

**GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA**

UNSTARRED QUESTION NO:5256
ANSWERED ON:28.04.2000
SICK UNITS
MANSINH PATEL

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

- (a) the location wise details of the industrial units in Gujarat which are lying closed or on the verge of closure;
- (b) since when these units have been lying closed or on the verge of closure alongwith the reasons therefor;
- (c) the steps taken by the Government to revive these units;
- (d) the number of employees and workers rendered jobless on account of closure of these units; and
- (e) the details of financial assistance provided to the labourers of these units by the Central/State Government ?

Answer

THE MINISTER OF SATATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (DR. RAMAN SINGH)

(a)to (e): According to the available information units closed in Gujarat under the Industrial Disputes Act, 1947 and workers affected due to closure were as below:-

Year Units closed Workers affected

1997	21	848
1998	34	1067
1999	11	221

Data on sick industrial units assisted by the banks in the country is compiled by the Reserve Bank of India (RBI).There were 223 non-SSI sick/weak units and 4170 sick SSI units in Gujarat as at the end of March, 1999.

According to the RBI report, a number of causes, both internal and external, often operating in combination, have been responsible for industrial sickness. The main causes include deficiencies in planning, management, marketing etc.

The Government has taken a number of steps for revival of sick industrial units which, inter-alia, include, guidelines of the RBI to banks, amalgamation of sick units with healthy units, setting up of Board for Industrial and Financial Reconstruction (BIFR) under the Sick Industrial Companies (Special Provisions) Act, National Equity Fund etcFinancial assistance has also been made available to the Mahatma Gandhi Labour Institute, Ahmadabad for counselling, retraining and redeployment of workers rationalised from organised sector in Gujarat.