

THE MINISTER OF STATE OF THE MINISTRY OF MICRO, SMALL AND MEDIUM ENTERPRISES (SHRI DINSHA J. PATEL): (a) Khadi and Village Industries Commission (KVIC) facilitates the marketing of the products produced by the khadi and village industry (KVI) institutions enlisted with KVIC and State Khadi and Village Industries Boards (KVIBs). KVIC operates 12 Department Bhawans/salcs outlets, which are located in metropolitan cities and some other urban areas which are important links between the rural artisans producing a variety of products and the consumers living in urban areas in a regular way by making available the exclusive KVI items for all age groups of customers under one roof. The departmentally managed sales outlets secured the ISO 9001:2000 Certification for best management practices.

(b) Institutions registered with KVIC and State KVIBs are entitled to avail capital expenditure as well as working capital loan from banks at subsidized rate of interest of 4 per cent per annum under the Interest Subsidy Eligibility Certificate (ISEC) scheme of KVIC. The difference between the actual lending rate and 4 per cent is borne by the KVIC.

As far as village industries sector is concerned, Prime Minister's Employment Generation Programme (PMEGP) has been introduced in 2008-09 under which margin money subsidy is provided for setting up of micro-enterprises costing upto Rs. 10 lakh in service sector and Rs. 25 lakh in manufacturing sector. The margin money subsidy provided under PMEGP is 25 per cent (35 per cent for weaker sections) of the project cost for rural areas while it is 15 per cent (25 per cent for weaker sections) for urban areas.

(c) There is no centralized system of purchasing the items. As stated above, KVIC operates 12 Departmental Bhawans/sales outlets that procure saleable items from the producing KVI institutions/units as per the requirement and saleability of the products and the procurement price of the KVI items varies from State to State, depending upon the cost of materials, transportation as well as other overhead costs. The sales turnover of these departmental sales outlets during 2008-09 was Rs. 49.13 crore.

Sick units of MSMEs

†2564. SHRI PRABHAT JHA:

SHRI KAPTAN SINGH SOLANKI:

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

(a) whether Government is aware that the number of sick units in small and medium industries of the country are increasing continuously;

(b) if so, the details thereof;

(c) whether Government has taken any steps to make small and medium sick industrial units in the country profitable; and

†Original notice of the question was received in Hindi.

(d) if so, the details thereof?

THE MINISTER OF STATE OF THE MINISTRY OF MICRO, SMALL AND MEDIUM ENTERPRISES (SHRI DINSHA J. PATEL): (a) and (b) As per the data compiled by the Reserve Bank of India (RBI) from the scheduled commercial banks, the number of sick micro and small enterprises (MSEs) in the country has come down from 1,14,132 as at the end of March 2007 to 1,02,951 as at the end of March 2009. Information in respect of medium enterprises is not being collated by the RBI.

(c) and (d) Financial assistance, by way of debt restructuring, including fresh loans, for the rehabilitation of sick MSE is provided by the primary lending institutions (PLIs), including commercial banks, which provide credit to the MSEs. For this purpose, the RBI has issued detailed guidelines to banks in January 2002 on detection of sickness in MSE at an early stage and taking remedial measures and for rehabilitation of sick MSEs identified as potentially viable. RBI has also issued guidelines on 8th September 2005 on debt restructuring mechanism for small and medium enterprises (SMEs) based on the "Policy Package for Stepping up Credit to Small and Medium Enterprises" announced by the Central Government on 10 August 2005. These, guidelines relate, *inter alia*, to viability criteria, prudential norms for restructured accounts, provision of additional finance and time frame for working out the restructuring package and its implementation. Further, the RBI has advised all scheduled commercial banks on May 4, 2009 to apply the RBIs guidelines on debt restructuring optimally and in letter and spirit and put in place their own non-discretionary one-time settlement (OTS) policy for the MSE sector.

Funds released to Uttarakhand under PMRY

2565. SHRI BHAGAT SINGH KOSHYARI: Will the Minister of MICRO, SMALL AND MEDIUM ENTERPRISES be pleased to state:

(a) the details of funds released to Uttarakhand under Prime Minister's Rojgar Yojana (PMRY) during the last three years;

(b) the number of villages benefited as a result thereof; and

(c) the funds proposed during the year 2009-2010?

THE MINISTER OF STATE OF THE MINISTRY OF MICRO, SMALL AND MEDIUM ENTERPRISES (SHRI DINSHA J. PATEL): (a) to (c) Prime Minister's Rozgar Yojana (PMRY) is not being implemented with effect from 2008-2009 as a new scheme namely Prime Minister's Employment Generation Programme (PMEGP) has been formulated by merging two employment generation schemes viz., PMRY and Rural Employment Generation Programme (REGP) earlier being implemented by the Ministry of Micro, Small and Medium Enterprises. The details of fund released to Government of Uttarakhand during 2006-2007 and 2007-2008 under PMRY are as under:

Year	Funds released (Rs. lakh)
2006-2007	83.49
2007-2008	81.14