

लोग मर रह है। जितना हमारा वित्तीय वर्ष का रेवेन्यू आता है ज्यादा हम कैंसर अस्पतालों पर खर्च कर देते है। मैं आपसे जानना चाहता हूं कि आप कब तक इस विषय पर कदम उठाएंगे ?

डा. रमण: सर, यह संवेदनशील मामला है।(व्यवाधान).....

श्री अनन्तराय देवशंकर दवे: सर, यह संवेदनशील मामला तो है ही, मैंने पूछा है कि यह जनहित का मामला कैसे है ?....(व्यवाधान)....

MR. CHAIRMAN: The Members want that the matter should be taken seriously.

डा. रमण: इस विषय पर माननीय सदस्यों ने जो सुझाव दिए है, जब इस विषय पर निर्णय लिया जाएगा तब इनके विचारों को ध्यान में रखा जाएगा। इस पर अतिशीघ्र निर्णय लिया जाएगा।

Closure /Privatisation of PSUs

*106. SHRI DIPANKAR MUKHERJEE: †

SHRI NILOTPAL BASU:

Will the Minister of HEAVY INDUSTRIES AND PUBLIC ENTERPRISES be pleased to state:

(a) the total number of PSUs under Department of Heavy Industry at present;

(b) the number of PSUs, alongwith names, proposed to be closed by Government;

(c) the number of PSUs, alongwith names, where Government's stake is proposed to be reduced below fifty per cent;

(d) the number of PSUs, alongwith names, proposed to be continued under Government's control;

(e) whether Government are contemplating any pruning of the Ministry including officials in view of the reduction in the span of control *vis-a-vis* closure/privatisation of PSUs; and

(f) if not, the reasons therefore?

† The question was actually asked on the floor of the House by Shri Dipankar Mukherjee.

[6 December, 1999]

RAJYA SABHA

THE MINISTER OF HEAVY INDUSTRIES AND PUBLIC ENTERPRISES (SHRI MANOHAR JOSHI): (a) to (f) A statement is laid on the Table of the House.

Statement

(a) There are 48 operating PSUs under the Department of Heavy Industry.

(b) Government had taken a decision to introduce Voluntary Separation Scheme (VSS) by extending benefits of Voluntary Retirement Scheme (VRS) to the employees of 10 Public Sector Undertakings (PSUs) under the Department of Heavy Industry listed in Statement-I. (see below) This was sequent to the opinions expressed at one stage or the other by the Board for Industrial and Financial Reconstruction (BIFR) or Disinvestment Commission on the viability of these units. Subsequently, however, an Expert Group was constituted by the Government to explore the possibilities of revival of nine of these excluding Cycle Corporation of India Limited (CCIL). The Group has submitted its report in respect of 8 PSUs. Its report in the case of Tyre Corporation of India Limited (TCIL) (item no. 10) is awaited. In the case of Cycle Corporation of India Limited (CCIL) (item no. 3), a fresh revival plan is under consideration of BIFR-Also in'regard to item no. 8, National Instruments Limited (NIL), one more effort at revival was made and a revival scheme was sanctioned by BIFR on 15.11.99.

(c) to (f) Restructuring of PSUs is a continuous process. Government have given "in principle" approval for 24 PSUs, under the administrative control of the Department of Heavy Industry, as listed in Statement-II, to be converted into Joint Venture companies with offer of equity upto 74% to the joint venture partner. (See below) The manpower deployment in Ministries is related to the workload.

Statement-I

1. Bharat Ophthalmic Glass Limited (BOGL).
2. National Bicycle Corporation of India Limited. (NBCIL).
3. Cycle Corporation of India Limited (CCIL).
4. Mining and Allied Machinery Corporation of India Limited (MAMC).

5. Tannery & Footwear Corporation of India Limited. (TAFCO).
6. Rehabilitation Industries Corporation of India Limited (RIC).
7. Bharat Process and Mechanical Engineers Limited (BPMEL).
8. National Instruments Limited. (NIL).
9. Weighbird India Limited (WIL).
10. Tyre Corporation of India Limited (TCIL) (Tangra Unit)

Statement-II

List of PSUs under the Ministry of Heavy Industries and Public Enterprises where Government have given 'in principle' approval for conversion into joint venture with disinvestment of majority share holding.

1. Andrew Yule & Company Ltd. (AY&Co.)
2. Bharat Heavy Plates & Vessels Ltd. (BHPV)
3. Bharat Leather Corporation Ltd. (BLC)
4. Bharat Pump & Compressors Ltd. (BPCL)
5. Bridge & Roof Company (India) Ltd. (B&R)
6. Cement Corporation of India Ltd. (CCI)
7. Engineering Projects (India) Ltd (EPI)
8. Hindustan Cables Ltd. (HCL)
9. H.M.T. Ltd.
10. H.M.T. Bearing Ltd.
11. Hindustan Paper Corporation Ltd. (HPC)
12. Hindustan Photo Films Manufacturing Company Ltd. (HPF)
13. Hindustan Salts Ltd. (HSL)
14. Instrumentation Ltd. (ILK)
15. Lagan Jute Machinery Company Ltd. (LAGAN)
16. Mandya National Paper Mills Ltd. (MNPM)
17. Nepa Ltd. (NEPA)
18. National Industrial Development Corporation Ltd. (NIDC)

[6 December, 1999]

RAJYA SABHA

19. Praga Tools Ltd. (PTL)
20. Scooters India Ltd. (SIL)
21. Sambhar Salts Ltd. (SSL)
22. Tungabhadrti Steel Products Ltd. (TSPL)
23. Tyre Corporation of India Ltd. (TCIL)
24. Reyrolle Burn Ltd. (RBL)

SHRI DIPANKAR MUKHERJEE: Mr. Chairman, Sir, you have said just now that Members should be taken seriously. I have been here in this House for the last six years. We put questions in forms (a), (b), (c), (d), (e), (f), and so on, but the replies remain the same for ever. This has been our experience, irrespective of Ministers or Ministries. Ministers or Ministries may come and go, but the replies remain the same for ever. Generally, the replies to parts (c) to (f) are combined together. ऐसा लगता है कि कोई कबड्डी खेल रहा है। सदन के सदस्य क्वेश्चन पूछेंगे। I want to reach somewhere and would like to know whether the companies are going to be closed down. This is my question. कबड्डी छूना है और उत्तर ऐसा आएगा 12 सेंटेंस में कि छुते रह जाओगे, देखते रह जाओगे, ढूँढते जाएँ कि मेरा उत्तर कहाँ है। where is my reply? There are some Ministers who are not Members of either House who talk of transparency before the television. Sir, look at this question. My question is very simple. How many public sector undertakings under the Ministry of Heavy Industries are proposed to be closed down by the Government? या तो बोल दीजिये कि हम इनको चलाएंगे, Or say that we are going to decide their closure. तीन साल से इनके बारे में बातें की जा रही हैं। Sir, I leave it to you to see if you can find the head and tail of it. बारह सेंटेंसेज What do you want to do? Do you want to run these organisations? No. The reply given is: Government had taken a decision to introduce Voluntary Separation Scheme." You say this and that. What exactly do you want to do? Can you not say this? दो साल से चक्कर चल रहा है। Your ally goes there and says, "You Want to close them down one year back." You say, "Madam, I want to satisfy you." So, an expert committee is set up. The ally is there. I am referring to the question. This is the question. The ally says this, and an expert committee is set up.

SHRI JIBON ROY: Where is the expert committee report?

SHRI DIPANKAR MUKHERJEE: An expert committee was set up. Now, today my simple question, is. " Do you want to run these units, or do you not want to run these units?" This is my question, and I want an answer to this.

SHRI MANOHAR JOSHI: Sir, there are 48 public sector undertakings under the Department of Heavy Industry. Out of these, 11 units have been sanctioned by the BIFR for revival. So, the intention of the Government is quite clear that it wants to revive these companies. Its intention is not to close them down. This has been made clear from time to time. The Government thinking is to revive the companies; We will try to do this through the BIFR. If we do not succeed in reviving the companies through the BIFR, a question may arise. Therefor, last titme, when the BIFR did recommend closure of the companies, still a review committee was appointed. The intention of the Government is not to close them down. Therefore, as far as possible, the Government always makes its best efforts to see that they survive and that they are not close down.

SHRI DIPANKAR MUKHERJEE: I treat this as an assurance from the Minister that the companies mentioned in Statement-I are going to be revived by the Government. I treat it as an assurance. This is an assurance to the House.

I go to the second part. There are 48 operating public sector undertakings under the Department of Heavy Industry. I have a high regard for the Minister. He is a senior Minister. He was the Chief Minister. He is a very respectable man. The trust of my question was somewhere else. मैं सीधा-सादा बोल देता हूँ।

There are 48 public sector undertakings under the Ministry of Heavy Industry उनमें से ये ग्यारह है They are in the hit list. They may be closed down any time. Because of voluntary retirement, a number of workers have gone out. There is no production there कुछ नहीं हो रहा है। उनमें। clear that in 24 undertaking the Government investment has to be disinvested by more than 50 per cent. So, they go out of the parliamentary control. 24 प्राइवेटाइज है। 24 और 10 मिलकर 34 हो गई है और बाकी रह गई है —14

Out of those 14, because of lack of wagon orders, 5 are on the verge of closure. Only 8 or 9 undertakings remain under the Department of Heavy Industry. The VRS is being continued. The number of workers has been reduced. The Government strength has to be reduced. The Ministry of Industry which had the Department of Heavy Industry and was looking after foreign investments, had one Minister. Today, the Department of Heavy Industry, from where, 34 public sector undertakings are going out of the hand of the Government, still has a Cabinet Minister, a Minister of State and a Secretary. I have a high regard for the Minister. He should have been given a more important Ministry. मिनिस्ट्रीज में कुछ नहीं होता है, वीआरएस नहीं होता है, वीएसएस नहीं होता है। 34 इंडस्ट्रीज चलाई जा रही हैं तो 14 रह जाएंगी।

There is a separate Minister and a separate Secretary. I want to know how many Joint Secretaries have been reduced. If all the workers, 1,24,000 are going out under the VRS, I want to know, at the Ministry level, when the parliamentary control will not be there, the executive control will not be there and 34 public sector undertakings are going out, for 14 undertakings, should you require a Cabinet Minister, a Minister of State, a Secretary and many Joint Secretaries and everything else? How much staff at the bureaucratic level has been reduced so far with the reduction of the number of industries?

SHRI MANOHAR JOSHI: Sir, I am thankful to the hon. Member for the praise he has showered on me.

Sir, requirements remain the same. Nothing has gone away from the Department. The Department has opted for 24 joint ventures. It is not that the shares have been sold; it is not that the companies have gone out of the hands of the Department; it is not that the companies have been sold or privatised. Nothing has been done so far. The matter is still under process. Unless and until the process is completed, the question of reducing the number of Joint Secretaries or reducing the number of Ministers does not arise.

Probably the Department has been given to me because this is a challenging work. Therefore, the question of giving me a better portfolio does not arise at this point of time.

SHRI NILOTPAL BASU: Mr. Chairman, Sir, the Hon. Minister, probably, wants to say that the essential responsibility" of his Ministry and his staff is to preside over the process of liquidation of

these PSUs, putting them out of the Government and Parliamentary control. If he is satisfied with this responsibility, I have no complaint. But my question is something different. Statement II of the reply says: "List of PSUs under the Ministry of Heavy Industries and Public Enterprises where Government has given "in principle" approval for conversion into joint venture with disinvestment of majority share-holding." Would the hon. Minister just elaborate on this?

Sir, in reply to the main question, the hon. Minister has given names of some companies where the employees have been offered V.S.S. There, the National Instruments Limited has also been mentioned. It has been mentioned that BIFR has approved a revival plan. But, again Statement in I, the NIL is also listed as one of the companies where the V.S.S will be offered. What is this dichotomy? I would like to know this. If V.S.S is to be given, it means that you are just winding up the organisation. Then, why is this reference to BIFR approval for a revival plan? You will appreciate that the BIFR is a quasi-judicial body. Part A of my supplementary is: What do you mean by disinvestment beyond 50 per cent?"

MR. CHAIRMAN: This is part A, and the last part.

SHRI NILOTPAL BASU: These are vital questions, Sir,

MR. CHAIRMAN: No.

SHRI MANOHAR JOSHI: Sir, as far as the National Instruments Limited is concerned, the revival scheme was sanctioned on the 15 November, 1999. That means it has been very recently sanctioned. The hon. Member wanted to know from me as to why V.S.S is being given to them. Sir, V.S.S is a voluntary scheme. There are people who really do not want to work. They can accept it or reject it. There is no force that they should accept V.S.S and go. It is a voluntary offer by the Government and is better than V.R.S. As a matter of fact, the hon. Member should be happy that his opportunity has been given to them. If they really do not want to work and want to go, they can do so.

It the second part of the question, the hon. Member wanted to know about the status of formation of joint ventures, as on 15.11.1999. Out of these 24 companies, in seven cases, it has already been decided. The matter is very much in process. As far as the

remaining 17 companies are concerned, we have already appointed the authority—the bankers—to go into it. The process is on. So, in the case of all the 24 companies, the process of joint venture has already started and the bankers have been appointed. But no finality has been achieved.

श्री बालकवि बैरागी: सभापति जी, मैं आपके माध्यम से माननीय मंत्री महोदय से यह जानना चाहता हूँ कि विवरण 1 और 2 में आपकी एक संस्था, एक उद्योग का नाम नहीं है और वह है सीमेंट कार्पोरेशन ऑफ इण्डिया, सी.सी.आई.। इसके बारे में मैं जानना चाहता हूँ कि आपकी(व्यवाधान)

एक माननीय सदस्य: है। नम्बर 6 पर है।

श्री बालकवि बैरागी: हां, यह आई.सी. है विवरण-1 में 6 नम्बर पर। इसमें सी.सी. आई. के बारे में कृपया यह स्पष्ट बताएँ, क्योंकि आपके पास, आपके ठीक पड़ोस में जो ऋषि बैठे हैं, जिनके आप उत्तराधिकारी हैं, सिकंदर बख्त जी, उनके पास मैं खुद सी.सी. आई. के कर्मचारियों को एक शिष्ट मंडल लेकर गया था और आपने वादा किया था, वादा क्या आर्शिवाद दिया था कि सी.सी. आई. को चलाना मुश्किल हो रहा है इसलिए वी.आर. एम. स्कीम हम आप लोगों को दे रहे हैं। वे लोग विचार कर रहे थे कि सी.सी. आई. के कौन-कौन से कारखाने चलने की स्थिति में हैं और कौन-कौन से बंद हो रहे हैं। यदि यह सुचना आप दे रहे हैं तो कृपा करके यह बताएँ कि नीमच की फैक्ट्री के बारे में आपकी क्या नीति होगी? वहाँ के मजदूरों, कर्मचारियों का क्या हश्र होगा, कृपया इस बारे में स्पष्ट करें, आपका बहुत धन्यवाद होगा।

SHRI MANOHAR JOSHI: Mr. Chairman, Sir, it is true that is the case of the CCI also, there is a joint venture. The CCI is having a number of subsidiaries. Right now, it is not possible to give a detailed information of all the subsidiaries. I am prepared to discuss the matter with the people, if they are prepared to accept VRS. The Government will not hesitate in accepting the proposal from the workers. Since my predecessor is sitting next to me, the hon. Member's work will be done immediately. I will talk to him, as soon as the Question Hour is over.

SHRI JAYANT KUMAR MALHOTRA: Mr. Chairman, Sir, I have a very simple question to put. Out of the 48 institutions under this Ministry, how many of them are headless? If they are headless, is the Government going to follow the same procedure of appointing some retired bureaucrats to take care of these sick companies or companies that are likely to fall sick, as we see them?

SHRI MANOHAR JOSHI: Most of the institutions have heads ...
(*Interruptions*).

SHRI JAYANT KUMAR MALHOUTRA: Out of the 48 institutions, how many of them are headless?

SHRI MANOHAR JOSHI: Sir, it is true that in some cases, Managing Directors and Chairmen are yet to be appointed... (*Interruptions*)...

MR. CHAIRMAN: Now, the hon. Member can sit down. The Minister is replying.

SHRI MANOHAR JOSHI: The procedure is not to appoint only former bureaucrats, but anybody who fulfills the requirement for the job will be appointed as the head of an institution. The Board for appointing heads is already existing. The Board takes a decision. The authority or the Board, is also guided by a three-man committee which first approves the panel. Then, the panel goes to the Board. The final authority is not only the concerned Minister, but also the Prime Minister who gives the final approval for such appointment. Therefore, there need not be any fear that only former bureaucrats are being appointed to these posts...(*Interruptions*)..

SHRI JANARDHANA POOJARY: Mr. Chairman, Sir, it is a serious issue. It has also become a national issue. There have been representations from the Chairmen of the public sector undertakings to the Parliamentary Standing Committee on Industry in this regard. I will give you the example of ports. Earlier, they have stated that there were about 5,00,000 employees. Now they are managing the ports with 80,000 employees. They have stated that there was a variation; and about 2,00,000 employees were there. Now, they are managing with 80,000 employees. As you know, Sir, every year, lakhs of students come out of colleges and other institutions to seek employment, but they do not get employment. The point is, when the public sector undertakings have been started, their policy was to have profits as well as some social objective. Now, Sir, if you are going for privatisation in backward areas, nobody will go to backward areas and the backward areas will remain as backward. The motive of the private sector is to have profits. Sir, at one place we are making them to retire voluntarily. It is not voluntary retirement. It is compulsory retirement. They are asked to go. I have given one

example. Let us have the number-as 2,80,000. In the port sector, if 80,000 are working, two lakh people have been asked to go! What is the fate of their families? Now, we are not giving any employment. People are coming out from colleges, institutions. We are not in a position to provide any employment. What will happen to the Nation? It is a very serious issued. That is why I have said it is a national issue. Unless we give a serious thought as you stated earlier, unless you take it very seriously, I do not think that it is going to solve our problems. He, the hon. Minister, has given a statement in Bombay also. We are happy that at least some commitment is coming from the hon. Minister. Will he be in a position to stick to that? Will that commitment be honoured? Now, I would like to know, Sir, whether he is going to give an assurance to us that the public sector is going to create more employment instead of making people unemployed.

SHRI MANOHAR JOSHI: Sir, I may be able to say generally the reasons why the public sector units are becoming sick. The reasons which I found were excess man power, low productivity, shrotage of power , shortage of working capital and their inability to face competition. These are the main reasons why the public sector companies are becoming weak.

Sir, I agree with the hon. Member that it is necessary, looking to the unemployment problem of the country, to see that this particular issue is taken very seriously. I am in agreement with him. But, at the same time, we are also very careful and whenever disinvestment is done or whenever we go for a joint venture partnership, we put a specific condition that the workers in the company, the number of workers, will not be reduced and the rights of the workers will be protected whenever a joint venture company enters into a partnership, therefore, the question of people becoming unemployed do not arise. But I would have a word about voluntary retirement. If some people really want to go, whether they want to go for self-employment, whether they have some other difficulties, when they want to give up their job, the Voluntary Retirement Scheme was there. The Government found a better scheme probably in the VSS, They found that the Separation Scheme also was voluntarily accepted by a number of workers. Out of about 12,000 workers, approximately 6,000 workers opted for the scheme of VSS. It clearly shows that

sometimes the workers themselves are prepared to go. That ultimately makes the company also viable. So, it is not that the Government is not interested in resolving the problem of unemployment or the security of the job of these workers. The Government is seriously looking into this problem. I am sure that the hon. Member will agree with me that the Government has taken the approach of looking to the interest of the workers. The entire House must also take the approach that we must look to the interest of the running of the company and therefor a joint venture becomes absolutely necessary at times.

MR. CHAIRMAN: Next question. Question No. 107. Shri Rahasbihari Barik. Not there.

**107. [Take questioners (Shri Rahasbihari Barik) was absent for answer vice page 33 infra].*

MR. CHAIRMAN: Next question, question No. 108. Shri Kapil Sibal. Not there. Shri Raj Mohinder Singh. Not present.

**108. [The questioners (Shri Kapil Sibal and Shri Raj Mohinder Singh) were absent for answer vide page 34 infra].*

MR. CHAIRMAN: Question No. 109. Shri Ved Prakash Goyal.

Decline in tea export

*109. SHRI VEDPRAKASH P. GOYAL: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

- (a) whether it is a fact that tea export has sharply declined this year;
- (b) if so, the reasons behind this sharp decline;
- (c) whether any action plan has been prepared by Government to tackle the situation;
- (d) if so, the details thereof; and
- (e) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI OMAR ABDULLAH): (a) to (e) A statement is laid on the Table of the House.