

(c) what is the perspective planning for development of micro, cottage, small sector industries for the Eleventh and Twelfth Five Years Plans?

THE MINISTER OF STATE OF THE MINISTRY OF MICRO, SMALL AND MEDIUM ENTERPRISES (SHRI DINSHA J. PATEL): (a) The constraints faced by the micro and small enterprises (MSEs) in accessing the required credit facilities from institutional sources, *inter alia*, relate to elaborate procedural requirements, inadequate exposure to banks/financial institutions and collateral requirements. The Reserve Bank of India (RBI) has issued detailed guidelines to all scheduled commercial banks on lending to micro, small and medium enterprises (MSME) sector which, *inter alia*, provide for a time frame for disposal of loan application, loan limit for dispensing the collateral requirement and sub-targets for micro enterprises within the MSE lending. Further, the Government is implementing schemes like Prime Minister's Employment Generation Programme, Credit Guarantee Scheme, etc., to facilitate enhanced flow of credit to the sector, particularly the micro enterprises.

(b) While there is no alternative arrangement existing on institutional basis to meet the power requirements of MSEs across the country, MSEs are encouraged to install own diesel generator sets and use non-conventional energy sources. For the purpose, the Small Industries Development Bank of India (SIDBI) has introduced Diesel Generator (DG) Set Financing Scheme and the public sector banks provide finance for purchase of gensets on soft terms. In some States, separate feeder connections have been provided to industrial areas to reduce outages and provide more reliable power supply.

(c) The Eleventh Plan period extends from 2007-08 to 2011-12. The Plan recognises the MSE sector as an important segment of industry and emphasises on the need for meeting their credit, technology, marketing, skill development and infrastructural needs. Further, the Plan envisages increasing the production (at current price) and employment in the MSE sector from Rs.6,82,613 crore and 322.28 lakh persons in 2007-08 to Rs.13,98,803 crore and 391.73 lakh persons in the terminal year (2011-12) of the Plan period respectively.

Establishing SMEs in North Gujarat

3764. SHRI PRAVEEN RASHTRAPAL: Will the Minister of MICRO, SMALL AND MEDIUM ENTERPRISES be pleased to state:

(a) whether he is aware about scope to establish small and medium industrial units in North Gujarat *i.e.* Mehsana, Sabarkantha, Banaskantha and Patan districts of Gujarat State; and

(b) if so, what action is proposed by his Ministry to commence such units?

THE MINISTER OF STATE OF THE MINISTRY OF MICRO, SMALL AND MEDIUM ENTERPRISES (SHRI DINSHA J. PATEL): (a) and (b) In order to assess the scope and potential to establish micro, small and medium industrial units, the Micro, Small and Medium

Enterprises – Development Institutes (MSME-DIs) conduct District Industrial Potential Surveys in various districts once in five years. The potential surveys in respect of Mehsana, Sabarkantha, Banaskantha and Patan districts in Gujarat were conducted in the year 2004-05, 2005-06, 2003-04 and 2006-07, respectively. As per the surveys, these districts have scope to establish agro based, livestock based, local demand based, forest based and mineral based enterprises.

The development and promotion of Micro, Small and Medium Enterprises is primarily the responsibility of States/Union Territories. The Central Government, however, supplements the efforts of the State Government/Union Territories for development and promotion of Micro, Small and Medium Enterprises through various schemes/programmes implemented across the country including the State of Gujarat. In addition, the Government announced the ‘Package for Promotion of Micro and Small Enterprises’ on 27.02.2007, which *inter-alia*, provides for credit support, fiscal support, support for cluster based development, technology and quality upgradation, marketing entrepreneurial and managerial development, empowerment of women owned enterprises and strengthening of data base for Micro, Small and Medium Enterprises Sector.

Creation of fund for slow down hit unorganized sector

3765. SHRIMATI T. RATNA BAI: Will the Minister of MICRO, SMALL AND MEDIUM ENTERPRISES be pleased to state:

(a) whether Government has created any development bank or a fund for slowdown-hit unorganized sector which is bearing the brunt of slowdown like National Fund for the Unorganized Sector (NAFUS) to disburse credit as low as Rs. 10,000 at subsidized interest rates to small entrepreneurs, like paanwallahs, ‘kirana store owners’ or ‘dhaba owners’;

(b) if so, the details thereof; and

(c) if not, by when such fund would be created?

THE MINISTER OF STATE OF THE MINISTRY OF MICRO, SMALL AND MEDIUM ENTERPRISES (SHRI DINSHA J. PATEL): (a) to (c) A Fund for the Unorganised sector with a corpus of Rs.1,000 crore is under consideration of the Government.

Effect of economic slowdown on small scale industries

3766. SHRI RAMDAS AGARWAL: Will the Minister of MICRO, SMALL AND MEDIUM ENTERPRISES be pleased to state:

(a) how many small scale industries in the State have been affected due to economic slowdown in the country, State-wise;

(b) what steps have been taken by the State/Central Government to boost up the moral support of such affected industries; and