

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

UNSTARRED QUESTION NO:97
ANSWERED ON:15.11.2007
PRIVATISATION OF CCI UNITS
Reddy Shri Karunakara G.

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

- (a) whether there is any proposal to sell-off or privatize some units of Cement Corporation of India (CCI);
- (b) if so, the details thereof and the reasons therefor;
- (c) whether the production has been stopped in these units; and
- (d) if so, the estimated loss incurred due to closure of such units during the last three years?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF HEAVY INDUSTRIES AND PUBLIC ENTERPRISES (SHRI SONTOSH MOHAN DEV)

(a) & (b): As per Sanctioned Scheme of the Board for Industrial and Financial Reconstruction (BIFR), seven non-operating units of Cement Corporation of India Ltd.,(CCI) located at Mandhar (Chhattisgarh), Kurkunta (Karnataka), Nayagaon (MP), Akalatara (Chhattisgarh), Charkhi Dadri (Haryana), Adilabad (Andhra Pradesh) and Delhi Grinding Unit (Delhi) are to be closed and the sale proceeds of these plants are to be utilized for expansion/modernization of remaining three operating units of CCI located at Bokajan (Assam), Tandur (Andhra Pradesh) and Rajban (Himachal Pradesh).

(c) The seven units were closed due to economic unviability during the period 1996 to 1999. No production of cement has taken place even since in these 7 units.

(d) The loss incurred during the period of closure of these seven non-operating units in the last three years as per the company's audited balance sheet is as below:-

2004 - 05 : (-) Rs. 196.29 crores
2005-06 : (-) Rs. 92.86 crores#
2006-07 : (-) Rs. 45.64 crores#

Excludes waiver of interest of Rs. 801.59 crores and Rs. 95.74 crores as per Sanctioned Scheme.