

(d) Does not arise.

Public Sector Undertakings

522. SHRI V. SREENIVASA PRASAD:

Will the Minister of FINANCE be pleased to state:

(a) whether the Government have any proposal to set up a working group for the speedy restructuring of public sector undertakings in the country;

(b) if so, the details thereof;

(c) whether the Rangarajan Committee report on Public sector Undertakings has not yet been implemented;

(d) if so, the reasons therefor; and

(e) the concrete steps proposed to save those undertakings which are on the verge of closure?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.V. CHANDRASHEKHARA MURTHY):

(a), (b) and (e): The Government have initiated various steps for speedy restructuring of Public Sector Undertakings in the country. In this regard, the Government have constituted a Group of Ministers under the Chairmanship of the Finance Minister to periodically review the performance of sick Public Sector undertakings and to determine the stand to be taken by the Government before the Board for Industrial and Financial reconstruction (BIFR) in respect of sick undertakings. A total of 50 sick Public Sector Undertakings have already been referred to BIFR. A special tripartite Committee is also examining all cases of sickness in the Public sector through sectoral level Industrial Committee so as to build a consensus.

(c) and (d): The Report is under consideration of the Government. Since the recommendations contained in the Report have far-reaching policy implications, the various issues are being examined.

Sick PSUs

523. SHRI SOBHANADREESWARA RAO VADDE:

Will the Minister of FINANCE be pleased to state:

(a) the details of sick public sector undertakings referred to Board for Industrial and financial reconstruction (BIFR) during the last three years;

(b) whether studies have been conducted to establish the cause of their sickness;

(c) if so, the details thereof;

(d) whether the flow of funds to the sick public sector undertakings is allowed as usual pending decision by BIFR; and

(e) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.V. CHANDRASHEKHARA MURTHY):

(a) The Board for Industrial and financial Reconstruction (BIFR) has reported that there were 120 cases of sick public sector undertakings registered with it as on 31st October, 1994.

(b) and (c): Cases registered with BIFR are inquired into as per the provisions of the Sick Industrial Companies (Special Provisions) Act, 1985 (SICA) with a view to

explore the feasibility of their revival or in the alternative, closure. The inquiry, *inter-alia*, includes study into the causes of sickness with view to determine the feasibility of revival. Based on such inquiry, BIFR has found, as on 31st October, 1994, 23 cases fit for revival, schemes have been sanctioned in 11 cases, draft schemes circulated in seven cases and draft schemes are under formulation in five cases. Of the 21 unviable cases, eight have been recommended to the concerned High Court for winding up and notices have been issued in respect of 13 cases to show cause why the company should not be wound up.

(d) and (e): When sick industrial companies including public sector undertakings, are referred to BIFR, banks extend need-based support and allow 'holding-on' operations on a case to case basis. Commercial banks have been advised by the Reserve Bank of India that they should not abruptly stop the credit facilities to such companies but should exercise their judgement in regard to continuance of the 'holding-on' operations.

[Translations]

Revival of Sick Industries

524. SHRI GUMAN MAL LODHA:
SHRI JAGMEET SINGH BRAR:

Will the Minister of FINANCE be pleased to state:

(a) the number of cases of sick industrial units registered by the Board for Industrial and financial Reconstruction during the year 1993-94 and the current year, so far;

(b) the recommendations made by the BIFR on such cases and the number of cases finally disposed of;

(c) the number of cases pending disposal; and

(d) the steps proposed to be taken by the Government to expand BIFR with a view to revive a large number of sick industrial units;

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.V. CHANDRASHEKHARA MURTHY):

(a) to (c): The Board for Industrial and Financial Reconstruction (BIFR) has reported that the number of cases of sick industrial companies registered, disposed and pending during 1993 and 1994 (upto 31st October, 1994) was as under:

	1993	1994*
1. References registered	152	166
2. References finally disposed out of 1 above	84	21
3. References pending	68	145
4. References disposed off during the year (including those registered in the earlier years)	232	232

*Upto 31st October, 1994.

(c) The sanctioned strength of the BIFR consists of Chairman and eight members, all of whom are presently in position.