

GOVERNMENT OF INDIA  
MINISTRY OF HEAVY INDUSTRIES  
RAJYA SABHA  
UNSTARRED QUESTION NO. 58  
ANSWERED ON 19.07.2021

**TRANSFER OF BHEL-EML, KASARAGOD AND INSTRUMENTATION LTD.  
PALAKKAD TO KERALA GOVERNMENT**

58. DR. V. SIVADASAN:

Will the Minister of *Heavy Industries and Public Enterprises* be pleased to state:

- (a) the progress achieved in the transfer process of Bharat Heavy Electrical Limited-Electrical Machines Limited(BHEL-EML) to the State Government of Kerala;
- (b) the progress achieved in the transfer process of Instrumentation Ltd. unit in Palakkad to State Government of Kerala;
- (c) whether there is any other such transfer processes which are in half way down to be completed, with any State Governments; and
- (d) time frame set by Union Government to complete these processes of transfer?

**ANSWER**

THE MINISTER OF STATE FOR HEAVY INDUSTRIES  
(SHRI KRISHAN PAL GURJAR)

(a): Sir, Government on 5<sup>th</sup> May 2021 has conveyed approval for transfer of BHEL's 51% stake in Bharat Heavy Electrical Limited - Electrical Machines Limited (BHEL-EML), to the Government of Kerala (GoK). BHEL on 12.05.2021, have furnished the requisite documents for execution of "Agreement of Sale", to Government of Kerala.

(b): The Union Cabinet in 2016 had approved the closure of the Kota Unit of Instrumentation Limited and accorded 'in-principle' approval for the transfer of Palakkad Unit of Instrumentation Limited to the GoK. GoK constituted a High Level Committee headed by the Chief Secretary of the GoK to work out the modalities of the transfer, Department of Heavy Industry was represented on the Committee. Based on its deliberations, a tripartite Memorandum of Understanding (MoU) was signed by Government of India, Department of Heavy Industries (DHI), Government of Kerala, Department of Industry and Instrumentation Limited on 16.11.2018 defining the modalities of transfer of Pallakad Unit to the GoK as a 'going concern' with the approval of the competent authority.

After signing of the MoU, while the required assessment of Net Asset Value (NAV) of the Pallakad Unit was underway, it was learnt that the High Level Committee had not taken into consideration the value of land owned by Pallakad Unit, measuring 566.30 acres which was assigned on registry to Instrumentation Limited, Kota for the establishment of Precision Instrumentation Project at Pudukkottai Kerala under the Rules of Assignment of Government Land for Industrial Purposes dated 30.03.1964, which has material bearing on the transfer modalities. The value of this land owned by Instrumentation Limited has not yet been assessed.

(c): No Sir.

(d): The process of transfer of BHEL's 51% stake in BHEL-EML, Kasaragod to GoK is envisaged to be completed as per timelines approved by the CCEA.

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