

Revival and Transfer of Hindustan Cables Ltd.

564. DR. Y. LAKSHMI PRASAD: Will the Minister of HEAVY INDUSTRIES AND PUBLIC ENTERPRISES be pleased to state:

(a) whether Government propose to revive the Hindustan Cables Ltd. and transfer it under the Ministry of Communications, the sole user of the cables, for better understanding and management; and

(b) if so, what are the details in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF HEAVY INDUSTRIES AND PUBLIC ENTERPRISES (DR. VALLABHBHAI KATHIRIA): (a) and (b) Government have recently approved a package of assistance together with capital restructuring for the revival of Hindustan Cables Ltd. Details are furnished in the enclosed statement. Under this revival scheme HCL continues to be with this Ministry.

Statement

Package of assistance together with capital restructuring approved for Hindustan Cables Limited, Calcutta on 27.01.1999

1. Non-Plan Budgetary support in the form of equity of Rs. 75 crores towards partial reimbursement of cash losses.

2. Assistance in the form of grant amounting to Rs. 68 crores for implementation of Voluntary Retirement Scheme.

3. Capital restructuring involving the following:—

(a) Conversion of outstanding Government loan of Rs. 167.12 crores (as on 1.10.1998) into equity.

(b) Waiver of outstanding interest on Government loan amounting to Rs. 109 crores (as on 1.10.1998).

(c) Waiver of interest of Rs. 13.66 crores accrued on Danida Grant.

4. Government Guarantee to Hindustan Cables Limited for raising Rs. 35 crores by way of Bonds/Commercial Loans from Financial Institutions/Banks/Trusts/Corporate Bodies etc. for a period of six years, with exemption from Guarantee fee.

5. Provision of Government Guarantee for Rs. 112 crores in favour of Banks covering overdrawing of Cash Credit Account for a period of four years upto 31.03.2003.

6. Reservation of orders in favour of Hindustan Cables Limited from the annual requirement of Telecom Cables of DOT/MTNL (30% during the first year i.e. 1999-2000, 25% during the second year i.e. 2000-2001, to be reviewed at the end of second year) alongwith 50% of the gross value as advance.

Privatisation of public sector industries in North-East

565. SHRI DRUPAD BORGOHAIN: Will the Minister of HEAVY INDUSTRIES AND PUBLIC ENTERPRISES be pleased to state:

(a) whether Government are proposing privatisation of public sector industries in North-East;

(b) if so, how much Government have since privatised; and

(c) what is Government's future plan and the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF HEAVY INDUSTRIES (DR. VALLABHBHAI KATHIRIA): (a) to (c) Government had on 31.3.1998 disinvested 25.54% of its equity in Bongaingaon Refinery Petro-chemicals Ltd. (BRPL). The Disinvestment Commission had in its 3rd Report recommended strategic sale of 50% of Government equity holding in BRPL. Government have not taken a decision in the matter.

Loss Making PSUs

566. SHRI RAHASBIHARI BARIK: Will the Minister OF HEAVY INDUSTRIES AND PUBLIC ENTERPRISES be pleased to state:

(a) whether Government have identified the loss making Central Public Sector Units;

(b) if so, the details thereof and the factors responsible for their losses;