

GOVERNMENT OF INDIA
MINISTRY OF HEAVY INDUSTRIES
RAJYA SABHA
UNSTARRED QUESTION NO. 1876
ANSWERED ON 04.08.2023

REVIVAL OF HEC

1876. SMT. MAHUA MAJI:
SHRI SANDEEP KUMAR PATHAK:

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

- (a) whether the workers of Ranchi-based Heavy Engineering Corporation (HEC), that manufactured various important parts for Chandrayaan-3, have not received their salaries for 14 months;
- (b) if so, by when this pending salaries will be given to employees;
- (c) the steps being taken by Government for the revival of this company;
- (d) whether Government desires that the said industry should continue to contribute significantly;
- (e) if not, the reasons therefor; and
- (f) the details of disinvestment plan and relief package for HEC?

ANSWER
THE MINISTER OF STATE FOR HEAVY INDUSTRIES
(SHRI KRISHAN PAL GURJAR)

(a): HEC did not manufacture any part of Chandrayan-3. HEC has been incurring and accumulating loss continuously for the last five years. Capacity utilization of the Company also has been declining. Due to its continuous losses and huge liabilities, HEC is facing acute financial crisis and salaries of workmen are unpaid for 13.5 Months. Salaries of officers are also unpaid for 17.5 months.

(b) & (c): Being registered under the Companies Act, HEC is a separate legal entity and need to generate its own resources to comply with statutory dues and wage payments.

(d) & (e): The contribution of HEC has been continuously deteriorating as reflected through its performance parameters for the last five years as under:

Parameter	2018-19	2019-20	2020-21	2021-22	2022-23 (Unaudited)
Turnover (Rupees in cr)	356.21	132.68	202.76	184.69	87.52
Net Profit/Loss (Rupees in cr)	-93.67	-405.37	-175.78	-256.07	-283.58
Capacity Utilization (%)	16.00	12.22	12.52	3.75	1.39

(f): No such decision has been taken by the Government
