

**MINISTRY OF HEAVY INDUSTRIES AND PUBLIC ENTERPRISES****DEMAND NO. 50****Department of Heavy Industry**

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

		<i>(In crores of Rupees)</i>									
Major Head		Budget 2000-2001			Revised 2000-2001			Budget 2001-2002			
		Plan	Non-Plan	Total	Plan	Non-Plan	Total	Plan	Non-Plan	Total	
	Revenue	3.75	103.78	107.53	5.45	156.25	161.70	71.21	95.25	166.46	
	Capital	134.25	219.65	353.90	349.37	606.88	956.25	106.79	385.60	492.39	
	<b>Total</b>	<b>138.00</b>	<b>323.43</b>	<b>461.43</b>	<b>354.82</b>	<b>763.13</b>	<b>1117.95</b>	<b>178.00</b>	<b>480.85</b>	<b>658.85</b>	
1.	Secretariat - Economic Services	3451	1.25	5.71	6.96	1.25	5.32	6.57	1.20	5.45	6.65
<b>Industries</b>											
<b>Engineering Industries</b>											
2.	Research and Development of Automotive Industry	2852	...	9.00	9.00	...	9.00	9.00	...	10.00	10.00
3.	HMT(Srinagar)	2852	...	...	...	...	9.85	9.85	...	9.85	9.85
4.	<i>Interest Subsidy:</i>										
4.01	Hindustan Paper Corporation Ltd	2852	...	4.53	4.53	...	3.88	3.88	...	3.88	3.88
4.02	Heavy Engineering Corporation Ltd.	2852	...	36.74	36.74	...	36.74	36.74	...	36.74	36.74
4.03	HMT Ltd.	2852	...	...	...	...	12.74	12.74	...	...	...
	<i>Total</i>		...	41.27	41.27	...	53.36	53.36	...	40.62	40.62
5.	<i>Guarantee Fee Subsidy:</i>										
5.01	Heavy Engineering Corporation Ltd.	2852	...	2.64	2.64	...	2.64	2.64	...	2.64	2.64
5.02	Hindustan Cables Ltd.	2852	...	1.12	1.12	...	1.12	1.12	...	1.12	1.12
5.03	Bharat Bhari Udyog Nigam Ltd	2852	...	...	...	...	0.50	0.50	...	0.50	0.50
5.04	HMT Ltd.	2852	...	...	...	...	3.10	3.10	...	4.69	4.69
5.05	Praga Tools Ltd.	2852	...	...	...	...	0.67	0.67	...	0.37	0.37
	<i>Total</i>		...	3.76	3.76	...	8.03	8.03	...	9.32	9.32
6.	Interest Subsidy on Bank Finance to PSUs for implementation of VRS	2852	...	10.00	10.00	...	1.00	1.00	...	20.00	20.00
7.	<i>Grants to PSEs for VRS</i>										
7.01	Scooters India Ltd.	2852	...	1.00	1.00	...	1.00	1.00	...	...	...
7.02	Praga Tools Ltd.	2852	...	2.50	2.50	...	5.20	5.20	...	...	...
7.03	Instrumentation Ltd.	2852	...	5.00	5.00	...	15.35	15.35	...	...	...
7.04	National Instruments Ltd.	2852	...	1.00	1.00	...	14.12	14.12	...	...	...
7.05	Hindustan Cables Ltd.	2852	...	13.00	13.00	...	13.00	13.00	...	...	...
7.06	Bharat Bhari Udyog Nigam Ltd.	2852	...	10.00	10.00	...	20.00	20.00	...	...	...
7.07	NEPA Ltd.	2852	...	1.00	1.00	...	1.00	1.00	...	...	...
	<i>Total</i>		...	33.50	33.50	...	69.67	69.67	...	...	...
8.	Lump-sum provision for grants-in-aid to PSEs for implementation of VRS	2852	...	...	...	...	...	...	70.00	...	70.00
9.	Other Expenditure	2852	2.50	0.54	3.04	4.20	0.02	4.22	0.01	0.01	0.02
	<b>Total-Industries</b>		<b>2.50</b>	<b>98.07</b>	<b>100.57</b>	<b>4.20</b>	<b>150.93</b>	<b>155.13</b>	<b>70.01</b>	<b>89.80</b>	<b>159.81</b>
10.	Lump-sum provision for projects/schemes for the benefit of North East Region and Sikkim	4552	...	...	...	...	...	...	10.80	...	10.80
11.	<i>Non Plan investment in Public Sector Enterprises</i>										
11.01	HMT Ltd.	4858	...	11.35	11.35	...	11.35	11.35	...	...	...
12.	<i>Non Plan Loans to Public Sector Enterprises</i>										
<b>Engineering Industries</b>											
12.01	National Instruments Ltd.	6858	...	...	...	...	3.68	3.68	...	...	...
12.02	Bharat Ophthalmic Glass Ltd.	6858	...	...	...	...	6.02	6.02	...	...	...
12.03	Cycle Corporation of India Ltd	6858	...	...	...	...	0.50	0.50	...	...	...
12.04	National Bicycle Corporation of India Ltd	6858	...	...	...	...	0.50	0.50	...	...	...
12.05	Heavy Engineering Corp. Ltd.	6858	...	...	...	...	19.85	19.85	...	22.92	22.92

(In crores of Rupees)										
Major Head	Budget 2000-2001			Revised 2000-2001			Budget 2001-2002			
	Plan	Non-Plan	Total	Plan	Non-Plan	Total	Plan	Non-Plan	Total	
12.06 Mining and Allied Machinery Corporation Ltd.	6858	...	...	...	3.10	3.10	...	...	...	
12.07 Rehabilitation Industries Corporation Ltd.	6858	...	...	...	0.38	0.38	...	...	...	
12.08 Bharat Yantra Nigam Ltd.	6858	...	...	...	45.55	45.55	...	12.90	12.90	
12.09 Bharat Bhari Udyog Nigam Ltd.	6858	...	...	...	31.67	31.67	...	4.97	4.97	
12.10 Praga Tools Ltd	6858	...	...	...	5.22	5.22	...	5.61	5.61	
12.11 Instrumentation Ltd.	6858	...	...	...	16.00	16.00	...	4.05	4.05	
12.12 Hindustan Cables Ltd.	6858	...	...	...	...	...	...	14.00	14.00	
12.13 HMT Ltd.	6858	...	1.35	1.35	...	1.35	...	...	...	
12.14 Lump Sum for Voluntary Separation Scheme and Statutory dues	6858	...	100.00	100.00	...	379.50	379.50	...	150.00	150.00
<b>Consumer Industries</b>										
12.15 Tannery and Footwear Corporation of India Ltd.	6860	...	...	...	0.76	0.76	...	...	...	
12.16 Tyre Corporation of India Ltd.	6860	...	...	...	2.00	2.00	...	...	...	
12.17 Hindustan Salts Ltd	6860	...	0.95	0.95	...	5.55	5.55	...	1.76	1.76
12.18 NEPA Ltd	6860	...	...	...	7.65	7.65	...	...	...	
12.19 Hindustan Photo Films Mfg. Company Ltd.	6860	...	...	...	13.35	13.35	...	13.67	13.67	
12.20 Bharat Leather Corp. Ltd.	6860	...	...	...	1.66	1.66	...	...	...	
12.21 Hindustan Paper Corp. Ltd.	6860	...	6.00	6.00	...	3.40	3.40	...	...	
12.22 National Industrial Dev. Corp. Ltd.	6885	...	...	...	4.08	4.08	...	...	...	
12.23 Lump Sum for Revival Schemes of PSEs	6854	...	100.00	100.00	...	0.02	0.02	...	150.00	150.00
12.24 Cement Corporation of India Ltd.	6854	...	...	...	43.74	43.74	...	5.72	5.72	
<i>Total</i>	...	208.30	208.30	...	595.53	595.53	...	385.60	385.60	
13. Investments in Public Enterprises	4854	32.50	...	32.50	14.45	...	14.45	19.44	...	19.44
	4858	40.47	...	40.47	295.07	...	295.07	28.19	...	28.19
	4860	9.14	...	9.14	4.13	...	4.13	8.82	...	8.82
	6854	2.50	...	2.50	1.59	...	1.59	2.50	...	2.50
	6858	40.49	...	40.49	29.99	...	29.99	28.19	...	28.19
	6860	9.15	...	9.15	4.14	...	4.14	8.84	...	8.84
	6885	...	...	...	...	...	...	0.01	...	0.01
<i>Total</i>	134.25	...	134.25	349.37	...	349.37	95.99	...	95.99	
<b>Grand Total</b>	<b>138.00</b>	<b>323.43</b>	<b>461.43</b>	<b>354.82</b>	<b>763.13</b>	<b>1117.95</b>	<b>178.00</b>	<b>480.85</b>	<b>658.85</b>	
<b>B. Investments in Public Enterprises</b>	Head of Dev.	Budget Support	I.E.B.R.	Total	Budget Support	I.E.B.R.	Total	Budget Support	I.E.B.R.	Total
<b>Engineering Industries</b>										
13.01 Bharat Heavy Electricals Ltd.	12858	...	210.00	210.00	...	205.00	205.00	...	231.00	231.00
13.02 HMT Ltd	12858	1.00	...	1.00	265.10	...	265.10	...	26.38	26.38
13.03 Heavy Engineering Corporation Ltd.	12858	20.00	...	20.00	10.00	...	10.00	3.78	...	3.78
13.04 Scooters India Ltd.	12858	2.00	...	2.00	...	1.00	1.00	6.00	2.00	8.00
13.05 Hindustan Cables Ltd.	12858	4.00	...	4.00	4.00	...	4.00	13.50	...	13.50
13.06 Instrumentation Ltd.	12858	5.00	...	5.00	5.00	...	5.00	5.00	...	5.00
13.07 Andrew Yule and Co. Ltd.	12858	2.66	4.50	7.16	3.16	2.39	5.55	1.80	4.61	6.41
13.08 Praga Tools Ltd.	12858	2.00	...	2.00	...	...	...	3.00	...	3.00
13.09 Bharat Yantra Nigam Ltd.	12858	14.41	12.90	27.31	14.41	14.50	28.91	12.30	14.50	26.80
13.10 Bharat Bhari Udyog Nigam Ltd.	12858	29.89	0.50	30.39	23.39	...	23.39	11.00	2.24	13.24
13.11 Engineering Projects (India) Ltd.	12858	...	1.76	1.76	...	1.76	1.76	...	5.70	5.70
<b>Total - Engineering Industries</b>	<b>80.96</b>	<b>229.66</b>	<b>310.62</b>	<b>325.06</b>	<b>224.65</b>	<b>549.71</b>	<b>56.38</b>	<b>286.43</b>	<b>342.81</b>	
<b>Consumer Industries</b>										
13.12 Hindustan Paper Corporation Ltd	12860	12.02	53.93	65.95	2.00	54.26	56.26	0.01	84.74	84.75
13.13 NEPA Ltd	12860	0.01	...	0.01	0.01	...	0.01	10.80	...	10.80
13.14 Hindustan Salts Ltd.	12860	1.26	...	1.26	1.26	...	1.26	1.25	...	1.25

(In crores of Rupees)										
	Head of Dev.	Budget 2000-2001			Revised 2000-2001			Budget 2001-2002		
		Budget Support	I.E.B.R.	Total	Budget Support	I.E.B.R.	Total	Budget Support	I.E.B.R.	Total
13.15 Hindustan Photofilms Manufacturing Co. Ltd.	12860	2.00	...	2.00	2.00	...	2.00	3.00	...	3.00
13.16 Tyre Corporation of India Ltd.	12860	3.00	...	3.00	3.00	...	3.00	2.60	...	2.60
<b>Total - Consumer Industries</b>		<b>18.29</b>	<b>53.93</b>	<b>72.22</b>	<b>8.27</b>	<b>54.26</b>	<b>62.53</b>	<b>17.66</b>	<b>84.74</b>	<b>102.40</b>
<b>Cement &amp; Non-metallic Mineral Industries</b>										
13.17 Cement Corporation of India Ltd.	12854	5.00	...	5.00	3.18	...	3.18	5.00	...	5.00
13.18 Crucial Balancing Investment for sustained viability of PEs.	12854	30.00	...	30.00	12.86	...	12.86	16.94	...	16.94
<b>Other Outlays on Industries</b>										
13.19 National Industrial Development Corpn. Ltd.	12885	...	...	...	...	...	...	0.01	...	0.01
<b>Total</b>		<b>134.25</b>	<b>283.59</b>	<b>417.84</b>	<b>349.37</b>	<b>278.91</b>	<b>628.28</b>	<b>95.99</b>	<b>371.17</b>	<b>467.16</b>
<b>C. Plan Outlay</b>										
1. Engineering Industries	12858	84.71	229.66	314.37	330.51	224.65	555.16	127.59	286.43	414.02
2. Consumer Industries	12860	18.29	53.93	72.22	8.27	54.26	62.53	17.66	84.74	102.40
3. Cement and Non-metallic mineral Industries	12854	35.00	...	35.00	16.04	...	16.04	21.94	...	21.94
4. Other Outlays on Industries	12885	...	...	...	...	...	...	0.01	...	0.01
5. North Eastern Areas	22552	...	...	...	...	...	...	10.80	...	10.80
<b>Total</b>		<b>138.00</b>	<b>283.59</b>	<b>421.59</b>	<b>354.82</b>	<b>278.91</b>	<b>633.73</b>	<b>178.00</b>	<b>371.17</b>	<b>549.17</b>

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 continuous changing safety standards and emission standards at the research institutes i.e. ARAI, Pune, VRDE, Ahmednagar and CIRT, Pune.

3. **HMT (Srinagar):** Provides for meeting gap in resources of watch unit of HMT, Srinagar.

4 & 5. **Interest and Guarantee Fee Subsidy:** Provides for carrying out accounting adjustment for transaction arising out of restructuring of the capital base of Hindustan Paper Corporation Ltd., Hindustan Cables Ltd., Burn Standard Co. Ltd. (subsidiary of Bharat Bhari Udyog Nigam Ltd.), HMT Ltd., Praga Tools Ltd. and Heavy Engineering Corporation Ltd., as a part of their approved revival scheme. These are matched by receipts.

6. The provision is towards interest subsidy payable to the banks under a scheme for arranging bank finance for PSUs for implementation of VRS.

8. The lump sum provision is for grants-in-aid to the PSEs under the Department of Heavy Industry.

9. **Other Expenditure:** Provides for grants to Fluid Control Research Institute, etc.

10. The provision relates to projects/schemes for the development of North Eastern Region and Sikkim. This includes budgetary support of Rs.2.00 crore for Assam Tea Garden of Andrew Yule & Co. Ltd. and Rs.0.68 crore for Bokajan unit of Cement Corporation of India Ltd. in North East.

12. **Non-Plan Loans to Public Enterprises :** Provision is for Non-Plan loans to loss making public sector enterprises to partly meet their gap in resources. Also there is a lump sum provision of Rs.150.00 crore for meeting expenditure on restructuring of loss making public sector enterprises under the Department of Heavy Industry.

13. **Investment in Public Enterprises:** Provides for budgetary support to PSEs by way of loans and equity mostly in the ratio of 50:50 for taking up continuing schemes for

development, diversification, debottlenecking modernisation, renewal & replacement, etc. to improve their performance and viability.

13.01 **Bharat Heavy Electricals Ltd.:** It was incorporated in 1960. It is engaged in the manufacture, supply, erection and commissioning of power generating equipment, transmission and transportation equipment for electricity boards and other core sectors of the economy like steel, fertilizer, metallurgical and mineral industries. It has 14 manufacturing divisions, 8 service centres and 4 power sector regional centres. The Company has supplied power stations on turnkey basis in India and abroad.

13.02 **HMT Ltd.:** It was incorporated in 1953. It has steadily grown into a major multi-unit and 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 machinery.

13.03 **Heavy Engineering Corporation Ltd.:** It was incorporated in 1958. It comprises three engineering units, Heavy Machine Building Plant, Heavy Machine Tools Plant and the Foundry Forge Plant. The Corporation produces steel plant equipment, excavators, plaining machines, boring machines and also castings and forgings. BIFR has sanctioned a revival/restructuring plan which is under implementation.

13.04 **Scooters India Ltd.:** It was incorporated in 1972. It is engaged in the manufacture of scooters, three wheelers and fans. BIFR has sanctioned a revival/restructuring plan.

13.05 **Hindustan Cables Ltd.:** It was incorporated in 1952. It is engaged in the manufacture of sophisticated telecommunication cables in India. It has got two factories at Rupnarainpur and Hyderabad. The Company has set up another factory at Allahabad for the manufacture of optical fibre cables. A revival/restructuring is under implementation.

13.06 **Instrumentation Ltd.:** It was established in 1964 with the objective of attaining maximum self-reliance in providing instrumentation and control systems to key sectors of economy such as Thermal Power Plants, Steel Plants, Fertilizer Plants, Refineries and other process plants. A revival/restructuring plan has been sanctioned.

**13.07 Andrew Yule and Company Ltd.:** It was incorporated in 1979. Primarily involved in manufacturing activities, the Company at present has eight units which manufacture industrial fans and tea machinery, HT&LT electrical equipment, contactors, overload relays, moulded case circuit breakers, power distribution transformers, switchgears, conveyor belts, fans & V-belts, air pollution control equipment and production of tea.

**13.08 Praga Tools Ltd.:** The Company has become a subsidiary of H.M.T Ltd. from February, 1988. The Company has three Divisions, viz. (i) Machine Tool Division at Secunderabad (ii) Forge and Foundry Division at Hyderabad and (iii) CNC Division. The main products of the Company are cutters and tool grinders, surface grinders, universal milling machines, copying lathes, thread vthing machines and drilling machines, forgings and accessories. Due to accumulated losses, it is under reference to BIFR.

**13.09 Bharat Yantra Nigam Limited:** It was incorporated as a Holding Company in 1986 with six subsidiaries, namely, Bharat Heavy Plate and Vessels Ltd., Bharat Pumps and Compressors Ltd., Triveni Structurals Ltd., Tungabhadra Steel Products Ltd., Richardson and Cruddas (1972) Ltd., and Bridge and Roof Co. Ltd. The Corporate Office of the Company is at Allahabad, Uttar Pradesh. BIFR has sanctioned revival/restructuring plans for Bharat Pumps and Compressors Ltd., Triveni Structurals Ltd. and Richardson & Cruddas (1972) Ltd.

**13.10 Bharat Bhari Udyog Nigam Limited:** It was incorporated in 1986 as a Holding Company consisting of seven Public Sector Enterprises, namely Burn Standard Co. Ltd., Jessop and Co. Limited, Braithwaite & Co. Limited, Bharat Wagon and Engineering Company Limited, Bharat Processing and Mechanical Engineers Limited, BBJ Construction Company Limited. Its corporate office is at Calcutta. BIFR has sanctioned revival/restructuring plans for Braithwaite and Company Ltd., Burn Standard Co. Ltd. (including its subsidiary viz. Bharat Brakes & Valves Ltd. & RBL Ltd) and Jessop & Co. Ltd. which are under implementation. Bharat Process & Mechanical Engineering Co. Ltd. (BPMEL) and its subsidiary Weighbird India Ltd. (WIL) are under winding up notice by BIFR and are non-functional.

**13.11 Engineering Projects (India) Ltd.:** It was incorporated in 1970. The main objective of the company is the optimum utilisation of technology and production facilities and the resources available in public sector as well as private sector for supply and erection activities required for implementing industrial and other projects on turnkey basis in India and abroad.

**13.12 Hindustan Paper Corporation Ltd.:** It was incorporated in 1970 with the objective of establishing pulp and paper and newsprint mills in the country. It has got 2 units and 3 subsidiaries. Hindustan Paper Corporation Limited is in the process of removing bottlenecks and stabilising the production in its units and subsidiaries. A restructuring plan has been sanctioned. Out of its loss making subsidiary company viz. Mandya National Paper Mills Ltd. is non-functional.

**13.13 NEPA Ltd.:** It was incorporated in 1958. It produces Newsprint only. A restructuring plan has been sanctioned.

**13.14 Hindustan Salts Ltd.:** It was incorporated in 1958. It is engaged in the manufacture and sale of salt and bromine. It has a subsidiary company called Sambhar Salts Limited.

**13.15 Hindustan Photo Films Mfg. Company Limited:** It was incorporated in 1960. It is engaged in the manufacture of photo-sensitised films, cine positive (black and white), cine films sound negative, medical x-ray films etc. Due to accumulated losses it is under reference to BIFR. A revival plan of the company is under consideration.

**13.16 Tyre Corporation of India Ltd.:** It was incorporated in 1984 in which the nationalised undertakings of two sick companies, namely, M/s Inchek Tyres Ltd. and National Rubber Manufacturers Ltd. have been vested. It produces automobile and cycle tyres and tubes and other rubber goods like fan, V-belts, etc. The company has modernised its tyre making unit at Kakinada. However due to accumulated losses, it is under reference to BIFR.

**13.17 Cement Corporation of India Ltd.:** It was incorporated in 1965 with the objective of setting up cement factories in public sector to achieve self-sufficiency in cement production in the country. It has 10 operating units. Due to accumulated losses, it is under reference to BIFR.

**13.18 Crucial Balancing Investment for sustained viability of Public Enterprises:** Lumpsum provision to be subsequently re-appropriated in favour of other PEs under the Department as per their requirements of funds mainly for Capital Investments based on Government approvals, keeping in view however, the provisions of New Service/New Instrument of Service.

**13.19 National Industrial Development Corporation Ltd.:** It was incorporated in 1954 to promote the country's industrial development. Its field of operation covers industrial projects, civil engineering projects, energy and technological upgradation.