

GOVERNMENT OF INDIA  
MINISTRY OF HEAVY INDUSTRIES & PUBLIC ENTERPRISES  
DEPARTMENT OF HEAVY INDUSTRY  
**RAJYA SABHA**  
**UNSTARRED QUESTION NO. 90**  
ANSWERED ON 14.09.2020

**CPSUs IN KERALA**

90. SHRI ELAMARAM KAREEM:

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

- (a) the names of Central Public Sector Enterprises (CPSEs) under Ministry situated in the State of Kerala;
- (b) the CPSUs on which a decision regarding privatisation or disinvestment has been taken by Central Government;
- (c) whether any proposal from State Government of Kerala is pending before Central Government to take over such CPSUs;
- (d) the details of the actions taken by Central Government on the proposals of Kerala on each CPSU; and
- (e) the reason behind Central Government not acting positively on proposals of Kerala to take over such CPSUs?

**ANSWER**

THE MINISTER OF HEAVY INDUSTRIES & PUBLIC ENTERPRISES  
(SHRI PRAKASH JAVADEKAR)

(a) to (c): For the Central Public Sector Enterprises (CPSEs) under the Department of Heavy Industry (DHI) in the State of Kerala, it has been decided:

1. Disinvestment of 100% shareholding in Hindustan Newsprints Ltd.(HNL).
2. Transfer of Palakkad Unit of Instrumentation Ltd. (IL) to the Govt. of Kerala (GoK).

In addition, on the recommendations of NITI Aayog, it has also been decided to disinvest 51% shareholding of Bharat Heavy Electricals Ltd. (BHEL) in BHEL-EML by transferring the same to GoK. The State Government of Kerala has agreed to take over 51% share of BHEL in BHEL-EML at a cost of Rs.1/-.

(d): Hindustan Newsprint Limited (HNL) is a subsidiary of Hindustan Paper Corporation Limited (HPC) and is located in Kottayam, Kerala. HNL is facing Corporate Insolvency Resolution Process (CIRP) under the Insolvency and Bankruptcy Code (IBC), 2016. A Resolution Professional has been appointed by National Company Law Tribunal (NCLT), Kochi to manage the affairs of HNL as per law. Further, HPC, the parent Central Public Sector Enterprise (CPSE) of HNL is also facing liquidation proceedings under the provisions of IBC, 2016.

Contd....2/-

In respect of IL, Palakkad, the Union Cabinet on 30.11.2016 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. Based on the deliberations, a tripartite Memorandum of Understanding (MoU) was signed between Government of India, Department of Heavy Industry (DHI), Government of Kerala, Department of Industry and Instrumentation Limited on 16.11.2018 defining the modalities of transfer of Palakkad Unit to the Government of Kerala.

After signing of the MoU, it was learnt that the High Level Committee had not taken into consideration the value of land owned by Palakkad 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, this has material bearing on the transfer modalities.

In respect of BHEL-EML, a note for approval of Cabinet Committee on Economic Affairs (CCEA) regarding transferring of BHEL's 51% shares in BHEL-EML to GoK, has already been circulated to all the stake holders.

(e): Does not arise.

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