

**GOVERNMENT OF INDIA
HEAVY INDUSTRIES AND PUBLIC ENTERPRISES
LOK SABHA**

UNSTARRED QUESTION NO:3651

ANSWERED ON:15.12.2011

LOSS MAKING UNITS OF CCI AND HMT

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

- (a) the total number of units of Cement Corporation of India (CCI) and Hindustan Machine Tools (HMT), location-wise;
- (b) whether the units of CCI and the HMT are incurring losses;
- (c) if so, the amount of losses incurred by these companies during each of the last three years, unit-wise alongwith the reasons therefor;
- (d) whether the Government proposes to revive CCI and HMT;
- (e) if so, the details thereof and the amount of earmarked for the revival of these companies;
- (f) the time by which these companies are likely to be revived; and
- (g) the action taken by the Government on the property lying useless due to closure of units of CCI and HMT and the steps taken to rehabilitate employees rendered jobless?

Answer

MINISTER OF HEAVY INDUSTRIES AND PUBLIC ENTERPRISES (SHRI PRAFUL PATEL)

(a): Cement Corporation of India (CCI) - Location-wise 10 units of CCI are as under:-

- 1) Bokajan - Assam
- 2) Rajban - Himachal Pradesh
- 3) Tandur - Andhra Pradesh
- 4) Mandhar - Chhattisgarh
- 5) Kurkunta - Karnataka
- 6) Nayagaon - Madhya Pradesh
- 7) Akaltara - Chhattisgarh
- 8) Charkhi Dadri - Haryana
- 9) Adilabad - Andhra Pradesh
- 10) Delhi Grinding Unit - Delhi

Hindustan Machine Tools (HMT)- Location-wise 15 units of HMT group of companies are as under:-

HMT Limited (HMTL) : Pinjore, Hyderabad, Aurangabad
HMT Machine Tools Limited (HMT MTL) : Bangalore, Pinjore, Kalamassery, Hyderabad, Ajmer
HMT Watches Limited (HMT WL) :Bangalore, Tumkur, Ranibagh
HMT Chinar Watches Limited (HMT CWL) : Srinagar, Jammu
HMT Bearings Limited (HMT BL) : Hyderabad
HMT(I) : Bangalore

(b): CCI CCI is making profit for more than three years.
HMT - All HMT group of companies except HMT (I) are incurring losses.

(c): CCI Does not arise.

HMT The details of losses incurred by the company and subsidiaries during each of the last three years is as follows:

(Rs. in crore)

Company	HMTL	HMT MTL	HMT WL	HMT CWL	HMT BL
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2010-11	-79.24	-93.06	-189.76	-41.95	-10.68
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2009-10 -52.91 -45.80 -168.35 -49.94 -15.31

2008-09 -68.98 -36.57 -163.83 -69.47 -10.68

The reasons for sub-optimal performance are economic reforms, outdated product technology, old plant and machinery and high level of attrition in critical areas.

(d): CCI - The Revival Scheme has already been approved by the Government and sanctioned by BIFR.

HMT- The Consultant has been appointed to firm up business plan for focused growth based on leaner products.

(e): CCI - The Sanctioned Scheme envisaged, inter-alia, expansion/modernization of three operating units and closure and sale of seven non-operating units. Funds amounting to Rs.802.05 crore (Rs.184.29 crore to be provided by the Government and Rs.617.76 crore as the sale proceeds of the non-operating units) were earmarked for revival of the Company.

HMT – As stated in (d) above.

(f) CCI - The Company has already turned around and started earning profits.

HMT – As stated in (d) above.

(g): CCI - Action has already been initiated for sale of assets of the closed units as per directions of BIFR. Employees of all closed units, except Adilabad Unit, where High Court has ordered to maintain status quo, have been separated and appropriate compensation paid as per Voluntary Separation Scheme, approved by Government.

HMT- No unit has been closed.