

Anil Gupta
President

6A/ 8397
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Dear Rahul Gandhi ji,

At the outset I congratulate you for your mission to motivate youths in our country to join principled politics and to contribute in achieving the status of a developed Nation as early as possible. Your untiring efforts have started showing good results and I am sure that in times to come our great Nation will get energetic and great leaders under your able guidance.

I am writing this letter to you for another noble cause wherein I feel your leadership can bring another revolution. I am talking about recognition and promotion of an important sector of our economy ie. Micro, Small and Medium Enterprises (MSME) Sector. MSME in India is providing employment to 6.36 Crore people. 2.6 crore MSME are operating in India. If we take an average family size of 4 persons, this sector is feeding more than 35 crore of India's population. MSME contributes 45% of total manufacturing and 40% of total exports hence acts as an important growth engine of our economy. The Labour and Capital ratio in MSME's is much higher than in Large Scale Industries. In view of these factors MSMEs are important for achieving national objectives of growth with equity and inclusion.

Indian Industries Association (IIA) an apex body representing MSMEs have been working tirelessly for the promotion and growth of this sector for 25 years. During this long journey of 25 years we found that though contribution of MSME Sector is comparable to agriculture sector yet it has not been treated equally. Like a Farmer, Small Scale Entrepreneur is also one man army looking into all aspects of the industry. Though the present NPA Government under the able leadership of Hon'ble Dr. Manmohan Singh have tried to look into the issues concerning MSME Sector through a Task Force of which I am also a member yet much more is left out to be done.

I am highlighting few vital issues as under which I feel can be sorted out with your dynamic leadership in the overall interest of this important sector in particular and society at large:-

1. The Small Scale Entrepreneur is loaded with too many Acts and Laws (More than 35 as on date) which runs into several thousand pages. Small Scale Entrepreneur is not able to afford experts in all fields and it is practically impossible for him to interpret and implement all these laws single handedly. As a result the entrepreneur is exploited by inspectors and spends lot of his valuable time in handling litigations. IIA have been highlighting this issue at various forums for along time now. In spite of realizing the problem, Government has failed to come out with a solution. The young generation is hardly attracted to venture into this sector mainly because of the hardships being faced by the existing entrepreneurs. If these hardships/litigations are eased out, the entrepreneur will be able to utilize his time for more

productive activities and we can attract large number of youths to this sector. I have a solution to share with you for this problem.

2. "Out of the 6.36 Crore employees of MSME Sector only 6% i.e about 36 lakh employees are covered under ESI Act, PF Act, Gratuity Act and Bonus Act. Remaining 6 Crore employees do not have any Social Security cover. We have an idea for this issue which can be implemented with your involvement and will ultimately benefit the MSME as well as Government apart from serving a great social cause.

3. Government is fighting hard with the problem of un-employment. A massive employment programme i.e MNREGA gives employment guarantee for 100 days only in a year. But this programme is implemented in Rural Areas only where the workers hardly learn any skill and is unemployed for 265 days in a year. We have a proposal through which these workers can get employment for whole year without any burden on the Govt. exchequer. I would like to share this proposal with you which can also be implemented effectively with your intervention.

Apart from the above there are other issues of National importance which I would like to share with you alongwith a delegation of our association.

I therefore seek an appointment with you for 30 minutes during your visit to Sultanpur U.P.

With warm regards

Anil Gupta

Shri Rahul Gandhi
General Secretary
Indian National Congress
&
Hon'ble Member Parliament