

[6 December, 1999]

RAJYA SABHA

(c) whether Government have taken any decision on the future of these PSUs; and

(d) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF HEAVY INDUSTRIES AND PUBLIC ENTERPRISES (DR. VALLABHBHAI KATHIRIA): (a) and (b) During 1997-98, the period upto which the information is available, 100 Central Public Sector Undertakings incurred losses the total of which amounted to Rs. 6541 crores. The details are available in the Statement 7 B in Volume - I of the Public Enterprises Survey 1997-98, which was laid in the Parliament on 26.2.99. The reasons for losses are enterprise specific. However, some of the common reasons are obsolete plant and machinery, outdated technology, low capacity utilisation, excess manpower, increase in input costs, resource crunch, heavy interest burden, etc.

(c) and (d) Enterprise specific measures are taken to improve the performance of the PSUs. Some of these include periodical review of performance of PSUs by the administrative Ministries, professionalisation of Boards of PSUs, technology upgradation, diversification and change in product mix, financial and business restructuring, rationalisation of manpower, modernisation of plants, inventory and cost control, improved marketing strategies, etc.

#### **Recommendations of Disinvestment Commission**

567. SHRI DIPANKAR MUKHERJEE: SHRI  
NILOPTAL BASU:

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

(a) whether Disinvestment Commission in its IVth report reiterated that undertaking disinvestment without implementing the general recommendations of the Commission would result in under-evaluation of Government's shares and loss to the national exchequer;

(b) whether the aforesaid general recommendations had been implemented before taking up the disinvestment in GAIL; and

(c) if not, the reasons therefor and the steps taken to avoid under-evaluation of shares?

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

The disinvestment in GAIL and in other companies has been carried out by Government having regard to the general recommendations of the Disinvestment Commission.

#### **Revival Packge for Sick PSUs**

568. SHRI GURUDAS DASGUPTA:

SHRI J. CHITTRANJAN:

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

(a) whether there has been inordinate delay in finalising the revival package for some of the important sick Public Sector Undertakings such as IDPL, NJMC, NTC etc.;

(b) if so, what are the PSUs referred to BIFR and the decision on the BIFR on each of these undertakings; and

(c) the steps being taken to finalise the revival plans recommended by BIFR at the earliest?

THE MINISTER OF STATE IN THE MINISTRY OF HEAVY INDUSTRIES AND PUBLIC ENTERPRISES (DR. VALLABHBHAI KATHIRIA): (a) to (c) Government applies itself to formulating time bound revival packages for PSUs. The formulation of the revival packages for sick PSUs that are registered with BIFR, such as IDPL, NJMC sick subsidiaries of NTC etc., rests with BIFR and is subject procedures applicable under Sick Industrial Companies (Special Provisions) Act, 1995.

The broad status of sick PSUs referred to BIFR is given in the enclosed Statement.

Where revival plans have been approved by BIFR action is launched by the concerned Ministries for their implementation in association with the financing institutions, the staff and employees and other agencies involved.