

GOVERNMENT OF INDIA
MINISTRY OF MICRO, SMALL AND MEDIUM ENTERPRISES

LOK SABHA
UNSTARRED QUESTION NO. 631
TO BE ANSWERED ON 04.02.2021

**INCLUSION OF AGRICULTURE/TOURISM BASED INDUSTRIES
UNDER MSME SECTOR**

631. SHRI E.T.MOHAMMED BASHEER:

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

- (a) whether the Government has any proposal to include agriculture and tourism based industries under the Micro, Small and Medium Enterprises (MSME) sector and if so, the details thereof; and
- (b) the steps taken by the Government to boost the export of agriculture products?

ANSWER

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

(a): As per existing guidelines, some of the activities under agriculture are covered in the ambit of MSME sector.

The National Industrial Classification (NIC) 2-digit activity code 01- crop, animal production, hunting and related activities are not included in MSME except for the following sub-classes of activities at 5-digit level which are given below:-

NIC Code	Activity
01462	Production of eggs
01463	Operation of poultry hatcheries
01492	Bee-keeping and production of honey and beeswax
01493	Raising of silk worms, production of silk worm cocoons
01612	Operation of agricultural irrigation equipment
01620	Support activities for animal production
01631	Preparation of crops of primary market i.e. cleaning, trimming, grading disinfecting
01632	Cotton ginning, cleaning and bailing
01633	Preparation of tobacco leaves
01639	Other post-harvest crop activities, n.e.c
01640	Seed processing for propagation

Similarly, following activities are not included under MSME:-

NIC Code	Activity
02	Forestry and logging
03	Fishing and aquaculture

After the revised definition of MSME, the differentiation between manufacturing and services sector MSME have been removed. Large number of tourism units fall under MSME.

(b): Promotion of agricultural export is a continuous process. The Government has introduced a comprehensive Agriculture Export Policy 2018 to promote the agricultural export with the following vision:

“Harness export potential of Indian agriculture, through suitable policy instruments, to make India a global power in agriculture, and raise farmers’ income.”

Agriculture Export Policy (AEP) has been rolled out with the vision to harness export potential through suitable policy instruments and to make India a global power in agricultural trade. AEP focuses on cluster development, diversification of Agri export basket, boosting high value and value added Agri exports including organic products and enabling farmers to get benefit of export opportunities in overseas markets.

The Government has also brought out a new Central Sector Scheme -‘Transport and Marketing Assistance for Specified Agriculture Products’- for providing assistance for the international component of freight, to mitigate the freight disadvantage for the export of agriculture products, and marketing of agriculture products.

The Department of Commerce also has several schemes to promote exports, including export of agricultural products, viz. Trade Infrastructure for Export Scheme (TIES), Market Access Initiatives (MAI) Scheme, Merchandise Exports from India Scheme (MEIS) etc. In addition, assistance to the exports of agriculture products is also available under the Export Promotion Schemes of Agriculture & Processed Food Products Export Development Authority (APEDA), Marine Products Export Development Authority (MPEDA), Tobacco Board, Tea Board, Coffee Board, Rubber Board and Spices Board.
