

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

UNSTARRED QUESTION NO:1580
ANSWERED ON:23.08.2007
SALE OF SURPLUS LAND OF SICK PSES
Reddy Shri Karunakara G.

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

- (a) whether the Government proposes, to sell surplus land of the sick Public Sector Enterprises (PSEs) to improve their condition;
- (b) if so, the details thereof;
- (c) the details of the sale of surplus land and the estimated amount to be received as a result thereof industry-wise;
- (d) whether the Government has prepared any action plan to improve condition of the PSEs by the money so earned;
- (e) if so, the details thereof; and
- (f) if not, the alternative action plan prepared by the Government in this regard?

Answer

THE MINISTER OF THE STATE IN THE MINISTRY OF HEAVY INDUSTRIES & PUBLIC ENTERPRISES (SHRI SONTOSH MOHAN DEV)

(a) & (b): The policy of the Government on Public Sector envisages that "every effort will be made to modernize/restructure sick public sector companies and revive sick industry". Sale of surplus land may be one of the means for raising resources to meet the cost of the revival package approved by the Government on case to case basis.

(c): Identification and sale of surplus land is done by the concerned Central Public Sector Enterprise (CPSE) as per revival package approved by the Government. Sale proceeds of land is estimated by CPSE as per the characteristics of land available with CPSEs, which may be lease-hold/concessional/free-hold land etc. and other conditions imposed on disposal of land by the respective Governments at the time of establishment of the PSEs. Amount realized by HMT Ltd. has been Rs. 380 crore and by Praga Tools Ltd. Rs. 82 crore during the last two years by sale of land.

(d) to (f): A Board for Reconstruction of Public Sector Enterprises (BRPSE) has been constituted to make recommendations inter-alia on the revivability and future of the CPSEs, which may include sale of the surplus land. Based on the recommendations of BRPSE, Government have approved revival package for 26 CPSEs. The revival package of some of these CPSEs like HMT Machine Tools Ltd., Praga Tools Ltd., HMT Bearings Ltd., NTC and its subsidiaries, Hindustan Antibiotics Ltd. etc. include sale of the surplus land.