

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

LOK SABHA

UNSTARRED QUESTION No.572

TO BE ANSWERED ON 25.6.2019

Revival of Sick PSUs

572. SHRI SHIVAKUMAR C. UDASI:

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

- (a) the number of sick Public Sector Undertakings (PSUs) and the strength of employees therein in the country at present;
- (b) whether the Government has any scheme or action plan to protect sick Public Sector Undertakings (PSUs) and for revival/ rejuvenation of PSUs/industrial units which have been closed down;
- (c) if so, the details thereof along with the PSUs/industrial units where revival plan is being implemented, State and location-wise; and
- (d) the action taken/being taken by the Government to provide means of livelihood to the workers employed in the sick/closed down PSUs?

ANSWER

THE MINISTER OF HEAVY INDUSTRIES & PUBLIC ENTERPRISES

(SHRI ARVIND GANPAT SAWANT)

(a) & (b): Department of Public Enterprises (DPE) has issued guidelines for revival and restructuring of sick/ incipient sick and weak Central Public Sector Enterprises (CPSEs) on 29.10.2015 to be followed and implemented by the administrative Ministries /Departments. As per the guidelines, the administrative Ministries/ Departments shall monitor the performance of CPSEs functioning under them and classify them into sick, incipient sick and weak CPSEs. The guidelines provide that a CPSE would be considered sick if it meets one of the following criteria:

- (i) If it is declared sick as per the provisions of the Companies Act, 2013.
- (ii) If its net worth is negative.

As per information available in the Public Enterprises Survey 2017-18 that was laid on the Table of both the Houses of Parliament on 27.12.2018, the CPSEs having negative networth as on 31.3.2018 along with the number of employees in such CPSEs are given in Annex-I.

Further, as the CPSEs function under the administrative control of concerned Ministries/ Departments, all matters relating to revival/ restructuring/disinvestment including closure of sick CPSEs and revival/ rejuvenation of closed CPSEs/ units of CPSEs are dealt by the concerned administrative Ministry/ Department on a case-to-case basis.

(c): As per the information available with DPE, Government has approved revival/ restructuring/merger plans for 6 sick/ loss making CPSEs, namely, (i) Brahmaputra Valley Fertilizer Corpn. Ltd., (ii) Hindustan Steelwork Construction Ltd., (iii) Richardson & Cruddas Ltd. (iv) NEPA Ltd., (v) Hooghly Printing Company Ltd. and (vi) Konkan Railway Corporation Ltd. Detail of such CPSEs is given in Annex-II. Further, Department of Fertilizers has informed that Government of India is reviving 5 closed fertilizer plants of Fertilizer Corporation of India Ltd. (FCIL) and Hindustan Fertilizer Corporation Ltd. (HFCL) namely Talcher, Ramagundam, Gorakhpur and Sindri plants of FCIL and Barauni plant of HFCL by setting up new Ammonia Urea plants of 12.7 lakh metric tonnes per annum capacity. The detail in this regard is also given in Annex-II.

(d): The employees of CPSEs which are being closed are entitled to compensation as per VRS/VSS guidelines of DPE. The revised guidelines for time bound closure of sick /loss making CPSEs issued by DPE on 14.6.2018, inter alia, provide for payment of VRS/VSS at 2007 notional pay scale to employees of CPSEs under closure irrespective of the existing pay scales of the company.

Further, Government is implementing Counseling, Retraining & Redeployment (CRR) Scheme to provide opportunities of self/ wage employment to the employees (or their dependents) of CPSEs separated under Voluntary Retirement Scheme (VRS)/ Voluntary Separation Scheme (VSS) due to closure / restructuring of CPSEs. The scheme aims to provide short duration skill development training programmes to equip the beneficiaries for self/ wage employment.

Annexure-I referred to in part (a) &(b) of reply to Lok Sabha Unstarred Question No.572
due for answer on 25.6.2019

List of CPSEs having negative networth as on 31.3.2018

Sr. No.	Name of the Ministry/ Department/ CPSE	Net Worth as on 31.3.2018 (Rs. In lakhs)	No. of Employees
	D/O CHEMICALS & PETROCHEMICALS		
1	HINDUSTAN FLUOROCARBONS LIMITED	-6184	140
2	HINDUSTAN ORGANIC CHEMICALS LTD.	-106146	470
	D/O FERTILIZER		
3	FERTILIZERS & CHEMICALS (TRAVANCORE) LTD.	-169579	1963
4	MADRAS FERTILIZERS LTD.	-49203	632
	D/O PHARMACEUTICALS		
5	BENGAL CHEMICALS & PHARMACEUTICALS LTD.	-9204	248
6	HINDUSTAN ANTIBIOTICS LTD.	-35860	972
7	IDPL (TAMILNADU) LTD.	-2563	112
8	INDIAN DRUGS & PHARMACEUTICALS LTD.	-753450	28
9	ORISSA DRUGS & CHEMICALS LTD.	-1343	40
10	RAJASTHAN DRUGS & PHARMACEUTICALS LTD.	-1285	160
	MINISTRY OF CIVIL AVIATION		
11	AIR INDIA ENGINEERING SERVICES LTD.	-113978	4440
12	AIR INDIA EXPRESS LTD.	-91329	1241
13	AIR INDIA LTD.	-2489371	11827
14	AIRLINE ALLIED SERVICES LTD.	-165415	602
15	HOTEL CORPN. OF INDIA LTD.	-24252	740
	MINISTRY OF COAL		
16	BHARAT COKING COAL LTD.	-42882	48747
	D/O COMMERCE		
17	P E C LTD.	-113391	110
18	STCL LTD.	-456405	11
	D/O TELECOMMUNICATIONS		
19	I T I LTD.	-90887	3576
20	MAHANAGAR TELEPHONE NIGAM LTD.	-633735	25191
21	TCIL BINA TOLL ROAD LTD.	-1585	30
	D/O DEFENCE PRODUCTION		
22	HINDUSTAN SHIPYARD LTD.	-61944	1178
	MINISTRY OF DEVELOPMENT OF NORTH EASTERN REGION		
23	NORTH EASTERN HANDICRAFTS & HANDLOOM DEV.CORPN. LTD.	-247	56
24	NORTH EASTERN REGIONAL AGRI. MARKETING CORP.LTD.	-1716	50
25	ANDAMAN & NICOBAR ISL. FOREST & PLANT.DEV.CORP.LTD	-32310	929

	D/O HEAVY INDUSTRIES		
26	BHARAT PUMPS & COMPRESSORS LTD.	-10921	391
27	BHEL ELECTRICAL MACHINES LTD.	-825	168
28	HINDUSTAN CABLES LTD.	-567313	0
29	HINDUSTAN NEWSPRINT LTD.	-78	450
30	HINDUSTAN PAPER CORPORATION LTD.	-31354	1840
31	HINDUSTAN PHOTO FILMS MANUFACTURING CO. LTD.	-2033003	170
32	HMT BEARINGS LTD.	-12387	0
33	HMT CHINAR WATCHES LTD.	-59372	0
34	HMT MACHINE TOOLS LTD.	-119188	1426
35	HMT WATCHES LTD.	-287402	145
36	HOOGHLY PRINTING COMPANY LTD.	-45	43
37	INSTRUMENTATION LTD.	-66670	712
38	NAGALAND PULP & PAPER COMPANY LTD.	-7954	181
39	NEPA LTD.	-1929	705
40	RICHARDSON & CRUDDAS(1972) LTD.	-28909	11
41	SAMBHAR SALTS LTD.	-3324	110
42	TUNGABHADRA STEEL PRODUCTS LTD.	-6093	0
	MINISTRY OF HOUSING & URBAN AFFAIRS		
43	NBCC ENGINEERING AND CONSULTANCY LTD.	-134	21
	MINISTRY OF PETROLEUM & NATURAL GAS		
44	HPCL BIOFUELS LTD.	-3909	736
	MINISTRY OF RAILWAYS		
45	BHARAT WAGON & ENGG. CO. LTD.	-1768	60
46	BURN STANDARD COMPANY LTD.	-10756	525
47	FRESH & HEALTHY ENTERPRISES LTD.	-1810	4
48	rites INFRASTRUCTURE SERVICES LTD.	-58	0
	MINISTRY OF SHIPPING		
49	HOOGHLY DOCK AND PORT ENGINEERS LTD.	-10453	45
	MINISTRY OF STEEL		
50	THE BISRA STONE LIME COMPANY LTD.	-11639	724
	MINISTRY OF TEXTILES		
51	BIRDS JUTE & EXPORTS LTD.	-12244	0
52	BRITISH INDIA CORPORATION LTD.	-80909	1209
53	HANDICRAFTS & HANDLOOM EXPORTS CORP. OF INDIA LTD.	-4093	95
54	NATIONAL JUTE MANUFACTURES CORPORATION LTD.	-23704	0
	MINISTRY OF TOURISM		
55	RANCHI ASHOK BIHAR HOTEL CORPN. LTD.	-699	32
56	UTKAL ASHOK HOTEL CORPN. LTD.	-2405	0
	Total		113296

Annexure-II referred to in part (c) of reply to Lok Sabha Unstarred Question No.572 due for answer on 25.6.2019

Sl. No.	Name of the Ministry/ Department/ CPSE	Date of approval/ Gist of the approval of the Government
A	CPSEs to which revival/ restructuring/ merger plans approved	
	Department of Fertilizers	
1	Brahmaputra Valley Fertilizer Corpn. Ltd	Government approved on 21.5.2015 financial restructuring and setting up of a new brown field Ammonia-Urea complex at Namrup through Joint Venture.
	Ministry of Steel	
2	Hindustan Steelwork Construction Ltd.	Cabinet approved on 25.6.2016 financial restructuring of HSCL and its takeover by NBCC. The company was takenover by NBCC.
	D/o Heavy Industry	
3	Richardson & Cruddas Ltd.	Cabinet had approved on 9.9.2016 inter alia financial restructuring to come out of the purview of BIFR, strategic disinvestment of Nagpur and Chennai units, etc.
4	NEPA Ltd.	CCEA approved on 3.10.2018 budgetary support for Revival and Mill Development Plan(RMDP), pending salary dues, statutory dues, VRS and thereafter on completion of RMDP, the company will be disinvestment.
5	Hooghly Printing Company Ltd.	CCEA approved on 19.9.2018 closure of business operations of HPCL and its merger with the holding company, Andrew Yule Company Ltd.
	Ministry of Railways	
6	Konkan Railway Corporation Ltd.	CCEA approved on 15.12.2017 2 ND financial restructuring proposal of KRCL in the form of conversion of redeemable preference shares of the Government into convertible preference shares to remain networth positive.
B	Revival of closed CPSEs/ units of CPSEs under Department of Fertilizers	
1	Fertilizer Corporation of India Ltd.	
	Name of Fertilizer Plant	Name of the location & State where plant is located
1.1	Talcher Fertilizer Ltd.	Talcher, Odisha
1.2	Ramagundam Fertilizers & Chemicals Ltd.	Ramagundam, Telangana
1.3	Hindustan Urvarak & Rasayan Ltd.	Gorakhpur, Uttar Pradesh
1.4	Hindustan Urvarak & Rasayan Ltd.	Sindri, Jharkhand
2	Hindustan Fertilizer Corporation Ltd.	
2.1	Hindustan Urvarak & Rasayan Ltd.	Barauni, Bihar
