

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

UNSTARRED QUESTION NO:661
ANSWERED ON:07.08.2013
WORKING ENVIRONMENT OF MSMES
Sugumar Shri K.

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

- (a) Whether any study has been carried out on the working environment of Micro, Small and Medium Enterprises (MSMEs) sector;
- (b) If so, the details thereof and the recommendations made therein; and
- (c) The steps taken by the Government to overcome the challenges faced by MSMEs?

Answer

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

(a) & (b): Yes, Madam. A Task Force on MSMEs was constituted under the chairmanship of Principal Secretary to the Prime Minister to look into the issues of the sector. The Task Force in its report submitted in 2010 made recommendations on policy/ programme support, institutional matters and legal/regulatory measures for the growth of MSMEs in the country. The recommendations cover the thematic areas of credit, taxation, labour issues, infrastructure/technology/skill development, marketing, rehabilitation and exit policy and special measures for North-Eastern Region and Jammu & Kashmir.

(c): The challenges faced by Micro, Small and Medium Enterprises (MSME) are credit, skill development, technological upgradation, infrastructure, marketing and institutional structure. The Government has formulated policies to enable them to face these problems. Thus, in credit, Credit Guarantee Scheme and Prime Minister's Employment Generation Programme (PMEGP); in skill development, Entrepreneurial Skill Development Programme (ESDP), Management Development Programmes (MDPs); Skill Development Programme in tool engineering and related areas; in technological upgradation, Credit Linked Capital Subsidy Scheme (CLCSS); in infrastructure, Micro and Small Enterprise Cluster Development Programme; in marketing, Procurement Preference Policy and Marketing Development Assistance (MDA); and in institutional structure, establishment of Micro and Small Enterprise Facilitation Councils in States are the major policies being implemented by the Government.