

*Banks' Exposure to Non-SSI Sick/Weak Companies/Units: March 2007**

This review presents a comparative position of Non-SSI sick/weak companies/units financed by scheduled commercial banks (excluding RRBs) and bank credit to them as at end-March 2007 with respect to their positions as at end of the previous two years. The number of Non-SSI sick/weak companies/units and advances to them have been presented according to industry, sector of industrial units, bank group, and size of bank credit with the help of tables and graphs/charts.

I. Introduction

Industrial sickness is a serious clog in the smooth functioning of the financial system as it impairs the repayment capacity of borrowers and thereby impedes the recycling of funds lent by the financial system. Banks and other financial intermediaries show reluctance in lending to industries which are gripped by actual or perceived sickness. It is, therefore, imperative that such units should be identified at the incipient stage itself so that prompt corrective measures may be taken as early as possible to minimise the drain on national resources. In this connection, the present review attempts to gauge and analyse the extent of banks' exposure to sick/weak industrial units as on March 2007. The review is divided into four sections. Section II deals with data coverage and Section III presents the detailed analysis of banks' exposure to sick/weak industrial units. A brief summary of the discussion is presented in Section IV.

Though the review attempts to present the scenario of industrial sickness/weakness in true perspective, it does not claim to be a

* Prepared in the OSMOS Division of the Department of Banking Supervision.

comprehensive and exhaustive document in the area, as the source of information is limited. It is likely that all the Non-SSI sick/weak industrial companies/units may not get included in the review as some of them might not have been financed by scheduled commercial banks.

II. Data Coverage¹

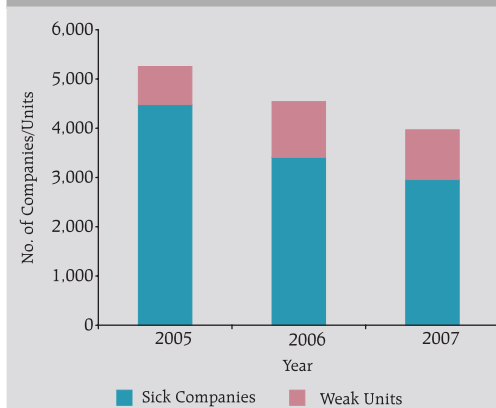
The data cover all scheduled commercial banks (excluding RRBs), which had exposures to Non-SSI sick/weak companies/units. In case of no exposure, these banks submitted 'nil' return. The reporting banks collect related data from their branches concerned and submit consolidated data for entire bank to the Reserve Bank on an annual basis.

III. Discussion on Exposure of Banks to Non-SSI Sick/Weak Companies/Units:

III.1 Overall Position:

The total number of Non-SSI sick/weak companies/units declined from 5,252 as at

Chart 1: Proportion of Non-SSI Sick/Weak Companies/Units at end-March 2005 to 2007



end-March 2005 and 4,540 as at end-March 2006 to 3,967 as at end-March 2007 (Chart 1). Also, the aggregate outstanding bank credit to such units declined from Rs.34,427 crore as at end-March 2005 and Rs.32,988 crore as at end-March 2006 to Rs.25,066 crore as at end-March 2007 (Chart 2).

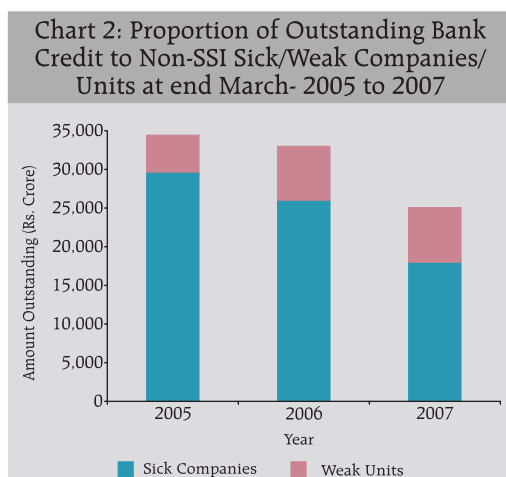
The number of weak units increased from 774 at end-March 2005 to 1,132 at end-March 2006 and declined to 1,010 at end-March 2007. On the other hand, the number

Table 1: Number of Sick/Weak Companies/Units and Advances to them - Year wise

(Amounts in Rs. crore)						
Year	Number of Sick/Weak Companies/Units			Advances to Sick/Weak Companies/Units		
	Sick Companies	Weak Units	Total	Sick Companies	Weak Units	Total
1	2	3	4	5	6	7
2005	4,478 (85.3)	774 (14.7)	5,252 (100.0)	29,644 (86.1)	4,783 (13.9)	34,427 (100.0)
2006	3,408 (75.1)	1,132 (24.9)	4,540 (100.0)	26,013 (78.9)	6,976 (21.1)	32,988 (100.0)
2007	2,957 (74.5)	1,010 (25.5)	3,967 (100.0)	17,984 (71.7)	7,082 (28.3)	25,066 (100.0)

Note: 1. Figures in brackets represent percentage to total.
2. Totals may not tally due to rounding off.

¹ The concepts/definitions and related acts/provisions have been provided in the Annex.



of sick companies declined over the period and stood at 2,957 as at end-March 2007, compared with 3,408 and 4,478 as at end-March 2006 and 2005, respectively. In respect of bank credit to Non-SSI sick/weak companies/units, the share of sick companies declined over the period and, correspondingly, the share of weak units increased.

III.2 Industry-wise Position:

About 43 per cent of the total number of Non-SSI sick/weak companies/units as at end-March 2007 were from four major industries, *viz.*, Textiles (19.4 per cent), Chemicals (9.4 per cent), Iron & Steel (7.2 per cent), and Engineering (6.8 per cent) [Table 2, Chart 3]. The share of such units increased during the period March 2005 to March 2007 in respect of industries like Textiles, and Chemicals and it declined for Iron and Steel and Engineering. It may be mentioned that 31.1 per cent of Non-SSI sick/weak companies/units were from miscellaneous industries, which include Plastics, Pharmaceuticals and Drugs, Petroleum Products, Fertilizers, Consumer Durables, *etc.*, (Statement I).

In respect of advances to Non-SSI sick/weak companies/units as at end-March 2007, about 47 per cent of total advances were concentrated to the companies/units of only

Table 2: Number of Sick/Weak Companies/Units - Industry wise

Industries	No. of Sick Companies at end-March			No. of Weak Units at end-March			Total No. of Sick/Weak Companies/Units at end-March		
	2005	2006	2007	2005	2006	2007	2005	2006	2007
	2	3	4	5	6	7	8	9	10
Total	4,478 (100.0)	3,408 (100.0)	2,957 (100.0)	774 (100.0)	1,132 (100.0)	1,010 (100.0)	5,252 (100.0)	4,540 (100.0)	3,967 (100.0)
<i>Of which:</i>									
Textiles	846 (18.9)	701 (20.6)	628 (21.2)	125 (16.1)	166 (14.7)	143 (14.2)	971 (18.5)	867 (19.1)	771 (19.4)
Chemicals	363 (8.1)	317 (9.3)	294 (9.9)	59 (7.6)	105 (9.3)	80 (7.9)	422 (8.0)	422 (9.3)	374 (9.4)
Iron & Steel	378 (8.4)	295 (8.7)	253 (8.6)	32 (4.1)	37 (3.3)	34 (3.4)	410 (7.8)	332 (7.3)	287 (7.2)
Engineering	304 (6.8)	263 (7.7)	219 (7.4)	61 (7.9)	69 (6.1)	51 (5.0)	365 (6.9)	332 (7.3)	270 (6.8)

Note: 1. Figures into bracket represent percentage to total.
2. Totals may not tally due to rounding off.

Chart 3: Classification of Non-SSI Sick/Weak Companies/Units by Major Industries at end-March 2007

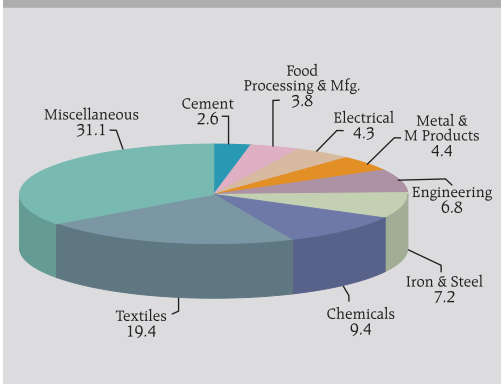
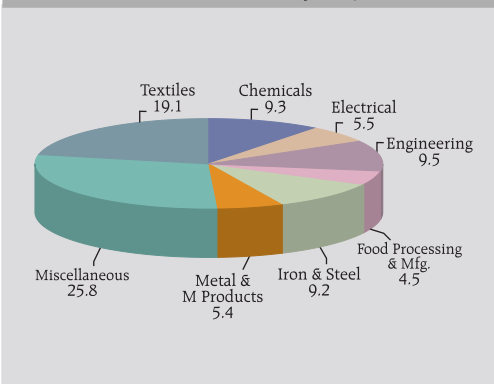


Chart 4: Classification of Outstanding Bank Credit to Non-SSI Sick/Weak Companies/Units at end-March 2007 - by Major Industries



four industries, *viz.*, Textiles (19.1 per cent), Chemicals (9.3 per cent), Engineering (9.5 per cent), and Iron & Steel (9.2 per cent) [Table 3]. Also, more than one-fourth of total advances were accounted for by the miscellaneous industries as at end-March 2007 (Statement II).

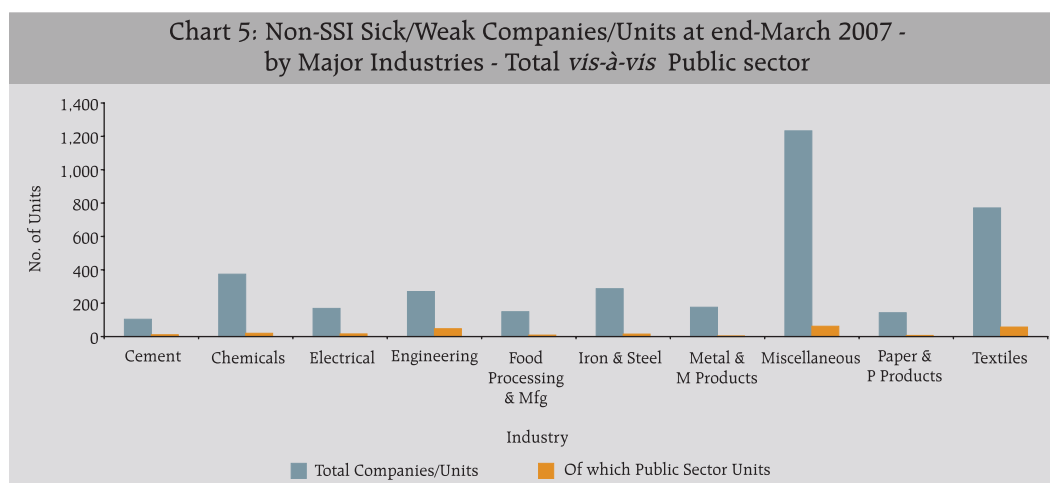
III.3 Industry and Sector-wise Position:

The sector-wise number of Non-SSI sick/weak companies/units in various industries as at end-March 2005 to 2007 are given in Table 4. Of the total number of such units as at end-March 2007, only 6.8 per cent were from public sector

Table 3: Advances to Sick/Weak Companies/Units - Industry wise

Industries	(Amount in Rs. crore)								
	Advances to Sick Companies at end-March			Advances to Weak Units at end-March			Total Advances to Sick/Weak Companies/Units at end-March		
	2005	2006	2007	2005	2006	2007	2005	2006	2007
1	2	3	4	5	6	7	8	9	10
Total	29,644 (100.0)	26,013 (100.0)	17,984 (100.0)	4,783 (100.0)	6,976 (100.0)	7,082 (100.0)	34,427 (100.0)	32,988 (100.0)	25,066 (100.0)
<i>Of which</i>									
Textiles	5,658 (19.1)	5,159 (19.8)	3,360 (18.7)	533 (11.1)	1,099 (15.8)	1,425 (20.1)	6,191 (18.0)	6,258 (19.0)	4,785 (19.1)
Engineering	2,250 (7.6)	2,504 (9.6)	2,221 (12.3)	377 (7.9)	324 (4.6)	154 (2.2)	2,627 (7.6)	2,828 (8.6)	2,374 (9.5)
Chemicals	2,039 (6.9)	2,252 (8.7)	1,852 (10.3)	445 (9.3)	681 (9.8)	473 (6.7)	2,484 (7.2)	2,933 (8.9)	2,325 (9.3)
Iron & Steel	3,100 (10.5)	2,257 (8.7)	1,867 (10.4)	194 (4.0)	457 (6.6)	428 (6.0)	3,294 (9.6)	2,714 (8.2)	2,295 (9.2)

Note: 1. Figures in brackets represent percentage to total.
2. Totals may not tally due to rounding off.



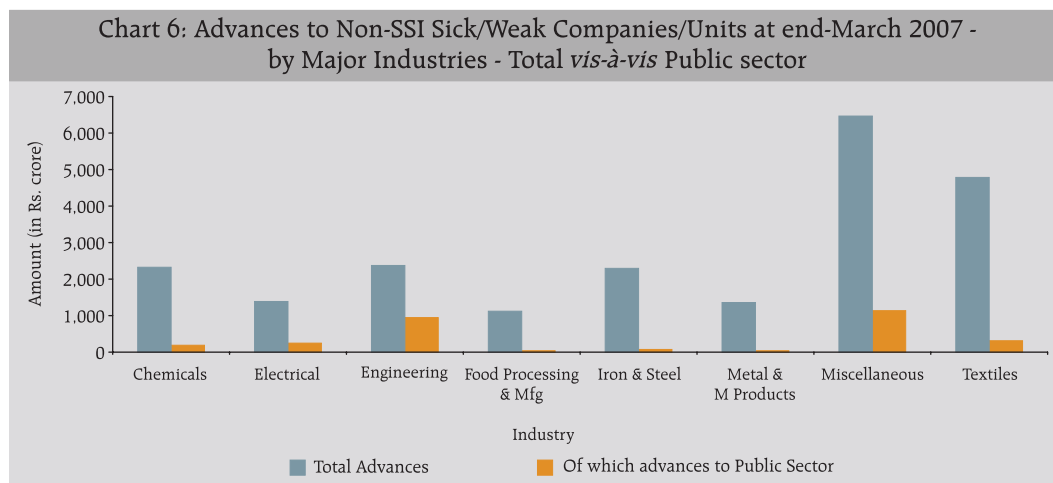
industries. Moreover, of the total Non-SSI sick/weak public sector companies/units, 7.9 per cent were sick companies and 3.8 per cent weak units. In tandem with the decline in total number of Non-SSI sick/weak companies/units from 5,252 as at end-March 2005 to 3,967 as at end-March

2007, the number of public sector Non-SSI sick/weak companies/units also declined from 349 as at end-March 2005 to 271 as at end-March 2007. The detailed data on number of Non-SSI sick/weak companies/units by industry and sector are given in Statement III.

Table 4: Industry wise Number of Sick/Weak Companies/Units - by Sector

Industries	Year	No. of Sick Companies			No. of Weak Units			Total No. of Sick/Weak Companies/Units		
		Total	Of Which Public Sector		Total	Of Which Public Sector		Total	Of Which Public Sector	
1	2	3	4	5	6	7	8	9	10	11
Total	2005	4,478	315	(7.0)	774	34	(4.4)	5,252	349	(6.6)
	2006	3,408	269	(7.9)	1,132	41	(3.6)	4,540	310	(6.8)
	2007	2,957	233	(7.9)	1,010	38	(3.8)	3,967	271	(6.8)
<i>Of which</i>										
Sugar	2005	41	8	(19.5)	10	3	(30.0)	51	11	(21.6)
	2006	39	7	(17.9)	16	0	(0.0)	55	7	(12.7)
	2007	32	8	(25.0)	14	2	(14.3)	46	10	(21.7)
Vehicle & Transport Equipments	2005	41	6	(14.6)	9	0	(0.0)	50	6	(12.0)
	2006	35	8	(22.9)	9	1	(11.1)	44	9	(20.5)
	2007	32	6	(18.8)	10	1	(10.0)	42	7	(16.7)
Engineering	2005	304	42	(13.8)	61	6	(9.8)	365	48	(13.2)
	2006	263	44	(16.7)	69	6	(8.7)	332	50	(15.1)
	2007	219	42	(19.2)	51	5	(9.8)	270	47	(17.4)
Jute	2005	18	7	(38.9)	1	0	(0.0)	19	7	(36.8)
	2006	15	4	(26.7)	2	1	(50.0)	17	5	(29.4)
	2007	14	2	(14.3)	2	0	(0.0)	16	2	(12.5)

Note: Figures into bracket represent percentage to respective totals.



The share of advances to public sector units in total advances to Non-SSI sick/weak companies/units increased marginally from 12.6 per cent as at end-March 2005 to 12.9 per cent as at end-March 2007 (Table 5). Moreover, the share of advances to Non-SSI sick public sector companies increased marginally from 13.0 per cent as at end-

March 2005 to 13.1 per cent as at end-March 2007 and increased moderately in respect of Non-SSI weak public sector units from 10.4 per cent as at end-March 2005 to 12.4 per cent as at end-March 2007. As regards industry and sector-wise classification of advances to Non-SSI sick/weak companies/units, the share of public sector companies/

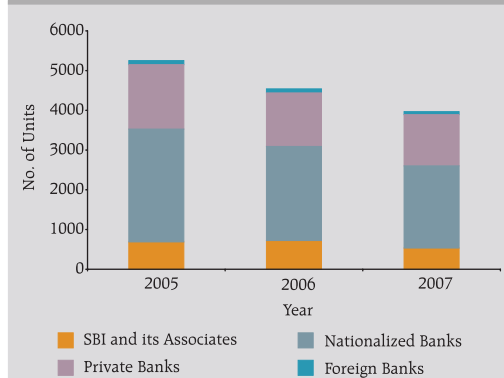
Table 5: Industry wise Advances to Sick/Weak Companies/Units - by Sector

(Amount in Rs. crore)

Industries	Year	Advances to Sick Companies			Advances to Weak Units			Total Advances to Sick/Weak Companies/Units		
		Total	Of Which Public Sector		Total	Of Which Public Sector		Total	Of Which Public Sector	
1	2	3	4	5	6	7	8	9	10	11
Total	2005	29,644	3,846	(13.0)	4,783	496	(10.4)	34,427	4,342	(12.6)
	2006	26,013	3,181	(12.2)	6,976	830	(11.9)	32,988	4,010	(12.2)
	2007	17,984	2,352	(13.1)	7,082	878	(12.4)	25,066	3,230	(12.9)
<i>Of which</i>										
Engineering	2005	2,250	904	(40.2)	377	92	(24.4)	2,627	996	(37.9)
	2006	2,504	1,296	(51.7)	324	42	(13.0)	2,828	1,338	(47.3)
	2007	2,221	904	(40.7)	154	43	(28.1)	2,374	947	(39.9)
Electrical	2005	1,517	586	(38.6)	239	5	(1.9)	1,756	591	(33.6)
	2006	1,203	278	(23.1)	324	25	(7.6)	1,527	302	(19.8)
	2007	1,054	177	(16.8)	334	70	(20.8)	1,388	247	(17.8)
Vehicle & Tran Equip	2005	1,034	78	(7.5)	82	0	(0.0)	1,116	78	(7.0)
	2006	341	94	(27.5)	161	15	(9.6)	501	109	(21.7)
	2007	238	74	(31.0)	174	15	(8.9)	412	89	(21.7)

Note: Figures in brackets represent percentage to respective totals.

Chart 7: Bank Group-wise Classification of Non-SSI Sick/Weak Companies/Units at end March 2005 to 2007



units from 'Engineering' industry accounted for 39.9 per cent of the advances to the companies/units of this industry. The detailed data on advances to Non-SSI sick/weak companies/units by industry and sector are provided in Statement IV.

III.4 Bank Group-wise Position:

Bank group-wise classification of Non-SSI sick/weak companies/units as at end-March 2005 to 2007 showed that

Nationalized Banks had lent to 52.1 per cent of Non-SSI sick/weak companies/units as at end-March 2007, as compared to 54.1 per cent units as at end-March 2005 (Table 6). On the other hand, the share of private sector banks in total number of Non-SSI sick/weak companies/units financed increased to 32.3 per cent at end-March 2007 as compared to 30.9 per cent at end-March 2005. While the share of SBI & its Associates in total number of Non-SSI sick/weak companies/units financed increased from 13.1 per cent as at end-March 2005 to 13.5 per cent as at end-March 2007, the share of foreign banks hovered around 2.0 per cent.

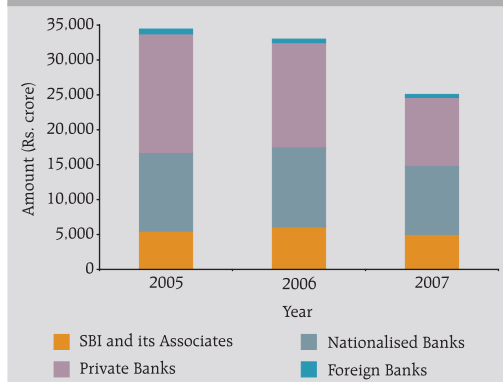
As regards bank group-wise classification of advances to Non-SSI sick/weak companies/units, the share of Private Banks continued to be the highest as at end-March 2007 (Table 7). However, it declined from 49.8 per cent as at end-March 2005 to 39.4 per cent as at end-March 2007. On the other hand, the shares of Nationalised Banks and SBI & its Associates increased during the same period.

Table 6: Number of Sick/Weak Companies/Units - Bank Group wise

Bank Group	No. of Sick Companies at end-March			No. of Weak Units at end-March			Total No. of Sick/Weak Companies/Units at end-March		
	2005	2006	2007	2005	2006	2007	2005	2006	2007
1	2	3	4	5	6	7	8	9	10
SBI and its Associates	580 (13.0)	575 (16.9)	427 (14.4)	108 (14.0)	147 (13.0)	107 (10.6)	688 (13.1)	722 (15.9)	534 (13.5)
Nationalized Banks	2,510 (56.1)	2,012 (59.0)	1,743 (58.9)	330 (42.6)	357 (31.5)	325 (32.2)	2,840 (54.1)	2,369 (52.2)	2,068 (52.1)
Private Banks	1,305 (29.1)	745 (21.9)	725 (24.5)	317 (41.0)	602 (53.2)	564 (55.8)	1,622 (30.9)	1,347 (29.7)	1,289 (32.5)
Foreign Banks	83 (1.9)	76 (2.2)	62 (2.1)	19 (2.5)	26 (2.3)	14 (1.4)	102 (1.9)	102 (2.2)	76 (1.9)
Total	4,478 (100.0)	3,408 (100.0)	2,957 (100.0)	774 (100.0)	1,132 (100.0)	1,010 (100.0)	5,252 (100.0)	4,540 (100.0)	3,967 (100.0)

Note: 1. Figures in brackets represent percentage to total.
2. Totals may not tally due to rounding off.

Chart 8: Bank Group-wise Classification of Outstanding Advances to Non-SSI Sick/Weak Companies/Units at end March 2005 to 2007



III.5 Bank Group-cum-Industry-wise Position:

Industry and bank group-wise classification of number of Non-SSI sick/weak companies/units as at end-March 2005 to 2007, presented in Statement V, revealed that Nationalised Banks and Private Banks had exposure to maximum

number of units of 'Textiles' and 'Chemicals' industries. On the other hand, SBI & its Associates' banks and Foreign Banks were mainly exposed to the companies/units of 'Textiles' and 'Engineering' industries as at end-March 2007.

It may be seen that the bulk of the outstanding bank credit to Non-SSI sick/weak companies/units as at end-March 2007 was accounted for by the companies/units of Textiles, Iron & Steel, Engineering and Chemicals industries (Statement VI). While majority of advances by Nationalised Banks to such units was shared by the units of Textiles, Iron & Steel and Chemicals industries, the units of Engineering and Textiles industries had maximum share of advances by SBI & its Associates. In the case of Private Banks, Textiles industries accounted for the major share of their credit to Non-SSI sick/weak companies/units.

Table 7: Advances to Sick/Weak Companies/Units - Bank Group wise

(Amounts in Rs. crore)									
Bank Group	Advances to Sick Companies at end-March			Advances to Weak Units at end-March			Total Advances to Sick/Weak Companies/Units at end-March		
	2005	2006	2007	2005	2006	2007	2005	2006	2007
1	2	3	4	5	6	7	8	9	10
SBI and its Associates	4,086 (13.8)	4,605 (17.7)	3,676 (20.4)	1,403 (29.3)	1,479 (21.2)	1,350 (19.1)	5,488 (15.9)	6,084 (18.4)	5,026 (20.1)
Nationalized Banks	9,604 (32.4)	9,480 (36.4)	7,614 (42.3)	1,504 (31.4)	1,855 (26.6)	2,113 (29.8)	11,108 (32.3)	11,334 (34.4)	9,727 (38.8)
Private Banks	15,346 (51.8)	11,499 (44.2)	6,303 (35.0)	1,796 (37.5)	3,557 (51.0)	3,563 (50.3)	17,142 (49.8)	15,056 (45.6)	9,866 (39.4)
Foreign Banks	608 (2.0)	430 (1.7)	391 (2.2)	80 (1.7)	85 (1.2)	56 (0.8)	688 (2.0)	514 (1.6)	447 (1.8)
Total	29,644 (100.0)	26,013 (100.0)	17,984 (100.0)	4,783 (100.0)	6,976 (100.0)	7,082 (100.0)	34,427 (100.0)	32,988 (100.0)	25,066 (100.0)

Note: 1. Figures in brackets represent percentage to total.
2. Totals may not tally due to rounding off.

IV. Summary

The aggregate outstanding bank credit to Non-SSI sick/weak companies/units declined from Rs. 34,427 crore as at end-March 2005 and Rs. 32,988 crore as at end-March 2006 to Rs. 25,066 crore as at end-March 2007. Also, the total number of such companies/units declined from 5,252 as at end-March 2005 and 4,540 as at end-March 2006 to 3,967 as at end-March 2007.

In respect of number of financed Non-SSI sick/weak companies/units as at end-March 2007, about 43 per cent were from four industries, *viz.*, Textiles, Chemicals, Iron & Steel, and Engineering. As regards advances to such units as at end-March 2007, about 47 per cent of total advances were concentrated in units of these four

industries, *viz.*, Textiles, Chemicals, Engineering, and Iron & Steel.

Of the total number of Non-SSI sick/weak companies/units as at end-March 2007, only 6.8 per cent units were from the public sector. Further, the share of advances to Non-SSI sick/weak public sector companies/units in total advances stood at 12.9 per cent as at end-March 2007.

Bank group-wise position as at end-March 2007 showed that more than 50 per cent of the Non-SSI sick/weak companies/units financed had availed advances from Nationalised Banks. However, in terms of advances to Non-SSI sick/weak companies/units, the share of Private Banks remained the highest (39.4 per cent) as at end-March 2007.

ARTICLE

Banks' Exposure
to Non-SSI
Sick/Weak
Companies/Units:
March 2007

Statement I: Number of Sick/Weak Companies/Units - Industry wise									
Industries	No. of Sick Companies at end-March			No. of Weak Units at end-March			Total No. of Sick/Weak Companies/Units at end-March		
	2005	2006	2007	2005	2006	2007	2005	2006	2007
1	2	3	4	5	6	7	8	9	10
Cement	135 (3.0)	96 (2.8)	81 (2.7)	31 (4.0)	36 (3.2)	23 (2.3)	166 (3.2)	132 (2.9)	104 (2.6)
Chemicals	363 (8.1)	317 (9.3)	294 (9.9)	59 (7.6)	105 (9.3)	80 (7.9)	422 (8.0)	422 (9.3)	374 (9.4)
Electrical	159 (3.6)	155 (4.5)	133 (4.5)	38 (4.9)	47 (4.2)	36 (3.6)	197 (3.8)	202 (4.4)	169 (4.3)
Engineering	304 (6.8)	263 (7.7)	219 (7.4)	61 (7.9)	69 (6.1)	51 (5.0)	365 (6.9)	332 (7.3)	270 (6.8)
Food Processing & Mfg.	154 (3.4)	131 (3.8)	108 (3.7)	34 (4.4)	37 (3.3)	41 (4.1)	188 (3.6)	168 (3.7)	149 (3.8)
Gem & Jewellery	20 (0.4)	20 (0.6)	13 (0.4)	3 (0.4)	2 (0.2)	3 (0.3)	23 (0.4)	22 (0.5)	16 (0.4)
Iron & Steel	378 (8.4)	295 (8.7)	253 (8.6)	32 (4.1)	37 (3.3)	34 (3.4)	410 (7.8)	332 (7.3)	287 (7.2)
Jute	18 (0.4)	15 (0.4)	14 (0.5)	1 (0.1)	2 (0.2)	2 (0.2)	19 (0.4)	17 (0.4)	16 (0.4)
Leather & L Products	60 (1.3)	41 (1.2)	37 (1.3)	9 (1.2)	18 (1.6)	14 (1.4)	69 (1.3)	59 (1.3)	51 (1.3)
Metal & M Products	157 (3.5)	131 (3.8)	111 (3.8)	28 (3.6)	55 (4.9)	65 (6.4)	185 (3.5)	186 (4.1)	176 (4.4)
Miscellaneous	1,483 (33.1)	914 (26.8)	801 (27.1)	287 (37.1)	471 (41.6)	432 (42.8)	1,770 (33.7)	1,385 (30.5)	1,233 (31.1)
Paper & P Products	161 (3.6)	128 (3.8)	110 (3.7)	26 (3.4)	29 (2.6)	33 (3.3)	187 (3.6)	157 (3.5)	143 (3.6)
Rubber & R Products	40 (0.9)	36 (1.1)	23 (0.8)	3 (0.4)	4 (0.4)	6 (0.6)	43 (0.8)	40 (0.9)	29 (0.7)
Sugar	41 (0.9)	39 (1.1)	32 (1.1)	10 (1.3)	16 (1.4)	14 (1.4)	51 (1.0)	55 (1.2)	46 (1.2)
Textiles	846 (18.9)	701 (20.6)	628 (21.2)	125 (16.1)	166 (14.7)	143 (14.2)	971 (18.5)	867 (19.1)	771 (19.4)
Tobacco & T Products	6 (0.1)	5 (0.1)	5 (0.2)	1 (0.1)	1 (0.1)	1 (0.1)	7 (0.1)	6 (0.1)	6 (0.2)
Veg Oil & Vanaspati	112 (2.5)	86 (2.5)	63 (2.1)	17 (2.2)	28 (2.5)	22 (2.2)	129 (2.5)	114 (2.5)	85 (2.1)
Vehicle & Tran Equip	41 (0.9)	35 (1.0)	32 (1.1)	9 (1.2)	9 (0.8)	10 (1.0)	50 (1.0)	44 (1.0)	42 (1.1)
Total	4,478 (100.0)	3,408 (100.0)	2,957 (100.0)	774 (100.0)	1,132 (100.0)	1,010 (100.0)	5,252 (100.0)	4,540 (100.0)	3,967 (100.0)

Note: Figures in brackets represent percentage to total.

Statement II: Advances to Sick/Weak Companies/Units - Industry wise

(Amounts in Rs. crore)

Industries	Advances to Sick Companies at end-March			Advances to Weak Units at end-March			Total Advances to Sick/Weak Companies/Units at end-March		
	2005	2006	2007	2005	2006	2007	2005	2006	2007
1	2	3	4	5	6	7	8	9	10
Cement	1,236 (4.2)	1,198 (4.6)	386 (2.1)	180 (3.8)	189 (2.7)	122 (1.7)	1,416 (4.1)	1,387 (4.2)	508 (2.0)
Chemicals	2,039 (6.9)	2,252 (8.7)	1,852 (10.3)	445 (9.3)	681 (9.8)	473 (6.7)	2,484 (7.2)	2,933 (8.9)	2,325 (9.3)
Electrical	1,517 (5.1)	1,203 (4.6)	1,054 (5.9)	239 (5.0)	324 (4.6)	334 (4.7)	1,756 (5.1)	1,527 (4.6)	1,388 (5.5)
Engineering	2,250 (7.6)	2,504 (9.6)	2,221 (12.3)	377 (7.9)	324 (4.6)	154 (2.2)	2,627 (7.6)	2,828 (8.6)	2,374 (9.5)
Food Processing & Mfg.	1,155 (3.9)	737 (2.8)	360 (2.0)	94 (2.0)	121 (1.7)	761 (10.8)	1,250 (3.6)	858 (2.6)	1,122 (4.5)
Gem & Jewellery	152 (0.5)	197 (0.8)	104 (0.6)	46 (1.0)	4 (0.1)	16 (0.2)	197 (0.6)	200 (0.6)	120 (0.5)
Iron & Steel	3,100 (10.5)	2,257 (8.7)	1,867 (10.4)	194 (4.0)	457 (6.6)	428 (6.0)	3,294 (9.6)	2,714 (8.2)	2,295 (9.2)
Jute	56 (0.2)	44 (0.2)	46 (0.3)	4 (0.1)	9 (0.1)	11 (0.2)	60 (0.2)	53 (0.2)	58 (0.2)
Leather & L Products	374 (1.3)	380 (1.5)	258 (1.4)	20 (0.4)	37 (0.5)	39 (0.5)	393 (1.1)	417 (1.3)	297 (1.2)
Metal & M Products	1,381 (4.7)	1,143 (4.4)	995 (5.5)	116 (2.4)	242 (3.5)	364 (5.1)	1,497 (4.3)	1,385 (4.2)	1,359 (5.4)
Miscellaneous	8,112 (27.4)	7,098 (27.3)	4,125 (22.9)	2,082 (43.5)	2,700 (38.7)	2,341 (33.0)	10,194 (29.6)	9,798 (29.7)	6,465 (25.8)
Paper & P Products	510 (1.7)	486 (1.9)	425 (2.4)	97 (2.0)	120 (1.7)	115 (1.6)	607 (1.8)	606 (1.8)	540 (2.2)
Rubber & R Products	143 (0.5)	137 (0.5)	133 (0.7)	13 (0.3)	117 (1.7)	97 (1.4)	156 (0.5)	254 (0.8)	230 (0.9)
Sugar	381 (1.3)	351 (1.3)	230 (1.3)	208 (4.3)	268 (3.8)	122 (1.7)	589 (1.7)	619 (1.9)	352 (1.4)
Textiles	5,658 (19.1)	5,159 (19.8)	3,360 (18.7)	533 (11.1)	1,099 (15.8)	1,425 (20.1)	6,191 (18.0)	6,258 (19.0)	4,785 (19.1)
Tobacco & T Products	18 (0.1)	12 (0.0)	6 (0.0)	5 (0.1)	5 (0.1)	4 (0.1)	23 (0.1)	17 (0.1)	10 (0.0)
Veg Oil & Vanaspati	528 (1.8)	517 (2.0)	324 (1.8)	49 (1.0)	118 (1.7)	103 (1.5)	576 (1.7)	635 (1.9)	427 (1.7)
Vehicle & Tran Equip	1,034 (3.5)	341 (1.3)	238 (1.3)	82 (1.7)	161 (2.3)	174 (2.4)	1,116 (3.2)	501 (1.5)	412 (1.6)
Total	29,644 (100.0)	26,013 (100.0)	17,984 (100.0)	4,783 (100.0)	6,976 (100.0)	7,082 (100.0)	34,427 (100.0)	32,988 (100.0)	25,066 (100.0)

Note: 1. Figures in brackets represent percentage to total.

2. Totals may not tally due to rounding off.

ARTICLE

Banks' Exposure
to Non-SSI
Sick/Weak
Companies/Units:
March 2007

Statement III: Industry wise Number of Sick/Weak Companies/Units - by Sector										
Industries	Year	No. of Sick Companies			No. of Weak Units			Total No. of Sick/Weak Companies/Units		
		Total	Of Which Public Sector		Total	Of Which Public Sector		Total	Of Which Public Sector	
1	2	3	4	5	6	7	8	9	10	11
Cement	2005	135	13	(9.6)	31	0	(0.0)	166	13	(7.8)
	2006	96	9	(9.4)	36	0	(0.0)	132	9	(6.8)
	2007	81	11	(13.6)	23	0	(0.0)	104	11	(10.6)
Chemicals	2005	363	27	(7.4)	59	2	(3.4)	422	29	(6.9)
	2006	317	23	(7.3)	105	2	(1.9)	422	25	(5.9)
	2007	294	16	(5.4)	80	4	(5.0)	374	20	(5.3)
Electrical	2005	159	24	(15.1)	38	3	(7.9)	197	27	(13.7)
	2006	155	19	(12.3)	47	4	(8.5)	202	23	(11.4)
	2007	133	13	(9.8)	36	3	(8.3)	169	16	(9.5)
Engineering	2005	304	42	(13.8)	61	6	(9.8)	365	48	(13.2)
	2006	263	44	(16.7)	69	6	(8.7)	332	50	(15.1)
	2007	219	42	(19.2)	51	5	(9.8)	270	47	(17.4)
Food Processing & Mfg.	2005	154	8	(5.2)	34	1	(2.9)	188	9	(4.8)
	2006	131	9	(6.9)	37	1	(2.7)	168	10	(6.0)
	2007	108	7	(6.5)	41	2	(4.9)	149	9	(6.0)
Gem & Jewellery	2005	20	0	(0.0)	3	0	(0.0)	23	0	(0.0)
	2006	20	0	(0.0)	2	0	(0.0)	22	0	(0.0)
	2007	13	0	(0.0)	3	0	(0.0)	16	0	(0.0)
Iron & Steel	2005	378	16	(4.2)	32	1	(3.1)	410	17	(4.1)
	2006	295	13	(4.4)	37	3	(8.1)	332	16	(4.8)
	2007	253	13	(5.1)	34	2	(5.9)	287	15	(5.2)
Jute	2005	18	7	(38.9)	1	0	(0.0)	19	7	(36.8)
	2006	15	4	(26.7)	2	1	(50.0)	17	5	(29.4)
	2007	14	2	(14.3)	2	0	(0.0)	16	2	(12.5)
Leather & L Products	2005	60	5	(8.3)	9	0	(0.0)	69	5	(7.2)
	2006	41	1	(2.4)	18	0	(0.0)	59	1	(1.7)
	2007	37	0	(0.0)	14	0	(0.0)	51	0	(0.0)
Metal & M Products	2005	157	9	(5.7)	28	1	(3.6)	185	10	(5.4)
	2006	131	4	(3.1)	55	1	(1.8)	186	5	(2.7)
	2007	111	3	(2.7)	65	1	(1.5)	176	4	(2.3)
Miscellaneous	2005	1,483	60	(4.0)	287	8	(2.8)	1,770	68	(3.8)
	2006	914	62	(6.8)	471	13	(2.8)	1,385	75	(5.4)
	2007	801	50	(6.2)	432	12	(2.8)	1,233	62	(5.0)
Paper & P Products	2005	161	10	(6.2)	26	1	(3.8)	187	11	(5.9)
	2006	128	8	(6.3)	29	1	(3.4)	157	9	(5.7)
	2007	110	7	(6.4)	33	0	(0.0)	143	7	(4.9)
Rubber & R Products	2005	40	2	(5.0)	3	0	(0.0)	43	2	(4.7)
	2006	36	2	(5.6)	4	0	(0.0)	40	2	(5.0)
	2007	23	3	(13.0)	6	0	(0.0)	29	3	(10.3)
Sugar	2005	41	8	(19.5)	10	3	(30.0)	51	11	(21.6)
	2006	39	7	(17.9)	16	0	(0.0)	55	7	(12.7)
	2007	32	8	(25.0)	14	2	(14.3)	46	10	(21.7)
Textiles	2005	846	66	(7.8)	125	8	(6.4)	971	74	(7.6)
	2006	701	53	(7.6)	166	8	(4.8)	867	61	(7.0)
	2007	628	51	(8.1)	143	6	(4.2)	771	57	(7.4)
Tobacco & T Products	2005	6	0	(0.0)	1	0	(0.0)	7	0	(0.0)
	2006	5	0	(0.0)	1	0	(0.0)	6	0	(0.0)
	2007	5	0	(0.0)	1	0	(0.0)	6	0	(0.0)
Veg Oil & Vanaspati	2005	112	12	(10.7)	17	0	(0.0)	129	12	(9.3)
	2006	86	3	(3.5)	28	0	(0.0)	114	3	(2.6)
	2007	63	1	(1.6)	22	0	(0.0)	85	1	(1.2)
Vehicle & Tran Equip	2005	41	6	(14.6)	9	0	(0.0)	50	6	(12.0)
	2006	35	8	(22.9)	9	1	(11.1)	44	9	(20.5)
	2007	32	6	(18.8)	10	1	(10.0)	42	7	(16.7)
TOTAL	2005	4,478	315	(7.0)	774	34	(4.4)	5,252	349	(6.6)
	2006	3,408	269	(7.9)	1,132	41	(3.6)	4,540	310	(6.8)
	2007	2,957	233	(7.9)	1,010	38	(3.8)	3,967	271	(6.8)

Note: Figures in brackets represent percentage to respective totals

Statement IV: Industry wise Advances to Sick/Weak Companies/Units - by Sector

(Amounts O/S in Rs. crore)

Industries	Year	Advances to Sick Companies			Advances to Weak Units			Total Advances to Sick/Weak Companies/Units		
		Total	Of which Public Sector		Total	Of which Public Sector		Total	Of which Public Sector	
1	2	3	4	5	6	7	8	9	10	11
Cement	2005	1,236	279	(22.6)	180	0	(0.0)	1,416	279	(19.7)
	2006	1,198	44	(3.7)	189	0	(0.0)	1,387	44	(3.2)
	2007	386	47	(12.1)	122	0	(0.0)	508	47	(9.2)
Chemicals	2005	2,039	278	(13.6)	445	4	(1.0)	2,484	282	(11.4)
	2006	2,252	292	(13.0)	681	3	(0.5)	2,933	295	(10.1)
	2007	1,852	152	(8.2)	473	37	(7.9)	2,325	189	(8.1)
Electrical	2005	1,517	586	(38.6)	239	5	(1.9)	1,756	591	(33.6)
	2006	1,203	278	(23.1)	324	25	(7.6)	1,527	302	(19.8)
	2007	1,054	177	(16.8)	334	70	(20.8)	1,388	247	(17.8)
Engineering	2005	2,250	904	(40.2)	377	92	(24.4)	2,627	996	(37.9)
	2006	2,504	1,296	(51.7)	324	42	(13.0)	2,828	1,338	(47.3)
	2007	2,221	904	(40.7)	154	43	(28.1)	2,374	947	(39.9)
Food Processing & Mfg	2005	1,155	438	(37.9)	94	0	(0.4)	1,250	439	(35.1)
	2006	737	46	(6.3)	121	0	(0.3)	858	47	(5.4)
	2007	360	11	(3.0)	761	28	(3.6)	1,122	39	(3.4)
Gem & Jewellery	2005	152	0	(0.0)	46	0	(0.0)	197	0	(0.0)
	2006	197	0	(0.0)	4	0	(0.0)	200	0	(0.0)
	2007	104	0	(0.0)	16	0	(0.0)	120	0	(0.0)
Iron & Steel	2005	3,100	79	(2.5)	194	9	(4.8)	3,294	88	(2.7)
	2006	2,257	85	(3.8)	457	56	(12.3)	2,714	141	(5.2)
	2007	1,867	73	(3.9)	428	1	(0.2)	2,295	74	(3.2)
Jute	2005	56	12	(20.5)	4	0	(0.0)	60	12	(19.3)
	2006	44	7	(14.9)	9	1	(5.4)	53	7	(13.3)
	2007	46	5	(9.8)	11	0	(0.0)	58	5	(7.9)
Leather & L Products	2005	374	4	(1.1)	20	0	(0.0)	393	4	(1.1)
	2006	380	0	(0.1)	37	0	(0.0)	417	0	(0.1)
	2007	258	0	(0.0)	39	0	(0.0)	297	0	(0.0)
Metal & M Products	2005	1,381	193	(14.0)	116	31	(27.0)	1,497	224	(15.0)
	2006	1,143	72	(6.3)	242	31	(12.9)	1,385	103	(7.5)
	2007	995	7	(0.7)	364	31	(8.6)	1,359	39	(2.8)
Miscellaneous	2005	8,112	687	(8.5)	2,082	289	(13.9)	10,194	975	(9.6)
	2006	7,098	669	(9.4)	2,700	607	(22.5)	9,798	1,275	(13.0)
	2007	4,125	512	(12.4)	2,341	623	(26.6)	6,465	1,136	(17.6)
Paper & P Products	2005	510	22	(4.3)	97	16	(16.0)	607	38	(6.2)
	2006	486	25	(5.1)	120	16	(12.9)	606	40	(6.6)
	2007	425	56	(13.1)	115	0	(0.0)	540	56	(10.3)
Rubber & R Products	2005	143	5	(3.8)	13	0	(0.0)	156	5	(3.5)
	2006	137	5	(3.9)	117	0	(0.0)	254	5	(2.1)
	2007	133	27	(20.5)	97	0	(0.0)	230	27	(11.9)
Sugar	2005	381	22	(5.8)	208	2	(0.8)	589	24	(4.1)
	2006	351	12	(3.5)	268	0	(0.0)	619	12	(2.0)
	2007	230	13	(5.6)	122	1	(0.9)	352	14	(4.0)
Textiles	2005	5,658	163	(2.9)	533	49	(9.1)	6,191	212	(3.4)
	2006	5,159	186	(3.6)	1,099	34	(3.1)	6,258	220	(3.5)
	2007	3,360	284	(8.5)	1,425	28	(2.0)	4,785	312	(6.5)
Tobacco & T Products	2005	18	0	(0.0)	5	0	(0.0)	23	0	(0.0)
	2006	12	0	(0.0)	5	0	(0.0)	17	0	(0.0)
	2007	6	0	(0.0)	4	0	(0.0)	10	0	(0.0)
Veg Oil & Vanaspati	2005	528	96	(18.3)	49	0	(0.0)	576	96	(16.7)
	2006	517	71	(13.8)	118	0	(0.0)	635	71	(11.2)
	2007	324	11	(3.3)	103	0	(0.0)	427	11	(2.5)
Vehicle & Tran Equip	2005	1,034	78	(7.5)	82	0	(0.0)	1,116	78	(7.0)
	2006	341	94	(27.5)	161	15	(9.6)	501	109	(21.7)
	2007	238	74	(31.0)	174	15	(8.9)	412	89	(21.7)
TOTAL	2005	29,644	3,846	(13.0)	4,783	496	(10.4)	34,427	4,342	(12.6)
	2006	26,013	3,181	(12.2)	6,976	830	(11.9)	32,988	4,010	(12.2)
	2007	17,984	2,352	(13.1)	7,082	878	(12.4)	25,066	3,230	(12.9)

Note: 1. Figures in brackets represent percentage to respective totals.
2. Totals may not tally due to rounding off.

ARTICLE

Banks' Exposure
to Non-SSI
Sick/Weak
Companies/Units:
March 2007

Statement V: Bank Group wise Number of Sick/Weak Companies/Units - Major Industries							
Industries	Year	SBI & Its Associates			Nationalised Banks		
		Sick Companies	Weak Units	Total	Sick Companies	Weak Units	Total
1	2	3	4	5	6	7	8
Total	2005	580 (100.0)	108 (100.0)	688 (100.0)	2,510 (100.0)	330 (100.0)	2,840 (100.0)
	2006	575 (100.0)	147 (100.0)	722 (100.0)	2,012 (100.0)	357 (100.0)	2,369 (100.0)
	2007	427 (100.0)	107 (100.0)	534 (100.0)	1,743 (100.0)	325 (100.0)	2,068 (100.0)
<i>of which:</i>							
Chemicals	2005	40 (6.9)	7 (6.5)	47 (6.8)	189 (7.5)	32 (9.7)	221 (7.8)
	2006	37 (6.4)	16 (10.9)	53 (7.3)	189 (9.4)	30 (8.4)	219 (9.2)
	2007	27 (6.3)	7 (6.5)	34 (6.4)	180 (10.3)	29 (8.9)	209 (10.1)
Engineering	2005	83 (14.3)	18 (16.7)	101 (14.7)	158 (6.3)	25 (7.6)	183 (6.4)
	2006	73 (12.7)	15 (10.2)	88 (12.2)	151 (7.5)	18 (5.0)	169 (7.1)
	2007	58 (13.6)	7 (6.5)	65 (12.2)	126 (7.2)	16 (4.9)	142 (6.9)
Iron & Steel	2005	62 (10.7)	3 (2.8)	65 (9.4)	221 (8.8)	21 (6.4)	242 (8.5)
	2006	52 (9.0)	6 (4.1)	58 (8.0)	176 (8.7)	21 (5.9)	197 (8.3)
	2007	33 (7.7)	4 (3.7)	37 (6.9)	161 (9.2)	25 (7.7)	186 (9.0)
Miscellaneous	2005	169 (29.1)	43 (39.8)	212 (30.8)	889 (35.4)	90 (27.3)	979 (34.5)
	2006	193 (33.6)	72 (49.0)	265 (36.7)	485 (24.1)	96 (26.9)	581 (24.5)
	2007	127 (29.7)	50 (46.7)	177 (33.1)	438 (25.1)	90 (27.7)	528 (25.5)
Textiles	2005	99 (17.1)	12 (11.1)	111 (16.1)	450 (17.9)	65 (19.7)	515 (18.1)
	2006	104 (18.1)	8 (5.4)	112 (15.5)	433 (21.5)	76 (21.3)	509 (21.5)
	2007	83 (19.4)	10 (9.3)	93 (17.4)	363 (20.8)	59 (18.2)	422 (20.4)

Note: Figures in brackets represent percentage to total.

Statement V: Bank Group wise Number of Sick/Weak Companies/Units - Major Industries (Concl.)							
Industries	Year	Private Banks			Foreign Banks		
		Sick Companies	Weak Units	Total	Sick Companies	Weak Units	Total
1	2	9	10	11	12	13	14
Total	2005	1,305 (100.0)	317 (100.0)	1,622 (100.0)	83 (100.0)	19 (100.0)	102 (100.0)
	2006	745 (100.0)	602 (100.0)	1,347 (100.0)	76 (100.0)	26 (100.0)	102 (100.0)
	2007	725 (100.0)	564 (100.0)	1,289 (100.0)	62 (100.0)	14 (100.0)	76 (100.0)
<i>of which:</i>							
Chemicals	2005	122 (9.3)	19 (6.0)	141 (8.7)	12 (14.5)	1 (5.3)	13 (12.7)
	2006	79 (10.6)	54 (9.0)	133 (9.9)	12 (15.8)	5 (19.2)	17 (16.7)
	2007	81 (11.2)	42 (7.4)	123 (9.5)	6 (9.7)	2 (14.3)	8 (10.5)
Engineering	2005	56 (4.3)	16 (5.0)	72 (4.4)	7 (8.4)	2 (10.5)	9 (8.8)
	2006	33 (4.4)	34 (5.6)	67 (5.0)	6 (7.9)	2 (7.7)	8 (7.8)
	2007	25 (3.4)	28 (5.0)	53 (4.1)	10 (16.1)	0 (0.0)	10 (13.2)
Iron & Steel	2005	89 (6.8)	6 (1.9)	95 (5.9)	6 (7.2)	2 (10.5)	8 (7.8)
	2006	60 (8.1)	8 (1.3)	68 (5.0)	7 (9.2)	2 (7.7)	9 (8.8)
	2007	55 (7.6)	3 (0.5)	58 (4.5)	4 (6.5)	2 (14.3)	6 (7.9)
Miscellaneous	2005	406 (31.1)	151 (47.6)	557 (34.3)	19 (22.9)	3 (15.8)	22 (21.6)
	2006	222 (29.8)	297 (49.3)	519 (38.5)	14 (18.4)	6 (23.1)	20 (19.6)
	2007	222 (30.6)	289 (51.2)	511 (39.6)	14 (22.6)	3 (21.4)	17 (22.4)
Textiles	2005	283 (21.7)	45 (14.2)	328 (20.2)	14 (16.9)	3 (15.8)	17 (16.7)
	2006	151 (20.3)	79 (13.1)	230 (17.1)	13 (17.1)	3 (11.5)	16 (15.7)
	2007	170 (23.4)	73 (12.9)	243 (18.9)	12 (19.4)	1 (7.1)	13 (17.1)

ARTICLE

Banks' Exposure
to Non-SSI
Sick/Weak
Companies/Units:
March 2007

Statement VI: Bank Group wise Advances to Sick/Weak Companies/Units - Major Industries

(Amounts in Rs. crore)

Industries	Year	SBI & Its Associates			Nationalized Banks		
		Sick Companies	Weak Units	Total	Sick Companies	Weak Units	Total
1	2	3	4	5	6	7	8
Total	2005	4,086 (100.0)	1,403 (100.0)	5,488 (100.0)	9,604 (100.0)	1,504 (100.0)	11,108 (100.0)
	2006	4,605 (100.0)	1,479 (100.0)	6,084 (100.0)	9,480 (100.0)	1,855 (100.0)	11,334 (100.0)
	2007	3,676 (100.0)	1,350 (100.0)	5,026 (100.0)	7,614 (100.0)	2,113 (100.0)	9,727 (100.0)
<i>Of which:</i>							
Chemicals	2005	210 (5.1)	84 (6.0)	294 (5.4)	861 (9.0)	241 (16.0)	1,102 (9.9)
	2006	245 (5.3)	90 (6.1)	335 (5.5)	859 (9.1)	234 (12.6)	1,092 (9.6)
	2007	211 (5.7)	91 (6.7)	302 (6.0)	868 (11.4)	231 (10.9)	1,099 (11.3)
Engineering	2005	1,247 (30.5)	233 (16.6)	1,480 (27.0)	627 (6.5)	49 (3.2)	676 (6.1)
	2006	1,315 (28.6)	175 (11.8)	1,490 (24.5)	624 (6.6)	36 (1.9)	660 (5.8)
	2007	1,205 (32.8)	58 (4.3)	1,263 (25.1)	565 (7.4)	37 (1.8)	602 (6.2)
Iron & Steel	2005	499 (12.2)	12 (0.8)	511 (9.3)	1,221 (12.7)	114 (7.5)	1,335 (12.0)
	2006	502 (10.9)	25 (1.7)	527 (8.7)	1,069 (11.3)	165 (8.9)	1,234 (10.9)
	2007	187 (5.1)	52 (3.9)	239 (4.8)	1,087 (14.3)	361 (17.1)	1,448 (14.9)
Miscellaneous	2005	898 (22.0)	810 (57.7)	1,707 (31.1)	2,225 (23.2)	386 (25.6)	2,611 (23.5)
	2006	1,125 (24.4)	969 (65.5)	2,094 (34.4)	2,176 (22.9)	518 (27.9)	2,694 (23.8)
	2007	850 (23.1)	844 (62.5)	1,694 (33.7)	1,717 (22.6)	395 (18.7)	2,112 (21.7)
Textiles	2005	584 (14.3)	49 (3.5)	633 (11.5)	1,957 (20.4)	321 (21.3)	2,278 (20.5)
	2006	671 (14.6)	10 (0.7)	681 (11.2)	1,889 (19.9)	300 (16.1)	2,189 (19.3)
	2007	590 (16.1)	94 (7.0)	684 (13.6)	1,367 (18.0)	376 (17.8)	1,743 (17.9)

Note: 1. Figures in brackets represent percentage to total.
2. Totals may not tally due to rounding off.

Statement VI: Bank Group wise Advances to Sick/Weak Companies/Units - Major Industries (Concl'd.)

(Amounts in Rs. crore)

Industries	Year	Private Banks			Foreign Banks		
		Sick Companies	Weak Units	Total	Sick Companies	Weak Units	Total
1	2	9	10	11	12	13	14
Total	2005	15,346 (100.0)	1,796 (100.0)	17,142 (100.0)	608 (100.0)	80 (100.0)	688 (100.0)
	2006	11,499 (100.0)	3,557 (100.0)	15,056 (100.0)	430 (100.0)	85 (100.0)	514 (100.0)
	2007	6,303 (100.0)	3,563 (100.0)	9,866 (100.0)	391 (100.0)	56 (100.0)	447 (100.0)
<i>Of which:</i>							
Chemicals	2005	818 (5.3)	118 (6.6)	936 (5.5)	150 (24.7)	2 (3.0)	152 (22.2)
	2006	1,093 (9.5)	337 (9.5)	1,430 (9.5)	56 (13.0)	20 (23.8)	76 (14.8)
	2007	727 (11.5)	144 (4.0)	870 (8.8)	47 (12.0)	8 (13.7)	55 (12.2)
Engineering	2005	350 (2.3)	94 (5.2)	444 (2.6)	26 (4.2)	2 (2.1)	27 (4.0)
	2006	546 (4.7)	97 (2.7)	642 (4.3)	19 (4.4)	17 (19.9)	36 (6.9)
	2007	411 (6.5)	59 (1.7)	470 (4.8)	40 (10.2)	0 (0.0)	40 (8.9)
Iron & Steel	2005	1,322 (8.6)	46 (2.6)	1,369 (8.0)	58 (9.5)	22 (27.6)	80 (11.6)
	2006	603 (5.2)	265 (7.5)	869 (5.8)	82 (19.1)	3 (3.7)	85 (16.5)
	2007	549 (8.7)	14 (0.4)	562 (5.7)	45 (11.5)	1 (1.6)	46 (10.2)
Miscellaneous	2005	4,870 (31.7)	885 (49.3)	5,755 (33.6)	120 (19.8)	2 (2.0)	122 (17.7)
	2006	3,716 (32.3)	1,209 (34.0)	4,925 (32.7)	82 (19.1)	3 (3.8)	85 (16.6)
	2007	1,457 (23.1)	1,100 (30.9)	2,557 (25.9)	101 (25.7)	1 (1.4)	101 (22.7)
Textiles	2005	2,998 (19.5)	148 (8.2)	3,146 (18.4)	119 (19.5)	15 (19.1)	134 (19.5)
	2006	2,518 (21.9)	787 (22.1)	3,306 (22.0)	81 (18.8)	2 (2.7)	83 (16.2)
	2007	1,314 (20.9)	955 (26.8)	2,269 (23.0)	88 (22.5)	0 (0.4)	88 (19.7)

Annex

1. Concepts/Definitions and related Acts/Provisions*1.1. Non-SSI Sick Industrial Company[@]*

"Non-SSI Sick Industrial Company" means a Non-SSI industrial company (being a company registered for not less than seven years) which has at the end of any financial year accumulated losses equal to or exceeding its entire net worth.

1.2. Non-SSI Weak Units (other than 1.1 above)

A Non-SSI industrial unit is defined as a "weak" unit, if its accumulated losses as at the end of any financial year have resulted in the erosion of fifty per cent or more of its peak net worth in the immediately preceding four financial years. It is clarified that weak units will not only include those units (viz. industrial companies) which fall within the purview of Sick Industrial Companies (Special Provisions) Act, 1985, but also other categories such as partnership firms, proprietary concerns, etc.

- In the review, the joint reference to these categories made as Non-SSI (sick/weak) units would be in terms of these definitions.
- A "weak" industrial company would be termed as a potential "sick" company if and when it is reported to BIFR in terms of section 23(1)(a) of SICA, 1985.

[@] The definitions of Sick/Weak Industrial Companies/Units have been taken from IECD Circular dated September 22, 1989, which has been based on the definitions in the erstwhile "Sick Industrial Companies (Special Provision) Act, 1985 (prior to its amendment)".

2. Sick Industrial Companies (Special Provisions) Act, 1985 & BIFR

Following the Tiwari Committee recommendations (1981), the Sick Industrial Companies (Special Provisions) Act, 1985 (SICA) was passed and the Board for Industrial and Financial Reconstruction (BIFR) was established in 1987 for determining the preventive, ameliorative, remedial and other measures which need to be taken in respect of Non-SSI sick industrial companies and the expeditious enforcement of the measures so determined. However, no special Act has been enacted in respect of revival of sick SSI units.

3. Developments:

- The enactment of the Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest (SARFAESI) Act 2002, has provided a significant impetus to banks to ensure sustained recovery. The Act provides, inter alia for enforcement of security interest for realization of dues without the intervention of courts or tribunals.
- The Government of India had also notified the Security Interest (Enforcement) Rules, 2002 to enable secured creditors to authorize their officials to enforce the securities and recover the dues from the borrowers. Banks have initiated the process of recovery under the Act. The Government has advised them to take action under the Act and report the compliance to the Reserve Bank.

Annex (Concl'd.)

- **RBI Guidelines and Policy Initiatives:**

The Reserve Bank of India has always given prime importance to the question of rehabilitation of sick/weak industrial companies/units. RBI has constantly reviewed the credit policy and other measures for rehabilitation of viable sick/weak industries.

- **RBI Guidelines:**

The RBI had issued elaborate guidelines covering all areas of industrial rehabilitation, viz. detection of industrial sickness at incipient stage, identification of sick/weak companies/units, carrying out viability study of the unit, extension of reliefs and concessions to only viable units, co-ordination among banks and financial institutions and among banks themselves, norms for promoters' contribution, extended period for repayment/ rescheduling of loans, conversion of debt into equity, single

window concept of lending, interest rate concessions and waiver of penal rate, liquidated damages and right of recompense for sacrifices made. [RBI guidelines are equally applicable to weak (non-BIFR cases) Non-SSI units as well]. Similar guidelines have also been issued in the matter of rehabilitation of sick SSI companies/units. Individual cases of sick SSI companies/units where difficulties of co-ordination etc. may be encountered are sorted out in the meetings of State Level Inter-Institutional Committee (SLIIC).

- **Annual Review of Industrial Sickness:**

The RBI collects related information, on an annual basis, from all scheduled commercial banks in respect of their exposure to Non-SSI sick/weak industrial companies/units. RBI brings out the Review of these industrial units financed by scheduled commercial banks as at the end of March every year, based on the data received from these banks.