

GOVERNMENT OF INDIA
MINISTRY OF MICRO, SMALL AND MEDIUM ENTERPRISES

LOK SABHA
UNSTARRED QUESTION No. 5448
TO BE ANSWERED ON 25.07.2019

CLOSURE OF MSMEs

5448. SHRI SUBBARAYAN K.:
SHRIMATI KANIMOZHI KARUNANIDHI:

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

- (a) the number of Micro, Small and Medium Enterprises (MSMEs) registered between 2004 and 2014 and between 2014 and 2019;
- (b) the MSMEs closed during the period from 2010 to 2019 in the country and the number of MSMEs closed in Tamil Nadu between 2016-17 to 2017-18;
- (c) the number of MSMEs closed between 2014 and 2019;
- (d) the reasons for such decrease in number of MSMEs units and whether the Government has taken any steps to revive the MSMEs sector, particularly in Tamil Nadu and if so, the details thereof;
- (e) the details of credit provided to MSMEs through the banks and NBFCs during the last three years; and
- (f) whether the Government proposes to facilitate hassle free credit facility to MSMEs through banks and if so, the details thereof?

ANSWER

MINISTER OF MICRO, SMALL AND MEDIUM ENTERPRISES
(SHRI NITIN GADKARI)

(a): As per the Fourth All India Census of Micro, Small and Medium Enterprises (MSMEs) 2006-2007, the number of working MSMEs in registered sector were 15.64 lakhs.

The number of MSMEs which filed Entrepreneur Memorandum Part-II (EM-II) during the period 2007-08 to 2014-15 was 21.96 lakh.

As on 22.07.2019, the number of MSMEs registered on Udyog Aadhaar Portal after September, 2015 in the country is 71.60 lakhs.

(b) & (c): As per the information received from the Reserve Bank of India (RBI), the number of sick MSME accounts in the country and Tamil Nadu as on March 31, 2016 was 486291 and 4877 respectively. The number of stressed accounts referred to the Corrective Action Plan Committees during the half year ended March 31, 2017; September 30, 2017; March 31, 2018 and September 30, 2018 are 100803, 87062, 130208 and 150165 respectively.

(d): The reasons for sickness of MSMEs include lack of access to market, shortage of working capital, non-availability of raw material, power shortage, labour problems, obsolete technology and lack of managerial skills.

The Reserve Bank of India (RBI) has issued a 'Framework for Revival and Rehabilitation of Micro, Small & Medium Enterprises (MSMEs) including Tamil Nadu. Under this Framework, banks have been advised to identify incipient stress in the MSME accounts and refer it to the Committees formed under the Framework for suitable Corrective Action Plan viz. rectification, restructuring and recovery.

(e) & (f): The credit flow to MSME sector by all Scheduled Commercial Banks during the last 3 years is given below:

Year ended	Amount Outstanding (in Rs. Crore)
March 2017	1070129.48
March 2018	1149353.83
March 2019	1497687.10

The Credit Guarantee Fund Trust for Micro and Small Enterprises (CGTMSE) was launched by the Government of India to make available collateral-free credit to the micro and small enterprise sector. The number and amount of Guarantees approved under the CGTMSE during the last 2 years is given below:

Year	No. of Credit Facilities Approved (in lakhs)	Amount of Guarantees Approved (in Rs. crore)
2017-18	2.63	19065.91
2018-19	4.36	30168.57

This has also helped in better credit flow to the micro and small enterprises.
