

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

UNSTARRED QUESTION NO:868

ANSWERED ON:02.03.2010

INDUSTRIAL PRODUCTION BY MSME

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

- (a) the share of micro, cottage and small industries in the total industrial production of the country during each of the last three years, State-wise;
- (b) whether the Government provides any financial assistance to the said industries for increasing their share in the total industrial production;
- (c) if so, the details of the financial assistance provided during each of the last two years and the current year, State-wise; and
- (d) the steps taken by the Government for increasing their share in the industrial production?

**Answer**

MINISTER OF STATE (INDEPENDENT CHARGE) FOR MICRO, SMALL AND MEDIUM ENTERPRISES (SHRI DINSHA PATEL)

(a): The share of the micro, cottage and small enterprise sector in the total manufacturing output during 2005-06, 2006-07 and 2007-08 (latest available) was estimated to 45.76%, 45.62% and 45.24% respectively.

(b) & (c): Financial assistance is provided to the sector to increase their share in industrial production under the following schemes implemented by the Ministry of Micro, Small and Medium Enterprises:

1. Credit Linked Capital Subsidy Scheme (CLCSS) for Technology Upgradation;
2. Micro and Small Enterprises Cluster Development Programme (MSE-CDP);
3. Scheme of Fund for Regeneration of Traditional Industries (SFURTI);
4. ISO-9000/ISO-14001 Certification Reimbursement Scheme;
5. Performance and Credit Rating Scheme; and
6. Scheme for Reimbursement of Bar Code Certification.

The State/UT-wise financial assistance provided during the last 2 years and in the current year under these schemes (wherever available) is given in Annexure I to IV.

(d): To facilitate the promotion and development of micro, small and medium enterprises (MSMEs) sector and to increase their share in the industrial production, the Government is implementing several schemes/programmes, which include the National Manufacturing Competitiveness Programme and schemes relating to credit, infrastructural development, technology upgradation, marketing, entrepreneurial/skill development, etc.

Besides, the Government has announced a 'Policy Package for Stepping up Credit to Small and Medium Enterprises (SMEs)' in August 2005 which envisages public sector banks to fix their own targets for funding MSMEs in order to achieve a minimum 20 per cent year-on-year growth in credit to the MSME sector. Further, the Government has enacted the Micro, Small and Medium Enterprises Development Act, 2006, which has come into force from 2nd October, 2006.

The Government has also announced in February 2007 a 'Package for Promotion of Micro and Small Enterprises' with an objective to provide support in areas of credit, technology upgradation, marketing, infrastructure, etc.