

MINISTRY OF HEAVY INDUSTRIES AND PUBLIC ENTERPRISES

DEMAND NO. 51

Department of Heavy Industry

A. The Budget allocations, net of recoveries and receipts, are given below:

Major Head	Actual 2011-2012			Budget 2012-2013			Revised 2012-2013			<i>(In crores of Rupees)</i> Budget 2013-2014			
	Plan	Non-Plan	Total	Plan	Non-Plan	Total	Plan	Non-Plan	Total	Plan	Non-Plan	Total	
Revenue	357.04	23.99	381.03	496.49	56.67	553.16	345.45	37.61	383.06	417.44	43.97	461.41	
Capital	...	291.87	291.87	56.51	400.00	456.51	61.21	340.00	401.21	167.56	400.00	567.56	
Total	357.04	315.86	672.90	553.00	456.67	1009.67	406.66	377.61	784.27	585.00	443.97	1028.97	
1. Secretariat - Economic Services	3451	1.66	14.05	15.71	5.50	15.66	21.16	3.50	15.60	19.10	3.50	16.96	20.46
Industries													
2. Research and Development of Automotive Industry	2852	...	18.30	18.30	...	25.00	25.00	...	20.00	20.00	...	24.00	24.00
3. National Automotive Testing and R&D Infrastructure Project	2852	355.38	...	355.38	488.48	...	488.48	341.94	...	341.94	341.94	...	341.94
4. Grants to Hindustan Salts Ltd.	2852	...	3.12	3.12	...	2.00	2.00	...	2.00	2.00	...	2.00	2.00
5. National Industrial Development Corporation Ltd.	2852	...	0.07	0.07	...	...	...	...	...	...	...	...	...
6. Bharat Yantra Nigam Ltd.	2852	...	0.19	0.19	...	...	...	...	...	...	...	...	...
7. Modernisation of Capital Goods Sector	2852	...	...	...	2.50	...	2.50	...	...	...	70.00	...	70.00
8. Interest Subsidy on Bank Finance to PSUs for implementation of VRS	2852	...	...	...	...	14.00	14.00	...	...	...	...	...	...
9. Other Expenditure	2852	...	...	...	0.01	0.01	0.02	0.01	0.01	0.02	2.00	1.01	3.01
Total-Industries		355.38	21.68	377.06	490.99	41.01	532.00	341.95	22.01	363.96	413.94	27.01	440.95
10. Lumpsum provision for projects/schemes for the benefit of North Eastern Region and Sikkim	4552	...	...	...	55.30	...	55.30	...	...	...	58.50	...	58.50
11. <i>Non Plan Loans to Public Sector Enterprises</i>													
11.01 Lumpsum for Voluntary Separation Scheme and Statutory Dues	6858	...	...	...	...	250.00	250.00	...	110.01	110.01	...	250.00	250.00
11.02 Lumpsum for Revival Scheme for PSE's	6854	...	...	...	...	150.00	150.00	...	41.46	41.46	...	150.00	150.00
11.03 Engineering Industries													
11.03.01 Bharat Bhari Udyog Nigam Limited	6858	...	...	...	...	...	...	...	...	...	...	...	...
11.03.02 HMT Limited	6858	...	145.69	145.69	...	...	...	...	110.65	110.65	...	...	...
11.03.03 Hindustan Cables Limited	6858	...	95.38	95.38	...	...	...	...	54.32	54.32	...	...	...
11.03.04 Scooters India Limited	6858	...	8.08	8.08	...	...	...	...	1.89	1.89	...	...	...
11.03.05 Triveni Structural Limited	6858	...	3.15	3.15	...	...	...	...	1.84	1.84	...	...	...

(In crores of Rupees)

	Major Head	Actual 2011-2012			Budget 2012-2013			Revised 2012-2013			Budget 2013-2014			
		Plan	Non-Plan	Total	Plan	Non-Plan	Total	Plan	Non-Plan	Total	Plan	Non-Plan	Total	
11.03.06	Tungbhadra Steel Products Limited	6858	...	2.49	2.49	...	...	...	...	1.28	1.28	...	...	...
	<i>Total- Engineering Industries</i>		...	254.79	254.79	...	...	...	...	169.98	169.98	...	...	...
11.04	Consumer Industries													
11.04.01	NEPA Limited	6860	...	27.96	27.96	...	...	...	...	14.41	14.41	...	...	...
11.04.02	Hindustan Photo Film Limited	6860	...	...	...	...	...	...	...	...	...	...	...	...
11.04.03	Hindustan Paper Corporation Limited (NPPC)	6860	...	8.81	8.81	...	...	...	...	4.14	4.14	...	...	...
	<i>Total- Consumer Industries</i>		...	36.77	36.77	...	...	...	...	18.55	18.55	...	...	...
	<i>Total- Non Plan Loans to Public Sector Enterprises</i>		...	291.56	291.56	...	400.00	400.00	...	340.00	340.00	...	400.00	400.00
12.	<i>Waiver of Guarantee Fee</i>													
12.01	Heavy Engineering Corporation	2852	...	...	...	...	...	...	...	5.06	5.06	...	...	...
12.02	Andrew Yule and Company Ltd.	2852	...	0.64	0.64	...	...	...	...	0.64	0.64	...	...	...
12.03	Less -Receipt Netted	0075	...	-0.64	-0.64	...	...	...	...	-5.70	-5.70	...	...	...
	<i>Net</i>		...	...	...	...	...	...	...	...	...	...	...	...
13.	Investments in Public Sector Enterprises	4854	...	...	...	0.01	...	0.01	0.01	...	0.01	0.01	...	0.01
		4858	...	...	...	0.51	...	0.51	0.51	...	0.51	31.92	...	31.92
		4860	...	...	...	0.01	...	0.01	60.01	...	60.01	1.51	...	1.51
		6858	...	0.31	0.31	0.63	...	0.63	0.63	...	0.63	20.09	...	20.09
		6860	...	...	...	0.05	...	0.05	0.05	...	0.05	55.53	...	55.53
	<i>Total</i>		...	0.31	0.31	1.21	...	1.21	61.21	...	61.21	109.06	...	109.06
14.	Actual Recoveries	2852	...	-11.74	-11.74	...	...	...	...	...	...	...	...	...
Grand Total			357.04	315.86	672.90	553.00	456.67	1009.67	406.66	377.61	784.27	585.00	443.97	1028.97
	Head of Dev	Budget Support	IEBR	Total	Budget Support	IEBR	Total	Budget Support	IEBR	Total	Budget Support	IEBR	Total	
B. Investment in Public Enterprises														
<i>Engineering Industries</i>														
1.	Bharat Heavy Electricals Ltd.	12858	...	1068.00	1068.00	...	1696.00	1696.00	...	1220.00	1220.00	...	1375.00	1375.00
2.	HMT Limited	12858	...	...	...	0.05	...	0.05	0.05	...	0.05	0.03	...	0.03
3.	Heavy Engineering Corporation Limited	12858	...	8.28	8.28	0.01	...	0.01	0.01	...	0.01	0.01	146.20	146.21
4.	Scooters India Limited	12858	...	...	...	0.01	...	0.01	0.01	...	0.01	51.90	...	51.90
5.	Hindustan Cables Limited	12858	...	...	...	0.01	...	0.01	0.01	...	0.01	...	...	...
6.	Instrumentation Limited, Kota	12858	...	...	...	1.01	...	1.01	1.01	...	1.01	0.01	...	0.01

	Head of Dev	Budget Support	IEBR	Total	Budget Support	IEBR	Total	Budget Support	IEBR	Total	Budget Support	IEBR	Total
7. Andrew Yule and Company Limited	12858	...	...	...	...	68.00	68.00	...	11.00	11.00	...	43.00	43.00
8. Bharat Yantra Nigam Limited	12858	...	49.48	49.48	0.03	30.00	30.03	0.03	80.22	80.25	0.02	28.00	28.02
9. Bharat Bhari Udyog Nigam Limited	12858	...	...	...	0.02	...	0.02	0.02	...	0.02	0.04	...	0.04
10. Engineering Projects (India) Limited	12858	...	1.13	1.13	...	8.00	8.00	...	8.10	8.10	...	8.30	8.30
11. Instrumentation Limited Kota/Rajasthan Electronics & Instruments Limited	12858	...	1.00	1.00	...	2.50	2.50	...	2.50	2.50	...	3.00	3.00
12. National Automotive Testing R&D Infrastructure Project	12858	...	...	...	...	9.49	9.49	...	4.00	4.00	...	12.49	12.49
13. Fluid Control Research Institute	12858	...	0.52	0.52	...	0.50	0.50	...	0.50	0.50	...	0.80	0.80
Total-Engineering Industries		...	1128.41	1128.41	1.14	1814.49	1815.63	1.14	1326.32	1327.46	52.01	1616.79	1668.80
<i>Consumer Industries</i>													
14. Hindustan Paper Corporation Limited	12860	...	0.53	0.53	0.02	181.53	181.55	0.02	47.00	47.02	0.02	...	0.02
15. Hindustan Newsprints Limited	12860	...	0.21	0.21	...	10.33	10.33	...	...	...	0.01	...	0.01
16. NEPA Limited	12860	...	...	...	0.01	...	0.01	60.01	...	60.01	54.00	64.00	118.00
17. Hindustan Salts Limited/SSL	12860	...	...	...	0.02	...	0.02	0.02	...	0.02	3.00	...	3.00
18. Hindustan Photo Films Manufacturing Company Limited	12860	...	...	...	...	...	...	...	...	...	0.01	...	0.01
19. Tyre Corporation of India Ltd.	12860	...	0.02	0.02	0.01	...	0.01	0.01	...	0.01	...	...	...
Total-Consumer Industries		...	0.76	0.76	0.06	191.86	191.92	60.06	47.00	107.06	57.04	64.00	121.04
<i>Cement & Non-metallic Mineral Industries</i>													
20. Cement Corporation of India Limited	12854	...	3.66	3.66	0.01	75.43	75.44	0.01	54.26	54.27	0.01	113.29	113.30
21. Addition, Modification and Replacement Schemes in PSUs	12854	...	...	...	...	...	...	...	...	...	...	...	...
Total-Cement & Non-metallic Mineral Industries		...	3.66	3.66	0.01	75.43	75.44	0.01	54.26	54.27	0.01	113.29	113.30
Total		...	1132.83	1132.83	1.21	2081.78	2082.99	61.21	1427.58	1488.79	109.06	1794.08	1903.14
C. Plan Outlay													
1. Engineering Industries	12858	357.04	1128.41	1485.45	497.63	1814.49	2312.12	346.59	1326.32	1672.91	469.45	1616.79	2086.24
2. Consumer Industries	12860	...	0.76	0.76	0.06	191.86	191.92	60.06	47.00	107.06	57.04	64.00	121.04
3. Cement and non-Metallic Mineral Industries	12854	...	3.66	3.66	0.01	75.43	75.44	0.01	54.26	54.27	0.01	113.29	113.30
4. North Eastern Areas	22552	...	...	...	55.30	...	55.30	...	...	...	58.50	...	58.50
Total		357.04	1132.83	1489.87	553.00	2081.78	2634.78	406.66	1427.58	1834.24	585.00	1794.08	2379.08

1. **Secretariat:** Provides for secretariat expenditure of the Department of Heavy Industry.

2. **Research & Development of Automotive Industries:** Provides for grant to Development Council for Automobile and Allied Industry for setting up facilities for testing the vehicles as

per changing safety and emission standards at the research institutes i.e. ARAI, Pune, VRDE, Ahmednagar and CIRT, Pune and other R&D institutes in the country.

3. **National Automotive Testing and Research & Development Infrastructure Project (NATRIP):** NATRIP is one of the most ambitious projects launched by the Government of India aimed at the creation of critically needed automotive testing, validation and R&D Infrastructure for the auto sector. The aim of NATRIP is to create world-class automotive testing, validation, R&D and homologation facilities in line with emerging requirements of the National Automotive Safety and Emission roadmap. These are to be created in the pre principal hubs of North, West and South India. The Government of India has majority funding of the project and has also granted full custom duty exemption to all project imports while the State Governments have offered land at concessional rates. This will facilitate the project aim of creating core global companies to facilitate seamless integration of the Indian automotive industry with the world automotive landscape.

4. **Hindustan Salts Ltd. (HSL):** HSL was incorporated on 12.4.1958 as a Company fully owned by the Government of India to take over the salt sources at Sambhar, Didwana and Kharaghoda earlier managed by the Salt Department. A provision has been kept to meet the pension liabilities of the Ex-employees of HSL.

6. **Bharat Yantra Nigam Ltd. (BYNL):** It was incorporated as a holding company in 1986 with six subsidiaries, namely Bharat Heavy Plates & Vessels Ltd. (BHPV), Bharat Pumps & Compressors Ltd (BPCL), Triveni Structurals Ltd. (TSL), Tungabhadra Steel Products Ltd (TSPL), Richardson & Cruddas (1972) Ltd. (R&C) and Bridge & Roof Co. Ltd. (B&R). The winding up process is underway. The erstwhile subsidiary PSEs have now become independent PSEs. Final meeting on winding up process at BYNL was held on 12.01.2012.

7. **Modernisation of Capital Goods Sector for PSEs:** Provision is kept for schemes for enhancement of competitiveness in the Capital Good Sector with a proposed outlay of ₹ 70.00 crore for 2013-14.

Main components of the proposed schemes are setting of 2 pre-competitive Technology Development Centre, 3 common facility centre, Technology Development Programme and Skill Development.

9. **Other Expenditure:** Provides for grants to Fluid Control Research Institute and Coal gasification Projects and for Industrial Association and PSEs for undertaking promotional activities. FCRI was established in 1987 as a UNDP project for undertaking activities connected with flow measuring and control devices and to provide the basic frame work for technology development and flow products, for India and South- Asia. This includes Grants-in-aid to Industrial Associations and PSEs for undertaking promotional activities such as study to under profiling of Capital Good Sector, its SWOT analysis for proposed plan till 15th FYP and evaluation of a draft Policy and Taxation, Trade, FDI & Investment, Skill, R&D Technology Development, FTA, Technologoy Sourcing Studies, Policy impact studies & printing of Technology monograms, creating of online data base and print on Indian Capital Good Sector Directories, Quality, Safety, Standards & productivity promotion Services to the Indian Capital Goods Sector, Promotion of use of information technology, Business Promotion services and Misc. professional services etc..Commissioner of Payments, Kolkata.

10. **Lump sum provision for North Eastern Region and Sikkim:** Provides for projects/schemes for the benefit of North Eastern Region and Sikkim and the allocation for the year

2013-14 is for Nagaland Pulp & paper Company Ltd. (NPPC). NPPC is a joint venture company between Govt. of Nagaland (GoN) & Hindustan Paper Corporation Ltd (HPC). HPC holds 94.78% of the equity and the Government of Nagaland holds balance 5.22%. There is no production activity presently in the plant which has been suspended in October 1992. Based on Government approval, BIFR sanctioned the rehabilitation scheme at a capital outlay of ₹ 552.44 crore in 2007. The implementation of this plan is held up due to subsequent steep cost escalation etc.

11.01. **Lump sum provision for implementation of VRS/VSS & statutory dues in PSEs:** Provision is for Non-Plan loans to loss making public sector enterprises partly to meet the gap in their resources. This includes a lump sum provision of ₹ 250.00 Cr. for implementation of VRS/VSS and reduction of statutory dues of the employees of PSEs.

11.02. **Lump sum provision for Revival/restructuring of PSEs:** Lump sum provision of ₹ 150.00 Cr. is meant for meeting the expenditure on restructuring /revival schemes of loss making PSEs. Provision is also for other public sector enterprises under the Department, based on requirement of funds and Government approval.

11.03.02. **HMT Ltd. And its Subsidiaries:** HMT Ltd. Erstwhile known as Hindustan Machine Tools Ltd., was incorporated in 1953. It steadily grew into a major multi-product company with 16 units and 22 product divisions, spread over 10 different States of the Country. The Company is engaged in the production of high-precision machine tools, printing machinery, tractors, wrist watches, horological machines and dairy machines. Subsequently, as an organizational restructuring, its Watch, Machine Tools, Bearing and International Business Groups have been converted into wholly owned subsidiaries namely, HMT Watches Ltd., HMT Machine Tools Ltd., HMT Bearings Ltd., HMT Chinara Watches Ltd., and HMT (International) Ltd.

11.03.03. **Hindustan Cables Ltd. (HCL):** HCL a Government of India Undertaking was incorporated in 1952 and is engaged in the manufacture of telecommunication cables. It had three units, One at Rupnanarianpur (W.B), Hyderabad (A.P) and Allahabad (U.P) and has a separate Turnkey Project Division. The company has been registered under Sick Industrial Companies (Special Provision) Act 1985 by the BIFR and State Bank of India has been appointed as the Operating Agency. IIT, Kharagpur and M/s Tata Consultancy Services (TCS) were engaged by HCL to conduct a study for restructuring of the company.

11.03.04. **Scooters India Ltd (SIL):** Scooters India Ltd (SIL), Lucknow (U.P.) was incorporated in September 1972 as a Government Public Sector Enterprise and is engaged in the designing, manufacturing and marketing of three- wheelers, spares thereof and engineering goods.

SIL has been incurring net losses since 2006-07 onwards and its network has been eroded. In terms of the provisions of SICA, SIL is referred to BIFR.

11.03.05. **Triveni Structurals Limited, Naini, Allahabad.:** The company was established in 1965. It is primarily involved in jobs related to building structures, towers, pressure vessels, pipes & penstocks, etc.

11.03.06. **Tungabhadra Steel Products, Hospet, Karnataka:** The company was established in 1960. The company is primarily involved in manufacture of Hydraulic Structure, Penstocks, Building Structures, Transmission Line Tower, etc. The company is a BIFR referred sick PSE. Efforts are being made to forge a JV alliance with a view to revive the company.