

GOVERNMENT OF INDIA  
MINISTRY OF HEAVY INDUSTRIES AND PUBLIC ENTERPRISES  
DEPARTMENT OF HEAVY INDUSTRY

**LOK SABHA**  
**UNSTARRED QUESTION NO. 3587**  
**TO BE ANSWERED ON 04.08.2014**

Package for HCL

3587. SHRI PONGULETI SRINIVASA REDDY:

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

- (a) whether the Hindustan Cables Limited (HCL) is facing a severe financial crunch;
- (b) if so, whether the Government has released any non-plan budgetary support to HCL to sustain it;
- (c) whether the Government has issued any direction to the Ministry of Communications and Information Technology to release some orders for manufacture of cables by HCL and if so, the details thereof; and
- (d) the other steps taken by the Government to revive HCL?

**ANSWER**

**MINISTER OF STATE IN THE MINISTRY OF HEAVY INDUSTRIES AND  
PUBLIC ENTERPRISES (SHRI PON. RADHAKRISHNAN)**

(a) Yes, Madam. The Company is facing severe financial crunch since 2003-04.

(b) Yes, Madam. The Cabinet in its meeting held on 27.1.1999 approved a Package of Assistance together with Financial Restructuring for Company, in which Non-Plan budgetary support in the form of equity of Rs. 75 crores towards partial reimbursement of cash losses was included. Due to financial difficulties from 2003, the Government has been providing salary support every six months to the employees of HCL.

(c) Production in the all units has been stopped since 2003 and thereafter no order has been received from Department of Telecommunication.

(d) A revival proposal of the company through takeover by the Ordnance Factory Board, Department of Defence Production, Ministry of Defence is under active consideration.

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