

**GOVERNMENT OF INDIA
MINISTRY OF HEAVY INDUSTRIES AND PUBLIC ENTERPRISES
DEPARTMENT OF PUBLIC ENTERPRISES**

LOK SABHA

UNSTARRED QUESTION NO.1567
TO BE ANSWERED ON 12.02.2019

Loss Making PSUs

1567: SHRI RAHUL KASWAN, DR. A. SAMPATH AND SHRI LAKHAN LAL SAHU:

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

- (a) the Public Sector Undertakings (PSUs) running in losses along with the details of the losses suffered by such PSUs during each of the last three years and the current year, PSU and State-wise;
- (b) the reasons for the said losses and the corrective steps taken by the Government thereon;
- (c) whether the Government proposes to constitute a high level committee to look into it by engaging various stakeholders before the loss making PSUs are earmarked for disinvestment;
- (d) if so, the details thereof and if not, the reasons therefor;
- (e) whether the Government proposes to set up more PSUs in the country; and
- (f) if so, the details thereof, State/UT-wise including Chhattisgarh?

ANSWER

**THE MINISTER OF STATE FOR HEAVY INDUSTRIES AND PUBLIC ENTERPRISES
(SHRI BABUL SUPRIYO)**

(a): As per Public Enterprises Surveys for the year 2016-17 and 2017-18 laid in the Parliament in the respective years, 52 Central Public Sector Enterprises (CPSEs) were incurring losses continuously for the last three years i.e. 2015-16, 2016-17 and 2017-18. Enterprise and State-wise details of losses of these loss making CPSEs is given at annex.

(b), The reasons for losses differ from CPSE to CPSE. However, some common problems faced by loss making CPSEs include obsolete plants and machinery, heavy interest burden, resource crunch, low capacity utilization, low productivity, surplus manpower, high input cost, non-remunerative prices etc. The Steps taken by Government to revive loss making

CPSEs are (a) financial restructuring such as, conversion of loan into equity, waiver of loan and interest including penal interest, Government guarantee for raising loans, grant of moratorium on payment of interest/loan, (b): business restructuring, such as, formation of joint ventures, merger with another PSE, modernization and improved marketing strategies, human resources management and entering into technology joint ventures or strategic alliances etc.

(c) and (d): NITI Aayog has been mandated to identify the CPSEs for strategic disinvestment. The criteria for strategic disinvestment are not based on profitability. NITI Aayog has classified CPSEs into “high priority” and “low priority” based on (a) National Security (b) Sovereign function at arm’s length, and (c) Market imperfections and public purpose, for the purpose of strategic disinvestment. Disinvestment of the minority stake sale of the CPSEs is being done as per the disinvestment policy of the Government.

(e) and (f): The decision to establish more CPSEs in the country including in the State of Chhattisgarh is taken by the concerned administrative Ministries / Departments in consultation with various stakeholders and in line with techno-economic feasibility.

Annex

Annex referred to in part (a) of the reply to Lok Sabha Unstarred Question No. 1567 for reply on 12.02.2019 regarding Loss Making PSUs.

State-wise details of CPSEs incurring losses continuously in the last 3 years (2017-18, 2016-17 and 2015-16.

(Rs. in lakh)

Sl. No	Name of State/CPSE	Continuous Loss		
		2017-18	2016-17	2015-16
	Andaman & Nicobar Islands			
1	Andaman & Nicobar Isl. Forest & Plant.Dev.Corp.Ltd	-4970	-4970	-4970
	Andhra Pradesh			
2	Rashtriya Ispat Nigam Ltd.	-136901	-126316	-160372
	Assam			
3	Brahmaputra Crackers & Polymer Ltd.	-8039	-54741	-27251
4	North Eastern Regional Agri. Marketing Corp.Ltd.	-589	-589	-589
	Bihar			
5	Bharat Wagon & Engg. Co. Ltd.	-1434	-1434	-1526
6	HPCL Biofuels Ltd.	-7785	-3072	-6137
	Delhi			
7	Air India Engineering Services Ltd.	-50516	-50516	-40710
8	Air India Ltd.	-533774	-628154	-383678
9	Airline Allied Services Ltd.	-24429	-28806	-19875
10	Bharat Sanchar Nigam Ltd.	-799285	-479321	-485916
11	Fresh & Healthy Enterprises Ltd.	-1062	-1366	-2591
12	Handicrafts & Handloom Exports Corp. of India Ltd.	-2361	-3053	-1076
13	Hindustan Paper Corporation Ltd.	-37014	-37014	-37014
14	Indian Vaccine Corp. Ltd.	-153	-20	-208
15	Kanti Bijlee Utpadan Nigam Ltd.	-18109	-2195	-5821
16	Mahanagar Telephone Nigam Ltd.	-297303	-294108	-194755
17	NBCC Engineering And Consultancy Ltd.	-209	-17	-8
18	P E C Ltd.	-5696	-9284	-114202
19	Prize Petroleum Company Ltd.	-157	-1495	-4888
20	RITES Infrastructure Services Ltd.	-10	-10	-42
21	Steel Authority of India Ltd.	-48171	-283324	-402144
22	TCIL Bina Toll Road Ltd.	-511	-1046	-1043
23	TCIL Lakhnadone Toll Road Ltd.	-159	-464	-4
	Haryana			
24	Indian Drugs & Pharmaceuticals Ltd.	-16894	-15338	-16608
	Jharkhand			
25	Ranchi Ashok Bihar Hotel Corpn. Ltd.	-215	-197	-168
	Karnataka			
26	BEL-Thales Systems Ltd.	-259	-82	-245

27	HMT Ltd.	-716	-23949	-1714
28	HMT Machine Tools Ltd.	-12925	-12759	-10666
29	HMT Watches Ltd.	-849	-20356	-15557
30	ONGC Mangalore Petrochemicals Ltd.	-44711	-36619	-64887
31	STCL Ltd.	-65688	-56269	-48007
	Kerala			
32	BHEL Electrical Machines Ltd.	-602	-424	-298
33	Fertilizers & Chemicals (Travancore) Ltd.	-13052	-26268	-45219
34	Hindustan Newsprint Ltd.	-10165	-6015	-4361
35	HLL Biotech Ltd.	-4217	-481	-610
	Maharashtra			
36	Bharat Petro Resources Ltd.	-15926	-20298	-5589
37	Hindustan Organic Chemicals Ltd.	-19947	-25557	-17391
38	Hotel Corpn. of India Ltd.	-5637	-5957	-5776
	Nagaland			
39	Nagaland Pulp & Paper Company Ltd.	-1739	-1739	-1739
	Orissa			
40	Utkal Ashok Hotel Corpn. Ltd.	-78	-71	-197
	Rajasthan			
41	Instrumentation Ltd.	-9137	-9137	-17050
42	Rajasthan Drugs & Pharmaceuticals Ltd.	-599	-599	-599
43	Sambhar Salts Ltd.	-258	-855	-890
	Tamilnadu			
44	Hindustan Photo Films Manufacturing Co. Ltd.	-291716	-291716	-252791
45	IDPL (Tamilnadu) Ltd.	-239	-239	-73
	Telangana			
46	Hindustan Fluorocarbons Limited	-77	-385	-1111
47	HMT Bearings Ltd.	-138	-366	-809
	Uttar Pradesh			
48	Bharat Pumps & Compressors Ltd.	-8397	-8397	-7506
49	British India Corporation Ltd.	-10498	-10498	-9724
	West Bengal			
50	Birds Jute & Exports Ltd.	-485	-485	-464
51	Burn Standard Company Ltd.	-3351	-3351	-2837
52	The Bisra Stone Lime Company Ltd.	-1071	-1773	-1664