

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

STARRED QUESTION NO:350
ANSWERED ON:20.04.2010
GROWTH OF SSI SECTOR
Rawat Shri Ashok Kumar

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

- (a) whether the existing legal framework is conducive to the growth of small scale industries (SSI) sector in the country;
- (b) if so, the details thereof;
- (c) whether different States have separate laws governing the operation of the SSI sector;
- (d) if so, whether there is any proposal to make uniform laws for the sector throughout the country; and
- (e) if so, the details thereof?

Answer

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

(a) to (e) A Statement is placed on the table of the House.

STATEMENT REFERRED TO IN REPLY TO LOK SABHA STARRED QUESTION NO. 350 TO BE ANSWERED ON 20.4.2010

(a) & (b): The consistently rising growth rate of micro and small enterprises (MSE) sector and its higher performance as compared with growth rate of the industrial sector (as a whole) is testimony to the fact that the existing legal framework is suitable and conducive to the growth of MSE sector in the country. The details of growth rate for the MSE sector and the industry sector (as a whole) are as under:

Year	MSE Sector (%)	Industrial Sector
	(as a whole)	(%)

2005-06	12.4	8.2
2006-07	12.6	11.5
2007-08	13.0	8.5

(c) to (e): As per the information received from the States, no State has a separate law governing the operation of the SSI (MSE) sector specifically. The Central Government has promulgated the Micro, Small & Medium Enterprises Development (MSMED) Act, 2006, which is enforceable uniformly in the whole country.