

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

UNSTARRED QUESTION NO:2338

ANSWERED ON:08.12.2011

SERVICE PROVIDER ENTERPRISES

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

- (a) Whether the Government proposes to focus on service provider enterprises in Micro, Small and Medium Enterprises (MSMEs) sector;
- (b) if so, the details thereof;
- (c) whether the Government also proposes to review policies on MSMEs; and
- (d) if so, the details thereof and the steps taken by the Government in this regard?

Answer

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

(a): The Government has provided due focus on service provider enterprises. In fact, service sector has been defined and included for the first time under the Micro, Small and Medium Enterprises Development (MSMED) Act, 2006.

(b): Service sector is equally eligible for benefits under the promotional schemes/programmes of the Ministry of MSME. Further all the provisions of MSMED Act, 2006 are also applicable to service sector.

(c)&(d): Review of policies relating to MSMEs is a continuous process. Some of the important recent policy changes effected for the sector relate to broadening of definition of manufacturing enterprises, inclusion of services under MSME fold and introduction of filing of Entrepreneurs Memorandum (EM- I and EM-II) for registration of MSMEs. The MSMED Act , 2006 also has provided for setting up of Industrial Facilitation Councils for addressing the delayed payments to Micro and Small enterprises from procurers of goods and services.