

necessary action for filling up of vacancies for persons with disabilities and to launch a Special Recruitment Drive to fill up those vacancies by February, 2016.

**Closure of five sick units**

\*185. SHRI A. K. SELVARAJ: Will the Minister of HEAVY INDUSTRIES AND PUBLIC ENTERPRISES be pleased to state:

(a) whether it is a fact that the proposed closure of the five sick units will be completed in the next two-three months;

(b) whether it is also a fact that while the cost of closure of these units is estimated to be around ₹ 1.40 crore and their assets are estimated to be worth ₹ 22,000 crore; and

(c) whether it is also a fact that these units have been non-functional since 2007?

THE MINISTER OF HEAVY INDUSTRIES AND PUBLIC ENTERPRISES (SHRI ANANT GEETE): (a) to (c) The Government has initiated action for closure of five Central Public Sector Enterprises (CPSEs) namely Hindustan Cables Limited, Tungabhadra Steel Products Limited, HMT (Watches) Limited, HMT (Chinar Watches) Limited and, HMT (Bearings) Limited. The action includes an offer of attractive Voluntary Retirement Scheme (VRS) to their employees on 2007 notional pay scale in relaxation of Department of Public Enterprises (DPE) guidelines.

The movable assets like plant and machinery, furniture and fixture, vehicles etc. would be either auctioned or transferred to holding/subsidiary/associate CPSEs or Government/Government controlled Body. Immovable assets *i.e.* land and/or buildings would be transferred to Central/State Government or Central/State Government entities/Public Sector Undertakings (PSUs) only, depending on the terms of lease/ownership by concerned CPSE.

Details showing total assets and liabilities and total cash and non-cash assistance required for closure by above Companies are given in Statement-I and II respectively (*See below*). Details of total assets of these Companies and their estimated values are given in Statement-I (*See below*). The total tentative expected cost of closure of the five companies (Cash and Non-Cash) is ₹ 10,157.56 crore.

The three HMT Companies mentioned above are still functional. Hindustan Cables Limited and Tungabhadra Steel Products Limited have stopped production since 2003 and 2013 respectively.

**Statement-I**

*Details showing total Assets and Liabilities of five companies of  
DHI which are under Closure*

**1. Hindustan Cables Ltd.****Assets of HCL:**

Location	Infrastructure	Details	Value (₹ crore)
Rupnarainpur Unit (W.B)	Land area (Acres)	947 (with Rly. siding)	108.48
	Factory area (Acres)	89.09	
	Residential Quarters (Nos)	1889 (various types)	
Hyderabad Unit (A.P.)	Land area (Acres)	324 (with Rly.siding)	779.73
	Factory area (Acres)	114.00	
	Residential Quarters (Nos)	890 (various types)	
Naini, Allahabad (U.P.)	Land area (Acres)	52 (Near Rly. Stn.)	21.21
	Factory area (Acres)	39.63	
	Residential Quarters (Nos)	7	
MTW, Narendrapur, (W.B)	Land area (Acres)	2.00	5.74
	Factory area(Acres)	0.558	
	Moveable assets of plant and machineries, electrical equipment, vehicles, design and office equipment, furniture, other inventories etc.	As is where is basis	
	TOTAL		915.16*

\*As per Asset Valuation Report of the Company in 2010.

**Outstanding Liabilities of HCL:**

(Figures in crore)

Particulars	Principal	Interest	Total
Secured Loans	305.63	2337.24	2642.87
Unsecured Loans	12.69	107.96	120.65
Government of India Loans	1093.35	1325.00	2418.35
Sundry Creditors	194.67	-	194.67
(i) Creditors for goods – ₹ 40.34 cr.			
(ii) Creditors for expenses ₹154.33 cr.			
Other Small Creditors	13.23	-	13.23
Other Liabilities	761.41		761.41
(i) Statutory Liabilities ₹ 256.33			
(ii) Adv. From Customer ₹ 505.08			
Contingent Liabilities	118.15		118.15
Guarantee fee payable to Government of India for Government Guarantee of ₹ 112 crore to cover overdrawal of cash credit account of the banks @ 1%pa (for 11 years from 2003-04 till date)			
TOTAL	2499.13	3770.20	6281.65

**2. Tungabhadra Steel Products Limited****Assets of TSPL:**

Sl. No.	Head	Value (₹ in crore)
1.	Land and Building (82.37 Acres Land Mortgaged to SBI)	102.96
2.	Another 20,000 Sq. Mtr. Land has been Leased to TSPL for 40 years from 1994 by Government of Karnataka for Running Mini Hydel Plant.	-
3.	Moveable Assets of Plant and Machineries, Electrical Equipment, Vehicles, Design and Office Equipment, Furniture, other Inventories etc.	10.00
	TOTAL	112.96*

\*As per Rough Estimates provided by TSPL

**Outstanding Liabilities of TSPL:**

(Amount in crore)

Particulars	Principal	Interest	TOTAL
GOI Loan	113.00	294.08	407.08
SBI Bank Loan	15.28	69.91**	85.19
Sundry Creditors (SAIL, ISSCO)	2.86	7.14	10.00
Other Small Creditors	3.92	0.00	3.92
CISF Dues	3.68	5.57	9.25
Others Liabilities, etc.	1.85	0.00	1.85
Contingent Liabilities	5.52	0.00	5.52
TOTAL	146.11	376.70	522.81

\*\*As One Time Settlement (OTS) the bank has agreed to the proposal of TSPL to waive the interest of ₹ 69.91 crore on the principal amount subject to payment of the principal amount by 30.09.2015. The settlement of the loan and interest thereon will free up the land assets of TSPL from mortgage to the bank.

**3. HMT (Watches) Ltd.**

Sl. No.	HMT (W) Assets	₹ crore
<b>1.</b>	<b>Non Current Assets</b>	
A.	Fixed Assets (Net Tangible Assets)	7.88
B.	Long Term Loans and Advances	2.25
	TOTAL	10.13
<b>2.</b>	<b>Current Assets</b>	
	Inventories	28.44
	Trade Receivables	1.38
	Cash and Equivalents	0.50
	Short Term Loans and Advances	11.71
	Other Current Assets	0.18
	TOTAL	42.21
	GRAND TOTAL	52.34

**3. Land Assets (Value included in 1A above):**

(Figures in acres)

Location	Bangalore	Tumkur	Ranibagh	Total	Remarks
<b>Status of Land:</b>					
Freehold	82.71	119.26	33.65	235.62	
Acquired			11.97	11.97	
Leased					
From State Government			33.33	33.33	Ranibagh land lease expired 9.11.2014
Granted Land			13.37	13.37	State Government land
Encroached	7.00			7.00	
<b>TOTAL</b>	<b>89.71</b>	<b>119.26</b>	<b>92.31</b>	<b>301.29</b>	

**3a. Other Properties**

Location	Asset Type	Possession Type	Size	Remarks
Bandra, Mumbai	Residential Flat	Purchased	900 sqft	

**HMT(W) Liabilities**

Details (₹ in crore)	Principal	Interest	TOTAL
GoI Loan	823.66	1046.55	1870.21
Autonomous Bodies/State Government Loans/Bank Loan			0
Sundry Creditors (CISF- ₹ 18.27 cr.)			26.69
1992 Wage Arrears (₹ 2.66 cr. to existing and ₹ 7.1 cr. to retired employees)			9.76
Taxes, Duties etc.			41.09
Advance from Land Sale			8.90
Dues to other HMT Units			10.87
<b>TOTAL</b>			<b>1967.52</b>
Holding Company Loans			517.85
<b>GRAND TOTAL</b>			<b>2485.37</b>

**4. HMT (Chinar Watches) Ltd.:**

Sl. No.	HMT(CW)- Assets	₹ Cr
<b>1.</b>	<b>Non Current Assets</b>	
A.	Fixed Assets (Net Tangible Assets)	1.53
B.	Long Term Loans and Advances	0
	<b>TOTAL</b>	<b>1.53</b>
<b>2.</b>	<b>Current Assets</b>	
	Inventories	6.21
	Trade Receivables	1.91
	Cash and Equivalents	0.30
	Short Term Loans and Advances	0.52
	Other Current Assets	0.11
	<b>TOTAL</b>	<b>9.05</b>
	<b>GRAND TOTAL</b>	<b>10.58</b>

**3. Land Assets (Value included in 1A above)**

Location	Acres	Remarks
<b>Status of Land:</b>		
Freehold/Acquired	0	
Leased	51	Obtained on 90 years lease from State Government in 1977.
Taken over by State Government Department	11	Occupied by PHE Department of State Government
<b>TOTAL</b>	<b>62</b>	

**HMT (CW) Liabilities**

Details (in ₹ crore)	Principal	Interest	TOTAL
GoI Loan	191.86	289.11	480.97
Autonomous Bodies/ State Government Loans	0	0	0
Bank Loans	0	0	0
Sundry Creditors (CISF – ₹ 43.67 Cr.)			43.75
Other Liabilities			1.54
Dues to other HMT Units			0.00
Holding Company Loans			82.66
GRAND TOTAL			608.92

**5. HMT (Bearings) Ltd.**

Sl. No.	HMT(B) - Assets	₹ Cr
<b>1.</b>	<b>Non Current Assets</b>	
A.	Fixed Assets (Net Tangible Assets)	1.00
B.	Long Term Loans and Advances	0.80
C.	Investment in APGPCL	0.41
	TOTAL	2.21
<b>2.</b>	<b>Current Assets</b>	
	Inventories	7.74
	Trade Receivables	5.01
	Cash and Equivalents	15.07
	Short Term Loans and Advances	0.15
	TOTAL	27.97
	GRAND TOTAL	30.18

**3. Land Assets (Value included in 1A above)**

(In Acres)

Location	Hyderabad	Remarks
Status of Land:		
Purchased	30.00	
Taken over by State Government Department	0.67	
TOTAL	29.33	

**HMT(B) Liabilities**

Details (₹ in Cr.)	Principal	Interest	TOTAL
GoI Loan	81.08	54.11	135.19
Autonomous Bodies/State Government Loans	0	0	0
Bank Loans	0	0	0
Sundry Creditors			0.42
Other Liabilities			0.32
Dues to other HMT Units			0.84
Holding Company Loans			0.80
GRAND TOTAL			137.57

***Statement-II***

*Total Cash and Non-Cash Assistances required by the five companies of DHI which are under closure*

**1. Details of VRS/VSS benefits, outstanding salaries and other liabilities to Hindustan Cables Limited employees**

Sl. No.	Description	Pay scale	No. of employees	Amount (₹ in cr.)	Total
1	2	3	4	5	6
1A.	Executives: VRS/VSS, leave encashment, gratuity, LTC, TA etc.	2007 (IDA)	193 (as on 30.4.2015)	112.12	



1	2	3	4	5	6
1B.	Non Executives: VRS/VSS, leave encashment, gratuity, LTC, TA etc.	1997 (IDA)	1324 (as on 30.4.2015)	562.08	
	TOTAL		1517		674.20
2.	Less: Surrender value of existing LIC Policies for gratuity				-58.18
	TOTAL projected amount required for VRS, leave encashment, gratuity, LTC, TA etc.				616.02
3.	Leave Salary of retired persons: Rupnarainpur		135	6.00	6.00
4.	1997 wage arrear				
	25% recovered by DHI: all units	1997(IDA)		1.91	
	Outstanding arrear: Rupnarainpur and Allahabad	1997(IDA)		11.72	13.63
5.	Dues to employees coop. credit society in Hyderabad			1.75	
	Dues to mutual benefit fund in Hyderabad			0.63	2.38
6.	Outstanding dues to casual workers:			3.05	
	Retrenchment benefits to casual workers		108	4.64	7.69
7a.	92 wage arrear : Rupnarainpur			0.66	0.66
7b.	92 PF arrear : Rupnarainpur			20.62	
7c.	97 PF arrear : Rupnarainpur			19.75	40.37
8.	Projected amount other than employee related statutory dues to be paid during VRS				64.73
	TOTAL amount required for VRS				751.48

**2. Details of VRS/VSS benefits, outstanding salaries and other liabilities to employees of Tungabhadra Steel Products Limited**

(₹ in crores)

Sl. No.	Particulars	Principal
1.	Implementation of VRS/VSS at 2007 notional pay scales with gratuity and leave encashment also at 2007 notional pay scales, in relaxation of DPE guidelines, to the 75 employees of TSPL (with three months window period included for serving notice to employees, under ID Act).	17.44
2.	SBI Bank Loan	15.28
3.	Watch and Ward expenses to be engaged for TSPL at Hospet and at Mini Hydel Plant, for one year from 01.09.2015 for taking care and guarding the assets of TSPL after closure till the same is transferred to Governments/PSUs only.	0.24
TOTAL		32.96

**3-5. The details of requirement of cash and non-cash based support for three HMT Companies are as under:**

(₹ in crores)

Sl. No.	Particulars	HMTW	HMTCW	HMTB	Total
<b>I.</b>	<b>Cash Assistance by way of one time loan towards payment of:</b>				
A.	VRS/VSS compensation	316.42	9.88	15.14	341.44
B.	Less - Interim Relief Paid against 1997 Pay revision	10.61	0.29	0.64	11.53
C.	Pending 1992 pay revision arrears	9.76	0.00	0.00	9.76
	Net VRS Package	315.57	9.59	14.50	339.67
D.	Liabilities towards Taxes, Duties, etc.	41.09	1.54	0.32	42.95
	GRAND TOTAL	356.66	11.13	14.82	382.62
<b>II.</b>	<b>Non Cash Assistance:</b>				
A.	Outstanding GOI Loans together with Interest	1870.21	480.97	135.19	2486.37
B.	Holding Company Loans	517.85	82.66	0.80	601.31
	GRAND TOTAL	2388.06	563.63	135.99	3087.68