

THE MINISTER OF STATE IN THE MINISTRY OF HEAVY INDUSTRIES AND PUBLIC ENTERPRISES (DR. VALLABHBHAI KATHIRIA): (a) Yes Sir.

(b) Main reasons for losses are change in market conditions like loss of export markets of the former USSR and Bulgaria, slow down in demand, high interest burden, high manpower cost, lack of up-to-date technology, high inventory etc.

(c) and (d) Praga Tools Workers Union made representations requesting for transfer of administrative control of Praga Tools Limited from the Department of Heavy Industry to the Ministry of Defence. The matter was examined in consultation with the Ministry of Defence. Such a transfer was not found feasible.

Evaluation of Market Value of the Assets of PSUs

3129. SHRI VAYALAR RAVI : Will the Minister of HEAVY INDUSTRIES AND PUBLIC ENTERPRISES be pleased to state :

(a) whether Government have made any evaluation of the market value of the assets of each public sector industry;

(b) if so, the details thereof; and

(c) whether Government propose to complete such an evaluation with the help of any public sector agency ?

THE MINISTER OF STATE IN THE MINISTRY OF HEAVY INDUSTRIES AND PUBLIC ENTERPRISES (DR. VALLABHAI KATHIRIA): (a) No, Sir.

(b) and (c) As of now there is no proposal to make such an evaluation.

Implementation of Rehabilitation Package for RBL

3130. SHRI DIPANKAR MUKERJEE : Will the Minister of HEAVY INDUSTRIES AND PUBLIC ENTERPRISES be pleased to state :

(a) the status of implementation of the BIFR approved rehabilitation package for Reyrolle Burn Ltd. (RBL);

(b) whether the same is not being implemented because of non-adherence to the commitment by the Banker;

(c) if so, the action taken by Government to resolve the issue;

(d) whether the company is facing liquidity problem to execute its order; and

(e) if so, the action taken by Government to tide over the same ?

THE MINISTER OF STATE IN THE MINISTRY OF HEAVY INDUSTRIES AND PUBLIC ENTERPRISES (DR. VALLABHBHAI KATHIRIA) : (a) to (e) BIFR sanctioned revival scheme of RBL is under implementation w.e.f. 29th May, 1998. Government of India has released Rs. 395 lakhs out of Rs. 413 Lakhs. In addition, conversion of loan into equity/zero rate debenture and write-off of interest due to the Government have also been completed. United Bank of India, the banker of the Company, had initially shown reluctance in fulfilling its commitment made to BIFR. However, after this issue was taken up with the bank directly by the Government and also before the BIFR, the bank has in principle, agreed to provide need based working capital to the Company. Although the Company's performance has improved since implementation of its revival package, it is not as per the projections made in the package. The Company has incurred losses in the last two years as against projected profits. The Government has now decided to initiate action for induction of a strategic joint venture partner to ensure its long term viability.

Revival of BOGL

3131. SHRI DIPANKAR MUKERJEE : Will the Minister of HEAVY INDUSTRIES AND PUBLIC ENTERPRISES be pleased to state :

(a) whether an Export Group to examine the possibility of revival of BOGL has concluded that there is adequate demand for products of this unit in the strategic sectors;

(b) whether the group had also recommended to put an effective management group in place for the purpose of revival of the company;

(c) whether the revival plan recommended by the committee envisaged cash profit from the first year and net profit from the third year onwards;

(d) if so, the action taken by Government, so far, on the above recommendations; and

(e) the reasons for the delay in implementing the same ?