

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

UNSTARRED QUESTION NO:2826
ANSWERED ON:12.12.2005
REVIVAL OF WAGON MANUFACTURING PSUs
Adhalrao Patil Shri Shivaji

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

- (a) whether the utilization capacity of the wagon manufacturing Public Sector Undertakings (PSUs) had touched the lowest figure during 2004-05;
- (b) if so, the details and the reasons therefor;
- (c) whether all the wagon manufacturing PSUs have been declared sick units;
- (d) if so, whether there is any proposal to review these units; and
- (e) if so, the details thereof?

Answer

MINISTER OF STATE (INDEPENDENT CHARGE) OF THE MINISTRY OF HEAVY INDUSTRIES AND PUBLIC ENTERPRISES AND MINISTER OF STATE (INDEPENDENT CHARGE) OF THE MINISTRY OF WATER RESOURCES (SHRI SONTOSH MOHAN DEV)

(a)&(b): There are four wagon manufacturing Public Sector Enterprises (PSEs) under the administrative control of the Ministry of Heavy Industries and Public Enterprises. The installed capacities at these units vis-à-vis production and capacity utilization during the last three years are given below:-

Figures in FWUs				
Name of the Unit	Installed	2004-05	2003-04	2002-03
BACL	8661	Capacity 2282.5	Production 2190	3217.5
		Capacity Utilisation 26.4%	25.3%	37.1%
BCL	4350	Capacity 1000	Production 1227.5	1460
		Capacity Utilisation 23.0%	28.2%	33.5%
BWEL	2500	Capacity 440	Production 285	927.5
		Capacity Utilisation 17.6%	11.4%	37.1%
B&R	450	Capacity 144	Production 128	181
		Capacity Utilisation 32.0%	28.4%	40.2%

The decline in capacity utilization is owing to delayed and inadequate receipt of matching free supply items from Railways, delayed and inadequate supply of critical components from registered vendors, unremunerative wagon prices up to 2003-04 and shortage of working capital.

(c) to (e): Out of the four wagon manufacturing PSEs, three PSEs, namely Burn Standard Company Ltd., Braithwaite and Company Ltd. and Bharat Wagon and Engineering Company Ltd. have been declared sick units. Under the policy of the Government as enunciated in the National Common Minimum Programme (NCMP), a decision has been taken in principle to plan for the revival of these companies through restructuring.