

GOVERNMENT OF INDIA
MINISTRY OF HEAVY INDUSTRIES
RAJYA SABHA
UNSTARRED QUESTION NO. 2675
ANSWERED ON 25.03.2022

TRANSFER OF INSTRUMENTATION LIMITED, PALAKKAD

2675: SHRI ELAMARAM KAREEM:

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

- (a) the present status of transfer of Instrumentation Limited, Palakkad to Kerala Government;
- (b) the reasons for delay in completing the transfer process even after providing in-principle approval years ago;
- (c) how much is the present value of the assets in possession of this plant; and
- (d) whether the Central Government is backfooting from its commitment of transferring this plant to Kerala Government, if so, the reasons therefor, if not, by when this process would be completed?

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.
