GOVERNMENT OF INDIA MINISTRY OF MICRO, SMALL AND MEDIUM ENTERPRISES

LOK SABHA UNSTARRED QUESTION NO. 717 TO BE ANSWERED ON 06.02,2020

CONTRIBUTION OF MSME SECTOR

717. SHRI SUBBARAYAN K: SHRIMATI RAKSHA NIKHIL KHADSE: SHRI PARTHIBAN S.R.:

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

- (a) the contribution of Micro, Small and Medium enterprises (MSMEs) sector to the GDP of the country and the estimated work force in this sector;
- (b) whether the Government proposes to increase the contribution of MSME sector to economy of the country to 50% which is presently at 29% and also proposes to enhance the country's export of MSME products which is 39% presently and if so, the details thereof;
- (c) whether a number of MSMEs were closed between April, 2016 and December, 2019;
- (d) if so, the details thereof and the reasons therefor and the number of jobs lost in this sector during this period; and
- (e) the efforts being made by the Government to protect MSME sector and the employment of the workers in this sector and action plan prepared for generation of employment?

ANSWER

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

- (a) & (b): As per National Statistical Office, Ministry of Statistics & Programme Implementation, Share of MSME sector in All India Gross Domestic Product (GDP) during 2017-18 has been 29.7%. As per 73rd round of National Sample Survey (NSS) (2015-16) by Ministry of Statistics & Programme Implementation (MoSPI), the employed persons in MSME Sector are about 11.10 crore. As per the information received from Directorate General of Commercial Intelligence and Statistics, the share of export of specified MSME related products to All India exports during 2018-19 has been 48.10%.
- (c) & (d): The Reserve Bank of India has issued guidelines on 'Framework for Revival and Rehabilitation of Micro, Small and Medium Enterprises' to Scheduled Commercial Banks (excluding Regional Rural Banks) in March 2016. 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. As per the information received from Reserve Bank of India, stressed accounts referred to the Corrective Action Plan Committee during the half year ended March 2017, September 2017, March 2018, September, 2018 and March 2019 are 1,00,803; 87,062; 1,30,208; 1,50,165 and 1,42,275 respectively.
- (e): The Ministry of Micro, Small and Medium Enterprises (MSMEs) implements various schemes for development and employment generation in different sectors of MSMEs across the country. These include Prime Minister's Employment Generation Programme (PMEGP), Micro and Small Enterprises-Cluster Development Programme (MSE-CDP), Scheme for Promotion of MSMEs in North Eastern Region and Sikkim, Tool Rooms and Technology Centers, Mission Solar Charkha (MSC), Scheme of Fund for Regeneration of Traditional Industries (SFURTI), Procurement and Marketing Support Scheme, Entrepreneurship Skill Development Programme (ESDP), Credit Guarantee Scheme for Micro and Small Enterprises (MSEs) and Credit Linked Capital Subsidy and Technology Upgradation Scheme (CLCS-TUS).