

GOVERNMENT OF INDIA
MINISTRY OF MICRO, SMALL AND MEDIUM ENTERPRISES
RAJYA SABHA
QUESTION NO 07.03.2011
ANSWERED ON
PROBLEMS OF MSMEs IN NER .

1190

SHRI THOMAS SANGMA

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

- (a) whether a large number of MSMEs in the North Eastern Region (NER) are facing multi-faceted challenges compared to their counterparts in other regions of the country including acute shortage of electricity which is threatening their survival;
- (b) if so, the details thereof and upto date assessment thereof, State-wise;
- (c) whether Government proposes to address the electricity shortage faced by MSMEs; and
- (d) if so, the details of the special incentives in this regard including the development of renewable energy projects?

ANSWER

MINISTER OF MICRO, SMALL & MEDIUM ENTERPRISES (SHRI VIRBHADRA SINGH)

(a & b) Yes, Sir. Challenges are due to inadequate local demands, lack of infrastructure, (particularly connectivity through road, rail, air, water & telecommunication), shortage of power among others. This has resulted in slow development of this region.

(c & d) Government in Department of Industrial Policy and Promotion (DIPP) is implementing North East Industrial and Investment Promotion Policy (NEIIPP) under which incentives are available for power generating plants upto 10 MW based on both conventional and non-conventional sources. The Policy also provides incentives viz. Capital Investment Subsidy @ 30% of the value of plant and machinery, Central Interest Subsidy @ 3% on working capital loan, Comprehensive Insurance Subsidy, 100% excise duty exemption on finished products made in North Eastern Region and 100% income tax exemption.