

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

UNSTARRED QUESTION NO:2053

ANSWERED ON:23.08.2012

CLOSED MSMES

Azad Shri Kirti (Jha);Hussain Shri Syed Shah Nawaz;Singh Shri Pradeep Kumar

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

- (a) the number of Micro, Small and Medium Enterprises (MSMEs) set up and closed during the last three years and the current year, year-wise, category-wise and State-wise;
- (b) the number of persons rendered unemployed due to closure of the said enterprises during the period, State-wise;
- (c) the details of the financial assistance extended by the Government for the revival of enterprises closed MSMEs, State-wise;
- (d) the success achieved so far as a result of such assistance;
- (e) whether the job opportunities in Micro, Small and Medium Enterprises (MSMEs) has gone up in the country during the last three years; and
- (f) if so, the details thereof, State-wise?

**Answer**

MINISTER OF MICRO, SMALL AND MEDIUM ENTERPRISES (SHRI VAYALAR RAVI)

(a): The number of Micro, Small and Medium Enterprises (MSMEs) set up, as per information obtained from State/UT Commissionerates /Directorates of Industries on number of Entrepreneurs Memorandum (Part-II) filed under Micro, Small and Medium Enterprises Development Act 2006, for the last three years, category-wise and State-wise is given in Annexure-I. Information on closure among MSMEs is obtained through conduct of All India Census of MSMEs in registered sector only. As per the Fourth All India Census of Micro, Small and Medium Enterprises (MSMEs) with reference year 2006-07, data for which was collected till 2009 and results published in 2011, the number of closed MSMEs in registered sector is given in Annexure-II.

(b): The number of persons rendered unemployed due to the closure, State-wise data is not maintained centrally. However, as per the Fourth All India Census of Micro, Small and Medium Enterprises (2006-2007), data for which was collected till 2009 and results published in 2011-12, the number of persons employed is 805.24 lakhs which grew by 69.04% as compared to Third All India Census of Small Scale Industries (2001-02), indicating no net loss of employment.

(c)&(d): The Ministry of Micro, Small and Medium Enterprises does not provide any direct financial assistance for rehabilitation of closed Micro and Small Enterprises (MSEs). However, financial assistance, by way of debt restructuring, including fresh loans for rehabilitation of MSEs is provided by primary lending institutions, including commercial banks, which provide credit to the MSEs. Reserve Bank of India has issued following guidelines/instructions to banks in this respect:

- (i) Rehabilitation of Sick MSEs (January 2002);
- (ii) Debt restructuring mechanism relating to viability criteria, prudential norms for restructured accounts, provision of additional finance and time frame for restructuring package (September 2005); and
- (iii) Restructuring/Rehabilitation policy with non-discretionary one-time settlement scheme for MSE Sector (May 2009).

(e)&(f): The job opportunities in MSMEs have increased during last three years, as seen from the increasing number of the enterprises which file Entrepreneurs Memorandum (Part-II) as given in the Statement in Annexure-I.