GOVERNMENT OF INDIA COMMERCE AND INDUSTRY LOK SABHA

UNSTARRED QUESTION NO:896 ANSWERED ON:06.03.2007 CLOSED INDUSTRIES Hossain Shri Abdul Mannan

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

- (a) whether there is any proposal to revive and reopen the closed industries/ factories by the Government in the country;
- (b) if so, the details thereof, State-wise; and
- (c) if not, the steps taken/proposed to be taken to revive/reopen these industries/factories?

Answer

THE MINISTER OF THE STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY(SHRI ASHWANI KUMAR)

(a) to (c): The Government of India enacted a special legislation, namely, the Sick Industrial Companies (Special Provisions) Act, 1985 (SICA) to determine sickness and expedite the revival of potentially viable units or closure of unviable units. The Board of Industrial and Financial Reconstruction (BIFR), considers revival of sick industrial units registered with the Board under the provisions of SICA.

As per information received from the BIFR, 697 cases were registered with the Board during the last three years, i.e., from 1.1.2004 to 31.12.2006. During the same period, 129 cases were recommended for revival and 228 cases were revived. The State-wise list of the sick industries revived during the last three years is given at Annexure.

Besides providing a policy regime that facilitates and fosters growth and development of industries, steps taken for revival of sick industrial units, inter-alia, include setting up of Board of Industrial and Financial Reconstruction (BIFR) and issue of guidelines by Reserve Bank of India to banks for financial support and amalgamation of sick units with healthy units. Wherever feasible rehabilitation schemes are sanctioned for the revival of the units registered with the BIFR which, inter alia, include restructuring of the capital, induction of fresh funds by the promoters, Government assistance for public sector units, merger with other companies, relief and concessions in the form of rescheduling of dues by Financial Institutions, banks and Government and change of management.

ANNEXURE

ANNEXURE REFERRED TO IN REPLY TO LOK SABHA UNSTARRED QUESTION NO 896 FOR ANSWER ON 6TH MARCH, 2007.

State-wise list of cases revived by BIFR during 1.1.2004 to 31.12.2006

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Sl.No States/Union Territories No. of Units
   2004 2005 2006
1 Andhra Pradesh 3 6 11
2 Assam
          1
3 Chhattisgarh 1 1
4 Delhi 6 10
5 Goa 1 2
6 Gujarat 3 6 11
           3 1 3
7 Haryana
8 Himachal Pradesh
9 Jharkhand 1
10 Karnataka 2 5 9
11 Kerala 1 3 3
12 Madhya Pradesh 1 2
13 Maharashtra 5 21 22
14 Orissa 1 2
15 Pondicherry 1 1
16 Punjab 1 4 7
17 Rajasthan 2 4 3
18 Tamil Nadu 2 6 19
19 Uttarakhand 1 3
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20 Uttar Pradesh 5 4 21 West Bengal 2 4 10

TOTAL 29 76 123