

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

STARRED QUESTION NO:219  
ANSWERED ON:16.12.2003  
DERESERVATION OF ITEMS FOR SSI  
MANSUKHBHAID. VASAVA

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

- (a) the reasons for recommending dereservation of certain items by the Advisory Committee in SSI's sector and the reaction of the Government thereto;
- (b) whether the Union Government has conducted any enquiry in this regard so as to check whether there is any pressure from the Multinational Companies behind the said recommendation; and
- (c) if so, the details thereof?

**Answer**

MINISTER OF SMALL SCALE INDUSTRIES AND MINISTER OF DEVELOPMENT OF NORTH EASTERN REGION (D THAKUR)

(a) to (c): A Statement is laid on the Table of the House.

STATEMENT ATTACHED TO THE REPLY TO LOK SABHA QUESTION NO. 219 REPLY ON 16.12.2003

(a): The issue of reservation/ de-reservation of items for exclusive manufacture in the Small Scale Industries (SSI) sector is examined on a continual basis by the Government through consultations with various stakeholders and by the Advisory Committee constituted under the Industries (Development & Regulation) Act, 1951. These reviews consider various relevant aspects including inter-alia trends and development in external trade, domestic and global competitiveness, potential for employment and export, technical feasibility and economic viability of manufacture in the small scale sector etc. Dereservation of certain items reserved for the SSI sector has been effected in consultation with stakeholders, so as to allow greater opportunity for technological upgradation, promotion of export and achieving economies of scale.

(b): Dereservation has been effected after taking into the account the considered views of the stakeholders and on merits of each case in the light of well defined criteria. In view of this, the question of pressure from multinational companies in respect of the said recommendations does not arise.

(c): Does not arise, in view of (b) above.