GOVERNMENT OF INDIA SMALL SCALE INDUSTRIES AND RURAL AND AGRO INDUSTR LOK SABHA

UNSTARRED QUESTION NO:4426 ANSWERED ON:22.08.2001 CLOSURE OF SSI IN RAJASTHAN JASWANT SINGH YADAV

Will the Minister of SMALL SCALE INDUSTRIES AND RURAL AND AGRO INDUSTR be pleased to state:

- (a) whether Small Scale Industries are lying closed in the country particularly in Rajasthan;
- (b) if so, the reasons therefor;
- (c) whether the Government propose to revive them;
- (d) if so, the details thereof; and
- (e) the time by which these industries are proposed to be revived?

Answer

THE MINISTER OF STATE (INDEPENDENT CHARGE) IN THE MINISTRY OF SMALL SCALE INDUSTRESS, AND RURAL INDUSTRIES, MINISTER OF STATE IN THE DEPARTMENT OF PERSONNEL AND TRAINING, DEPARTMENT OF PERSONNEL, PUBLIC GRIEVANCES AND PENSIONS AND M OF STATE IN THE DEPARTMENTS OF ATOMIC ENERGY AND SPACE (SHRIMATI VASUNDHARA RAJE)

- (a): The information on closed units is not maintained centrally. However, the Reserve Bank of India (RBI) compiles data on sick SSI units financed by scheduled commercial banks. As per RBI, there are 3,04,235 sick units by the end of March, 2000 in the country including 7560 units in Rajasthan.
- (b): The main reasons for sickness/closure are inadequacy of credit, technological obsolescence, marketing problems, managerial inadequacies etc.
- (c) to (e): The government is fully seized of the incidence of industrial sickness among SSI units and has taken various measures to facilitate timely identification and rehabilitation of potentially viable sick units, which inter-alia include institutional mechanism in the form of State-level Inter-Institutional Committees (SLIICs), Special Rehabilitation Cells in banks and State Financial Institutions; and elaborate guidelines issued by the RBI for extending rehabilitation assistance to eligible units.