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Title: Need to merger Bharat Heavy Plates and Vessels Ltd. with Bharat Heavy Electricals Ltd.

SHRI L. RAJAGOPAL (VIJAYAWADA): The Government of India had set up Bharat Heavy Plates and Vessels in 1966 in the city of Visakhapatnam, Andhra Pradesh, to cater to the needs of the core sector industries like fertilizers, oil refineries, petrochemicals, power, steel, nuclear, space and defence. For many years it did very well. Till 1999 it was achieving a phenomenal growth. It even achieved peak growth of 13-14 per cent in a year. But after 2000, for some reasons, the performance of the company deteriorated and it was referred to BIFR.

I commend the Union Government for having intervened in the matter and ensuring that the BHEL takes over the BHPV as the sister concern or as the ancillary unit because BHPV and BHEL have a lot of things in common. They supplement and complement each other. I commend the Government for that. At the same time, BHEL is implementing 2007 pay scales for their employees whereas BHPV is still implementing 1992 pay scales which do not include gratuity, PF and various other things. Not only that, this year they set a target of Rs.225 crore but could achieve only Rs.105 crore.

I have myself visited that plant many times during my college days when I was doing engineering. I have learnt a lot of things, like the manufacturing procedure, from BHPV. So, I would request that instead of BHEL taking over BHPV as a subordinate company, it should be merged with BHEL as one company so that the employees of both the companies are at par and have the same pay scales. I think this way the coordination also will be better. So, I would request the Union Government to ensure that, instead of BHEL giving support to BHPV, there is a clear merger of BHEL and BHPV as one company.