

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

UNSTARRED QUESTION NO:1984
ANSWERED ON:09.03.2015
MODERNISATION OF MSME UNITS
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Will the Minister of MICRO, SMALL AND MEDIUM ENTERPRISES be pleased to state:

- (a) the percentage of Micro, Small and Medium Enterprises (MSMEs) using modern technology in the country;
- (b) whether a large number of the MSMEs are not using modern technology;
- (c) if so, the details thereof and the reasons therefor along with the financial assistance provided to the said enterprises for this purpose during each of the last three years and the current year, State/UT-wise;
- (d) whether the World Bank/foreign financial agencies have provided any loans for the said purpose;
- (e) if so, the details thereof and the amount of funds utilized by the State/UTs during the said period?

Answer

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

(a) to (c) : It is generally believed that a large number of Micro, Small and Medium Enterprises (MSMEs) are using outdated technology because of lack of sufficient finance, lack of access to modern technology, absence of in-house research & development etc. The State/UT-wise details regarding the use of outdated technology is not maintained.

For upgradation of technology, this Ministry is implementing Credit Linked Capital Subsidy Scheme (CLCSS). Under CLCSS, 15% upfront subsidy (subject to maximum of Rs.15.00 lakhs) is given to micro and small enterprises for upgradation of technology. For more transparency and better implementation of CLCSS, Online Application and Tracking System was introduced for submission of applications with effect from 01.10.2013. The State/UT-wise details of subsidy released and number of units assisted under CLCSS during last 3 years and current year is given at Annexure-I.

To facilitate technology upgradation and enhance competitiveness of MSMEs, the Ministry, under the flagship scheme of National Manufacturing Competitiveness Programme (NMCP), is implementing schemes such as Lean Manufacturing Competitiveness Scheme, Design Clinic, Technology and Quality Upgradation Programme (TEQUP) and Quality Management Standards (QMS) and Quality Technology Tools (QTT). The expenditure details of these schemes during last three years and current year are given at Annexure-II.

Further, this Ministry is implementing Micro & Small Enterprises Cluster Development Programme (MSE-CDP) for promotion / development of infrastructure to develop infrastructure, improve productivity and competitiveness of MSEs by way of preparing Diagnostic Study Report, Soft Intervention, Detailed Project Report, Hard Intervention/ Common Facility Centers (CFCs) and Infrastructure Development. The State/UT-wise status of funds released under MSE-CDP in the last 3 years and current year is furnished at Annexure-III.

(d) : No, Madam.

(e) : Does not arise.