

**GOVERNMENT OF INDIA
HEAVY INDUSTRIES AND PUBLIC ENTERPRISES
LOK SABHA**

UNSTARRED QUESTION NO:1846
ANSWERED ON:10.08.2006
REVIVAL OF HPF .
Sugavanam Shri E.G.

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

- (a) Whether the Hindustan Photo Films Manufacturing Company Limited is incurring huge losses for the past few years;
- (b) If so, the reasons therefor and the details of losses incurred during each of the last three years alongwith accumulated losses;
- (c) Whether the Government has any proposal to revive the company;
- (d) If so, the details thereof; and
- (e) If not, the reasons therefor?

Answer

MINISTER OF STATE IN THE MINISTRY OF HEAVY INDUSTRIES AND PUBLIC ENTERPRISES (SMT. KANTI SINGH)

(a) & (b): HPF has been incurring losses since 1992-93. The major reasons for the huge losses are high cost of raw material, overheads and manpower costs, technology shift to coloured films and a highly competitive market.

The details of losses incurred in the last 3 years are as follows:

(Rupees in crores)

Year	Net loss (including accrued interest & depreciation)	Accumulated loss
2003-04	443.02	2657.04
2004-05	496.41	3153.46
2005-06 (Prov)	569.15	3722.61

(c) to (e): The department has engaged a consultant, M/s. Ernst & Young on the basis of the recommendations of the Department Related Parliamentary Standing Committee on Industry to examine the viability of HPF in the current scenario.