

GOVERNMENT OF INDIA  
MINISTRY OF MICRO, SMALL AND MEDIUM ENTERPRISES

**LOK SABHA**  
**UNSTARRED QUESTION NO. 2524**  
**TO BE ANSWERED ON: 31.07.2017**

**IMPACT OF MNCs ON MSMEs**

2524. SHRI DILIPKUMAR MANSUKHLAL GANDHI:

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

- (a) whether the Micro, Small and Medium Enterprises (MSMEs) of the country are reportedly lagging behind due to availability of the products of multinational companies;
- (b) if so, the details thereof and the reaction of the Government thereto;
- (c) the reasons for the higher prices of domestic products in comparison to the products manufactured in China; and
- (d) the remedial measures taken by the Government to protect and promote MSMEs in the country?

**ANSWER**

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

(a) & (b): The survival and growth of Micro, Small and Medium Enterprises (MSMEs) depends on a number of factors like availability of timely credit, up-gradation of technology, infrastructure, access to market, quality of products etc. Competition from internal and external sources including competition from multinational companies is also one of the factors.

(c): The products manufactured in China are reportedly of lower price mainly because of their opaque subsidy regime and distorted factor prices.

(d): The Ministry of Micro, Small and Medium Enterprises is committed to handhold and promote MSMEs in the country through its schemes/programme which include Prime Minister's Employment Generation Programme (PMEGP), Credit Guarantee Scheme, Credit Linked Capital Subsidy Scheme (CLCSS), National Manufacturing Competitiveness Programme (NMCP), Marketing Assistance and Technology Up-gradation (MATU), International Cooperation Scheme, ZED Certification Scheme and Public Procurement Policy for Micro and Small Enterprises (MSEs) etc.

\*\*\*\*\*