

**GOVERNMENT OF INDIA
MICRO, SMALL AND MEDIUM ENTERPRISES
LOK SABHA**

UNSTARRED QUESTION NO:3666
ANSWERED ON:15.12.2011
SICK MSME
Jawale Shri Haribhau Madhav

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

- (a) the number of Micro, Small and Medium Enterprises (MSME) become sick in the last three years and the current year, State-wise;
- (b) whether production and productivity in MSME sector has declined;
- (c) if so, the details thereof indicating the reasons therefor; and
- (d) the steps taken/being taken by the Government in this regard?

Answer

MINISTER OF MICRO, SMALL AND MEDIUM ENTERPRISES (SHRI VIRBHADRA SINGH)

(a): The data on sickness in micro, small and medium enterprises (MSME) sector is compiled by the Reserve Bank of India (RBI). As per the data compiled by the RBI from the scheduled commercial banks, the position regarding number of sick micro and small enterprises (MSEs) in the country at the end of March, 2009, March, 2010 and March, 2011 (latest available) was as under: -

At the end of Number of sick MSEs

March 2009 1,03,996

March 2010 77, 723

March 2011 90,141

The data furnished by RBI pertaining to medium enterprises is for the period ending March, 2011 only which indicate that there were 4,416 sick medium enterprises. The State / Union Territory-wise number of sick. MSEs and sick medium enterprises are given at Annexure-I and II respectively.

(b): The Government monitors growth of micro, small and medium enterprises (MSMEs) by conduct of All India Census of the sector, periodically in the country. The latest Census(Fourth Census) was conducted with reference year 2006-07 wherein the data was collected till 2009 and the results published in 2011. The growth in gross output and employment pertaining to registered MSMEs as per Third All India Census of Small Scale Industries with reference year 2001-02 and Fourth All India Census of MSMEs shows annual compound growth rate of 30.26% and 8.60% respectively. The productivity in terms of gross output per person increased from Rs. 3.3 lakh to Rs. 7.6 lakh over the same period.

(c): Does not arise.

(d): The Government is implementing a number of schemes to enhance competitiveness and productivity of the MSMEs. Major schemes include National Manufacturing Competitiveness Programme, Credit Guarantee Scheme, Credit Linked Capital Subsidy Scheme and Cluster Development Programme. Further, MSME Tool Rooms and MSME Technology Development Centres located across the Country provide technology support services to MSMEs to enable them to become more productive and competitive.