

**Collateral free funding to Micro and Small business**

831. SHRI K.N. BALAGOPAL: Will the Minister of MICRO, SMALL AND MEDIUM ENTERPRISES be pleased to state:

- (a) whether Government has started any scheme to provide collateral free funding to Micro and Small business entities, if so, the details thereof;
- (b) whether this scheme will fund new small scale entrepreneurs; and
- (c) if so, the details thereof and if not, the reasons therefor?

THE MINISTER OF MICRO, SMALL AND MEDIUM ENTERPRISES (SHRI KALRAJ MISHRA): (a) to (c) Yes, Sir. Credit Guarantee Fund Scheme for Micro and Small enterprises was launched by the Government to give impetus to the young entrepreneurs in the micro and small scale industries. The scheme is being operated by the Credit Guarantee Fund Trust for Micro and Small Enterprises (CG TMSE) set up jointly by the Government of India and Small Industries Development Bank of India (SIDBI). The objective of the scheme is to make available collateral free credit facility (term loan and/or working capital) extended by eligible lending institutions to new and existing micro and small enterprises up to ₹ 100 lakh per borrowing unit. The corpus of CGTMSE is contributed by the Government of India and SIDBI in the ratio of 4:1. At present, 133 eligible institutions comprising 26 Public Sector Banks, 21 Private Sector Banks, 73 Regional Rural Banks (RRBs), 4 Foreign Banks and 9 other institutions have become Member Lending Institutions (MLIs) of CGTMSE for participating under the Credit Guarantee Scheme. As on March 31, 2015, cumulatively 18,17,245 proposals for an amount of ₹ 90,445.90 crore have been approved.

**SMEs shut down during last three years**

832. DR. T. N. SEEMA: Will the Minister of MICRO, SMALL AND MEDIUM ENTERPRISES be pleased to state:

- (a) the total number of Small and Medium Enterprises (SMEs) shut down in the country during last three years and the current year, State-wise;
- (b) whether it is a fact that there is lack of adequate support mechanisms in place for smaller industries in the country; if so, the reasons therefor and the steps taken by Government in this regard, if not, the reasons therefor;
- (c) whether Government has failed to promote Industrial Infrastructures Upgradation Scheme amongst the target group, if so, the remedial steps to be taken; and

- (d) if not, the details of the success rate of the implementation of the scheme?

THE MINISTER OF MICRO, SMALL AND MEDIUM ENTERPRISES (SHRI KALRAJ MISHRA): (a) Information on the number of closed Micro, Small and Medium Enterprises (MSME) in the country is collected by conducting All India Census of Registered Sector periodically. As per latest Census (Fourth Census) conducted (with base reference year 2006-07), wherein the data was collected till 2009, and the result published in 2011-12, number of closed MSME in various States is given in the Statement (*See below*).

(b) The Ministry of MSME provides support to MSMEs by implementing a number of schemes. Major schemes/programmes include Credit Guarantee Scheme, Performance and Credit Rating Scheme, Credit Linked Capital Subsidy Scheme, Prime Minister's Employment Generation Programme and National Manufacturing Competitiveness Programme etc.

(c) and (d) The scheme of 'Industrial Infrastructure Upgradation Scheme (IIUS)' was launched by Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, in 2003. Since inception 39 projects have been sanctioned under the scheme. Out of these projects, 25 have been completed and 12 are under implementation. Sanction in respect of 2 projects has been withdrawn because implementation of these could not commence.

The scheme was evaluated in December, 2011. As per the Evaluation Report the scheme has largely benefited SMEs. It has contributed immensely in the technological upgradation of the clusters, provided a robust platform for development of common facilities such as R & D labs/skill upgradation centres/Common Effluent Treatment Plant (CETP). Revenue, export and employment have increased in these clusters.

#### *Statement*

##### *State-wise distribution of closed Enterprises in Registered Sector as on 31.03.2007*

Sl. No.	State/UTs	Closed
1.	Jammu and Kashmir	1831
2.	Himachal Pradesh	4034
3.	Punjab	24553
4.	Chandigarh	559
5.	Uttarakhand	8219

Sl. No.	State/UTs	Closed
6.	Haryana	10973
7.	Delhi	0
8.	Rajasthan	17342
9.	Uttar Pradesh	80616
10.	Bihar	16344
11.	Sikkim	86
12.	Arunachal Pradesh	167
13.	Nagaland	2395
14.	Manipur	929
15.	Mizoram	669
16.	Tripura	424
17.	Meghalaya	665
18.	Assam	6266
19.	West Bengal	10708
20.	Jharkhand	3712
21.	Odisha	5744
22.	Chhattisgarh	15485
23.	Madhya Pradesh	36502
24.	Gujarat	34945
25.	Daman and Diu	24
26.	Dadra and Nagar Haveli	0
27.	Maharashtra	41856
28.	Andhra Pradesh	2250
29.	Karnataka	47581

Sl. No.	State/UTs	Closed
30.	Goa	2754
31.	Lakshadweep	0
32.	Kerala	34903
33.	Tamil Nadu	82966
34.	Puducherry	711
35.	Andaman and Nicobar	142
	ALL INDIA	4,96,355

**Growth rate registered by MSME sector**

833. SHRI RAVI PRAKASH VERMA: Will the Minister of MICRO, SMALL AND MEDIUM ENTERPRISES be pleased to state:

(a) whether Micro, Small and Medium Enterprises (MSME) sector has been consistently registering a higher growth rate than the overall growth of the industrial sector;

(b) if so, the growth rate registered by MSME sector during the Eleventh Plan and first two years of Twelfth Five Year Plan against the target set therefor in Eleventh Plan and Twelfth Plan;

(c) whether MSME Sector has been facing inherent challenges which have a strong impact on its growth, if so, the details of these challenges; and

(d) the steps taken or proposed to be taken by Government to address these challenges?

THE MINISTER OF MICRO, SMALL AND MEDIUM ENTERPRISES (SHRI KALRAJ MISHRA) : (a) and (b) The Government monitors the growth in Micro, Small and Medium Enterprises (MSME) sector in the country by conducting All India Census of the sector, periodically. As per the latest Census (Fourth Census), conducted (with base reference year 2006-07), wherein the data was collected till 2009 and results published in 2011-12, as well as data extracted from Economic Census 2005 conducted by Central Statistics Office, Ministry of Statistics and Programme Implementation, for activities excluded from Fourth Census, namely wholesale/retail trade, legal, educational and social services, hotel and restaurants, transports