

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

UNSTARRED QUESTION NO:936
ANSWERED ON:01.08.2006
LEGISLATION FOR SMALL SCALE INDUSTRIES
Singh Shri Chandrabhan Bhaiya

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

- (a): the number of Small Scale Units closed/on the verge of closure in the country at present State-wise;
- (b): whether the Government proposes to introduce a Bill/Legislation regarding Small Scale Industries;
- (c): if so, whether the Government proposes to bring the Industries having capital upto rupees three crore under the category of Small Scale Industries;
- (d): the steps taken to save the livelihood of people employed in SSI Sector; and
- (e): the share of these Small Scale units having upto Rs. 25 lakhs in the total export of the country?

Answer

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

- (a): The information on small scale industries closed/on the verge of closure in the country is not maintained centrally. However, as per the results of the Third All India Census of the small scale industries (SSIs) with reference year 2001-02, out of 22,62,401 SSI units registered upto 31.03.2001, 39 per cent (numbering 8,87,427) units were found closed. The State-wise distribution of these closed SSI units is given in the Annexure enclosed.
- (b)&(c): The Government had introduced the Small and Medium Enterprises Development Bill, 2005 in the Lok Sabha in May 2005. The Bill with amendments, has since been passed by both Houses of Parliament, and notified. As per the Act, an enterprise, where investment in plant and machinery is more than twenty-five lakh rupees but does not exceed five crore rupees comes to the category of small scale industries.
- (d): The State Governments/Union Territory Administrations are primarily responsible for the promotion and development of the SSIs in the country. The Central Government, however, implements a number of schemes/programmes for providing support to the SSIs in the areas of infrastructure, credit, marketing, technology, entrepreneurship development, primarily with a view to safeguarding the interest of the people engaged in the SSI Sector.
- (e): As per the information received from various export promotion councils, the share of the exporting small scale industries (including units with capital upto Rs. 25 lakh) in the total exports of the country is approximately 34 per cent.