

The Ministry came into existence in its present form following the enactment of the Micro, Small and Medium Enterprises Development (MSMED), Act 2006, which, was one of the first blueprints of the Government to develop the MSME sector.

The implementation of the National Manufacturing Competitiveness Programme (NMCP), with its ten components, which commenced in 2006, was a blueprint for increasing competitiveness in the MSME sector.

The report of the Prime Minister's Task Force on MSMEs in 2010, drafted by Ministry of MSME focussed on several areas to remove bottle necks for MSMEs. It addressed (a) credit (b) marketing (c) labour (d) rehabilitation and exit policy (e) infrastructure - technology - skill development and (f) taxation. This is the blueprint for development of MSMEs.

The Public Procurement Policy, notified in 2012 is a blueprint for providing marketing support to micro and small enterprises (MSEs) by making it obligatory on Central Ministries / Departments / Central Public Sector Undertakings to procure minimum 20% of their annual requirements from MSEs.

In 2013, the Ministry has submitted a report on the recommendations of the Inter Ministerial Committee (IMC) on accelerating manufacturing in the MSME sector.

The inputs from the above reports and reports made by other Ministries together with the programme of plan outlays presently being implemented by the Ministry of MSME constitute the main blueprint for fostering development of the MSME sector.

#### **Closure of MSME units**

2588. Dr. K.V.P. RAMACHANDRA RAO: Will the Minister of MICRO, SMALL AND MEDIUM ENTERPRISES be pleased to state:

- (a) the number of Micro, Small and Medium Enterprises (MSME) units closed down/turned into sick units;
- (b) what are the factors contributing to the sickness;
- (c) the steps taken or being taken to revive them; and
- (d) the number of units revived during the last three years?

THE MINISTER OF STATE OF THE MINISTRY OF MICRO, SMALL AND MEDIUM ENTERPRISES (SHRI K.H. MUNIYAPPA): (a) and (b) Information on the number of closed Micro, Small and Medium Enterprises (MSMEs) in the country is collected by conducting All India Census of Registered Sector periodically. As per latest Census (Fourth Census) conducted (with base reference year 2006-07), wherein the data was collected till 2009 and result published in 2011-12, number of closed MSMEs in various States is given in Statement (*See below*). The main factors for sickness are inadequate and delayed credit, obsolete technology, marketing problems, infrastructural constraints, managerial deficiencies, etc. As per provisional data compiled by the Reserve Bank of India (RBI) the number of sick MSMEs in March, 2013 was 2,48,890.

(c) The revised guidelines for rehabilitation of sick Micro and Small Enterprises (MSEs) issued on 1st November, 2012 by RBI, *inter alia*, provide for:

- i. Early detection of sickness;
- ii. A viability study to form the basis of rehabilitation package to potentially viable sick MSEs; and
- iii. A non-discretionary one time settlement (OTS) scheme for the MSE sector.

Further, Small Industries Development Bank of India has also introduced "Management / Restructuring of Stressed Assets and Rehabilitation Scheme for MSMEs". The Scheme provides for relief and concessions (in the form of re-schedulement, reduction in rate of interest, funding of overdue / future interest and waiver etc.) as well as need based additional financial assistance for revival of MSME sick units.

(d) As per data provided by RBI, the number of viable sick MSEs under nursing for the last three years was as under:

As at the end of March	Number of viable sick MSEs under nursing
2011	4,698
2012	6,648
2013 (Provisional)	4,460

**Statement**

*State-wise distribution of Closed Enterprises in  
Registered sector as on 31.03.2007*

Sl. No.	State/UT	Closed
1	2	3
1	Jammu and Kashmir	1831
2	Himachal Pradesh	4034
3	Punjab	24553
4	Chandigarh	559
5	Uttarakhand	8219
6	Haryana	10973
7	Delhi	0
8	Rajasthan	17342
9	Uttar Pradesh	80616
10	Bihar	16344
11	Sikkim	86
12	Arunachal Pradesh	167
13	Nagaland	2395
14	Manipur	929
15	Mizoram	669
16	Tripura	424
17	Meghalaya	665
18	Assam	6266
19	West Bengal	10708
20	Jharkhand	3712
21	Odisha	5744
22	Chhattisgarh	15485

1	2	3
23	Madhya Pradesh	36502
24	Gujarat	34945
25	Daman and Diu	24
26	Dadra and Nagar Haveli	0
27	Maharashtra	41856
28	Andhra Pradesh	2250
29	Karnataka	47581
30	Goa	2754
31	Lakshadweep	0
32	Kerala	34903
33	Tamil Nadu	82966
34	Puducherry	711
35	Andaman and Nicobar Islands	142
ALL INDIA		4,96,355

**Devolution of fund/functions to Panchayati Raj Institutions**

2589. SHRI MANI SHANKAR AIYAR: Will the Minister of MICRO, SMALL AND MEDIUM ENTERPRISES be pleased to state:

(a) whether the Ministry is preparing Activity Maps for the devolution of Functions, funds and Finances to the Panchayati Raj Institutions;

(b) if so, the schemes and programmes of the Ministry which are being covered and which are not, and the reasons therefor; and

(c) the deadline(s) set by the Ministry for the completion of Activity Mapping for the first set of schemes and subsequent schemes and programmes?

THE MINISTER OF STATE OF THE MINISTRY OF MICRO, SMALL AND MEDIUM ENTERPRISES (SHRI K.H. MUNIYAPPA): (a) and (b) As per the report of Expert Committee constituted by the Ministry of Panchayati Raj, the preparation of model Activity maps for Centrally Sponsored Schemes is to ensure role clarity