

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

LOK SABHA
STARRED QUESTION NO. 490
TO BE ANSWERED ON 28.04.2015

Closure of Cement Plants

*490. SHRI DHARAMBIR:

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

- (a) the details of cement units under the Cement Corporation of India (CCI), along with the quantum of cement produced, the capacity utilization and profit/loss of CCI as a whole during each of the last three years;
- (b) whether a large number of workers have been retrenched and also rendered jobless due to closure of the various cement units including Charkhi Dadri Plant and if so, the details thereof;
- (c) whether the Government proposes to utilize the surplus and idle land of such plants and generate employment, if so, the details thereof and if not, the reasons therefor; and
- (d) the short and long term plan of action proposed to improve market share of CCI's cement and ensure profitability?

ANSWER

MINISTER OF HEAVY INDUSTRIES AND PUBLIC ENTERPRISES
(SHRI ANANT G. GEETE)

(a) to (d) : A statement is laid on the Table of the House.

STATEMENT

Statement referred to in reply to parts (a) to (d) of LOK SABHA Starred Question Number 490 for answer on 28.04.2015 raised by SHRI DHARAMBIR regarding Closure of Cement Plants.

(a): Cement Corporation of India (CCI) is a sick BIFR referred company. It has got 3 operating units and 7 non-operating units as detailed below:-

Operating Units

<u>Name of the Unit</u>	<u>Location</u>
Bokajan	Karbi Anglong, Assam.
Rajban	Sirmour (HP)
Tandur	Ranga Reddy, Telangana

Non-operating Units

<u>Name of the Unit</u>	<u>Location</u>
Mandhar	Chhattisgarh
Kurkunta	Karnataka
Nayagaon/Nayagaon Expansion	Madhya Pradesh
Akaltara	Chhattisgarh
Charkhi Dadri	Haryana
Adilabad @	Telangana
Delhi Grinding Unit	Delhi

@ All the seven units except Adilabad unit have been closed and put on sale. The Adilabad unit could not be closed due to interim order of the Hon'ble High Court of Andhra Pradesh for maintaining status-quo.

Quantum of cement produced, the capacity utilization and profit/loss of CCI as a whole during each of the last three years are as under:

	2012-13	2013-14	2014-15 (Provisional)
Cement Produced (Lacs MT)	7.08	8.36	9.52
Capacity Utilization (%)	49	58	66
Net Profit (Rs. In crores)	8.11	16.20	27.33

(b): As per the Sanctioned Scheme of CCI duly approved by BIFR, the closure of Charkhi Dadri Plant alongwith five other non-operating units of CCI was effected and all the workers were paid due compensation as per the Voluntary Separation Scheme duly approved by the Ministry of Labour, Cabinet and BIFR.

(c): The assets of all the closed units are under sale as per the directives of BIFR and the sale proceeds are to be utilised in implementation of the Scheme.

(d): The Sanctioned Scheme, which inter alia envisages Expansion/modernisation of Bokajan, Tandur and Rajban units, is aimed at improving the performance and profitability of CCI. Expansion/modernisation programme has been taken up for implementation. In order to increase the market share of CCI, action has also been initiated to produce Portland Pozzolana Cement (PPC) in Rajban and Tandur units. Besides, CCI is also expanding its dealers' network in the areas where better realization can be achieved for sale of cement.