

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

UNSTARRED QUESTION NO:1743

ANSWERED ON:07.03.2013

CLOSED MSME .

Badal Harsimrat Kaur;Hussain Shri Syed Shahnawaz

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

- (a) the number of new Micro, Small and Medium Enterprises (MSMEs) established during each of the last three years and the current year in the country, State/ UT-wise;
- (b) the number of MSMEs closed during the said period, State/UT-wise;
- (c) the total number of registered and unregistered MSMEs functioning in the country and the number of direct/indirect employment generated by them, State/UT-wise;
- (d) whether the Government has made any estimate of the persons rendered unemployed due to closure of MSMEs;
- (e) if so, the details thereof during the said period, State/UT-wise; and
- (f) the policy of the Government for growth of MSMEs Sector?

Answer

MINISTER OF STATE (INDEPENDENT CHARGE) FOR MICRO, SMALL AND MEDIUM ENTERPRISES (SHRI K.H. MUNIYAPPA)

(a):The number of new Micro, Small and Medium Enterprises (MSMEs) established during each of the last three years and current year in the country, State/UT-wise, 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 (MSMED) Act, 2006 is given in Annexure-I.

(b): Information on closure of MSMEs is obtained through conduct of All India Census of MSMEs in registered sector only. The number of closed MSMEs in registered sector, State/ UT-wise, as per the latest Census (Fourth Census) conducted (with base reference year 2006-07), wherein the data was collected till 2009 and results published in 2011-12, are given in Annexure-II.

(c): Information on the total number of registered and unregistered MSMEs functioning in the country and employment in these MSMEs, State/UT-wise, as per Fourth Census and Economic Census 2005, conducted by Central Statistics Office, Ministry of Statistics & Programme Implementation for activities excluded from Fourth Census, namely wholesale/ retail trade, legal, educational & social services, hotel & restaurants, transports and storage & warehousing (except cold storage) are given in Annexure-III.

(d): No, Madam.

(e): Does not arise.

(f):The Policy of the Government for the growth of the MSMEs Sector is through promotion and development of MSMEs. The thrust and priority is focused on enhancing the competitiveness of MSMEs. In this direction, the Government has enacted the MSMED Act, 2006, which has come into force with effect from 2nd October 2006. The Act, inter alia, provides the first ever legal framework for recognition of the concept of "enterprises" (comprising both manufacturing and services). Apart from clear and more progressive classification of each category of enterprises, the Act provides for a statutory consultative mechanism at the national level with wide representation of all sections of stakeholders, particularly three classes of enterprises, and with a wide range of advisory functions. Notification of schemes/programmes for this purpose, progressive credit policies and practices, preference in Government procurements to products and services of the micro and small enterprises and more effective mechanisms for mitigating the problems of delayed payments to micro and small enterprises among others have been provided in this Act.