

THE MINISTER OF STATE OF THE MINISTRY OF MICRO, SMALL AND MEDIUM ENTERPRISES (SHRI K.H. MUNIAPPA) : (a) Sir, Ministry of Micro, Small and Medium Enterprises (MSME) has no proposal for establishing industrial groups.

(b) to (d) Do not arise.

#### Successful SME

†1782. SHRI BHUSHAN LAL JANGDE : Will the Minister of MICRO, SMALL AND MEDIUM ENTERPRISES be pleased to state:

(a) the percentage of successful Small and Medium Enterprises (SMEs) in the country;

(b) whether Government has tried to find out the factors responsible for unsuccessful entrepreneurs;

(c) if so, the percentage of entrepreneurs motivated to restart enterprises, if not, the reasons therefor;

(d) whether Government is concerned over the fact that presently big industrialists are being encouraged for disinvestment as a result of which the failure of SMEs is natural; and

(e) whether it is a fact that the way retail traders are bound to be wiped out by FDI, similarly the SMEs are also bound to be affected thereby?

THE MINISTER OF STATE OF THE MINISTRY OF MICRO, SMALL AND MEDIUM ENTERPRISES (SHRI K.H. MUNIAPPA) : (a) Sir, as per the data furnished by the Reserve Bank of India (RBI), there were 100.08 lakh accounts of Micro, Small and Medium Enterprises (MSMEs) who availed loans from Scheduled Commercial Banks at the end of March, 2012. The data on sick MSMEs in respect of these banks, indicate that there were 89,642 sick enterprises at the end of March, 2012.

(b) Yes Sir. The factors responsible for unsuccessful entrepreneurs include “Marketing Problem”, “Finance Problem”, “Could not survive competition” etc. The potentially viable sick units are encouraged to revive their activities by way of providing rehabilitation package as announced by RBI. Financial assistance, by way of debt restructuring, including fresh loans for rehabilitation of MSEs is provided by primary lending institutions, including commercial banks, which provide credit to the MSEs. RBI has issued following guidelines/instructions to banks in this respect :

---

† Original notice of the question was received in Hindi.

- (i) Rehabilitation of sick MSEs (January, 2002)
  - (ii) Debt restructuring mechanism relating to viability criteria, prudential norms for restructured accounts, provision of additional finance and time-frame for restructuring package (September, 2005); and
  - (iii) Restructuring/rehabilitation policy with non-discretionary one-time settlement scheme for MSE sector (May, 2009).
- (c) As per RBI data, out of 89,642 sick enterprises at the end of March, 2012, 6751 were put under nursing for rehabilitation.
- (d) and (e) Do not arise.

**Decline in growth rate of Small and Medium Enterprises**

†1783. SHRI DHARMENDRA PRADHAN : Will the Minister of MICRO, SMALL AND MEDIUM ENTERPRISES be pleased to state:

- (a) whether it is a fact that growth rate of Small and Medium Enterprises in the country is continuously declining;
- (b) if so, the details of the growth rate of Small and Medium Enterprises during the last three years, State-wise;
- (c) whether Government has fixed any target for accelerating the growth rate of such enterprises during the Twelfth Five Year Plan period; and
- (d) if so, the details thereof?

THE MINISTER OF STATE OF THE MINISTRY OF MICRO, SMALL AND MEDIUM ENTERPRISES (SHRI K.H. MUNIAPPA) : (a) No Sir. The Government monitors growth of Micro, Small and Medium Enterprises (MSMEs) in the country by conducting All India Census of the sector, periodically. The latest Census (Fourth Census) was conducted with reference year 2006-07, wherein the data was collected till 2009 and results published in 2011-12. As per Third All India Census of Small Scale Industries (SSIs) with reference year 2001-02 and Fourth All India Census of MSMEs 2006-2007 and data extracted from Economic Census, 2005 conducted by Central Statistics Office, Ministry of Statistics and Programme Implementation (for activities excluded from Fourth All India Census of MSMEs: 2006-07, the number of working MSMEs increased from 105.21 lakhs to 361.76 lakhs, recording annual compound growth rate of 28.02% during the period from 2001-02 to 2006-07.

---

† Original notice of the question was received in Hindi.