

**GOVERNMENT OF INDIA  
SMALL SCALE INDUSTRIES  
LOK SABHA**

UNSTARRED QUESTION NO:2837  
ANSWERED ON:22.08.2006  
SICK SMALL SCALE INDUSTRIES  
Vijay Krishna Shri

**Will the Minister of SMALL SCALE INDUSTRIES be pleased to state:**

- (a): the number of sick small scale industries in the country particularly in Bihar as on March, 2006;
- (b): the number of SSI closed down and the number of persons rendered unemployed, State-wise;
- (c): the number of small scale industry revived under the different schemes of Government till 2005-2006, State-wise;
- (d): the amount of NPA money in small scale industry sector in the country particularly in Bihar, State-wise; and
- (e): the efforts made by the Government for recovery of NPA amount, State-wise?

**Answer**

MINISTER OF SMALL SCALE INDUSTRIES & AGRO AND RURAL INDUSTRIES (SHRI MAHABIR PRASAD)

(a): As per the data compiled by the Reserve Bank of India (RBI) from the scheduled commercial banks, the number of sick small scale industrial (SSI) units in the country as at the end of March, 2005 (latest available) was 1,38,041. This includes 7,596 sick SSI units in Bihar.

(b): As per the results of the Third All-India Census of the small scale industries (SSIs) with reference year 2001-02, out of 22,62,401 SSI units registered up to 31.03.2001, 39 per cent

(numbering 8,87,427) units were found closed. The State-wise distribution of these closed SSI units is given at Annexure-I. The information on number of persons unemployed due to closure of SSIs is not maintained by the Central Government.

(c)&(d): The State-wise number of sick SSI units, loan outstanding

against them and the number of viable sick SSI units put under nursing as at the end of March, 2005 are given at Annexure-II.

(e): The following measures have been taken for revival of sick SSIs/recovery of non-performing assets (NPAs) from sick SSIs:

(i) In January 2002, the RBI circulated detailed guidelines on rehabilitation of sick SSI units to all scheduled commercial banks for implementation. These guidelines include, inter alia, change in the definition of sick SSI units, norms for deciding their viability, concessional finance, etc., with a view to helping the banks in detecting sickness at an early stage and taking corrective action for revival of the potentially viable sick SSI units;

(ii) In September 2005, the RBI has issued fresh guidelines to the banks on debt restructuring mechanism for small and medium enterprises (SMEs - including SSIs) to ensure debt restructuring of all eligible SMEs. These guidelines include, inter alia,

viability criteria, prudential norms for restructured accounts, provision of additional finance, time frame for working out the restructuring package and its implementation, etc.;

(iii) In September 2005, the RBI issued guidelines to all public sector banks on a One-Time Settlement (OTS) Scheme for recovery of non-performing assets (NPAs) of the SMEs with outstanding balance of Rs. 10 crore and below. The guidelines provide a simplified, non-discretionary and non-discriminatory mechanism for settlement of chronic NPAs in the SME sector.