

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

STARRED QUESTION NO:202
ANSWERED ON:06.03.2006
SICK PUBLIC SECTOR UNDERTAKINGS
Barman Shri Hiten;Pathak Shri Brajesh

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

- (a) the details of sick Public Sector Undertakings (PSUs) under the Ministry as on date;
- (b) the total investment made in each of them;
- (c) the details of losses incurred by each of these undertakings during the last three years and till-date, year-wise and PSU-wise;
- (d) whether the Government proposes to revive such PSUs;
- (e) if so, the details thereof and if not, the reasons therefor;
- (f) whether the Government has made payment of salaries and arrears of the employees of sick undertakings; and
- (g) if so, the details thereof and if not, the reasons therefor?

Answer

MINISTER OF HEAVY INDUSTRIES AND PUBLIC ENTERPRISES (SHRI SONTOSH MOHAN DEV)

(a) to (g): A statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (g) OF THE STARRED QUESTION NO. 202 FOR ANSWER ON 6TH MARCH 2006 REGARDING SICK PUBLIC SECTOR UNDERTAKINGS

(a) to (c) A statement of sick Public Sector Enterprises referred to BIFR under the Department of Heavy Industry including investment made in terms of equity as on 31.03.2005 and losses incurred by these PSEs during the last three years, year-wise and PSE-wise is enclosed (ANNEX).

(d) & (e) National Common Minimum Programme (NCMP) envisages that every effort will be made to modernize/restructure sick public sector companies and revive sick industry. Accordingly, a Board for Reconstruction of Public Sector Enterprises (BRPSE) has been constituted to make recommendations on the revivability and future of the PSEs. 20 PSEs of the Department of Heavy Industry have already been referred to the BRPSE. Out of the above BIFR referred cases revival plans have been approved by Government in case of 4 PSEs, namely

(i) Hindustan Salts Ltd.

(ii) Praga Tools Ltd

(iii) Heavy Engineering Corporation Ltd.,

(iv) Braithwaite & Co. Ltd

(f) & (g) Primarily it is the responsibility of the company to make payment of salary/wages to its employees. Government has been providing financial assistance as loan to PSEs which are unable to generate enough resources to tide over the situation. During the last year and a half, Government has sanctioned an amount of Rs. 761 crore on three occasions as per details given below:-

S.No.	Salary support sanctioned in	Duration of support	No. of PSEs	Amount
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(i) October, 2004 Upto 31.7.2004 24 Rs. 517.43 Cr.

(ii) June, 2005 From 1.8.2004 to 31.3.2005 (8 months) 16 Rs. 150.23 Cr.

(iii) October, 2005 1.4.2005 to 31.7.2005 (4 months) 15 Rs. 93.41 Cr.

ANNEX

ANNEX. REFERRED TO IN REPLY TO PARTS (a) TO (c) OF LOK SABHA STARRED QUESTION NO.202 FOR ANSWER ON 06 MARCH 2006

(Rs. in Crore)

Sl.No.	Name of PSE terms of equity as on 31.03.2005	Investment in	Loss (-) of sick PSEs			
		2002-03	2003-04	2004-05		
1.	Andrew Yule & Co. Ltd.	158.84	-60.66	-54.63	-75.44	
2.	Braithwaite & Co. Ltd.	108.99	-29.22	-23.56	-21.91	
3.	Bharat Wagon Engineering Company Ltd.	10.10	-10.58	-24.05	-28.10	
4.	Burn Standard Co. Ltd.	128.82	-73.74	-110.65	-118.72	
5.	Bharat Heavy Plates & Vessels Ltd.	33.80	-187.63	-152.92	-78.24	
6.	Bharat Pumps & Compressors Ltd.	53.53	-12.92	-18.64	-11.62	
7.	Richardson & Cruddas	54.84	-28.19	-39.26	-33.06	
8.	Triveni Structurals Ltd.	21.02	-26.26	-47.99	-48.00	
9.	Tunghabhadra Steel Products	8.44	-2.63	-99.98	-16.64	
10.	Hindustan Cables Ltd.	419.36	-256.31	-307.87	-270.88	
11.	Heavy Engineering Corpn. Ltd.	432.15	-173.82	-132.68	-285.02	
12.	Praga Tools Ltd.	36.34	-37.50	-16.04	-34.39	
13.	Instrumentation Ltd.	83.77	-29.18	-29.02	-16.98	
14.	Cement Corporation of India Ltd.	429.28	-215.36	-80.95	-218.94	
15.	Hindustan Photo Films Mfg. Co. Ltd.	199.87	-385.39	-443.02	-496.41	
16.	Hindustan Salts Ltd.	12.70	-2.78	-2.41	8.34	
17.	Nepa Ltd.	105.39	-52.11	-46.17	-48.61	
18.	Tyre Corpn. of India Ltd.	93.10	-16.91	4.55	-56.87	
	Total	2390.34	-1601.19	-1625.29	-1851.49	

NOTE: In addition, there are 3 PSEs namely, Bharat Ophthalmic Glass Ltd., National Instruments Ltd. & Nagaland Pulp & Paper Co. Ltd. which are not in operation.