

5. Provision of Government Guarantee for Rs. 112 crores in favour of Banks covering overdrawing of Cash Credit Account for a period of four years upto 31.03.2003.

6. Reservation of orders in favour of Hindustan Cables Limited from the annual requirement of Telecom Cables of DOT/MTNL (30% during the first year i.e. 1999-2000, 25% during the second year i.e. 2000-2001, to be reviewed at the end of second year) alongwith 50% of the gross value as advance.

### **Privatisation of public sector industries in North-East**

565. SHRI DRUPAD BORGOHAIN: Will the Minister of HEAVY INDUSTRIES AND PUBLIC ENTERPRISES be pleased to state:

(a) whether Government are proposing privatisation of public sector industries in North-East;

(b) if so, how much Government have since privatised; and

(c) what is Government's future plan and the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF HEAVY INDUSTRIES (DR. VALLABHBHAI KATHIRIA): (a) to (c) Government had on 31.3.1998 disinvested 25.54% of its equity in Bongaingaon Refinery Petro-chemicals Ltd. (BRPL). The Disinvestment Commission had in its 3rd Report recommended strategic sale of 50% of Government equity holding in BRPL. Government have not taken a decision in the matter.

### **Loss Making PSUs**

566. SHRI RAHASBIHARI BARIK: Will the Minister OF HEAVY INDUSTRIES AND PUBLIC ENTERPRISES be pleased to state:

(a) whether Government have identified the loss making Central Public Sector Units;

(b) if so, the details thereof and the factors responsible for their losses;

(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 However, some of the common reasons are obsolete plant and machinery, outdated technology, low capacity utilisation, excess manpower, increase in input costs, resource crunch, heavy interest burden, etc.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?