

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

UNSTARRED QUESTION NO:1073  
ANSWERED ON:14.07.2004  
PROMOTION OF SSI UNITS  
Chowdhury Shri Adhir Ranjan

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

- (a) whether the Government proposes to take steps to promote small scale industries in the country;
- (b) if so, the details thereof;
- (c) whether comprehensive package of proposals have been drawn up to promote the small scale sector;
- (d) if so, the details thereof;
- (e) whether the views of the State Governments have been sought in this regard; and
- (f) if so, the details thereof?

**Answer**

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

(a) to (d): It has been the conscious approach of the Government to promote and develop the small scale industries (SSI) sector. Accordingly, Government continues to lay emphasis on meeting the concerns of the SSIs as is evident by various measures announced from time to time. The Government announced a Comprehensive Policy Package in August, 2000 to strengthen the small scale industries sector and enhance its domestic and global competitiveness, which inter alia provides easier access to credit, availability of collateral free composite loan up to Rs. 25 lakhs, marketing support, capital subsidy for technological up-gradation and improved infrastructure. In addition, Government and the Reserve Bank of India have also announced various other measures/incentives including instructions to Banks to provide credit to SSI at interest within a band of 2% plus minus their Prime Lending Rate (PLR), introduction of Laghu Udyami Card Scheme, selective enhancement of investment limits in respect of high-tech export oriented items to enable SSIs to compete successfully.

(e) & (f): Consultation with the State Governments is a continuous process. There are different forums for consultation, which include SSI Board, wherein Ministers for SSI of each State/UT is a member. One such review took place on 25th June, 2004, in which all policies and programmes concerning the Sector at State/Central level were reviewed.