

**GOVERNMENT OF INDIA
MICRO, SMALL AND MEDIUM ENTERPRISES
LOK SABHA**

UNSTARRED QUESTION NO:2561

ANSWERED ON:18.03.2008

CONTRIBUTION OF INDIAN SSI SECTOR IN THE GLOBAL MARKET

Patel Shri Kishanbhai Vestabhai

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

- (a) whether the Government proposes to provide incentives to Small Scale Industries sector to enable them to compete in the global market;
- (b) if so, the details in this regard;
- (c) the details of contribution of Indian SSI sector in the global market;
- (d) whether the targets for growth rate of small scale industries for the 11th Plan has been fixed;
- (e) if so, the details thereof; and
- (f) the strategy formulated by the Government to achieve the targeted growth rate of small scale industries?

Answer

MINISTER OF MICRO, SMALL AND MEDIUM ENTERPRISES (SHRI MAHABIR PRASAD)

(a)&(b) Yes, Sir. The Government implements various schemes and programmes to enable micro and small enterprises (MSE, formerly known as SSI) to enable them to compete in the global market and strengthen their export competitiveness. Such programmes and schemes, inter alia include assistance for participation in international exhibitions/fairs, reimbursement for obtaining bar-code certification, etc. under its Market Development Assistance (MDA) Scheme. In addition, other support measures such as organising training programmes on packaging for exports, assistance for technology upgradation under Credit Linked Capital Subsidy Scheme (CLCSS), incentives for obtaining ISO/9000-14001, etc. are included to promote export competitiveness of the MSE sector.

(c) During the year 2005-06, Indian MSE sector accounted for approximately 33% of the total exports from the country.

(d) & (e) A growth rate of 12% has been envisaged for the MSE sector during the Eleventh Five Year Plan (2007-12).

(f) Promotion and development of micro and small enterprises is primarily the responsibility of the respective State governments/UT administrations. The Government of India, however, supplements their efforts by providing supportive measures for enhancing their competitiveness through specific measures, such as, easy availability of credit, comprehensive need-based development of MSE clusters including development of infrastructure, assistance for technological upgradation, training and capacity building of entrepreneurs, etc. The Government, with a view to further enhancing their competitiveness has also announced

(i) the Package for Promotion of MSE,

(ii) implementation of National Manufacturing Competitiveness Programme, besides operationalising the Micro, Small and Medium Enterprises Development (MSMED) Act, 2006, from 2 October 2006.