Annexure. Review of the list of items reserved for SSI sector (now micro and small enterprises sector) is a continuous process. During the review the modification in the list of items reserved for exclusive manufacture is made, inter alia, for creating opportunities for higher investment, facilitating technological upgradation, improving quality, promoting exports & achieving economies of scale in manufacturing the said items.
- (c)to(e): Two studies, commissioned by the Government to evaluate the impact of dereservation during the last nine years, have not revealed any adverse impact on manufacturing micro and small enterprises.