

GOVERNMENT OF INDIA  
MINISTRY OF MICRO, SMALL AND MEDIUM ENTERPRISES

**LOK SABHA**  
**UNSTARRED QUESTION NO. 3117**  
**TO BE ANSWERED ON: 11.07.2019**

**ASSISTANCE TO MSMEs**

**3117. SHRI D.K.SURESH:**  
DR. PRITAM GOPINATHRAO MUNDE:  
SHRI VINAYAK RAUT:  
SHRI BENNY BEHANAN:  
SHRI GIRISH BHALCHANDRA BAPAT:  
DR. SHRIKANT EKNATH SHINDE:

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

- (a) whether the Micro, Small and Medium Enterprises (MSMEs) are the backbone of economic development of the country and play major role in industrialization of rural and backward areas and if so, the details thereof;
- (b) whether credit exposures to MSMEs is a major challenge and it still faces lack of credit from Banking sector and if so, the response of the Government thereon;
- (c) whether MSMEs do not have the ability or the money to develop much needed finance vertical within their organization and if so, the details thereof;
- (d) whether there is a need to offer them the right products and funding at the right time and help them grow and if so, the steps taken by the Government to assist entrepreneurs in MSME sector; and
- (e) whether the Government is taking any measures to attract more investment to set up adequate number of MSMEs with state-of-the-art technology and if so, the response of the Government in this regard?

**ANSWER**

MINISTER OF MICRO, SMALL AND MEDIUM ENTERPRISES  
(SHRI NITIN GADKARI)

(a): Yes Sir. Micro, Small and Medium Enterprises (MSMEs) play a very important role in economic growth and development of the country by fostering industrialisation and generating large employment opportunities in the country. According to Central Statistics Office (CSO), share of MSMEs in India's Gross Value Added (GVA) was 31.8 % at current prices in 2016-17 and share of MSME product in India's total export was 48.10% in 2018-19. According to NSSO (73<sup>rd</sup> round, 2015-16), MSME Sector provides employment opportunities to 11.13 crore people next largest to agriculture.

(b)to(e): The Ministry of MSME implements various schemes and programmes for providing financial assistance to MSMEs in the country. These schemes and programmes include Prime Minister's Employment Generation programme (PMEGP), Scheme of Fund for Regeneration of Traditional Industries (SFURTI), A Scheme for Promoting innovation, Rural Industry & Entrepreneurship (ASPIRE), Interest Subvention Scheme for Incremental Credit to MSMEs, Credit Guarantee Scheme for Micro and Small Enterprises (CGTMSE), Micro and Small Enterprises Cluster Development Programme (MSE-CDP), Credit Linked Capital Subsidy and Technology Upgradation Scheme (CLCS-TUS). Ministry of MSME also implements Technology Centre Systems Programme (TCSP) at an estimated cost of Rs. 2200 crore to establish 15 new Technology Centres (TCs) and to upgrade existing 18 TCs across the country. This supports MSMEs by providing skilled manpower, access to advanced technology and business advisory services. Additionally, 20 new Technology Centres and 100 Extension Centres in the Hub & Spoke model for technological upgradation would be established across the country at a cost of Rs. 6,000 Crore. This investment will provide help to MSME sector for technological upgradation and absorption.

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