

| Sl. No. | State/UT | Number of MSMEs |
|---------|-----------------------------|-----------------|
| 26. | Tripura | 2517 |
| 27. | Uttar Pradesh | 564852 |
| 28. | Uttarakhand | 12037 |
| 29. | West Bengal | 134410 |
| 30. | Andaman and Nicobar Islands | 3034 |
| 31. | Chandigarh | 3229 |
| 32. | Dadar and Nagar Haveli | 1740 |
| 33. | Daman and Diu | 994 |
| 34. | Delhi | 49599 |
| 35. | Lakshadweep | 42 |
| 36. | Puducherry | 4134 |
| TOTAL | | 4387867 |

Latest and innovative technology for MSME sector

396. DR. R. LAKSHMANAN: Will the Minister of MICRO, SMALL AND MEDIUM ENTERPRISES be pleased to state:

(a) whether Government has taken any initiative to provide access to latest and innovative technology for Micro, Small and Medium Enterprises (MSMEs) sector to enhance the competence of entrepreneurs/enterprises engaged in this sector;

(b) if so, the details thereof; and

(c) if not, the reasons therefor?

THE MINISTER OF STATE OF THE MINISTRY OF MICRO, SMALL AND MEDIUM ENTERPRISES (SHRI GIRIRAJ SINGH): (a) and (b) Ministry of Micro, Small and Medium Enterprises (MSME) implements various schemes and programmes to provide access to latest and innovative technology to Micro, Small and Medium Enterprises (MSME) sector to enhance the competence of these enterprises. These schemes include Credit Linked Capital Subsidy Scheme (CLCSS), National Manufacturing Competitiveness Programme (NMCP), Micro and Small Enterprise - Cluster Development Programme (MSE-CDP), MSME Technology (MSME-TCs), Technology Centre Systems

Programme (TCSP) to provide latest and innovative technological support to MSME sector along with trained manpower.

- (c) Does not arise.

Working capital under Interest Subsidy Eligibility by KVIC

397. KUMARI SELJA: Will the Minister of MICRO, SMALL AND MEDIUM ENTERPRISES be pleased to state:

(a) where the assessment of working capital under Interest Subsidy Eligibility by Khadi Village Industries Commission (KVIC) differs from the assessment of working capital made by banks, if so, how this will be resolved;

(b) whether any of the above differences have been on account of different working cycle or Debt Equity Ratio used by the KVIC and banks in working capital formula under Interest Subsidy Eligibility Certificates Scheme; and

(c) the number and details of the cases which have been taken up with Indian Banks Association or Reserve Bank of India for reconciliation of differences?

THE MINISTER OF STATE OF THE MINISTRY OF MICRO, SMALL AND MEDIUM ENTERPRISES (SHRI GIRIRAJ SINGH): (a) Yes Sir, assessment of working capital under Interest Subsidy Eligibility by Khadi Village Industries Commission (KVIC) differs from the assessment of working capital made by Banks.

Office of Chief Adviser (Cost), Department of Expenditure, Ministry of Finance has conducted a study on Working Capital formula under ISEC Scheme of KVIC and it was observed that, as per the Kalia Committee report of 1994, *inter-alia* stated that the KVIC and banks are following different methods of assessing the working capital requirements of the Khadi Institutions. The method adopted by the KVIC was time tested and also appropriate for the purpose. The method adopted by the banks was also based on the RBI instructions.

In view of the above, Kalia Committee did not suggest any change in the methodology of assessment of working capital. Instead it recommended that, "In case of KVIC's assessment of working capital exceed the banks assessment by more than 10%, the quantum of working capital may be arrived by the mutual dialogue between the institutions/KVIC and the financing banks". The State/Divisional Directors of KVIC are making mutual dialogue with the bankers in order to sanction the required quantum of working capital under ISEC scheme to Khadi Institutions.