

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

UNSTARRED QUESTION NO:2244  
ANSWERED ON:22.07.2004  
RESTRUCTURE OF HINDUSTAN CABLE FACTORY  
Das Gupta Shri Gurudas

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

- (a) the present status of Hindustan Cable Factory at Rupnarayanpur in West Bengal;
- (b) whether the Government intend to restructure the factory; and
- (c) if so, the measures have been taken for its restructuring, particularly, in the context of dislocated employees?

**Answer**

MINISTER OF STATE (INDEPENDENT CHARGE) OF THE MINISTRY OF HEAVY INDUSTRIES AND PUBLIC ENTERPRISES  
(SHRI SONTOSH MOHAN DEV)

(a) There has been no production in Rupnarayanpur (West Bengal) unit of Hindustan Cables Ltd. (HCL) since February 2004 due to non-availability of working capital.

(b) & (c) BIFR had appointed State Bank of India as Operating Agency (OA) to explore the possibility of restructuring and revival of HCL. The OA had proposed a Rehabilitation Package for HCL which included a fresh equity infusion of Rs.933 crore and reliefs, waivers and other concessions amounting to Rs.483 crore. The Rehabilitation Package was examined in the Department of Heavy Industry and it was prima-facie felt that the proposal was not viable, as even after infusion of such a large amount of equity the long term viability and sustainability of the company was not assured. However, Department of Telecommunication has been requested to consider the possibility of a merger of HCL with BSNL. As the company is not in a position to pay even the dues of employees from its own resources, the Government of India released non plan support of Rs.13.76 crore in March 2004 for payment of salary and wages of the employees. The Counselling, Retraining, Redeployment (CRR) Scheme of the Department of Public Enterprises is available to employees seeking VRS or those who are separated.