

GOVERNMENT OF INDIA
MINISTRY OF MICRO, SMALL AND MEDIUM ENTERPRISES

LOK SABHA
UNSTARRED QUESTION NO. 184
TO BE ANSWERED ON 25.4.2016

IMPACT OF MNC ON MSME

184. SHRI ASADUDDIN OWAISI :

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

- (a) whether the Government has assessed the impact of the multinational companies on small and medium cottage industries, if so, the details and outcome thereof;
- (b) the number of such small and medium industries closed as per the list of census of Registered MSMEs;
- (c) whether Government has assessed the impact of increased FDI in retail sector on these industries, if so, the details thereof ; and
- (d) the steps taken / being taken by the Government to protect and promote the said industries in the country ?

ANSWER

MINISTER OF STATE IN THE MINISTRY OF
MICRO, SMALL AND MEDIUM ENTERPRISES
(SHRI GIRIRAJ SINGH)

- (a): Government assesses impact of the multinational companies on small and medium cottage industries through periodic consultations with stake holders such as Industries Associations.
- (b): Information on closed Micro, Small and Medium Enterprises (MSMEs) is collected by periodically conducting All India Census of the sector. According to the last Census (Fourth) in which data was collected with reference to base year 2006-07, the number of closed MSMEs in Registered Sector was 4.96 lakh.
- (c): Foreign Direct Investment (FDI) in retail sector has been opened in a calibrated manner. The details of total FDI inflow in the retail sector from April 2000 to February 2016 is given in Annexure. Further, no study has been conducted by the Government on the impact of FDI in retail sector.
- (d): The Government is implementing several schemes / programmes, which include National Manufacturing Competitiveness Programme, Credit Guarantee Scheme, Credit Linked Capital Subsidy Schemes, Performance and Credit Rating Schemes, Cluster Development Programme, etc., for the promotion and development of MSMEs and to enhance their competitiveness and productivity. In addition, the Ministry has notified a framework for Revival and Rehabilitation of MSMEs (June 2015), in exercise of the powers conferred under section 9 of the Micro, Small and Medium Enterprises Development Act, 2006 in order to focus attention on the issues of addressing sickness and revival of MSMEs, pending a detailed revision of the legal framework for resolving insolvency/bankruptcy.

ANNEXURE REFERRED TO IN REPLY TO PART (c) OF THE LOK SABHA
UNSTARRED QUESTION NO. 184 FOR ANSWER ON 25.4.16

Statement on Financial Year Wise FDI Equity Inflows from April 2000 to February
2016
Sector Retail Trading

Sl. No.	Year	FDI in US\$ million
1	2000-01 Apr.-Mar.	0.00
2	2001-02	0.00
3	2002-03	0.00
4	2003-04	0.00
5	2004-05	0.00
6	2005-06	0.00
7	2006-07	0.00
8	2007-08	1.27
9	2008-09	0.09
10	2009-10	13.73
11	2010-11	26.27
12	2011-12	31.70
13	2012-13	22.31
14	2013-14	11.30
15	2014-15	168.72
16	2015-16	257.67
	Total	533.05

- Note :
1. Amount includes the inflows received through SIA/FIPB route, acquisition of existing shares and RBI's automatic route only
 2. Complete/Separate data on NRI Investment is not maintained by RBI. However, the above FDI inflows data on NRI Investment, includes Investment by NRI's, who have disclosed their status as NRI's, at the time of making their investment.