

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

UNSTARRED QUESTION NO:2480
ANSWERED ON:03.12.2009
HINDUSTAN CABLES LIMITED
Ponnam Shri Prabhakar

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

- (a) whether operations of Hindustan Cables Ltd. (HCL) have come to a standstill due to lack of working capital and facing financial crunch;
- (b) if so, the details thereof; and
- (c) the steps being taken for the welfare of employees of HCL particularly in Andhra Pradesh?

Answer

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

(a) to (b): Hindustan Cables Ltd.(HCL) was producing Polythene Insulated Jelly-filled Telecom (PIJF) cables and a few other products such as computer cords and coiled cords for telephones. The production operations in all the three units of Company are suspended for the last six years due to steep fall in demand, higher cost of production and product obsolescence. On account of closure of operations, the Company is facing serious financial crunch and its operations have come to a standstill not only because of lack of working capital.

(c): Budgetary support is being provided by Government of India from time to time to meet the salary/wages and statutory dues requirement of the employees.