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## Guj lures foreign SMEs to state



Around 200 SME units from Korea and 75 from Japan have been roped in to set up units in India

dna correspondent @dnaahmedabad

Ahmedabad: In order to boost small industries, the Small and Medium Business Development Chamber of India is planning to rope in small enterprises of foreign countries in the Special Economic Zones (SEZs) of Gujarat.

Enlarge Image

The SME chamber has tied up with organisations and governments of Japan, Korea, China and other countries in this regard. “We will help in bringing SME units from the above-mentioned countries in Gujarat SEZs. We are trying to bring in SMEs that buy products from our companies and provide more employment to local people,” said Chandrakanat Salunkhe, president of Small and Medium Business Development Chamber of India, while speaking to the media on the sidelines of SME Manufactures and Exporters Summit here on Friday.

Salunkhe also said that around 200 SME units from Korea and 75 from Japan have been roped in to set up their units in different parts of India.

These units will initially invest around Rs50 crore to Rs75 crore but the chamber is also looking for SMEs that can invest around Rs150 crore, he added. According to president of SME chamber of India, majority of the SMEs from abroad are interested in sectors like automotive, plastics and pharmaceutical.

The chamber also believes that the main reason for SMEs turning into non-profit asset (NPA) is that large corporates and public sector undertaking (PSUs) delay in making payments.

The chamber has also identified lack of finance and awareness about export as major hurdles in the growth of SME sector.

The sector is facing problems like non-availability of finance, lack of awareness about exports, market development and skilled manpower.

“Around 60% of dues of SMEs are lying with big corporates and PSUs, while 20% each with SMEs and exports. As big corporates and PSUs delay the payment cycle, many SMEs turn into NPA,” said Salunkhe.

The chamber has more than around 40,000 members across India of which around 6,000 are from Gujarat.

Chief commissioner of Customs, Ahmedabad, Rakesh Mishra, regional director of RBI at Ahmedabad Prakash Chandra Sahoo and zonal development commissioner of Gujarat SEZs VN Shewale were among the kespeakers at the annualconference.

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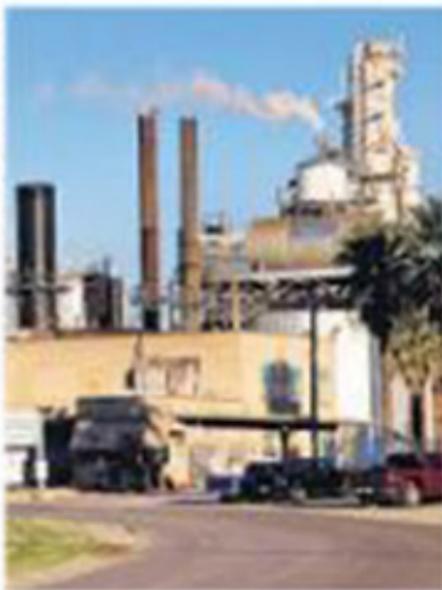
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