

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

UNSTARRED QUESTION NO:118
ANSWERED ON:17.02.2009
SETTING UP OF SMALL SCALE INDUSTRIES
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Will the Minister of MICRO, SMALL AND MEDIUM ENTERPRISES be pleased to state:

(a) whether the Government has taken initiatives to encourage setting up of Small Scale Industries in economically underdeveloped areas in the country; and

(b) if so, the details of such schemes implemented and funds released by the Government?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF MICRO, SMALL AND MEDIUM ENTERPRISES (SHRI MAHABIR PRASAD)

(a) & (b). The Central Government supplements the efforts of the State Governments/Union Territories (UTs) for development and promotion of Micro, Small and Medium enterprises through various schemes / programmes relating to credit, infrastructural development, technology upgradation, marketing and entrepreneurial development. An allocation of Rs. 1794 crore was kept for this sector (including for Khadi and Village Industry Commission and Coir Board) during the financial year 2008-09 by the Ministry of Micro, Small and Medium Enterprises. As per standing guidelines allocation of 10% of the gross budgetary support is kept for the North Eastern Region (NER). In addition Central Government provides fiscal incentives for all the industries including micro, small and medium enterprises variously in the eight states of NER and special category of states of Himachal Pradesh, Uttarakhand and Jammu & Kashmir. These incentives include Central Capital Investment Subsidy Scheme, Central Interest Subsidy Scheme, Income Tax Exemptions, Central Excise Duty Exemptions and Central Comprehensive Insurance Scheme.