

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

UNSTARRED QUESTION NO:2923

ANSWERED ON:30.07.2014

GROWTH IN MSME SECTOR

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

- (a) whether the Government has made any assessment of the growth and development of MSMEs in the country;
- (b) if so, the details and the outcome thereof;
- (c) whether the Growth rate of MSME sector has declined during the last recent years;
- (d) if so, the details thereof and the reasons therefor and the efforts being made by the Government in this regard;
- (e) whether the Government has taken/proposes to take steps to encourage MSMEs in the country especially in backward/inaccessible areas; and
- (f) if so, the details thereof and the steps taken by the Government in this regard?

**Answer**

MINISTER OF MICRO, SMALL AND MEDIUM ENTERPRISES (SHRI KALRAJ MISHRA)

(a) to (c): The Government monitors the growth in Micro, Small and Medium Enterprises (MSME) sector in the country by conducting All India Census of the sector, periodically. As per the latest Census (Fourth Census), conducted (with base reference year 2006-07), as well as data extracted from Economic Census 2005 conducted by Central Statistics Office, Ministry of Statistics & Programme Implementation, for activities excluded from Fourth Census, namely wholesale/retail trade, legal, educational & social services, hotel & restaurants, transports and storage & warehousing (except cold storage), the details of total number of MSME and the growth rate, as compared to Third All India Census of Small Scale Industries (conducted with base reference year 2001-02) are given in Annexure-I. The growth rate of new units established during 2010-11 to 2013-14, as per the number of Entrepreneurs Memorandum Part-II indicating commencement of operation (filed under Micro, Small and Medium Enterprises Development Act, 2006 at District Industries Centres of State/UTs Commissionerates/Directorates of Industries), State/ UT-wise, is given in Annexure-II.

(d): The efforts made by the Government to increase the growth of the MSME sector are:

(i) In the area of banking, the Reserve Bank of India has issued detailed guidelines to all scheduled commercial banks on lending to the MSME sector which, inter-alia, provide for a time frame for disposal of loan applications, loan limit for dispensing the collateral requirement and sub-targets for micro enterprises within the MSEs lending.

(ii) In order to provide marketing support, Government has introduced the Public Procurement Policy, 2012, in addition to implementation of the following schemes.

- a. Vendor Development Programme
- b. Marketing Assistance and Technology Upgradation
- c. Marketing Development Assistance

(iii) To address the need for enhancing the quality, the Ministry provides one time reimbursement of charges for acquiring ISO 9001/14001 certification to the extent of 75% of the cost, subject to a maximum of Rs.75,000, in addition to providing support for adoption of latest Quality Management Standards (QMS) and Quality Technology Tools (QTT) through implementation of the scheme, 'enabling MSME manufacturing sector to be competitive through QMS / QTT'.

(e) & (f): The Government strengthens and develops MSME in the country, which includes backward/inaccessible areas also, through implementation of various schemes/programmes relating to credit, infrastructure development, technology upgradation, marketing, entrepreneurship & skill development etc. The major schemes include Credit Guarantee Scheme, Credit Linked Capital Subsidy Scheme, Cluster Development Programme, National Manufacturing Competitiveness Programme, Prime Minister's Employment Generation Programme, Entrepreneurship & Skill Development Programme and Performance & Credit Rating Scheme.