

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

STARRED QUESTION NO:295
ANSWERED ON:13.12.2012
PROCUREMENT OF RAW MATERIAL
Choudhary Shri Bhudeo;Singh Shri Radha Mohan

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

- (a) whether the Government facilitates the raw material requirements of the Micro, Small and Medium Enterprises (MSMEs);
- (b) if so, the details thereof indicating the number of MSMEs provided raw material procurement facilities during each of the last three years and the current year;
- (c) the quantum of short-term credit provided by the National Small Industries Corporation to MSMEs during the said period, State-wise; and
- (d) the other steps taken by the Government to promote development of MSME sector in this regard?

Answer

MINISTER OF STATE (INDEPENDENT CHARGE) FOR MICRO, SMALL AND MEDIUM ENTERPRISES (SHRI K.H. MUNIYAPPA)

(a)to(d): A statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (d) OF THE LOK SABHA STARRED QUESTION NO. 295 FOR ANSWER ON 13.12.2012.

(a)to(c): Madam, National Small Industries Corporation Limited (NSIC), a public sector undertaking under the administrative control of the Ministry of Micro, Small and Medium Enterprises facilitates raw material requirement of Micro, Small & Medium Enterprises (MSMEs) by making arrangements with bulk manufacturers for procuring the materials and supplying the same to MSMEs. NSIC also provides short term credit assistance against the security of Bank Guarantee to MSMEs for procurement of raw material. Raw material assistance to MSMEs enhances the competitive capacity of small units and helps to arrest sickness of the enterprises. State-wise details of assistance provided by NSIC to MSMEs under its raw material procurement facilities including credit, during the last three year and the current year (upto October 2012) are enclosed at Annexure.

(d): To promote and develop the MSME sector, the Government in the Ministry of MSME is implementing various schemes/programmes in the areas of credit, infrastructure development, technology upgradation, marketing assistance, enhancing competitiveness, entrepreneurial and skill development, etc. These schemes include Credit Guarantee Scheme, Credit Linked Capital Subsidy Scheme, Performance and Credit Rating Scheme, Cluster Development Programmes, Prime Minister's Employment Generation Programme (PMEGP), Assistance to Training Institution, National Manufacturing Competitiveness Programme(NMCP) and Marketing Development Assistance Scheme etc.