

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

STARRED QUESTION NO:394
ANSWERED ON:23.08.2005
PROMOTION TO SSI IN J K AND N.E. STATES
Rawat Shri Kamla Prasad

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

- (a): whether the small scale industries are labour intensive and generate large scale employment opportunities; and
- (b): if so, the details thereof alongwith the steps taken by the Government to give impetus to small scale industries in the terrorism affected States of Jammu and Kashmir and North-Eastern States?

Answer

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

(a)&(b): A statement is placed on the Table of the House.

STATEMENT REFERRED TO IN THE REPLY OF PARTS (a) & (b) IN RESPECT OF THE LOKSABHA STARRED. QUESTION NO. 394 FOR ANSWER I ON 23RD AUGUST, 2005

(a): Yes, Sir.

(b): The total employment generated through approximately 118.59 lakh registered and unregistered small scale industries (SSIs) in the country at the end of March, 2005 is estimated to be 282.91 lakh.

The promotion and development of SSIs is primarily the responsibility of the State Governments and Union Territory Administrations. The Central Government, however, supports and supplements their efforts by implementing various schemes and programmes throughout the country, including Jammu & Kashmir and North-Eastern states.

With a view to giving fillip to the growth of small scale industries in the North-Eastern region (including Sikkim), Jammu & Kashmir, Himachal Pradesh and Uttaranchal, the Central Government provides central grant of upto 80 per cent (maximum of RS. 4 crore) of the approved cost under the Integrated Infrastructure Development (IID) scheme for setting up of IID Centres. This grant is 40 per cent (maximum of Rs. 2crore) for other States.

Further, the Policy Package for Stepping up Credit to Small and Medium Enterprises announced on 10th August, 2005 includes a provision to advise the Credit Guarantee Fund Trust for Small Industries (CGTSI) to reduce the one time guarantee fee under the Credit Guarantee Fund Scheme from 2.5 per cent to 1.5 per cent in cases of guarantee for loans to eligible cases from the North Eastern Region (including Sikkim) and Jammu & Kashmir.