

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

UNSTARRED QUESTION NO:578

ANSWERED ON:03.03.2005

REVIVAL OF SICK CPSEs

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

- (a) whether the Government has taken/propose to take any steps for revival of sick Central Public Sector Enterprises (CPSEs);
- (b) if so, the details stating inter-alia the criteria and other parameters fixed for revival of a sick CPSE;
- (c) the total amount sanctioned and spent for revival of CPSEs during each of the last three years;
- (d) the details of sick CPSEs referred to the Board for Reconstruction of Public Sector Enterprises (BRPSE) for revival/restructuring; and
- (e) the present position of the units of West Bengal with particular reference to Braithwaite & Co., Burn Standard & Company Limited etc.?

Answer

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

(a) to (c) The National Common Minimum Programme (NCMP) provided that the UPA Government is committed to a strong and effective public sector. While every effort will be made to modernize and restructure public sector companies and revive sick industry, chronically loss making companies will either be sold of or closed after all workers have got their legitimate dues and compensation. The UPA Government will induct private industries to turn around companies that have potential to revive. In pursuance of this policy a Board for Reconstruction of Public Sector Enterprises (BRPSE) has been set up in December, 2004 to examine the proposals of the Administrative Ministries for revival / restructuring of sick / loss making CPSEs for their turn around and to make suitable recommendations related thereto. Further, as per the provisions of Sick Industrial Companies (Special Provisions) Act, 1985 (SICA), Board for Industrial and Financial Reconstruction (BIFR) also takes up cases of sick PSEs and approves revival / rehabilitation schemes under its statutory jurisdiction. In view of these provisions, enterprise specific measures are taken by the concerned administrative Ministries / Departments. All such Departments and Ministries have been addressed to put the revival packages or other suitable proposals in respect of their PSEs for the consideration of Board of Reconstruction of PSEs.

(d) and (e) : The Board for Reconstruction of Public Sector Enterprises (BRPSE) has made its recommendations in case of following 4 Central Public Sector Enterprises :

- (1) Hindustan Salts Ltd.
- (2) Bridge & Roof Company
- (3) BBJ Construction Company
- (4) Tyre Corporation of India Ltd.

out of which last 3 are located in West Bengal. CPSEs like Braithwaite & Company Ltd. and Burn Standard Company Ltd. in West Bengal have not yet been placed before BRPSE.