

Hwange Colliery Company Limited

Press Statement



HWANGE COLLIERY COMPANY LIMITED'S RESPONSE TO NEW EQUIPMENT ALLEGATIONS

The various negative reports circulating with regard to the new equipment purchased from BEML India that was commissioned by Hwange Colliery Company Limited recently on 19 June where it is alleged that the equipment is second hand, has reference. Hwange Colliery Company Limited together with its supplier BEML, refutes these allegations as baseless, misinformed, unfounded, defamatory and malicious. BEML is a state owned organization, owned by the government of India, and is engaged in design and manufacturing of mining and construction equipment over the last five decades. It has a major market share for this equipment in India and has exported similar products to more than 60 countries globally where the machines have been successfully deployed.

The equipment that was supplied is brand new and under warranty and free from any defect in design, materials or workmanship. It is misinformed to report that the machines are second hand as they have new serial numbers and are under warranty.

The fact of the matter is that Hwange Colliery Company is still in the commissioning phase of the new equipment. This entails that the equipment undergoes load testing in order to identify any snagging issues which the supplier will resolve. This load testing brings to the fore any issues with regard to the equipment that may result due to transportation or assembling processes. HCCL would like to highlight that problems of this nature normally occur during any new equipment commissioning phase. Once the machines are deployed into production and their performance during operation have been monitored and approved, then commissioning can be completed.

In view of the above, Hwange Colliery Company Limited considers these allegations as unfounded.

Issued by:
Hwange Colliery Company Limited

6 July 2015

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