

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

UNSTARRED QUESTION NO:1110  
ANSWERED ON:02.03.2015  
PROMOTION OF MANUFACTURING SECTOR  
Dubey Shri Nishikant

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

- (a) whether the manufacturing sector still has great potential to create more jobs in the country;
- (b) if so, the details thereof;
- (c) whether the Government proposes to boost local manufacturing activities to create more jobs; and
- (d) if so, the details thereof and the steps being taken by the Government to create more job opportunities in the sector?

**Answer**

MINISTER OF STATE IN THE MINISTRY OF MICRO, SMALL AND MEDIUM ENTERPRISES (SHRI GIRIRAJ SINGH)

(a) & (b): Yes, Madam. The MSME Manufacturing sector has great potential to create more jobs in the country. As per the results of Fourth All India Census of Micro, Small & Medium Enterprises (MSME) and Economic Census 2005, the number of working enterprises (activities excluded include mainly major service activities e.g. wholesale/retail trade, legal, educational & social services, hotel & restaurants, transports and storage & warehousing (except cold storage)) in MSME sector was 361.76 lakhs in the year 2006-07 and was 467.56 lakhs in the year 2012-13 projected in Annual Report 2013-14, showing Compound Annual Growth Rate (CAGR) of 4.37% for last 6 years. The employment in MSME sector was 805.24 lakhs in the year 2006-07 and was 1061.52 lakhs (projected) in the year 2012-13 showing Compound Annual Growth Rate (CAGR) of 4.71% for last 6 years. Hence, employment in MSME manufacturing segment is growing in tandem with the growth in the number of enterprises. The growth rate of Entrepreneurship Memorandum (Part -II) (MSME) in the last three years is as follows:

| Period  | Growth Rate of EM-II<br>(MSME) |
|---------|--------------------------------|
| 2010-11 | 12.23                          |
| 2011-12 | 18.64                          |
| 2012-13 | 13.91                          |
| 2013-14 | 11.45                          |

Considering the fact that there is a steady annual growth rate of over 10% in the registration of new MSME units (mostly in manufacturing) as indicated by the growth rate of EM-II, employment is also likely to rise in the MSME manufacturing segment.

(c) & (d): The Ministry of MSME is implementing a number of schemes and programmes for the benefit of MSME Manufacturing sector across the country relating to credit, infrastructure development, technology upgradation, etc. The major schemes include Credit Guarantee Scheme, Credit Linked Capital Subsidy Scheme, Performance and Credit Rating Scheme, Cluster Development Programme, National Manufacturing Competitiveness Programme and Prime Minister's Employment Generation Programme. With greater emphasis on better implementation of these Schemes all over the country, the Government proposes to boost manufacturing activities with the objective of creating more jobs.