

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

STARRED QUESTION NO:293

ANSWERED ON:28.07.2014

REVIVAL OF SICK CLOSED CPSES

Dubey Shri Nishikant ;Gaddigoudar Shri Parvatagouda Chandanagouda

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

- (a) the details of sick and closed Central Public Sector Enterprises (CPSEs) at present and the number of employees affected/rendered jobless due to sickness or closure of the said CPSEs including the steps taken by the Government to rehabilitate such employees;
- (b) the details of CPSEs which have been approved for revival or closure on the recommendations of the Board for Reconstruction of Public Sector Enterprises;
- (c) the details of financial assistance allocated/released/utilised by CPSEs under the revival plan, CPSE-wise;
- (d) the details of CPSEs which have earned profits after the revival plan, CPSE-wise; and
- (e) the steps taken by the Government to expedite revival of sick/closed CPSEs?

Answer

THE MINISTER OF HEAVY INDUSTRIES & PUBLIC ENTERPRISES (SHRI ANANT GEETE)

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

Statement referred to in reply to Lok Sabha Starred Question No. 293 asked by Shri Nishikant Dubey and Shri P.C.Gaddigoudar on "Revival of Sick/Closed CPSEs" to be answered on 28.7.2014

(a): As per definition given in the Govt. of India Resolution dated 6th December, 2004, constituting Board for Reconstruction of Public Sector Enterprises (BRPSE), there are 61 sick Central Public Sector Enterprises (CPSEs) and 1, 53,154 employees were working in them as on 31.3.2013. As per the information available in Public Enterprises Survey (2008-09 to 2012-13), 3 CPSEs namely

(i) Brushware Ltd.,

(ii) Indian Oil Technological Ltd. and

(iii) Bihar Drugs & Organic Chemicals Ltd. were closed. 16 employees were working in these CPSEs. The interest of the employees is protected through the provision of VRS, settlement of employee related dues, statutory dues, etc., while deciding about closure of a CPSE. The Counselling, Retraining & Redeployment (CRR) Scheme provides opportunities of redeployment through counselling and retraining of separated employees (or their dependents) of CPSEs rendered surplus as a result of modernization, technology up-gradation and manpower restructuring in CPSEs. The objective is to equip them with skill/expertise enabling them to be deployed in self-employment activities.

(b)&(c): On the recommendations of BRPSE, the Government/holding companies have approved revival of 48 CPSEs involving total assistance of Rs.40,937 crores (cash assistance of Rs.10,940 crores in the form of infusion of funds, and non-cash assistance of Rs.29,997 crores in the form of waivers/write offs of interest/loans, conversion of loans into equity, etc.) and closure of 4 CPSEs as on 30.6.2014 (Annex-I).

(d): Out of 48 sick CPSEs approved for revival, 19 CPSEs were declared turnaround which have posted profits consecutively for 3 or more years after the assistance. The details are given in Annex-II.

(e): The Government has advised the concerned Administrative Ministries/Departments of sick CPSEs to prepare a comprehensive package for revival/rehabilitation/closure of the CPSE after due consultation with stakeholder Ministries/Departments and to refer the case to BRPSE for its recommendations and to obtain the approval of the competent authority on the recommendations of BRPSE within 8 weeks.