

## Small Scale Industry

7.51 The total number of small-scale units in the country in 1998-99 was 31.21 lakh, compared to 30.14 lakh in 1997-98. Value of production of small scale units in 1998-99 aggregated to Rs. 5,27,515 crore. The volume of employment in small scale sector stood at 171.6 lakh as of end-March 1999. Exports from the SSI Sector accounted for about 35 per cent of the country's total exports. In 1998-99, SSI exports valued at Rs.49,481 crore, increased by 11.4 per cent over 1997-98 (Table 7.14).

7.52 The new policy initiatives announced for the SSI sector in the current year are given in Box 7.3. In order to ensure that credit is available to all segments of SSI sector, RBI has issued

instructions that out of the funds normally available for the SSI sector, 40 per cent be given to units with investment in plant and machinery upto Rs.5 lakhs, 20 per cent to units with investment between Rs.5 lakhs and Rs.25 lakhs and remaining 40 per cent for other units. Banks have been asked to operationalise more specialized SSI branches. The single window scheme of SIDBI is also being extended to all districts.

7.53 The share of tiny sector in the advances to SSI sector has decreased from 27 per cent at the end of March 1998 to 20.7 per cent at the end of March 1999. Thus, against the target of 60 per cent of SSI credit for tiny units, actual flow at 20.7 per cent, is very low.

**TABLE 7.14**  
**Overall performance of Small Scale Industry**

Year	No. of Units (in lakh)	Output (at current prices) (Rs. crore)	Employment (lakh nos.)	Export (at current prices) (Rs. crore)
1991-92	20.82 (6.9)	1,78,699 (15.0)	129.80 (3.6)	13,883 (43.7)
1992-93	22.46 (7.9)	2,09,300 (17.1)	134.06 (3.3)	17,785 (28.1)
1993-94	23.81 (6.0)	2,41,648 (15.5)	139.38 (4.0)	25,307 (42.3)
1994-95	25.71 (8.0)	2,93,990 (21.7)	146.56 (5.2)	29,068 (14.9)
1995-96	27.24 (6.0)	3,56,213 (21.2)	152.61 (4.1)	36,470 (25.5)
1996-97	28.57 (4.9)	4,12,636 (15.8)	160.00 (4.8)	39,249 (7.6)
1997-98	30.14 (5.5)	4,65,171 (12.7)	167.20 (4.5)	44,437 (13.2)
1998-99(P)	31.21 (3.6)	5,27,515 (13.4)	171.58(p) (2.6)	49,481 (11.4)

**Note: Figures in the brackets give the increase over previous year; P: Provisional; p: Projected**