

**GOVERNMENT OF INDIA
MINISTRY OF CHEMICALS & FERTILIZERS
DEPARTMENT OF CHEMICALS & PETROCHEMICALS**

**LOK SABHA
UN-STARRED QUESTION No. 2907
TO BE ANSWERED ON 17.03.2023**

Hindustan Insecticides Limited

2907. SHRI KODIKUNNIL SURESH :

Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

- a. whether the Government proposes to close down and cease operations of Kerala and Punjab plants of Hindustan Insecticides Limited;
- b. if so, the details thereof and the reasons therefor;
- c. whether the redeployment of employees of both Kerala and Punjab plants of Hindustan Insecticides Limited is being considered by the Government;
- d. if so, the details thereof;
- e. whether the Government is aware of the reports that salaries of the employees have not been disbursed for the last five months; and
- f. if so, the details thereof and the action taken/proposed to be taken in this regard?

ANSWER

**MINISTER OF STATE FOR CHEMICALS AND FERTILIZERS
(SHRI BHAGWANTH KHUBA)**

- a. Yes, Sir.
- b. HIL(India)'s Ltd two plants at Kerala and Punjab are incurring losses for the last several years and are unviable to be operated due to various reasons. Due to the gradual reduction and ultimate stoppage of DDT production at Kerala plant, the utility cost distribution to agrochemicals has resulted in high cost of production. Moreover, due to locational disadvantage, inbound and outbound transportation costs were abnormally high. Low capacity utilization resulted in high fixed overhead cost per unit. The Punjab plant is an agrochemical formulation plant for solid and liquid pesticides. The Technical grade of pesticides are transported from company's Maharashtra and Kerala plant and formulated in Punjab, which make overall proposition unviable. Punjab plant is also suffering losses due to low automation, manual packing, excess manpower, non-availability of raw materials. Due to above-mentioned reasons its operations have become unviable.
- c. No, Sir
- d. Not Applicable
- e. Yes, Sir

f. The Department has proposed closure of the two units of HIL (India) Limited i.e. Bathinda in Punjab and Udyogamandal in Kerala. Accordingly, a proposal seeking funds from the Government has been made to cater to meet the expenditure arising on account of VRS/VSS and payment of balance dues of the employees of both units proposed for closure.
