



## Bihar

### Prevention of Industrial Sickness

#### Rehabilitation of Sick Units

Industrial sickness is a part of the process of industrialization. It leads to unemployment, blockage of capital, loss of state revenue and non-utilisation of assets. Hence it is necessary to take proper steps in order to rehabilitate the sick industries. As such govt. is concerned about this and would take the following steps to stem sickness and revive sick industries.

#### Small Sector

- (i) **State Level Committee:** For the rehabilitation of small industry a State Level Committee under the chairmanship of Director of Industries will be constituted. Its members comprise representatives from the banks, financial institutions, Reserve Bank of India, Industries Association, experts and Government.
- (ii) The above committee would be empowered with necessary statutory powers in order to rehabilitate the sick industry so that approved rehabilitation package may be implemented effectively.
- (iii) The guidelines of the Reserve Bank of India / IDBI / SIDBI would be relied upon to identify sickness in sick and small units. Appropriate rehabilitation package would be approved for their rehabilitation.
- (iv) The sick industries being revived will not require sickness certificate on an annual basis, instead the revival package shall specify the period of revival of sick units.
- (v) The industry declared sick by the State Level Committee would be eligible to receive reliefs and concessions from banks and financial institution as per instructions of RBI. These concessions and reliefs will be considered to be given within a definite time frame.

- (vi) After the identification of sickness within a prescribed time frame the rehabilitation package would be prepared and the state level institutions would monitor the sick industries and their rehabilitation.
- (vii) Those sick and closed units which have availed the benefits of any Industrial Policy in the past can avail even second time the facilities under this policy. If any sick or closed unit wants to avail the benefits under the Industrial Policy for the second time it will avail only the difference between the prior availed amount and the proposed amount under new policy. But this facility for rehabilitation to the unit will be made available only on the recommendation of the concerned committee constituted by the State Government. Such facility to the unit can be made available maximum of two times only.
- (viii) **Facility provided to the sick and closed units:**  
Exemptions from Annual Minimum Guarantee (AMG), Monthly Minimum Guarantee (MMG) and Delayed Payment Surcharge (DPS) would be available to the unit from the date of declaration of the unit as a sick unit. This facility would be admissible for a period of five years.

#### **Sickness in Medium and Large Industries:**

- (i) A committee would be constituted under the chairmanship of Secretary Industry to explore the possibility and determine remedies for the revival of **medium** and large scale industries and Public Sector Undertakings (PSUS) which are sick and not referred to the BIFR and have a potential for revival. The recommendations of the above committee detailing the reliefs and concessions shall be placed for approval before the high-powered committee existing under the chairmanship of the Chief Secretary.
- (ii) The rehabilitation package envisaged by BIFR /IRB I/BICICO /BSFC /Bank and state level inter institutional committee shall be placed before the committee under the chairmanship of the Secretary, Industry for consideration and recommendation of Government.
- (iii) Sick Industry means such industry, which has been registered by the Board for Industrial and Financial Reconstruction (BIFR).
- (iv) Decision regarding closed industrial units shall be taken by a State Level Committee constituted under the chairmanship of Secretary Industries Department.

(v) Those sick and closed units which have availed the benefits of any Industrial Policy in the past can avail even second time the facilities under this policy. If any sick or closed unit wants to avail the benefits under the Industrial Policy for the second time it will avail only the difference between the prior availed amount and the proposed amount under new policy. But this facility for rehabilitation to the unit will be made available only on the recommendation of the concerned committee constituted by the State Government. Such facility to the unit can be made available maximum of two times only.

(vi) **Facilities to sick and closed units:**

Exemption of Annual Minimum Guarantee (AMG), Monthly Minimum Guarantee (MMG) and delayed payment surcharge to the unit will be granted from the date of declaration of unit as a sick unit. This facility will be available for five years.