

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

UNSTARRED QUESTION NO:413  
ANSWERED ON:09.08.2012  
INNOVATION PROGRAMME  
Natarajan Shri P.R.

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

- (a) whether the Government proposes to improve competitiveness and efficiency of small and medium enterprises (SMEs) under Innovation Programme;
- (b) if so, the amount earmarked, allocated and utilized during each of the last three years and current year, State-wise;
- (c) the achievements made in this regard during the said period; and
- (d) the other steps taken by the Government to make SMEs more vibrant and competitive?

**Answer**

MINISTER OF MICRO, SMALL AND MEDIUM ENTERPRISES (SHRI VAYALAR RAVI)

(a): Yes, Madam. The Ministry of Micro, Small and Medium Enterprises (MSME) has taken initiative in consultation with National Innovation Council (NIC) to set up a dedicated fund with an initial contribution of Rs.100 crores in the name of "India Inclusive Innovation Fund" for promoting grass root innovations. It is expected that promoting innovation would also improve the competitiveness and efficiency of SMEs (Small and Medium Enterprises). The scheme is at the stage of approval.

(b): The amount allocated for "India Inclusive Innovation Fund" for the current year (2012-13) is Rs.100 Cr. The scheme did not exist for previous years.

(c): Does not arise.

(d): The National Manufacturing Competitiveness Programme (NMCP) is the nodal programme of the Government to develop global competitiveness among Indian MSMEs. An amount of Rs.500 crores approx as GOI Contribution had been allocated for NMCP during Xlth Plan. NMCP targets at enhancing the entire value chain of the MSME sector through the following schemes:

- a) Lean Manufacturing Competitiveness Scheme for MSMEs;
- b) Promotion of Information & Communication Tools (ICT) in MSME sector;
- c) Technology and Quality Up gradation Support to MSMEs;
- d) Design Clinics scheme for MSMEs;
- e) Enabling Manufacturing Sector to be Competitive through Quality Management Standards (QMS) and Quality Technology Tools (QTT);
- f) Marketing Assistance and Technology Up gradation Scheme for MSMEs;
- g) Setting up of Mini Tool Room under PPP Mode;
- h) National campaign for building awareness on Intellectual Property Rights (IPR);
- i) Support for Entrepreneurial and Managerial Development of SMEs through Incubators.

In addition, Government operates a number of schemes for the MSME sector which inter alia improve competitiveness. These schemes include Credit Guarantee Scheme, Credit Linked Capital Subsidy Scheme, Performance and Credit Rating Scheme, Cluster Development Programme, Prime Minister's Employment Generation Programme.