

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

STARRED QUESTION NO:220
ANSWERED ON:08.12.2011
PROMOTION IN MSME SECTOR
Patil Shri A.T. Nana

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

- (a) Whether the Government has taken any steps to provide modern technology and required investment to Micro, Small and Medium Enterprises (MSMEs) Sector;
- (b) If so, the details thereof;
- (c) the share of MSMEs in the total industrial production and export of the country;
- (d) whether the Government has taken measures to increase the share of MSMEs in export; and
- (e) If so, the details thereof?

Answer

MINISTER OF MICRO, SMALL AND MEDIUM ENTERPRISES(SHRI VIRBHADRA SINGH)

(a)to(e): A statement is placed on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PART (a) to (e) IN RESPECT OF LOK SABHA STARRED QUESTION NO. 220 FOR ANSWER ON 08.12.2011

(a)&(b): Yes, Madam. Ministry of Micro, Small and Medium Enterprises is operating a scheme namely Credit Linked Capital Subsidy Scheme (CLCSS) for technology up gradation of Micro and Small Enterprises. The scheme aims at facilitating technology up gradation of Micro and Small Enterprises (MSEs) by providing 15% capital subsidy (limited to maximum Rs.15 lakhs) for purchase of Plant & Machinery. Maximum limit of eligible loan for calculation of subsidy under the scheme is Rs.100 lakhs. Presently, 48 well-established and improved technologies /sub-sectors have been approved under the Scheme.The Credit Linked Capital Subsidy Scheme (CLCSS) is implemented through 11 nodal banks/agencies including SIDBI, NABARD and Tamil Nadu Industrial Investment Corporation Limited, Chennai (TIIC) and NSIC Ltd. Since inception of the scheme, 15613 units have availed subsidy of Rs.813 crore till 30.11.2011.

(c): Based on the data of Gross Domestic Product (GDP) published by Central Statistical Office (CSO), Ministry of Statistics and Programme Implementation, the contribution of Micro and Small Enterprises (MSEs) to total industrial production was estimated to be 44.86% during the year 2008-09. The estimated contribution of Micro and Small Enterprises (MSEs) in total exports of the country for the year 2007-08 (latest available), was 30.80%.

(d)&(e): Yes, Madam. Export promotion continues to be a major thrust area for Government. Ministry of MSME implements number of schemes to assist the SSI sector in increasing MSEs exports and enhancing its competitiveness in the global market. Such schemes/programmes include the scheme of reimbursement of the 75% cost (up to Rs.75,000/-) for acquiring ISO 9000/14001 certification, financial assistance for obtaining registration for bar coding of their products, training on packaging for exports, market development assistance (MDA) to enable participation in the international fairs and exhibition National Quality Awards to encourage quality standards in MSMEs, etc.