

**Assistance to MSMEs to compete international market**

3032. DR. K.V.P. RAMACHANDRA RAO : Will the Minister of MICRO, SMALL AND MEDIUM ENTERPRISES be pleased to state:

- (a) whether any assistance is given to MSMEs to make them competitive in the international market;
- (b) if so, the details thereof; and
- (c) the share of small industries in the global market?

THE MINISTER OF STATE OF THE MINISTRY OF MICRO, SMALL AND MEDIUM ENTERPRISES (SHRI K.H. MUNIYAPPA) : (a) Yes, Sir.

(b) The schemes launched by Ministry of MSME to provide assistance to MSMEs to make them competitive in the international market are given below:

**(1) The National Manufacturing Competitiveness Programme (NMCP)**

The National Manufacturing Competitiveness Programme (NMCP) is the nodal programme of the Government to develop global competitiveness among Indian MSMEs. An amount of Rs. 500 crores approx. as Government of India (GOI) Contribution had been allocated for NMCP during Eleventh Plan. NMCP targets at enhancing the entire value chain of the MSME sector through the following schemes:

- (i) Lean Manufacturing Competitiveness Scheme for MSMEs;
- (ii) Promotion of Information & Communication Tools (ICT) in MSME sector;
- (iii) Technology and Quality Up-gradation Support to MSMEs;
- (iv) Design Clinics scheme for MSMEs;
- (v) Enabling Manufacturing Sector to be Competitive through Quality Management Standards (QMS) and Quality Technology Tools (QTT);
- (vi) Marketing Assistance and Technology Up-gradation Scheme for MSMEs;
- (vii) Setting up of Mini Tool Room under PPP Mode;
- (viii) National campaign for building awareness on Intellectual Property Rights (IPR);
- (ix) Support for Entrepreneurial and Managerial Development of SMEs through Incubators.

**(2) Bar Code under Market Development Assistance (MDA) scheme**

There are mainly two activities under this scheme:

**(i) Bar Code** - This scheme aims to encourage Micro & Small exporters in their efforts in tapping and developing overseas market, enhance exports from Micro/Small manufacturing enterprises by popularize the adoption of Bar Coding on a large scale. For adoption of Bar Code, the Government of India provides reimbursement of 75% of one time registration fee (*w.e.f.* 1st January, 2002) and 75% of annual fees (recurring) (*w.e.f.* 1st June, 2007) paid to GS1 India (Formerly EAN India) by Micro & Small units for the first three years for bar code.

**(ii) International Trade Fair** - Under International Trade fair scheme, the Government of India provides 75% of air fare subsidy by economy class and 50% space rental subsidy for Micro & Small manufacturing enterprises of General category entrepreneurs. For Women/SC/ST Entrepreneurs and Entrepreneurs from North Eastern Region, 100% reimbursement of space rent and economy class air fare is being provided. The subsidy is restricted to Rs. 1.25 lakhs per unit.

**(3) Marketing Assistance and Technology Upgradation Scheme for MSMEs (NMCP)**

The objective of this scheme is to enhance MSME's competitiveness in the National as well as International market through various activities such as Technology Upgradation in Packaging, Skill Up-gradation/Development of Modern Market Techniques, Study of Threatened products, special components for North Eastern region (Participation of MSMEs of NER in domestic exhibitions organized in other parts of the country), New market through State/District level local exhibitions/trade fairs, Corporate Governance practices, Reimbursement to ISO-18000/22000/27000 Certification and Setting up of Marketing Hubs in the premises of selected MSME-DIs.

**(4) Cluster Development Programme**

Under the Micro & Small Enterprises - Cluster Development Programme (MSE-CDP) financial assistance is provided to Micro and Small Enterprises Clusters for various activities including marketing assistance. This include participation of entrepreneurs in clusters in one foreign fair, benchmarking support, brochure preparation, website launching etc. to help them become competitive in the international market.

**(5) Marketing Assistance Scheme of National Small Industries Corporation (NSIC)**

Marketing support is provided to MSMEs to enhance their competitiveness and marketability of their products. The assistance is provided for following activities:

- Participation in International Exhibitions/trade Fairs in foreign countries;
- Organizing “Techmart” exhibition and international level exhibitions in India which are visited by foreign delegations;
- Organizing visits of delegations abroad for promoting Indian MSMEs.

**(6) Interest Subvention Scheme of Director General of Foreign Trade (DGFT)**

- 2% Interest subvention scheme available to SMEs for exports amongst other sectors has been extended till March 31, 2014.

(c) During the calendar year 2011, the share of Indian MSME exports as a percentage of total world imports for the same products manufactured by Indian MSMEs has been provisionally estimated at 1.90%. The estimate is based on the data taken from International Trade Centre (ITC), UN COMTRADE Statistics.

**Production of MSME sector**

3033. SHRI K.N. BALAGOPAL : Will the Minister of MICRO, SMALL AND MEDIUM ENTERPRISES be pleased to state:

- (a) whether the percentage of MSME production has increased during the last ten years as compared to the total GDP;
- (b) if so, the details thereof;
- (c) whether Government has comparative statistics regarding the major developed and developing countries about the percentage of MSME production to the total GDP and total manufacturing sector and if so, the details thereof; and
- (d) what are the schemes to increase the production of MSME sector?

THE MINISTER OF STATE OF THE MINISTRY OF MICRO, SMALL AND MEDIUM ENTERPRISES (SHRI K.H. MUNIYAPPA) : (a) and (b) Information on the production of Micro, Small and Medium Enterprises (MSMEs) in the country is collected by conducting All India Census of the sector, periodically. As per the latest