

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

UNSTARRED QUESTION NO:20
ANSWERED ON:30.11.2015
Food Products in MSME Sector
Chavan Shri Harishchandra Deoram

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

- (a) the details of the potentiality of home-made, small scale industries in the field of food processing, daily services and daily needs in the country;
- (b) the measures taken by the Government to propagate above needs through the Ministry and also to avoid big industries in this field; and
- (c) the details of big hindrances to the home-made, small scale industries and measures to come out of it?

Answer

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

(a): No scientific study has been made by the Ministry on the potentiality of home made, small scale industries in the field of food processing, daily services and daily needs in the country. However, the Ministry is promoting setting up of micro enterprises both in the manufacturing sector as well as service sector including food processing sector.

(b) & (c): Ministry of Micro, Small and Medium Enterprises is implementing schemes of Prime Minister Employment Generation Programme (PMEGP) and Scheme for Regeneration of Traditional Industries (SFURTI) for setting up of micro enterprises individually and in clusters respectively.

Micro and small enterprises face difficulty in accessing credit for setting up their industries as well as for marketing their products in the competitive environment. To address both these issues, Ministry provides assistance under PMEGP/ SFURTI to set up micro enterprises individually and for cluster formation. In order to support the micro enterprises, Ministry through KVIC provides them Marketing Assistance by organizing trade fairs, exhibitions in various parts of the country at the National, State and District level. Under International Cooperation scheme, micro & small enterprises are provided financial support upto Rs.1.25 lakh to participate in international exhibitions. The support is for reimbursement of air fare as well as stall rent.

Under SFURTI scheme, Ministry through KVIC assist formation of clusters, and assist cluster for setting up Common Facility Centres, Rawmaterial Banks, for brand building and marketing by engaging experts in the field.

Ministry has notified the Public Procurement Policy in 2012 which has become mandatory from April 2015 under which Public Sector Undertakings are mandatorily required to procure 20% of their annual procurement from MSMEs, out of which 4% has to be from MSMEs owned by SC/ST entrepreneurs.