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

RAJYA SABHA STARRED QUESTION NO.417 TO BE ANSWERED ON 05.04.2018

Making BHEL profitable

417. DR. V. MAITREYAN:

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

- (a) whether Government has chalked out any strategy to revive certain loss making PSUs during the next two years;
- (b) if so, the details thereof;
- (c) the steps taken by Government to make Bharat Heavy Electricals Ltd. (BHEL) plants at Tiruchirapalli and Thirumayam profitable;
- (d) whether Government has any plans to shift the piping centre of BHEL at Chennai to Thirumayam unit; and
- (e) if so, the details thereof?

ANSWER

MINISTER OF HEAVY INDUSTRIES AND PUBLIC ENTERPRISES (SHRI ANANT G. GEETE)

(a) to (e): A statement is laid on the Table of the House.

STATEMENT

Statement referred to in reply to parts (a) to (e) of Rajya Sabha Starred Question No. 417 for 05.04.2018 asked by Dr. V. Maitreyan regarding "Making BHEL profitable".

- (a) & (b): There are 31 Central Public Sector Enterprises (CPSEs) under the Department of Heavy Industry (DHI), out of which, 13 CPSEs are incurring losses. DHI reviews functioning of CPSEs under its administrative control from time to time and appropriate decision/response to the performance of individual CPSEs (loss making or otherwise) is determined in consultation with stakeholders. Several revival packages (financial and non-financial support) have been provided to the loss making CPSEs.
- (c): Bharat Heavy Electricals Ltd. (BHEL) having 17 manufacturing units in different parts of India (including Tiruchirapalli and Thirumayam) reported loss during the financial year 2015-16, which was mainly due to a subdued business environment resulting in reduced level of operations and profitability. However, in 2016-17 BHEL has returned to profits with PBT (Profit Before Tax) of Rs. 628 Crore. Towards this, most of the manufacturing units including Tiruchirapalli and Thirumayam, contributed positively. Various actions including cost optimisation, faster execution, enhancement in executable orders etc. were the steps which helped in improving the profitability of BHEL in 2016-17.

(d) & (e): There is no such proposal under consideration at present in BHEL.
