

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

UNSTARRED QUESTION NO:4099

ANSWERED ON:21.03.2013

GROWTH OF MSME SECTOR

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

- (a) the growth rate of Micro, Small and Medium Enterprises (MSMEs) in terms of the production, setting of new MSMEs and employment generation in the country during each of the last three years and the current year, State/UT-wise;
- (b) whether the Government proposes to provide any package to MSMEs to make them competitive in international market;
- (c) if so, the details thereof;
- (d) the share of small industries in the global market;
- (e) the growth target of small industries in the current Five Year Plan;
- (f) whether the Government has monitored the progress and latest development made in the MSMEs sector in the country; and (g) if so, the details thereof?

Answer

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

(a):The Government monitors the growth of gross output and employment in Micro, Small and Medium Enterprises (MSMEs) by conducting All India Census of the sector, periodically. The growth rates of gross output and employment, as per the latest Census (Fourth Census conducted with base reference year 2006-07), wherein data was collected till 2009 and the results published in 2011-12, as compared to Third All India Census of Small Scale Industries (SSI), State/UT-wise, are given in Annexure-I and Annexure-II respectively. Information on the setting up of the new MSMEs is compiled on the basis of number of Entrepreneurs Memorandum Part-II (EM-II) filed under Micro, Small and Medium Enterprises Development (MSMED) Act, 2006 at District Industries Centers of State / UT Commissionerates /Directorates of Industries. The growth rate of number of EM-II filed, State/UT-wise, is given in Annexure-III.

(b)&(c): There are various scheme/programmes being implemented by this ministry which among others help MSMEs to become competitive in the international market. Such schemes /programmes include Scheme of Fund for Regeneration of Traditional Industries (SFURTI); Workshed scheme for Khadi artisans ; Rejuvenation, modernization and technological up gradation of coir industry (REMOTE); Credit Guarantee Scheme ; Credit Linked Capital Subsidy Scheme(CLCSS) ; Performance and Credit Rating Scheme; Cluster Development Programme ; and National Manufacturing Competitiveness Programme (NMCP) which has 10 components. For export promotion in particular, the ministry is implementing Marketing Development Assistance Scheme as also various other export promotion schemes through its autonomous /statutory bodies, namely NSIC, KVIC and Coir Board.

(d): As per estimates based on data taken from International Trade Centre (ITC), which in turn is based on UN COMTRADE Statistics, the share of Indian MSME exports as percentage of total world exports for the same products, manufactured by Indian MSMEs was 2.46% during the year 2011.

(e):MSMEs are highly diverse in their nature of activity and operate across the non- agricultural segment of economy. Specific growth target for the sector during 12th plan are likely to be on par with that of National Economy, as these enterprises are dependent on the macro economic factors influencing the economy and industry.

(f)&(g): The Government monitors the progress of the sector with corrective actions through regular intra-Ministry and Inter-Ministry meetings and meeting with other stake-holders such as State Governments, Financial Institutions, Industry Associations, individual entrepreneurs etc. apart from undertaking periodic third party evaluation of schemes and programmes implemented by the Ministry.