

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

UNSTARRED QUESTION NO:4129

ANSWERED ON:18.08.2000

SICK AND LOSS MAKING PSUS

A. VENKATESH NAIK;AJAY CHAKRABORTY;ANANTA NAYAK;AVTAR SINGH BHADANA;DINSHA J. PATEL;RAMDAS  
ATHAWALE;RASA SINGH RAWAT;RAVINDRA KUMAR PANDEY;TRILOCHAN KANUNGO

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

- (a) the number and names of Public Sector Undertakings which are incurring losses / sick and closed during the last three years and till date;
- (b) the reasons for incurring losses, sickness and closure;
- (c) the number of PSUs referred to Board of Industrial and Financial Reconstruction (BIFR) for revival and the number of PSU pending with the BIFR, as on date, along with the status of each PSU;
- (d) the scheme to rehabilitate workers of closed PSUs;
- (e) whether the recommendations of the Expert Committee constituted for these PSUs have not been implemented;
- (f) if so, the reasons therefor and the details of the recommendations made by the Committee; and
- (g) the steps being taken by the Government to save the PSUs?

**Answer**

THE MINISTER OF STATE (HI&PE) DR. VALLABHBHAI KATHIRIA

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

STATEMENT REFERRED TO IN REPLY TO LOK SABHA UNSTARRED QUESTION NO. 4129 FOR REPLY ON 18.8.2000.

(a) to (c):- The number and names of Central Public Sector Undertakings (CPSUs) which have incurred losses and which were sick during last three years i.e. 1996-97,1997-98 and 1998-99, the period for which information is available, are indicated in Statement No.7B and Chapter No.19, Volume-I of Public Enterprises Survey Report for the respective years. These Reports have been laid in both the Houses of Parliament and are published documents. As on 30th June, 2000, the period for which the information is available, 52 sick industrial central CPSUs were effectively registered with Board for Industrial and Financial Reconstruction (BIFR). Of these 52 CPSUs, BIFR have sanctioned revival scheme for 20 CPSUs. Broad status of these sick CPSUs is at Annexure.

The reasons for incurring losses including sickness are enterprise specific. However, some of the common reasons include obsolete plant & machinery, outdated technology, low capacity utilization, resource crunch, high interest burden, excess manpower, weak marketing strategy etc.

(d) to (f):- Government had constituted an Expert Group to examine the possibility of revival of some of the unviable PSUs under the control of Department of Heavy Industry (DHI). The recommendations of the Expert Group were considered by the Government and it was decided to re-introduce Voluntary Separation Scheme in 6 PSUs viz., Mining & Allied Machinery Corpn., (MAMC), National Bicycle Corpn. Of India Ltd. (NBCIL), Bharat Process & Mechanical Engineers Ltd.,(BPMEL), Weighbird India Ltd. (WII) Rehabilitation Industries Corpn. (RIC) and Tannery & Footwear Corpn. (TAFCO) and take action for their closure.

(g) Enterprise specific measures are taken to revive or turn around the PSUs. Sick Industrial PSUs are referred to BIFR for formulating appropriate revival/ rehabilitation scheme under the provisions of SICA. For other loss making PSUs administrative Ministry in consultation with management and workers of PSU concerned explore various options and device appropriate measures for restructuring of these PSUs. Some of the common measures taken by the Government are indicated at page 103, Volume-I of Public Enterprises Survey 1998-99, which is a published document.

**ANNEXURE**

List of BIFR Central Public Sector Undertakings with their Status as on 30.06.2000.

Sr. Case No. Name of the Company  
No.

REVIVAL SCHEME SANCTIONED

- 1 533/92 BENGAL CHEMICALS & PHARMACEUTICALS LTD.
- 2 538/92 BENGAL IMMUNITY LTD.
- 3 526/92 BHARAT BRAKES & VALVES LTD.
- 4 501/92 BHARAT PUMPS & COMPRESSORS LTD.
- 5 525/92 BHARAT REFRACTORIES LTD.
- 6 528/92 BRAITHWAITE & CO. LTD.
- 7 508/94 BURN STANDARD COMPANY LTD.
- 8 511/92 HEAVY ENGINEERING CORPN. LTD.
- 9 509/93 INSTRUMENTATION LTD.
- 10 502/95 JESSOP & CO. LTD.
- 11 531/92 NATIONAL INSTRUMENTS LTD.
- 12 503/97 NORTH EASTERN REGIONAL AGRI. MARKETING CORP.LTD.
- 13 514/92 ORISSA DRUGS & CHEMICALS LTD.
- 14 521/92 PROJECTS & DEVELOPMENT INDIA LTD.
- 15 506/94 R B L LTD.
- 16 509/92 RICHARDSON & CRUDDAS (1972) LTD.
- 17 504/92 SCOOTERS INDIA LTD.
- 18 529/92 SMITH STANISTREET & PHARMACEUTICALS LTD.
- 19 507/92 TRIVENI STRUCTURALS LTD.
- 20 512/92 VIGNYAN INDUSTRIES LTD.

DRAFT SCHEME CIRCULATED

- 1 532/92 BHARAT OPHTHALMIC GLASS LTD.
- 2 501/96 CEMENT CORPN. OF INDIA LTD.
- 3 534/92 NTC (A.PRADESH, KARNATAKA, KERALA & MAHE) LTD.
- 4 501/94 NTC (DELHI, PUNJAB & RAJASTHAN) LTD.
- 5 536/92 NTC (MAHARASHTRA NORTH) LTD.
- 6 505/93 NTC (SOUTH MAHARASHTRA) LTD.
- 7 523/92 TYRE CORPORATION OF INDIA LTD.

WINDING UP NOTICE ISSUED

- 1 503/95 HINDUSTAN PHOTO FILMS MANUFACTURING CORPN. LTD.
- 2 502/96 MAHARASHTRA ANTIBIOTICS & PHARMACEUTICALS LTD.
- 3 535/92 NTC (GUJARAT) LTD.
- 4 501/93 NTC (MADHYA PRADESH) LTD.
- 5 504/93 NTC (UTTAR PRADESH) LTD.
- 6 503/93 NTC (WEST BENGAL, ASSAM, BIHAR & ORISSA) LTD.
- 7 530/92 U.P. DRUGS & PHARMACEUTICALS LTD.

UNDER ENQUIRY

- 1 503/98 BHARAT IMMUNOLOGICAL & BIOLOGICALS CORP. LTD.
- 2 501/99 BIRDS, JUTE & EXPORTS LTD.
- 3 508/92 CYCLE CORPORATION OF INDIA LTD.
- 4 501/00 EASTERN COALFIELDS LTD.
- 5 515/92 FERTILIZER CORPN. OF INDIA LTD.
- 6 501/97 HINDUSTAN ANTIBIOTICS LTD.
- 7 516/92 HINDUSTAN FERTILIZER CORPN. LTD.
- 8 502/00 HINDUSTAN SALTS LTD.
- 9 502/99 HINDUSTAN VEGETABLE OILS CORPN. LTD.
- 10 505/94 INDIAN IRON & STEEL CO. LTD.
- 11 506/93 NATIONAL JUTE MANUFACTURES CORPORATION LTD.
- 12 502/98 NEPA LTD.
- 13 504/98 PRAGA TOOLS LTD.
- 14 503/99 PYRITES, PHOSPHATES & CHEMICALS LTD.

FAILED & REOPEN

- 1 507/94 HINDUSTAN FLUOROCARBONS LIMITED
- 2 503/92 INDIAN DRUGS & PHARMACEUTICALS LTD.
- 3 504/94 SOUTHERN PESTICIDES CORPORATION LTD.

STAY ORDER BY COURT

- 1 510/92 MINING & ALLIED MACHINERY CORPN. LTD.