

[13 March, 2000]

RAJYA SABHA

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;