

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

UNSTARRED QUESTION NO:4913

ANSWERED ON:27.04.2005

PROMOTION OF SSI

Baxla Shri Joachim;Choudhary Shri Nikhil Kumar;Yadav Shri Parasnath

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

- (a) whether the Government is aware of the various problems being faced by the small scale industries;
- (b) if so, the details thereof and the reasons therefor;
- (c) the schemes/programmes undertaken by the Government to promote small scale industries and generate employment in rural areas;
- (d) the details of funds allocated scheme-wise/programme-wise during the last three years; and
- (e) the amount provided to Bihar, Uttar Pradesh and Jharkhand for various schemes/programmes during the current financial year?

Answer

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

(a)&(b): Yes, Sir. Some of the problems faced by small scale industries (SSI) relate to non availability of timely and adequate credit, technological obsolescence, delayed payment by non-SSI buyers of SSI products and non-availability of raw- materials like coal, steel, etc., at competitive prices.

(c): Some of the main schemes and programmes undertaken by the Government to promote village/tiny industries and generate employment in the rural areas include Swarnajayanti Gram Swarozgar Yojana, Rural Employment Generation Programme(REGP) and Prime Minister`s Rozgar Yojana (PMRY). PMRY is also implemented in urban areas while REGP is implemented in rural areas as well as towns with population of up to 20,000. The schemes for promotion of small scale industries and generation of employment thereby in both rural and urban areas include Small Industrial Cluster Development Programme, Integrated Infrastructural Development Scheme, Credit Liked Capital Subsidy Scheme, ISO 9000/ISO 14001 Certification Re-imbusement Scheme and Credit Guarantee Fund Scheme for small Industries. To address the problem of delayed payment to the small scale industrial units by large industrial units, the Government has put in place the Interest on Delayed Payments to Small Scale and Ancillary Industrial Undertakings Act, 1993 (as amended in 1998).

(d): The details of funds allocated for these schemes and programmes during the last three years are given in the statement at Annexure I.

(e): The allocation of funds under the schemes to promote small scale industries, at serial numbers 1 to 5 in the Annexure I, is made scheme-wise and not State-wise. The Central funds for subsidy under the PMRY (sr.no.3, Annexure I) are routed through the Reserve Bank of India (RBI), which, in turn passes them on to the implementing banks for crediting the amounts to the loan account of the individual beneficiaries. Hence, State-wise break of funds is not available. The allocation of funds for the States of Bihar, Uttar Pradesh and Jharkhand in the current year for the other schemes targeted to generate employment in rural areas is given in the statement at Annexure II.

Annexure-I

Statement referred to in reply to part (d) of Lok Sabha Unstarred Question No. 4913 for answer on 27.4.2005

Sl.No. Name of the Scheme Funds allocated

2002-03 2003-04 2004-05

1 Swaranjayanti Gram Swarozgar Yojana	567.90	800.00	1000.00
2 Rural Employment Generation Programme	200.00	281.75	326.00
3 Prime Minister`s Rozgar Yojana	169.00	169.00	218.50

4	Small Industries Cluster Development Programme	3.68	7.43	8.52
5	Integrated Infrastructural Development Scheme	9.00	10.00	15.45
6	Credit Linked Capital Subsidy Scheme	5.50	3.41	6.33
7	ISO 9000/ISO 14001 Certification Re-imbursement Scheme	8.20	6.38	16.51
8	Credit Guarantee Fund Scheme for Small Industries	141.61	207.34	196.29

Annexure-II

Statement referred to in reply to part (e) of Lok Sabha Unstarred Question No. 4913 for answer on 27.4.2005

Allocation of funds for 2005-06 (Rs. in lakhs)

Sl.No. Name of the Scheme/Programme Bihar Uttar Pradesh Jharkhand

1	Swaranjayanti Gram Swarozgar Yojana	12623.79	18173.71	4757.98
2	Rural Employment Generation Programme	783.13	4807.71	914.21