Press Information Bureau
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Payment of statutory dues, salary and wages in sick / loss making CPSEs

The Cabinet Committee on Economic Affairs today approved the proposal for providing non-plan budgetary support of Rs. 128.26 crore for liquidation of statutory dues (Provident Fund, Gratuity, Pension, Employees State Insurance and Bonus) and salary and wages from 01-10-2012 to 31-03-2013 in respect of ten Central Public Sector Enterprises (CPSEs) under the Department of Heavy Industry, namely Hindustan Cables Ltd., HMT Ltd., HMT (Watches) Ltd., HMT (Chinar Watches) Ltd., Nagaland Pulp & Paper Co. Ltd., Triveni Structurals Ltd., Tungbhadra Steel Products Ltd., Nepa Ltd., HMT Bearings Ltd. and Hindustan Photo Films Limited.

Revival/closure plans of Hindustan Cables Limited, Triveni Structurals Ltd., HMT (Watches) Ltd., HMT (Chinar Watches) Ltd. and Hindustan Photo Films Limited are yet to be finalized; revival plans of Nepa Ltd. and HMT Ltd. have recently been approved; and revival plans of HMT Bearings Ltd., Nagaland Pulp & Paper Company Ltd. and Tungbhadra Steel Products Ltd. are yet to materialize. It was, therefore, considered essential that the interim financial support from the Government be provided so that the operation of these companies may not be affected. Non-settlement of these liabilities has been causing serious hardship not only to the employees of the companies but also adversely affecting the day-to¬day operation of the companies resulting in further deterioration of their performance.

Payment of outstanding dues of salary and wages would mitigate the hardships of the employees thereby motivating them for better output and prepare them to achieve the goal of revival/re-structuring of the companies. In addition, clearance of outstanding statutory dues (Provident Fund, Gratuity, Pension, Employees State Insurance) would result in fulfillment of statutory obligations.

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