

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

**RAJYA SABHA**  
**UNSTARRED QUESTION NO. 671**  
**TO BE ANSWERED ON 08.02.2018**

**Closure of PSUs**

671. SHRI MAJEED MEMON:

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

- (a) whether it is a fact that Government is planning closure of about 20 PSUs profitable as well as loss making for strategic sale;
- (b) if so, the timeline for the closure fixed by Government for each of these units, timeline for the disposal of movable assets and sale of land; and
- (c) the number of employees affected, the VRS package offered and retrenchment of employees not opting for VRS?

**ANSWER**

**MINISTER OF STATE IN THE MINISTRY OF HEAVY INDUSTRIES AND PUBLIC ENTERPRISES (SHRI BABUL SUPRIYO)**

(a): Government has decided to close down five Central Public Sector Enterprises (CPSEs) under the Department of Heavy Industry (DHI), namely, Hindustan Cables Ltd (HCL), Tungabhadra Steel Products Ltd (TSPL), HMT Watches Ltd, HMT Chinar Watches Ltd and HMT Bearings Ltd. Government has also decided to close down Kota Unit of Instrumentation Ltd. and Tractor Division of HMT Ltd. These CPSEs / Units have since closed their operations in compliance of Govt. decision.

In addition, Government has also accorded 'in principle' approval for strategic disinvestment of the following CPSEs under DHI namely, Bridge & Roof Company (India) Ltd., Scooters India Ltd., Bharat Pumps & Compressors Ltd., Hindustan Newsprints Ltd. and strategic sale of units of Cement Corporation of India Ltd., where it is legally permissible, to strategic buyers through two stage auction process. It has also accorded 'in-principle' approval for merger of Engineering Projects (India) Ltd. with similarly placed CPSE. Requisite actions have been initiated as per the guidelines laid down by the Department of Investment & Public Asset Management, Ministry of Finance.

(b) & (c): The CPSEs / Units approved for closure as mentioned in (a) above, have since been closed operationally. These units were having about 3700 employees at the time of their closure. They were offered attractive Voluntary Retirement Scheme (VRS) / Voluntary Separation Scheme (VSS) as per 2007 notional pay scales as against prevailing 1992/1997 pay scales in those CPSEs. Naini Unit of Hindustan Cables Ltd with 125 employees was transferred to National Aeronautics Ltd. (NAeL), a subsidiary of Hindustan Aeronautics Ltd. (HAL) under the Ministry of Defence.

A status Report on the progress made so far on closure of CPSEs and disposal of their movable and immovable assets, is annexed. The final closure / winding up of the CPSEs, approved for closure, would be attained by following the laid down procedures as per the provisions of the Companies Act, 2013.

**ANNEXURE**

Sl. No.	Name of the CPSE	Status of VRS/VSS	Disposal of Movable Assets	Disposal of Land /Immovable Assets
1.	Tungbhadra Steel Products Ltd.	Completed.	Completed.	Malprabha Mini Hydel Project handed over to KPCL, a Govt. of Karnataka enterprise. The Cabinet, on 10.01.2018, approved the proposal for transfer of Hospet land to the State Govt. of Karnataka.
2.	HMT Bearings Ltd.	Completed.	Completed.	Indian Space Research Organisation (ISRO) has been identified by Land Management Agency (LMA) as prospective buyer for its Hyderabad land.
3.	HMT Watches Ltd.	Completed, 813 employees relieved on VRS while 2 were terminated. However, 146 employees in Ranibagh did not opt for VRS and moved to High Court with WP. Stay granted.	Completed, except in Ranibagh. High Court has stayed the process.	Govt. has approved proposal for sale / transfer of land and buildings in Bangalore and Tumkur to ISRO. It has also approved sale of 1 acre of land in Bangalore to GAIL. No bids were received for Ranibagh land of the Company. LMA has floated re-tender inviting bids for the Ranibagh land, to be transferred after High Court's decision in the pending WP, filed by the employees.
4.	HMT Chinar Watches Ltd.	Completed	Completed.	Land and Buildings at Srinagar returned to the State Govt.
5.	Hindustan Cables Ltd.	Completed.	Auction Completed.	HCL has immovable assets at Kolkata, Rupnarayanpur, Narendrapur in West Bengal, at Hyderabad in Telangana, at Naini near Allahabad (UP) and in New Delhi. Bharat Petroleum Corporation Ltd. has been identified for sale of 115 acres of land at Hyderabad. LMA has floated re-tender inviting bids for other land & immovable assets.
6.	HMT Ltd. (Tractor Division )	850 out of 1000 employees relieved on VRS. 150 workmen did not avail VRS and moved High Court. Meanwhile their services terminated on 24.1.2018 and closure compensation paid as per ID Act.	Tractor plant is to be leased out. EOI invited. Total 8 responses received. RFP / NIT floated for the same which is closing on 28.02.2018.	446 Acres of land not currently in use, to be transferred to Govt. of Haryana on mutually agreed compensation.
7.	Instrumentation Ltd. Kota Unit	Completed.	Completed except some furniture and IT equipment which is in use.	The Company has immovable assets at several locations. LMA floated re-tender inviting bids from prospective buyers. The leased land at Jaipur to go back to State Govt.