

## Industrial Sickness

52. Since its inception in May 1987, BIFR has received 3441 references including 225 Central and State Public Sector Undertakings upto the end of November 1998 under the Sick Industries Companies Act (SICA), 1985. Out of these, 2404 references were registered under Section 15 of SICA. While 452 references were dismissed as non-maintainable under the Act, 637 rehabilitation schemes including 28 schemes of AAIFR (Appellate Authority of Industrial Finance and Reconstruction)/Court were sanctioned and 606 companies were recommended to be wound up. 214 companies have been declared no longer sick and discharged from the purview of SICA on their net worth turning positive after implementation of the scheme.

53. Out of the 225 references of Public Sector Undertakings, 157 (67 CPSUs and 90 SPSUs) were registered upto November 1998. Rehabilitation schemes were sanctioned for 21 CPSUs and 29 State PSUs. It was recommended that 10 CPSUs and 19 State PSUs be wound up. 2 CPSUs and 4 State PSUs were declared no longer sick. Status of cases referred to BIFR as of end November 1998 is given in Table 7.14. Disposals of cases by BIFR declined from 275 in 1996 to 188 in 1997 and further to 127 in 1998 (upto November).

54. As per the latest available information compiled by RBI, the number of sick/weak units as of end March 1997, both SSI and non-SSI, declined to 2.37 lakh from 2.65 lakh as of end March 1996. However, the amount of outstanding bank credit increased marginally to Rs 13,787 crore as of March 1997 from Rs 13,748 crore as of March 1996. As on 31st March 1997, 1948 non-SSI sick units and 420 non-SSI weak units accounted for 62.5 per cent and 11.3 per cent respectively, of the total outstanding bank credit. SSI sick units accounted for the balance 26.2 per cent.

	Total	Private Sector	Public Sector	
			Central PSUs	State PSUs
1. References received	3441	3216	82	143
2. Registration declined	1002	936	15	51
3. Under scrutiny	35	33	-	2
4. References registered	2404@	2247	67	90
5. Dismissed as non-maintainable	452	422	5	25
6. Rehabilitation schemes approved/sanctioned	609	559	21	29
7. Winding up recommended to High Courts	606	577	10	19
8. Draft schemes issued	43	31	9	3
9. Winding up notice issued	40	34	4	2
10. Under inquiry	511@	488	12	11
11. Schemes failed and reopened	24	21	2	1
12. Pending cases remanded by AAIFR	21	20	1	-
13. Stay ordered by Courts	43	42	1	-
14. Schemes by AAIFR/Court	28	28	-	-
15. Net Worth became positive during inquiry	27	25	2	-
16. Declared no longer sick	214	208	2	4

**Note :** The figures given at S.No. 6 includes figures given at S. No. 16  
 @ Includes 60 cases registered during October and November, 1998 and are under allocation.