

GOVERNMENT OF INDIA
MINISTRY OF MICRO, SMALL AND MEDIUM ENTERPRISES

LOK SABHA
UNSTARRED QUESTION NO. 5010
TO BE ANSWERED ON 25.03.2021

PROBLEMS FACED BY MSMEs

5010. DR. ARVIND KUMAR SHARMA

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

- (a) whether many MSMEs in the country are facing financial crunch, their equipments and technologies are obsolete rendering them uncompetitive against imports as well as in foreign export markets and if so, the details thereof; and
- (b) the steps taken by the Government to address this situation and the outcome thereof ?

ANSWER

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

(a): MSMEs in general face problems such as lack of formal sources of credit, lack of access to modern technology, inadequate physical infrastructure etc. In India, as most of the MSMEs are in the informal sector, they too face similar problems which affect the competitiveness of their products in both domestic as well as international market.

(b): Ministry of Micro, Small and Medium Enterprises (MSME) implements various schemes/programmes such as credit guarantee support for collateral free / third-party guarantee-free loans to the Micro and Small enterprises (MSEs), setting up Common Facility Centre for enhancing the productivity and competitiveness as well as capacity building of Micro and Small Enterprises (MSEs) under Cluster Development Programme, enhancing the competitiveness of MSEs under Credit Linked Capital Subsidy and Technology Upgradation Scheme, developing clusters for traditional industries under Scheme of Fund for Regeneration of Traditional Industries (SFURTI), providing skilled manpower to the industry, design and manufacturing of quality tools through Tool Rooms/Technology Centres etc.
