

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

UNSTARRED QUESTION NO:4339
ANSWERED ON:19.08.2010
REVIVAL OF HINDUSTAN CABLES LIMITED
Rao Shri Nama Nageswara

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

- (a) whether the Government has taken any measures for the revival of Hindustan Cables Ltd., Hyderabad;
- (b) if so, the details thereof; and
- (c) if not, the reasons therefor?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF HEAVY INDUSTRIES AND PUBLIC ENTERPRISES (SHRI ARUN YADAV)

(a) to (c): Based on the recommendation of the Board for Reconstruction of Public Sector Enterprises (BRPSE), certain proposals for JV partnership of Central Public Sector Enterprises (CPSE) like MMTC & RINL with the Hyderabad Unit of Hindustan Cables Limited (HCL) were examined, but nothing concrete has materialized.

Recently, the Board of Industrial and Financial Reconstruction (BIFR) at its hearing on 22.06.2010 has come to the prima facie conclusion that HCL is not likely to make its net worth exceed the accumulated losses within a reasonable time while meeting all its financial obligations. The Company, as a result thereof, is not likely to become viable on a long-term basis and hence it is just, equitable and in public interest that it is wound up. A Show-Cause Notice has accordingly been issued by BIFR on 5.7.2010. This Notice, inter-alia, provides that the Company, present promoters or a registered Workers Industrial Cooperative Society (WICS) or an outsider could submit a fully tied up proposal with or without OTS and with or without co-promoters, to the Operating Agency (OA) within 30 days from the date of the order/ publication in newspaper. Government has, as of now, no fully tied up proposal for submission to the OA.