

**GOVERNMENT OF INDIA**  
**MINISTRY OF MICRO, SMALL AND MEDIUM ENTERPRISES**  
**RAJYA SABHA**  
**QUESTION NO 07.03.2011**  
**ANSWERED ON**  
**CLOSURE OF SMALL AND MEDIUM SICK UNITS IN MAHARASHTRA .**

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Shri Tariq Anwar

Will the Minister of COALMICRO, SMALL AND MEDIUM ENTERPRISES be pleased to state :-

- (a) whether it is a fact that thousands of small and medium units are sick in Maharashtra;
- (b) if so, the number of factories closed during the last three years and the number of people rendered unemployed due to it;
- (c) whether Government proposes to restart the closed units and to help the sick units in their revival; and
- (d) if so, the details thereof ?

**ANSWER**

MINISTER OF MICRO, SMALL AND MEDIUM ENTERPRISES (SHRI VIRBHADRA SINGH)

(a) & (b) : As per Reserve Bank of India (RBI) data, there were 6,646, 12,131 and 6,348 sick micro and small enterprises (MSEs) in Maharashtra State at the end of March, 2008, 2009 and 2010 respectively. Information in respect of medium enterprises is not collated by RBI. As per Fourth All India Census of Micro, Small and Medium Enterprises (reference year 2006-07), there were 4,96,355 registered closed enterprises in the country in 2006-07. This included 41,856 enterprises belonging to Maharashtra State. Number of people employed in registered sector is 93.09 lakhs, as per 4th All India Census (2006-07), which grew by 51.04% compared to 3rd All India Census (2001-02), indicating no net loss of employment.

(c) & (d): Financial assistance, by way of debt restructuring, including fresh loans for rehabilitation of sick MSE is provided by primary lending institutions (PLIs), including commercial banks, which provide credit to the MSEs. RBI has issued following guidelines / instructions to banks in this respect:

(i) Rehabilitation of sick MSEs (January 2002);

(ii) Debt restructuring mechanism relating to viability criteria, prudential norms for restructured accounts, provision of additional finance and time frame for restructuring package (September 2005); and

(iii) Restructuring / rehabilitation policy with non-discretionary one-time settlement (OTS) scheme for MSE sector (May 2009).