

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE AND INDUSTRY (SHRIMATI NIRMALA SITHARAMAN): (a) During last two years the number of registrations for new companies was more in the manufacturing sector as compared to the trading sector. The details are given below in the table:—

Year	Number of companies registered during the year	
	Manufacturing	Trading
2015-16	10,542	8067
2014-15	8790	6436

Source: Ministry of Corporate Affairs (Annual Reports)

(b) and (c) For incentivizing domestic production and to promote 'Make in India', changes in Customs and Central Excise duties in respect of certain items are proposed in the Annual Budget 2017-18. In addition to this, the Government has taken a number of measures to promote domestic manufacturing in the country. This, *inter alia*, include launch of 'Make in India' initiative in 2014, simplification and rationalization of the Foreign Direct Investment (FDI) Policy, building of industrial corridors, taking proactive steps to ease doing business environment in the country. Further, the Government also proactively identifies and addresses instances of inverted duty structure, in consultation with industry, in such cases where the import duty on finished products are lower than that of the inputs for the finished products. Such correction of duty inversion provides level playing field to the domestic industries by encouraging domestic value addition and discouraging imports of such final products.

Incentives for revival of sick or closed manufacturing units

1446. SHRI SAMBHAJI CHHATRAPATI: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether Government is aware that a large number of manufacturing units in the country have either shut down in recent past or on way to closure because of high production cost and variety of taxes in comparison to import of similar goods;

(b) what concrete policy Government is planning to introduce to promote domestic production of goods and bring curbs on import of goods which could be manufactured indigenously; and

(c) if so, the details on (a) and (b) above?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE AND INDUSTRY (SHRIMATI NIRMALA SITHARAMAN): (a) to (c) The main reasons

for sickness in Micro Small and Medium Enterprises (MSME) Sector are inadequate and delayed credit, obsolete technology, marketing problems, infrastructural constraints, managerial deficiencies, etc. To address the issue of sickness in MSME Sector RBI has issued a circular on 'Framework for Revival and Rehabilitation of Micro, Small and Medium Enterprises' to all Scheduled Commercial Banks on March 17, 2016. In addition, to operationalise the framework, RBI instructed all Scheduled Commercial Banks (excluding Regional Rural Banks) to put in place Board Approved Policy by June 30, 2016 to address the stress in the accounts of MSMEs. The number of sick MSEs, potentially viable enterprises and the enterprises under nursing with the amounts outstanding against them from March 2005 to 2016 is given in the Statement (*See* below).

Government has taken a number of measures to promote domestic manufacturing in the country. This *inter alia*, includes announcement of the National Manufacturing Policy, launch of Make in India initiative, simplification and rationalisation of Foreign Direct Investment (FDI) Policy, implementation of industrial corridors and taking of proactive steps for ease of doing business environment in the country. Government also proactively identifies and address instances of inverted duty structure so as to provide level playing field to the domestic industries by encouraging domestic value addition and discouraging import of such final products.

So far as MSME Sector is concerned, Small Industries Development Bank of India (SIDBI) has initiated a number of measures in order to promote domestic production. These include SIDBI Make in India Soft Loan Fund for MSME (SMILE), web portal 'www.sidbistartupmitra.in' to promote the start-up eco-system in the country, establishment of a Fund of Funds with a total corpus of ₹ 10,000 crore to provide funding support to Startups, Risk Capital Assistance to MSMEs, MUDRA Loans (upto ₹ 10 lakh), Stand-up India Loan for SCs/STs and Women (₹ 10 lakh to ₹ 100 lakh) and SME Loans (presently upto ₹ 100 lakh), Credit Guarantee Scheme for MSEs for availing credit without collateral security.

In addition, certain categories of supply by local manufacturers to notified categories within India is eligible for deemed export benefits and duty exemption/remission under Advance Authorisation (for procuring raw material) and Export Promotion Capital Goods (EPCG) Authorisation (for procuring capital goods). EPCG Authorisation holders, while procuring capital goods from domestic manufacturers are given concessions of 25% reduction in export obligation. The Terminal Excise Duty (TED) on these categories of supplies is refunded.

Statement

The number of sick MSEs, potentially viable enterprises and the enterprises under nursing with the amounts outstanding against them from March 2005 to 2016.

(Amount in ₹ crore)

As at end of March	Total sick MSEs		Potentially viable		Viable enterprises under nursing	
	Number	Amount O/s	Number	Amount O/s	Number	Amount O/s
2005	138041	5380.13	3922	434.67	2080	259.93
2006	126824	4981.13	4594	498.16	915	233.77
2007	114132	5266.65	4287	427.46	588	268.93
2008	85187	3082.72	4210	246.88	1262	126.92
2009	103996	3619.90	8168	731.68	2330	424.26
2010	77723	5233.15	9160	964.75	2360	478.84
2011	90141	5211.25	7118	1112.98	4698	518.30
2012	85591	6790.25	10315	1721.19	6648	468.25
2013	220492	12442.22	12936	3932.35	4489	3053.64
2014	465492	26310.81	37578	4659.74	15810	3516.63
2015	465226	23203.69	45604	6408.07	22185	4736.52
2016	480280	32674.42	46251	6890.61	23504	4644.09

Source: RBI

Special Economic Zones

†1447. SHRI PARVEZ HASHMI: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) the States where Special Economic Zones (SEZs) have been created, State-wise details thereof;

(b) the steps taken by Central and State Governments to implement the proposed schemes under Special Economic Zones, the details thereof; and

(c) the States where development work under Special Economic Zones has not started yet, the details thereof?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE AND INDUSTRY (SHRIMAT NIRMALA SITHARAMAN): (a) In addition to Seven Central Government Special Economic Zones (SEZs) and 11 State/Private Sector SEZs set-up

† Original notice of the question was received in Hindi.