

GOVERNMENT OF INDIA
MINISTRY OF HEAVY INDUSTRIES
LOK SABHA
UNSTARRED QUESTION NO. 2486
ANSWERED ON 03.08.2021

TAKING OVER OF INSTRUMENTATION LIMITED

2486. **ADV. A.M. ARIFF:**

Will the Minister of HEAVY INDUSTRIES भारी उद्योग मंत्री be pleased to state:

- (a) whether the Union Government has approved the taking over of Instrumentation Limited in Kanjikode, Palakkad by the State Government of Kerala and if so, the status thereof;
- (b) whether the Government is aware that 123.12 acres of land was handed over free of cost by the State Government of Kerala at the time of establishing the company in 1974;
- (c) if so, provide the reason behind the insistence of the Government for the payment of price of 123.12 acres of land by the State Government of Kerala as a precondition for the taking over of the company; and
- (d) whether the Government will consider taking over of the company by the State Government of Kerala without insisting on the payment of price of the 123.12 acres of land, if not, the reasons therefor?

ANSWER

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

(a) to (d): The Union Cabinet had approved on 30.11.2016 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 Government of Kerala (GoK). The GoK constituted a High Level Committee headed by the Chief Secretary of the GoK to work out the modalities of the transfer, Ministry of Heavy Industries was represented on the Committee. Based on its deliberations, a tripartite Memorandum of Understanding (MoU) was signed by Government of India, Ministry of Heavy Industries (MHI), Government of Kerala, Department of Industry and Instrumentation Limited on 16.11.2018 defining the modalities of transfer of Pallakad Unit to the Government of Kerala 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 Pudussery 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.
