

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

UNSTARRED QUESTION NO:2749

ANSWERED ON:23.07.2009

HINDUSTAN CABLES LIMITED

Das Gupta Shri Gurudas;Panda Shri Prabodh;Satpathy Shri Tathagata

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

- (a) the status of Hindustan Cables Ltd. (HCL) situated in West Bengal;
- (b) whether the Indian Institute of Technology (IIT), Kharagpur and Tata Consultancy Services (TCS) were engaged by HCL to conduct study for restructuring the sick company;
- (c) if so, the details thereof;
- (d) whether any report has been submitted by them;
- (e) if so, the salient features thereof alongwith the reaction of the Government thereto; and
- (f) the other steps being taken by the Government for revival of HCL?

Answer

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

(a) Hindustan Cables Ltd. (HCL), referred to BIFR in 2002 was declared sick in March, 2003. BRPSE has on 9.1.2008 recommended Joint Venture Partnership either with Public or Private Enterprises, failing which, a complete disinvestment.

(b) Yes, Madam.

(c)to(f): Technical Study conducted by IIT, Kharagpur in November, 2004 envisaged capital investment of Rs.1643 crore for revival of the company. The TCS turn around strategy of August, 2005 brought out detailed implications of adopting one of the three strategies, namely of maintaining of Status Quo, Closure and Revival. These reports were considered by the Board for Reconstruction of Public Sector Enterprises (BRPSE) on 11.09.2006 when it was desired that a fresh detailed, comprehensive and holistic study through IIT, Kharagpur be commissioned. The Report, accordingly, received from IIT, Kharagpur was considered by the BRPSE on 9.1.2008. BRPSE recommended Joint Venture Partnership either with Public or Private Enterprises, failing which, a complete disinvestment. Views of Central Public Sector Enterprises, which have synergies with HCL, were called for in June,2008 and thereafter an advertisement was published in August,2008 seeking Expression of Interest from interested Public Sector Enterprises. In response to this advertisement, a few proposals received from Central Public Sector Enterprises are under examination for possible JV formation.