

**GOVERNMENT OF INDIA
MICRO, SMALL AND MEDIUM ENTERPRISES
LOK SABHA**

UNSTARRED QUESTION NO:3714
ANSWERED ON:17.08.2010
IMPACT OF CHINESE IMPORT
Kumar Shri P.

Will the Minister of MICRO, SMALL AND MEDIUM ENTERPRISES be pleased to state:

(a) whether Small and Medium Enterprises in the country have been severely affected due to the increase of Chinese imports and eroding the market share of domestic companies in this sector; and

(b) if so, the details thereof and the steps taken to ensure the competitiveness of domestic SMEs from such imports?

Answer

MINISTER OF STATE (INDEPENDENT CHARGE) FOR MICRO, SMALL & MEDIUM ENTERPRISES (SHRI DINSHA PATEL)

(a): Imports from other countries, including China, could either be used as raw material/ components for further production or as substitutes for domestically produced goods. As such, the precise effect of imported goods on small and medium enterprises in the country is varied and not quantifiable. No data is available on the affect due to the increase of Chinese imports on the Small and Medium Enterprises (SMEs) in the country.

(b): The Directorate General of Anti Dumping and Allied Duties (DGAD) initiates anti-dumping investigations on the basis of applications filed by domestic industries, SME or otherwise, with prima-facie evidence of dumping/ countervailable subsidy, injury and causal link between the dumped/subsidised goods and injury to the domestic industry. Such petitions submitted by domestic industry are processed as per the procedures and within the time limits specified under the Customs Tariff Act, 1975 as amended in 1995 and the rules made thereunder. The DGAD does not maintain any record of the status of the applicant (i.e. whether the applicant is a SME or otherwise).

In order to ensure competitiveness of domestic SMEs, Government has launched National Manufacturing Competitiveness Programme (NMCP). In addition, Credit Guarantee Scheme, Credit Linked Capital Subsidy Scheme, Performance and Credit Rating Scheme, Cluster Development Programme, Market Development Assistance Scheme also help SMEs in this direction.