

(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;

(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 convectorship 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: