

GOVERNMENT OF INDIA
MINISTRY OF MICRO, SMALL AND MEDIUM ENTERPRISES

LOK SABHA
UNSTARRED QUESTION NO. 1970
TO BE ANSWERED ON 28.07.2022

SETTING UP OF MSME UNITS IN BACKWARD AREAS

1970. SHRI B.B.PATIL:

Will the Minister of MICRO, SMALL AND MEDIUM ENTERPRISES be pleased to state:

- (a) whether the Government has any proposal to set up Micro, Small and Medium Enterprises (MSMEs) units in most backward areas in the country and especially in Zahirabad of Telangana State to provide permanent employment to the local youths;
- (b) if so, the details thereof and if not, the reasons therefor;
- (c) whether the Government has decided to set up more MSME Units for overall development of the country and if so, the details thereof, State/UT-wise;
- (d) the details of the incentives being provided to enthusiastic entrepreneurs to set up MSMEs in the country; and
- (e) whether the MSME units have been provided with adequate capital investment and funds for their operations as per their demand and if so, the details thereof and if not, the reasons therefor?

ANSWER

MINISTER OF STATE FOR MICRO, SMALL AND MEDIUM ENTERPRISES
(SHRI BHANU PRATAP SINGH VERMA)

(a) to (c): The Ministry of Micro, Small and Medium Enterprises (MSME) does not set up MSMEs in any State. The MSME sector consists of private players and investments in this sector are made by the entrepreneurs themselves. Promotion and development of enterprises is a State subject. The Central Government supplements the efforts of the State/UT Governments through various schemes, programmes and policy initiatives for promotion and development of MSMEs in the country, including Zahirabad of Telangana State.

(d) & (e): The Ministry of MSME implements various schemes and programmes for the promotion and development of MSME Sector in the country. These schemes and programmes inter alia include Prime Minister's Employment Generation Programme (PMEGP), Scheme of Fund for Regeneration of Traditional Industries (SFURTI), Credit Guarantee Scheme for Micro and Small Enterprises, Micro and Small Enterprises Cluster Development Programme (MSE-CDP), etc. Benefits under these schemes are available to all eligible MSMEs throughout the country. Besides, the Government has taken a number of recent initiatives under the Aatma Nirbhar Bharat Abhiyan to mitigate the negative impact of Covid-19 on small businesses in the country. Some of them are:

- i. Credit Guarantee Scheme (CGS) Subordinate Debt for stressed MSMEs.
- ii. Guaranteed Emergency Credit Line (GECL) / Emergency Credit Line Guarantee Scheme (ECLGS) for Businesses, including MSMEs.

- iii. Equity infusion through Self-Reliant India Fund.
- iv. New revised criteria of classification of MSMEs.
- v. New registration of MSMEs through 'Udyam Registration' for Ease of Doing Business.
- vi. No global tenders for procurement up to Rs. 200 crores.

In addition, the Government had announced the following initiatives for MSMEs in the Budget 2022-23:-

- (i) Udyam, e-Shram, NCS and ASEEM portals will be interlinked for credit facilitation, skilling and recruitment.
- (ii) GECL / ECLGS to be extended up to March 2023 and its guarantee cover to be expanded by Rs. 50,000 crore, with the additional amount being earmarked exclusively for the hospitality and related enterprises.
- (iii) Credit Guarantee Trust for Micro and Small Enterprises scheme to be revamped with required infusion of funds to facilitate additional credit of Rs. 2 lakh crore for MSEs and expand employment opportunities.
- (iv) Roll out of Raising and Accelerating MSME Performance (RAMP) programme with an outlay of Rs. 6,000 crore over 5 years.
