

GOVERNMENT OF INDIA
MINISTRY OF MICRO, SMALL AND MEDIUM ENTERPRISES

LOK SABHA
STARRED QUESTION NO. *27
TO BE ANSWERED ON 05.02.2018

GENERATION OF JOBS IN MSME SECTOR

*27. SHRI B.V. NAIK:
DR. KIRIT SOMAIYA:

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

- (a) whether it is fact that the Micro, Small and Medium Enterprises (MSME) sector is going through a tepid phase with regard to job generation in the country;
- (b) if so, the details thereof and the reasons therefor along with the number of jobs generated in this sector during each of the last three years and the current year, State/UT-wise; and
- (c) the steps taken/proposed to be taken by the Government to encourage and generate more jobs in the MSME sector?

ANSWER

MINISTER OF STATE (INDEPENDENT CHARGE)
FOR MICRO, SMALL AND MEDIUM ENTERPRISES
(SHRI GIRIRAJ SINGH)

(a) to (c): A statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) to (c) OF THE LOK SABHA STARRED QUESTION No.*27 FOR ANSWER ON 05.02.2018

(a): No, Madam.

(b): Does not arise.

(c): Job generation in MSME sector cuts across different Ministries of the Government of India. Various Ministries are implementing Schemes leading to job creation in their respective verticals. Ministry of MSME is implementing the following Schemes for enterprise creation and job generation:

(i) **Prime Minister's Employment Generation Programme (PMEGP):** This is a credit-linked subsidy programme aimed at generating self-employment opportunities through establishment of micro-enterprises in the non-farm sector by helping traditional artisans and unemployed youth. The Scheme was launched during 2008-09. A total of 4.49 lakh micro enterprises have been assisted with a margin money subsidy of Rs 9416.02 crore providing employment to an estimated 37.57 lakh persons since PMEGP's inception till 31.12.2017.

(ii) **Scheme of Fund for Regeneration of Traditional Industries (SFURTI):** It is a cluster-based scheme for development of khadi, village industries and coir clusters by providing them with improved equipments, common facilities centers, business development services, training, capacity building and design and marketing support, etc. SFURTI Scheme has been revamped. A total assistance of Rs. 139.58 crore has been released benefitting 59,900 artisans.

(iii) **A Scheme for Promotion of Innovation, Rural Industry and Entrepreneurship (ASPIRE):** was launched on 18.3.2015 to set up a network of technology centres and to set up incubation centres to accelerate entrepreneurship and also to promote start-ups for innovation and entrepreneurship in agro-industry. Under ASPIRE, 62 Livelihood Business Incubation (LBI) centres have been approved.

(iv) **Khadi and Village Industry Commission (KVIC):** Ministry of MSME through KVIC is implementing various schemes to encourage Khadi and village industry sector. During the FY 2017-18, employment generated in the Khadi and Village Industry sector is estimated at 138.74 lakhs.

(v) **Coir Board:** Ministry of MSME through **Coir Board** is also implementing various Schemes/programmes through its field level offices to assist entrepreneurs to set up new Micro, Small and Medium Enterprises (MSMEs) in all coconut producing States. More than 7 lakh employment has been generated in the Coir Sector.

(vi) **Credit Guarantee Scheme for Micro and Small Enterprises (CGTMSE):** The scheme facilitates credit to the MSE units by covering collateral free credit facility (term loan and /or working capital) extended by eligible lending institutions to new and existing micro and small enterprises. The corpus of CGTMSE has been enhanced from **Rs. 2500 crore to 7500 crore**. The Scheme has extended guarantee cover to over 28 lakh enterprises leading to huge employment generation.

(vii) **Micro & Small Enterprises Cluster Development Programme (MSE-CDP) -** Ministry launched MSE-CDP for holistic development of selected MSEs clusters. Scheme provides for creation of tangible “assets” as Common Facility Centers (CFCs) like Common Production/Processing Centre (for balancing/correcting/improving production line that cannot be undertaken by individual units), Design Centres, Testing Facilities, Training Centre, R&D Centres, Effluent Treatment Plant, Marketing Display/Selling Centre, Common Logistics Centre, Common Raw Material Bank/Sales Depot, etc.

(viii) **MSME-Tool Rooms/Technology Development Centre (MSME-TRs/TDCs):** 18 MSME-Tool Rooms/TDCs have been setup across the country to assist enterprises in their technological upgradation by providing precision toolings, trained manpower & consultancy in the area of tool & die making etc. During FY 2017-18 upto 31.12.2017, these centres have trained 1,07,070 persons with commensurate employment generation.

(ix) **Credit linked Capital subsidy Scheme (CLCSS):** CLCSS facilitates technology upgradation of small scale industries, including agro & rural industrial units by providing 15% upfront capital subsidy (limited to maximum of Rs.15.00 lakhs). Since inception and upto 30.11.2017, a total of 48,618 units have been assisted utilizing subsidy of Rs. 2904.53 crore.
