

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

UNSTARRED QUESTION NO:3977

ANSWERED ON:27.03.2017

ZED Scheme

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

- (a) the details of the schemes launched by the Government to provide financial assistance to MSMEs during the last three years;
- (b) the objectives and parameters to provide financial assistance under Zero Defect Zero Effect (ZED) scheme; and
- (c) the number of applications received and financial assistance provided to MSMEs under the scheme during the said period, State/UT-wise?

Answer

MINISTER OF STATE IN THE MINISTRY OF
MICRO, SMALL AND MEDIUM ENTERPRISES
(SHRI HARIBHAI PARATHIBHAI CHAUDHARY)

(a): The Ministry of Micro, Small and Medium Enterprises, Government of India has launched the following new schemes (on 18th October, 2016) to provide financial assistance to Micro, Small and Medium Enterprises (MSMEs) during the last three years:

- (i) Financial Support to MSMEs in ZED Certification Scheme.
- (ii) National Schedule Caste and Schedule Tribe Hub.

(b): The Zero Defect Zero Effect (ZED) Scheme is an extensive drive of the Ministry of Micro, Small and Medium Enterprises, Government of India, to enhance global competitiveness of Micro, Small and Medium Enterprises (MSMEs) by providing them financial assistance in assessment, rating and handholding of its manufacturing processes on Quality and Environment aspects.

The scheme envisages promotion of Zero Defect and Zero Effect (ZED) manufacturing amongst micro, small and medium enterprises (MSMEs) and ZED Assessment for their certification so as to:

- â€¢ Develop an Ecosystem for Zero Defect Manufacturing in MSMEs.
- â€¢ Promote adaptation of Quality tools/systems and Energy Efficient manufacturing.
- â€¢ Enable MSMEs for manufacturing of quality products.
- â€¢ Encourage MSMEs to constantly upgrade their quality standards in products and processes.
- â€¢ Drive manufacturing with adoption of Zero Defect production processes and without impacting the environment.
- â€¢ Support 'Make in India' campaign.
- â€¢ Develop professionals in the area of ZED manufacturing and certification.

Under ZED Maturity Assessment model there are 50 parameters for ZED rating and additional 25 parameters for ZED Defence rating. The MSMEs are provided financial assistance for the activities to be carried out for ZED certification i.e., Assessment / Rating, Additional rating for Defence sector, Gap Analysis, Handholding, Consultancy for improving the rating of MSMEs by Consultants and Re-Assessment / Re-Rating.

National Schedule Caste and Schedule Tribe Hub will provide professional support to SC/ST entrepreneurs to fulfill the obligations under the Central Government Public Procurement Policy for Micro and Small Enterprises Order 2012, to adopt applicable business practices and leverages the Stand up India initiatives. The Scheme is being implemented through National Small Industries Corporation Ltd. (NSIC). The budget earmarked for the SC/ST Hub is Rs. 490.00 crore for the period from 2016-17 to 2019-20, a budget of Rs. 20.00 crore has been allocated for the scheme at Revised Estimates (RE) stage.

(c): The National Monitoring & Implementing Unit (NMIU) for ZED viz., Quality Council of India (QCI) has reported that 1960 MSMEs has been registered under the scheme. The State / UT-wise list is given at Annexure.