

(c) The Staff and Workers' Union of Hindustan Shipyard Limited (HSL) has requested for revival of contract for construction of bulk carrier (hull No. 1136) for Shipping Corporation of India (SCI), medium refit of 877 EKM Submarines to Indian Navy, non-plan assistance, consideration of fresh orders from SCI/ONGC etc. Regarding revival of contract for Hull No. 1136, SCI, at present, is not inclined to place any orders for such vessels due to lack of demand for such bulk carriers. Regarding Medium Refit of 877 EKM Submarines from Indian Navy, Ministry of Defence have already conveyed the sanction for nominating M/s. HSL to undertake medium refit-cum-modernisation of EKM Submarines. Government have also been releasing funds for implementation of Voluntary Retirement Scheme in view of Capital Restructuring proposal of August, 1997. Non-Plan assistance is also being provided to HSL for shipbuilding subsidy on case to case basis. As for shipbuilding orders, possible efforts have been made by the Govt, to assist the Company secure orders. Government have already assisted HSL in obtaining orders on nomination basis from various ports as also SCI. On this Ministry's request, Ministry of Petroleum and Natural Gas have considered HSL for placement of new orders from ONGC either on nomination basis or on preferential basis against its participation in tenders.

Recommendations of Core Committee on HSL

1305. SHRI J. CHITHARANJAN:

SHRI N.R. DASARI:

Will the Minister of SHIPPING be pleased to state:

(a) whether a Core Committee constituted by his Ministry to study the state of affairs of Hindustan Shipyard Ltd., Visakhapatnam, has submitted its report;

(b) if so, the details and the recommendations made by the said Committee; and

(c) the steps being taken for the implementation of the recommendations?

THE MINISTER OF STATE IN THE MINISTRY OF SHIPPING (SHRI SU. THIRUNAVUKKARASAR): (a) Yes, Sir.

(b) Hindustan Shipyard Limited (HSL) has been defaulting in repayment of principal amount as well as interest on term loan extended to it by State Bank of India (SBI). Besides, HSL has also not been able to repay Government loans as also interest accrued thereon due to its critical financial position. Taking overall view of the financial position of HSL, a Core Committee was constituted on 8.8.2001 to go into the issues connected with the viability of the yard as well as its restructuring. The said Committee carried out study of the yard and submitted its Report on 29.11.2001.

The Core Committee has, *inter alia*, recommended/assessed requirement of funds for cleansing up the balance sheet of HSL, increase in turnover in ship repairs by utilizing the building dock extensively for ship repair and retrofit of naval crafts, taking up orders mostly of small crafts and steel structures, up-gradation of technology and human skills, reduction in sub-contracting work and also adopting good practices followed by other Shipyards to the extent applicable to improve the efficiency, productivity and competitiveness.

(c) Steps initiated by HSL for the implementation of the recommendations of the Core Committee include taking up orders for small crafts and steel structures, reduction in sub-contracting work, reduction in excessive manpower through Voluntary Retirement Scheme (VRS), phasing out of unviable activities by closing down certain Departments like transport, canteen, hospital, guest house, blacksmith, sheet metal, painting etc. and re-training and re-deployment of workers of those Departments in other trades. Government has also been releasing funds for implementation of VRS as also for renewals/replacement/up-gradation of technology in each financial year.

Technical and Price Bids Submitted by HSL against SCI Global Tender

1306. SHRI N. R. DASARI:
SHRI J.CHITHARANJAN:

Will the Minister of SHIPPING be pleased to state:

(a) whether it is a fact that the Hindustan Shipyard Ltd. (HSL) had submitted Technical and Price Bids in 1996 against Shipping Corporation of India's global tender for four 19,000 DWT container-cum-Cargo vessels;