

GOVERNMENT OF INDIA
MINISTRY OF MICRO, SMALL AND MEDIUM ENTERPRISES

LOK SABHA
UNSTARRED QUESTION NO. 224
TO BE ANSWERED ON 20.07.2023

RESERVATIONS IN MSMEs

224. SHRI S. MUNISWAMY:

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

- (a) whether the Government promote/encourage reservations to the local population of that particular State in the Micro, Small and Medium Enterprises (MSMEs) and if so, the details thereof;
- (b) whether the Government proposes an uniform policy across the country for reservations in MSMEs for local people, if so, the details thereof; and
- (c) the measures taken for implementation of the reservation for local population before commissioning of an industry?

ANSWER

MINISTER OF STATE FOR MICRO, SMALL AND MEDIUM ENTERPRISES
(SHRI BHANU PRATAP SINGH VERMA)

(a) to (c): Promotion and development of enterprises is a State subject. The Central Government supplements the efforts of the State/UT Governments through various schemes, programmes and policy initiatives for promotion and development of MSMEs across the country.

These schemes and programmes inter alia include Prime Minister's Employment Generation Programme (PMEGP), Credit Guarantee Scheme for Micro and Small Enterprises, Micro and Small Enterprises Cluster Development Programme (MSE-CDP), etc. Benefits under these schemes are available to all eligible MSMEs throughout the country.

Under the Public Procurement Policy for Micro & Small Enterprises, Ministries/ Departments/ CPSEs are mandated to procure 25% annually from Micro & Small Enterprises. Out of 25% target of annual procurement, 4% is exclusively reserved for MSEs owned by SC/ST and 3% for MSEs owned by women entrepreneurs.

Under PMEGP, special Categories including SC,ST,OBC, Minorities, Women, Ex-Servicemen, Transgenders, Differently abled, NER, Aspirational Districts, Hill and Border areas (as notified by the Government) etc. are given additional support to setup new Micro Enterprises.

The Ministry of MSME launched scheme "Promotion of MSMEs in NER and Sikkim" in the year 2016, which focuses exclusively on the development of MSMEs in the North Eastern Region and Sikkim.
