

**GOVERNMENT OF INDIA
MICRO, SMALL AND MEDIUM ENTERPRISES
LOK SABHA**

UNSTARRED QUESTION NO:4375
ANSWERED ON:04.08.2009
REVIVAL OF MSME
Pradhan Shri Nityananda

Will the Minister of MICRO, SMALL AND MEDIUM ENTERPRISES be pleased to state:

- (a) whether any survey has been conducted to determine the number of functional and sick small and medium industrial units in the country;
- (b) if so, the details thereof, State-wise;
- (c) whether the small industrial sector has registered a decline during the last three years;
- (d) if so, the details thereof and the reasons therefor; and
- (e) the remedial measures taken for the revival and growth of the sector?

Answer

MINISTER OF STATE (INDEPENDENT CHARGE), MINISTRY OF MICRO, SMALL AND MEDIUM ENTERPRISES (SHRI DINSHA PATEL)

(a) & (b): Ministry of MSME is conducting quinquennial survey for collection of data on Micro, Small & Medium Enterprises (MSMEs) sector on various parameters including functional MSMEs, production, employment etc. The total number of micro and small enterprises (MSEs) in the country as on 31st March, 2007 (latest available) is estimated to be 1,28,46,365. Since the medium enterprises were for the first time defined under the Micro, Small and Medium Enterprise Development Act, 2006 which came into force from 2nd October, 2006, information on the number of functional medium enterprises is not available. Data on sickness for the MSME sector is compiled by Reserve Bank of India on annual basis. The number of sick MSMEs in the country as at the end of March 2008 is 99,941. The State/UT-wise details on total number of MSEs and the number of sick MSMEs are given at Annexure.

(c) to (e): There has been significant increase in growth in production in MSE sector during 2004-05 to 2006-07 (latest available). The growth rates were 10.88%, 12.32% and 12.60% respectively for the years 2004-05, 2005-06 and 2006-07. To facilitate the promotion and development of micro and small enterprises (MSEs) and to enhance their competitiveness, the Government is implementing various schemes/programmes relating to credit, infrastructural development, technology upgradation, marketing, entrepreneurial development etc., for assisting MSE sector in meeting the challenges. Some of the major schemes/programmes being implemented are Credit Guarantee Scheme, Credit Linked Capital Subsidy Scheme, Performance and Credit Rating Scheme, Cluster Development Programme, National Manufacturing Competitiveness Programme (NMCP), Prime Minister's Employment Generation Programme and Market Development Assistance Scheme. Further the Government has enacted the Micro, Small and Medium Enterprises Development Act, 2006 which has come into force from 2nd October 2006.