

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

UNSTARRED QUESTION NO:4885
ANSWERED ON:25.04.2013
DEVELOPMENT OF MSMES
Dhruvanarayana Shri R. ;Siricilla Shri Rajaiah

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

- (a) whether the Government has monitored the progress and latest developments made in the Micro, Small and Medium Enterprises (MSMEs) sector in the country;
- (b) if so, the details thereof along with the growth rate in production, establishment of new units and the employment generated during each of the last three years and the current year, State/UT-wise;
- (c) the steps being taken to overcome the constraints impeding the growth of the MSMEs sector in terms of creations of new units, production, employment generation; and
- (d) the funds allocated and spent for this purpose to achieve higher rate of growth to promote MSMEs sector all over the country including Andhra Pradesh?

Answer

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

(a) & (b): 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. in addition to undertaking periodic third party evaluation of schemes & programmes implemented by the Ministry and conduct of All India Censuses. 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 (conducted with base reference year 2001-02) are given in Annexure-I and Annexure-II respectively. The growth rate of new units established during 2008-09 to 2011-12 as per the number of Entrepreneurs Memorandum Part-II (EM-II) indicating commencement of operation) filed under Micro, Small and Medium Enterprises Development (MSMED) Act, 2006 at District Industries Centres of State/UT Commissionerates /Directorates of Industries, State/ UT-wise, is given in Annexure-III.

(c): The steps taken by Government to overcome the constraints impeding the growth of the MSMEs Sector are:

(i) In the area of banking, the Reserve Bank of India has issued detailed guidelines to all scheduled commercial banks on lending to the MSME sector which, inter-alia, provide for a time frame for disposal of loan applications, loan limit for dispensing the collateral requirement and sub-targets for micro enterprises within the MSEs lending.

(ii) In order to provide marketing support, Government has introduced the Public Procurement Policy, 2012, in addition to implementation of the following schemes.

- a. Vendor Development Programme
- b. Marketing Assistance and Technology Upgradation
- c. Marketing Development Assistance

(iii) To address the need for enhancing the quality, the Ministry provides one time reimbursement of charges for acquiring ISO 9001/14001 certification to the extent of 75 % of the cost, subject to a maximum of Rs.75,000, in addition to providing support for adoption of latest Quality Management Standards (QMS) and Quality Technology Tools (QTT) through implementation of the scheme, 'enabling MSME Manufacturing Sector to be competitive through QMS / QTT'.

(d): The allocation for this purpose to achieve higher rate of growth to promote MSMEs Sector are made at country level including Andhra Pradesh. The details of allocation and expenditure of the Ministry, during the last two years, are given below:

(Rs.Crore)
Year Allocation (BE) Expenditure

2011-12 2700 2019.58

2012-13 2835 2235.56(P)#

#(P):-Provisional