

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:6018
ANSWERED ON:03.05.2013
BIFR OFFICES
Owaisi Shri Asaduddin

Will the Minister of FINANCE be pleased to state:

- (a) the average time taken by the Board for Industrial and Financial Reconstruction (BIFR) to complete verification and report on industrial units;
- (b) the steps taken or proposed to be taken by the Government to enhance speed and efficiency of BIFR;
- (c) whether there is demand for opening more BIFR offices in the country for speedy settlement of pending cases; and;
- (d) if so, the details thereof and steps taken or being taken by Government in this regard?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI NAMO NARAIN MEENA)

(a): Section 16 of the Sick Industrial Companies (Special Provisions) Act, 1985 mandates the Board to carry out an Inquiry before declaring an Industrial company as a sick industrial company. The Bench of BIFR arrives at a conclusion that the company is 'sick', only after hearing all the concerned parties viz., the Sick Company, Creditors, Financial Institutions, Statutory Agencies, Worker's Unions etc.

As reported by BIFR, the process of determining the sickness of an Industrial unit takes 8-10 months on an average. However, it varies from case to case since the process is complex, case specific and based on several factors.

(b): Government has recently filled up three posts of Members in BIFR thereby resulting in more benches.

(c) & (d): A Public Interest Litigation No.163 of 2009 has been filed by the Association for Aiding Justice, Mumbai in the Hon'ble High Court of Bombay to setup a bench of BIFR in the Western region. The matter is sub-judice.