

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

UNSTARRED QUESTION NO:2204
ANSWERED ON:18.12.2013
PRODUCTS RESERVED FOR MSME
Khairi Shri Chandrakant Bhaurao

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

- (a) whether any incidents of violation of guidelines in respect of products reserved for micro, small and medium enterprises (MSME) have come to light of the Government;
- (b) if so, the details thereof along with the action taken in this regard during each of the last three years and the current year;
- (c) the details of the number of cases pending in courts, time-wise and case-wise; and
- (d) the steps taken by the Government to dispose of the pending cases?

Answer

MINISTER OF STATE (INDEPENDENT CHARGE) FOR MICRO, SMALL & MEDIUM ENTERPRISES (SHRI K. H. MUNIYAPPA)

- (a): Government has occasionally received information of violation of Policy of reservation for exclusive manufacture in SSI (now MSE) sector by non-SSI (non-MSE) units. Under the extant policy, a non-SSI (non-MSE) unit can manufacture items reserved for manufacture in the MSE sector after obtaining a licence under the Industries (Development & Regulation) Act, 1951, provided it undertakes an obligation to export a minimum of 50% of production.
- (b): Action has been initiated against 05 cases of alleged violation of the policy of reservation for exclusive manufacture in SSI (now MSE) sector in last three years. No case has been lodged in current year. The details of the cases along with action taken thereon are given in annexure-I.
- (c): The details of the number of cases pending in Courts, time-wise and case-wise are at annexure-II
- (d): The government pursues the cases in the Courts through the Central Government Standing Counsel/Government Advocates.