

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

UNSTARRED QUESTION NO:3106
ANSWERED ON:20.03.2008
REVIVAL OF HEAVY INDUSTRIES
Patel Shri Kishanbhai Vestabhai; Sai Shri Nand Kumar

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

- (a) whether the Government proposes to bring improvement in heavy industries in the country;
- (b) if so, the details of revival packages sanctioned by BIFR alongwith cash infusion and financial restructuring for industries during 2006-07 and 2007-08, industry-wise;
- (c) whether the Government has any proposal to reduce its equity in the heavy industries sector during 2008-09 in the country; and
- (d) if so, the details in this regard industry-wise?

Answer

MINISTER OF STATE IN THE DEPARTMENT OF HEAVY INDUSTRY, MINISTRY OF HEAVY INDUSTRIES AND PUBLIC ENTERPRISES(SMT. KANTI SINGH)

(a)&(b): In so far as the Public Sector Enterprises (PSEs) under the Department of Heavy Industry (DHI) are concerned, in according with the policy enunciated in National Common Minimum Programme (NCMP), revival of 5 PSEs namely, Praga Tools Ltd., Bharat Pumps & Compressors Ltd., HMT (MT) Ltd., Andrew Yule & Co. Ltd. and Nagaland Pulp & Paper Co.Ltd. has been approved by the Government/BIFR during 2006-07 and 2007-08. Details of cash infusion etc. are as under. In addition it has been decided to transfer National Instruments Ltd. to Jadavpur University.

(Rupees in crore)

| Sl. No. | PSE | Fresh GOI funds (cash infusion) | Waivers/ conversions | GOI guarantee | Total | |
|---------|--|---------------------------------|----------------------|---------------|--------|---------|
| 1. | Praga Tools Ltd. Secunderabad (AP) | 5.00 | Nil | 177.12 | 32.59 | 214.71 |
| 2. | Bharat Pumps & Compressors Ltd., Allahabad | Nil | 3.37 | 153.15 | | 156.52 |
| 3. | HMT (MT) Ltd. | 180.00 | 543.00 | 157.80 | | 880.80 |
| 4. | Andrew Yule & Co. Ltd. | Nil | 87.06 | 154.75 | 111.96 | 353.77 |
| 5. | Nagaland Pulp & Paper Co.Ltd. | 251.26 | 38.19 | 126.98 | 252.99 | 669.42 |
| TOTAL | | 436.26 | 671.62 | 769.80 | 397.54 | 2275.22 |

Rs.108.18 crore for setting off the Capital reduction fund on account of reduction of existing paid up capital from Rs.120.20 crore to

Rs.12.02 by way of reduction of the face value of the share from Rs.1000 per share to Rs.100 per share.

Writing down of existing equity from Rs.283.04 crore to Rs.56.61 crore.

(c)&(d): So far, Government willingness to write off equity capital of Rs.8.31 crore of National Instruments Ltd. has been communicated to BIFR and is yet to be sanctioned by BIFR.

No decision has yet been taken to reduce equity in any other CPSE under the administrative control of DHI.