

Protection of SSIs in rural areas

3181. SHRI T.T.V. DHINAKARAN: Will the Minister of SMALL SCALE INDUSTRIES be pleased to state:

(a) whether Government are aware of the fact that small scale industrial units have been diminishing in the recent years;

(b) if so, the steps taken to protect the SSI units particularly in rural areas;

(c) whether the target set for Tenth Plan in respect of small scale industries has been achieved; and

(d) if so, the details thereof?

THE MINISTER OF SMALL SCALE INDUSTRIES (SHRI MAHAVIR PRASAD): (a) There has been a continuous growth in the estimated number of small scale industries (SSIs), both registered and unregistered, during the last five years. The number of sick SSI units during this period, however, has been showing a declining trend. This may be seen from the table given below:

Year	Estimated no. of SSI units* (lakh)	No. of sick SSI units* (lakh)
2001-02	105.21	1.77
2002-03	109.49	1.68
2003-04	113.95	1.39
2004-05	118.59	1.38
2005-06	123.42	1.25

*Including registered and unregistered SSI units.

(b) The Central Government (in the Ministry of Small Scale Industries) does not provide any direct financial assistance for protection/rehabilitation of sick SSIs.

However, financial assistance, by way of debt restructuring, including fresh loans, for 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 and taking remedial measures and for rehabilitation of sick SSI units identified as potentially viable.

The 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, time frame for working out the restructuring package and its implementation.

The 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.

(c) and (d) The Tenth Five Year Plan (2002-07) targets in respect of estimated production and employment in the SSI sector by the terminal year of the Plan and the achievements made during the first four years of the Plan are as under :

Tenth Five Year Plan	Production (Rs. crore)	Employment (lakh person)
Targets for 2006-07 (Terminal year)	566404	237.00
Achievement during first four years of the Tenth Plan, <i>i.e.</i> , upto 31.03.2006	470966	294.91

Package for revival of sick SSIs in Rajasthan

3182. DR. GYAN PRAKASH PILANIA: Will the Minister of SMALL SCALE INDUSTRIES be pleased to state:

(a) whether Government have proposed to give any financial package and incentives for revival of sick small scale industries in Rajasthan;

(b) if so, the amount allocated for this purpose by Government during 2005-06 and current year;

(c) the funds released by Government, so far;