

(d) the results achieved thereof; and

(e) the total number of small scale industries and how many of them were sick as on 31st March, 2005, and as a result of financial package and incentives, how many have been revived upto date?

THE MINISTER OF SMALL SCALE INDUSTRIES (SHRI MAHAVIR PRASAD): (a) to (d) The Central Government (in the Ministry of Small Scale Industries) does not provide any direct financial assistance for rehabilitation of sick SSIs. However, financial assistance, by way of debt restructuring, including fresh loans, for the rehabilitation of sick SSI units is provided by the primary lending institutions (PLI), including commercial banks, which provide credit to the SSI. For this purpose, the Reserve Bank of India (RBI) has issued detailed guidelines to banks in January, 2002 on early detection of sickness in SSI at an early stage and taking remedial measures and for rehabilitation of sick SSI units identified as potentially viable.

RBI has issued fresh guidelines on 8th September, 2005, based on the "Policy package for Stepping up Credit to Small and Medium Enterprises (SMEs)" announced by the Central Government on 10th 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.

Banks have been advised by the RBI to review the progress of rehabilitation and restructuring of SME accounts on a quarterly basis. The State Level Inter-Institutional Committee (SLIIC), set up in each State under the convenorship of the RBI representative, also monitors, *inter alia*, the implementation of these guidelines.

Further, a special package of incentives for identification/revival of sick industrial units under the Rajasthan Investment Promotion Scheme, 2003 has been announced by the State Government in 2004-05.

(e) The total number of SSI units (both registered and unregistered) in Rajasthan as at the end of March 2005 was estimated at 4,97,712. As per the data compiled by the RBI from scheduled commercial banks, the number of sick SSI units in Rajasthan as at the end of March 2005 was 2,241. Out of 14 sick SSI units identified as potentially viable, 1 unit was put under nursing at the end of March 2005. Further, under the special package of the State Government, 12 sick industrial units have been covered so far.

Steps for development of small scale sector

3183. SHRI N. R. GOVINDARAJAR: Will the Minister of SMALL SCALE INDUSTRIES be pleased to state:

(a) the details of the new schemes launched by the Government to promote and develop small scale industries along with the assistance/subsidy extended to the entrepreneur;

(b) the extent to which the small scale industries have been able to adjust in the changing scenario of economic liberalization and globalisation by these new schemes; and

(c) the other steps taken by Government for the development of small scale sector?

THE MINISTER OF SMALL SCALE INDUSTRIES (SHRI MAHAVIR PRASAD): (a) The development and promotion of small scale industries is primarily the responsibility of the respective State/Union Territory (UT) Government/administrations. The Central Government, however, support and supplements the efforts of the State Government/UT Administrations through various schemes/programmes relating to credit, performance and credit rating, infrastructural development, technology upgradation, marketing, entrepreneurial development, etc. These are implemented across the country. The details of the relatively new schemes along with the assistance/subsidy extended to the entrepreneurs are listed in the Statement (See Below).

(b) The Central Government constantly assesses and monitors the impact of the liberalization/globalisation and changing economic scenario on the growth and the development of the economy, including that of small scale industries (SSIs) in the country. Measures taken by the Government from time to time for the promotion and development of small scale industries and to enhance their competitiveness have helped them to compete in the global as well as domestic markets, as is evident from their growth in terms of number of units and contribution to national production, employment generation and exports.

(c) Government has put in place several measures to help small enterprises. These included schemes of assistance for technology upgradation, infrastructure development, cluster development, adoption of modern management practices, marketing, etc. Further, steps have been taken to enhance credit flow to the SSI units, sensitise them to matters relating to global trade liberalization and facilitate information dissemination through the use of information technology. To facilitate cost reduction design process improvement and product diversification to make the Indian SSI product competitive, the Central Government has modernized its Process-cum-Product Development Centres (PPDCs) and Tool Rooms. In addition, the field offices of Small Industries Development Organisation (SIDO), i.e., Small Industries Services Institution (SIS,) have set up Technology Resource Centres (TRCs) to advise and enable the SSIs to upgrade themselves so as to compete in the global market.

Statement

Major Schemes and programmes implemented for Promotion and Development of Small Scale Industries in the Country

SI.No.	Name of the Scheme/ Programme	Objective	Details of Implementation in the country
1.	Credit Linked Capital Subsidy Scheme for Technology	Under the Scheme, 15 per cent capital subsidy is granted on loans upto Rs. 1.00 crore for technology upgradation.	1433 SSI units have been benefited and subsidy amount of Rs. 36.64 crore released to them.
2.	Credit Guarantee Fund Scheme	This scheme provides guarantee cover upto 75% of credit (Term-loan and working capital loan) extended by banks and financial institutions to new and existing SSI units on loans upto Rs. 25 lakh. The scheme is administered by the Credit Guarantee Fund Trust for Small Industries (CGTSTI) and the member lending institutions (banks, etc.) of CGTSTI.	46481 proposals have been approved for guarantee cover for aggregate credit of Rs. 1181.53 crore under the schemes.

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RAJYA SABHA

[25 August, 2006]

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| 3. | ISO 9000/ISO 14001 Certification Reimbursement Scheme | <p>Cost of obtaining ISO 9000 Certification by Small Scale Industries is reimbursed to the extent of 75% or Rs. 75,000 whichever is lower. The objective of the scheme is to improve the marketability of the SSI product by enhancing their quality.</p> | <p>11890 small scale units have been reimbursed a sum of Rs. 62.98 crore since inception of the scheme.</p> |
| 4. | Performance and Credit Rating Scheme of SSIs | <p>The objective of the scheme of "Performance and Credit rating scheme of SSIs", implemented through the National Small Industries Corporation (NSIC) is to sensitise the SSI units to be need to obtain credit rating and encourage them to maintain good financial track record which would help them earn higher rating for their credit requirements when they approach banks for working capital and term loans. The rating is done by accredited rating agencies. One-time grant of upto 75% of the rating fee, subject to a maximum of Rs. 40,000 is given to the SSI units availing of the benefit of the Scheme.</p> | <p>1116 units have been benefited and an amount of Rs. 3.91 crore has been released to them since the launch of the Scheme.</p> |
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SI.No.	Name of the Scheme/ Programme	Objective	Details of Implementation in the country
5.	Reimbursement Scheme for Adopting of Bar Coding of Products	The Scheme is meant to encourage SSI exporters to tap and develop overseas markets. Marketing Development Assistance for SSI exporters provides for reimbursement of 75% of one-time registration fee to be paid by SSI units to EAM India for adoption of Bar Coding.	300 SSI units have been reimbursed a sum of Rs. 39.15 lakh since inception of the Schemes.
6.	Scheme for Micro Finance Programme	The Scheme of Micro Finance Programme has been tied up with the existing programme of Small Industries Development Bank of India (SIDBI) by way of contributing towards security deposits required from the MFIs/Non-governmental organisation (NGOs) to get loan from SIDBI.	Loan amount of Rs. 55.90 crore has been provided to MFIs/ NGOs benefiting 221045 persons (mostly women).