

**VRS in PSUs**

**1893. SHRI AMAR SINGH:** Will the Minister of HEAVY INDUSTRIES AND PUBLIC ENTERPRISES be pleased to state:

(a) whether it is a fact that Voluntary Retirement Scheme offered for employees of Public Sector Undertakings has been losing its attractiveness;

(b) if so, the reasons therefor;

(c) how many employees have opted VRS in Public Sector Undertakings since 1993; and

(d) what is the position of surplus staff in those Undertakings, at present?

**THE MINISTER OF STATE IN THE MINISTRY OF HEAVY INDUSTRIES AND PUBLIC ENTERPRISES (DR. VALLABH BHAI KATHIRIA):** (a) to (d) The number of employees who opted for the Voluntary Retirement Scheme (VRS) since 1993 is 2.31 lakhs and upto 31st March 1999 is 2,31,885 (prov.) During the year April 1998 to March 1999, 4772 employees only opted for VRS provision ally. With the passage of time and reduction in surplus force, the number of persons who opt for VRS tends to decrease. Therefore, the Scheme needs to be made more attractive to the workers.

Managements identify the surplus staff from time to time. Surplus of staff in PSUs has been progressively declining. Besides VRS, other measures like ban on further recruitment against vacancies and redeployment of surplus staff on new projects and assignments is also undertaken so as to improve the position.

**Investment by two-wheeler companies**

**1894. SHRI VAYALAR RAVI:** Will the Minister of HEAVY INDUSTRIES AND PUBLIC ENTERPRISES be pleased to state:

(a) whether any two-wheeler company has applied for investment in India;

(b) if so, how many such applications have been received so far; and

(c) the reasons for delay?

**THE MINISTER OF STATE IN THE MINISTRY OF HEAVY INDUSTRIES AND PUBLIC ENTERPRISES (DR. VALLABHBHAI KATHIRIA):** (a) to (c) An application has been received on 23rd December, 1999 from M/s. Piaggio of Italy for investing in two wheeler unit in the Country. The company has also

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indicated interest in collaborating with M/s. Scooters India Ltd., a public sector undertaking, for the production of two-wheelers. A decision on the company's application is to be taken keeping these two requests in view.

### **Decline in profit of PSUs**

1895. DR. MOHAN BABU: Will the Minister of HEAVY INDUSTRIES AND PUBLIC ENTERPRISES be pleased to state:

(a) whether it is a fact that a number of profit making Public Sector Undertakings have registered a fall in their profit in 1998-99 in comparison to 1997-98;

(b) if so, the reasons therefor; and

(c) the steps taken by Government to rectify the situation?

THE MINISTER OF STATE IN THE MINISTRY OF HEAVY INDUSTRIES AND PUBLIC ENTERPRISES (DR. VALLABHBHAI KATHIRIA): (a) The number of profit making PSUs have come down from 134 in 1997-98 to 127 during 1998-99.

(b) The reasons for decline in profits are enterprise specific. These include recession in some of the industrial sectors, under utilisation of capacity, changed market scenario, severe financial crunch, higher interest and depreciation burden surplus manpower etc.

(c) The steps taken to improve the situation include financial and business restructuring, cost control, upgradation of technology, modernisation of plant and machinery, improved marketing strategies, change of product mix, rationalisation of manpower etc.

### **PSEs referred to BIFR**

1896. DR. MOHAN BABU: Will the Minister of HEAVY INDUSTRIES AND PUBLIC ENTERPRISES be pleased to state:

(a) the number of Public Sector Enterprises (PSEs) that were referred to BIFR during the last three years;

(b) the number of revival schemes that had been sanctioned during the period;