

SBP chief stresses swift revival of sick units

ISLAMABAD: Bankers as well as borrowers must show maximum flexibility for the immediate revival of sick industrial units in the country, remarked State Bank of Pakistan (SBP) Governor Reza Baqir.

Taking part in a Zoom conference with Faisalabad Chamber of Commerce and Industry (FCCI) members on the issue of sick industrial units, Baqir said Covid-19 had left a negative impact on the national economy and necessary measures must be taken to generate and accelerate industrial activities. "It is a prerequisite to produce exportable surplus in addition to creating much-needed jobs for the unemployed youth," he stressed.

The central bank governor said the SBP was already making efforts to resuscitate the sick units as it was a shortcut to expansion of the national economy.

"In this connection, bankers and borrowers have been brought to the same table," he said, adding that efforts were focused on making such meetings result-oriented and meaningful so that the closed units could be revived without any further delay.

Baqir assured FCCI President Rana Muhammad Sikandar Azam Khan that meetings between bankers and borrowers would be arranged for reopening the sick units as soon as possible.

The FCCI chief said a list of sick units, their liabilities and possible remedial measures had already been communicated to the SBP and Corporate Restructuring Company (CRC).

He expressed dissatisfaction over the lukewarm response from CRC but termed the response of SBP governor very positive and proactive.

He praised the role of governor in prudently tackling the chronic issues and invited him to visit Faisalabad at an early date. He voiced hope that a meeting between banks and owners of sick industrial units would be arranged soon.

Mian Muhammad Latif of the Chenab Group told the meeting that there were 12 to 13 sick industrial units and they were not asking for writing off their principal loan.

"Their demand is only to reschedule the loan installments," he pointed out and added that it would enable them to restart their units and clear bank loans in addition to contributing to the national economy.

He was of the view that the revival of sick units would help Pakistan to earn additional foreign exchange to the tune of \$1 billion in addition to providing jobs to thousands of workers.