

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

UNSTARRED QUESTION NO:2393
ANSWERED ON:31.07.2017
ZED Scheme for MSMEs
Khairi Shri Chandrakant Bhaurao

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

- (a) whether the Government has launched a new scheme namely Zero Defect Zero Effect to provide financial assistance to Micro, Small and Medium Enterprises (MSMEs);
- (b) if so, the details thereof along with the objectives of the scheme and the parameters to provide financial assistance thereunder;
- (c) the number of applications received under the scheme and the financial assistance provided to MSMEs, MSME-wise; and
- (d) the efforts made by the Government to promote MSMEs and the results achieved in this regard so far?

Answer

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

- (a): Yes, Madam. The Government has launched a new scheme namely "Financial Support to MSMEs in ZED Certification Scheme".
- (b): The objective of the scheme for 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.

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

Under the scheme 22,222 MSMEs will be rated & certified under ZED Maturity Assessment Model, 5,000 MSMEs will be rated & certified under the ZED Defence Model, 7368 MSMEs will be supported for Gap Analysis, Handholding, Consultancy for improving their rating, etc. The total cost of the project is Rs. 491.00 crores (Government contribution Rs 365.00 crores, beneficiary MSMEs contribution Rs 126.00 crores).

(c): Quality Council of India (QCI) has been appointed as the National Monitoring & Implementing Unit (NMIU) for implementation of ZED. QCI has reported that 3217 MSMEs has been registered as on 25.07.2017 for ZED Certification. The MSME-wise details are Micro: 1332, Small: 1522 & Medium: 363 and financial assistance to MSMEs is yet to commence.

(d): The Ministry of MSME is implementing a number of schemes to promote MSMEs namely (i) Credit Guarantee Fund Scheme for Micro and Small Enterprises to facilitate collateral free credit to new and existing micro and small enterprises (MSEs); (ii) Scheme for Raw Material Assistance implemented by National Small Industries Corporation Limited under the Ministry; (iii) National Manufacturing Competitiveness Programme (NMCP) and Credit Linked Capital Subsidy Scheme implemented to facilitate upgradation of technology, improve processes and design; (iv) Management Development Training Programmes (MDPs) for enhancing managerial skills; (v) Micro and Small Enterprises-Cluster Development Programme to facilitate infrastructure upgradation and setting up of Common Facility Centres; and (vi) Marketing Development Assistance Support to MSME; (vii) Ministry of MSME has introduced online MSME Data Bank on 29.07.2016 for creating comprehensive database of MSMEs and (viii) Ministry of MSME has introduced simplified online registration "Udyog Aadhar Memorandum (UAM) for MSMEs". 33,25,159 MSMEs registered with UAM from September, 2015 till 25.07.2017.