

NT>

Title: Need to remove the burden of liabilities imposed on Palghat unit of Instrumentation Ltd. and allow its continuance as a Public Sector.

SHRI N.N. KRISHNADAS (PALAKKAD): Sir, the Instrumentation Limited, Palghat Unit, Kerala, was established in 1974 as a public sector company. Since inception, this Unit has been making profits. Even though the Palghat Unit is successful in all activities, its other units were incurring heavy losses continuously. There is an acute crisis in the company as a whole. In October, 1993 the company, as a whole, was referred to BIFR and was declared sick shortly. Even at that time, surprisingly, the Palghat Unit was making profits. Then, in December 1996, the Board of Directors of the company, in a meeting, took a decision to make the Palghat Unit as an independent profit making centre by giving subsidiary status and a total revival plan for the company. After a long wait for clearance from BIFR, the Government has now declared the total revival plan for the company. According to that, the Palghat Unit will be a joint venture with 35 per cent private participation, and this Unit has also to bear the major part of the liabilities. This is irrational and unjust.

So, I request the Government not to impose the burden of liabilities on this profit making Palghat Unit and allow it to continue under public sector.