

Panel to study problems of MSMEs

604. SHRI DEVENDER GOUD T.: Will the Minister of MICRO, SMALL AND MEDIUM ENTERPRISES be pleased to state:

(a) whether it is a fact that nearly five lakh MSMEs have been closed down in various States of the country and nearly 2500 have been closed down in Andhra Pradesh and Telangana;

(b) if so, the reasons for such closure and how Ministry is addressing the reasons for closure and helping them to revive;

(c) why no specific panel was set up to study the problem being faced by MSMEs in the country; and

(d) whether there is any proposal to set up one such panel to study MSME problems and, if not, the reasons therefor?

THE MINISTER OF STATE OF THE MINISTRY OF MICRO, SMALL AND MEDIUM ENTERPRISES (SHRI GIRIRAJ SINGH): (a) As per the provisional data received from the Reserve Bank of India (RBI), the number of sick Micro, Small and Medium Enterprises (MSMEs) in March, 2016 was 4,86,291 in the entire country. Out of these 11,476 and 7,847 MSMEs were in Andhra Pradesh and Telangana, respectively.

(b) As per the fourth All India Census of MSMEs, the main reasons for closure/sickness of MSMEs are stated to be lack of demand, shortage of working capital, non availability of raw materials, power shortage, marketing problems, labour problems, management problems, equipment problems etc.

A framework for revival and rehabilitation of the MSME units has been put in place under the Micro, Small and Medium Enterprises Development Act, 2006.

(c) A Committee was set up to study the problems faced by MSMEs and to suggest a policy framework for the MSME sector. The Committee has submitted its report in January, 2017.

(d) Does not apply in view of (c) above.

MSME projects in Andhra Pradesh

605. SHRI T. G. VENKATESH: Will the Minister of MICRO, SMALL AND MEDIUM ENTERPRISES be pleased to state:

(a) whether the Ministry is committed to encourage development of MSME projects in the country, if so, the details thereof;