

GOVERNMENT OF INDIA
MINISTRY OF MICRO, SMALL AND MEDIUM ENTERPRISES

LOK SABHA
UNSTARRED QUESTION NO. 791
TO BE ANSWERED ON: 17.09.2020

INTERNATIONAL MSME DAY

791. SHRI C.N. ANNADURAI;
SHRI DHANUSH M. KUMAR;
SHRI SELVAM G:

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

- (a) whether the International Micro, Small and Medium Enterprises (MSME) Day was celebrated in the country recently and if so, the details and main theme thereof;
- (b) whether MSME sector lags behind the foreign counterparts due to lack of latest business skills and if so, the corrective steps taken by the Government in this regard;
- (c) whether the Government also proposed to accelerate the pending reforms in the MSME sector and if so, the details thereof ; and
- (d) the other steps taken by the Government to increase MSMEs contribution to India's GDP to over 50% from the current 29%?

ANSWER

MINISTER FOR MICRO, SMALL AND MEDIUM ENTERPRISES
(SHRI NITIN GADKARI)

(a): Micro, Small and Medium-sized Enterprises Day instituted by United Nations General Assembly is celebrated every year on June 27th. Ministry of Micro, Small and Medium Enterprises (MSME) has not organized any event to celebrate the occasion this year owing to COVID 19 pandemic and restriction imposed therein.

(b): Lack of access to latest business skills affects the capability of MSMEs to compete in the global market. In order to enhance the competitiveness and viability of MSMEs, the Ministry of MSME implements a number of schemes targeted at providing marketing assistance, credit support, skill development, technological and quality upgradation. Further, to provide skilled manpower, access to advanced technology and business advisory services for the MSME Sector, Ministry of MSME is running Technology Centres catering to MSME units across the country.

(c) & (d): The growth of micro, small and medium enterprises depends on various factors such as access to market, quality of products, availability of timely credit, upgradation of technology, etc. For capacity building of Indian MSME Sector, Government has taken several measures such as implementation of National Manufacturing Competitiveness Program, adoption of lean manufacturing practices, providing design expertise to enterprises etc. To ease the credit flow to MSMEs, Government is implementing schemes like Credit Guarantee Trust Fund for Micro and Small Enterprises (CGTMSE), Credit-Linked Capital Subsidy Scheme, and Interest subvention Scheme etc. Further, to provide marketing support to micro and small enterprises (MSEs), the Public Procurement Policy mandates 25% of annual procurement from MSEs by the Central Ministries/Departments & CPSEs including 4% from MSEs owned by SC/ST and 3% from Women owned MSEs.

Under the Atmanirbhar Bharat Abhiyan, Government of India has announced a special economic and comprehensive package of Rs.20 Lakh crore for all the sections of the society including MSMEs. As part of the stimulus package, the MSME sector has not only been given substantial allocation but has also been accorded priority in implementation of the measures to revive the economy. Announcements made under the stimulus package include Rs 20,000 subordinate Debt for stressed MSMEs; Rs 50,000 crore Equity infusion for MSMEs through Fund of Funds; Rs 3 Lakh Crore Emergency Credit Line Loan for MSMEs; No global tenders for government procurement up to Rs. 200 crores; upward revision of MSME definition.
