

**GOVERNMENT OF INDIA
HEAVY INDUSTRIES AND PUBLIC ENTERPRISES
LOK SABHA**

UNSTARRED QUESTION NO:1432
ANSWERED ON:11.12.2003
REVIVAL SCHEME FOR BSCL
MAHBOOB ZAHEDI

Will the Minister of HEAVY INDUSTRIES AND PUBLIC ENTERPRISES be pleased to state:

o refer to Unstarred Question No.632 dated July 24, 2003 and to state:

- (a) whether BSCL`s revival scheme sanctioned for implementation over a period of five years was failed within a span of two years from the date of its sanction;
- (b) if so, whether it reflects that the Management failed to implement the revival scheme for BSCL;
- (c) if so, the reasons therefor;
- (d) whether RITES has been authorized to make a full-fledged man power study of BSCL and pending their recommendation how DH could issue instruction to reduce the man power from 1800 to 900 numbers;
- (e) if so, whether the employee-related liabilities have not been reflected as `current liabilities` in the Annual Account of BSCL for the year ended 2002-2003;
- (f) if so, whether the payment of the employee-related liabilities, as per order dated January 21,2003 passed by Hon`ble High Court of Kolkata is complied with; and
- (g) if so, the details thereof?

Answer

MINISTER OF STATE IN THE MINISTRY OF HEAVY INDUSTRIES AND PUBLIC ENTERPRISES AND MINIST
PARLIAMENTARY AFFAIRS (SHRI SANTOSH KUMAR GANGWAR)

- (a) The BIFR had sanctioned rehabilitation scheme for BSCL on 16.04.1999.The scheme was declared as failed on 14.09.2001 by the BIFR.
- (b) & (c) The company could not perform as per the projections in the scheme due to prevailing business conditions in the field of wagons, refractories and allied products, delayed and inadequate orders from Railways and non-remunerative wagon prices.
- (d) Manpower study was conducted by RITES in the year 2001 as recommended in the BIFR sanctioned scheme.Since the scheme was declared as failed, recommendations in the RITES draft report have lost relevance.The reduction of manpower through VRS is being taken recourse to for reducing the fixed costs of the company without affecting production.
- (e) All admissible employee related liabilities including statutory liabilities have been properly reflected in the annual accounts of the company for the year 2002-03.
- (f) & (g) As per order of the Hon`ble High Court dated 21.01.2003, the matter of revision of pay scale of the petitioners was to be considered by BIFR while sanctioning any new scheme. In case of BSCL no new scheme has yet been evolved.