

**GOVERNMENT OF INDIA
SMALL SCALE INDUSTRIES AND RURAL AND AGRO INDUSTRIES
LOK SABHA**

UNSTARRED QUESTION NO:5744
ANSWERED ON:03.05.2000
SMALL SCALE INDUSTRY
DILIP KUMAR MANSUKHLAL GANDHI;SHRINIWAS DADASAHEB PATIL

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

- (a) whether the Government have any proposal to eliminate the institutions like MRTC, BIFR, IDRA, de-reservation of items for SSI and handloom sector and privatisation;
- (b) if so, the details thereof;
- (c) whether the Government propose to set up a separate body to look into the matter relating to these Organizations/Institutions;
- (d) if so, the details thereof; and
- (e) the time by which this body is likely to be set up?

Answer

THE MINISTER OF STATE (INDEPENDENT CHARGE) IN THE MINISTRY OF SMALL SCALE INDUSTRIES AND AGRO RURAL INDUSTRIES

(SMT. VASUNDHARA RAJE)

(a) & (b): In respect of MRTC, the Hon'ble Members are perhaps referring to the MRTP Commission (MRTPC). The Government has at present no proposal to 'eliminate' it. In respect of IDRA, the Hon'ble Members are perhaps referring to the Industries (Development & Regulation) Act, 1951 (IDR Act). There is presently no proposal to repeal it. The Board for Industrial and Financial Reconstruction (BIFR) was created under the provisions of the Sick Industrial Companies (Special Provisions) Act, 1985. A review is being made by the Ministry of Commerce & Industry as to whether the Act has been able to achieve the purpose for which it was enacted. The issue of reservation/de-reservation of items for exclusive manufacture in the SSI sector is examined on a continual basis by the Advisory Committee on Reservation, which has been specifically constituted for this purpose under the provisions of the Industries (Development & Regulation) Act, 1951 and Handlooms (Reservation of Articles for Production) Act, 1985. There is, however, no proposal to totally 'eliminate' reservation of products meant for exclusive production in the SSI and Handloom Sector. The units in SSI and Handloom Sector are already in the private sector and hence the question of privatisation does not arise.

(c) to (e): A High Powered Committee already exists in respect of MRTPC to review the MRTP Act, 1969 and suggest a modern competition law. A review is also being made in respect of the Sick Industrial Companies (Special Provisions) Act, 1985 under which the Board for Industrial and Financial Reconstruction (BIFR) was created. As a mechanism already exists to look into the matters relating to these organisations, there is no proposal to set up a separate body for them.