

**GOVERNMENT OF INDIA
COMMUNICATIONS AND INFORMATION TECHNOLOGY
LOK SABHA**

UNSTARRED QUESTION NO:5848
ANSWERED ON:29.04.2015
REVIVAL OF ITI
Mishra Shri Daddan

Will the Minister of COMMUNICATIONS AND INFORMATION TECHNOLOGY be pleased to state:

- (a) whether the Government has sanctioned a financial package for revival ITI limited;
- (b) if so, whether the amount of the financial package has been released;
- (c) if so, the details thereof and if not, the reasons therefor;
- (d) whether ITI limited, Mankapur is involved in cases of irregularities in salary disbursement and the recommendations of the sixth pay commission have not been implemented by the company so far; and
- (e) if so, the details thereof and the action taken in this regard?

Answer

THE MINISTER OF COMMUNICATIONS AND INFORMATION TECHNOLOGY (SHRI RAVI SHANKAR PRASAD)

- (a) Yes Madam. Government has sanctioned a financial package of Rs 4156.79 Cr. for revival of ITI Limited.
- (b) & (c) The revival package of Rs 4156.79 Cr. approved by the Government on 12th February, 2014 comprises of a capital grant of Rs. 2264 Crore to be given in the form of equity for up-grading the manufacturing infrastructure at its various units and for new projects. The balance amount of Rs. 1892.79 Crore is to be given in the form of grant-in-aid for partially meeting statutory liabilities and other commitments made by ITI. The Government has released Rs 165 Cr. as grant-in-aid during November 2014 for payment of 1997 wage revision arrears to the employees of the Company. The Government has also released Rs 192 Cr. as capital grant in February 2015 for infrastructure upgradation and new projects.
- (d) & (e) The Company had been declared as a 'Sick Company' by Board for Industrial and Financial Reconstruction (BIFR) with effect from 31-03-2004. In view of critical funds position there had been delays in salary disbursements and the Company has not been able to disburse the salaries for the months of January, February and March 2015 to its employees working in its various units including Mankapur. The Government, in the Demand for Grants 2015-16, has therefore allotted Rs. 150 Crore for providing support to M/s ITI Limited for payment of salaries.

The Sixth Pay Commission is not applicable to ITI, since it is a Central Public Sector Enterprise (CPSE) and follows IDA Scales. As per CCEA's approval, the wage/pay revision with effect from 01-01-2007 as per Pay Revision Committee (PRC) 2007 is to be considered as per Department of Public Enterprises (DPE) guidelines with the successful implementation of revival plan.