

**Press Information Bureau
Government of India
Ministry of Civil Aviation**

21-February-2013 21:3 IST

**Payment of statutory dues, salary and wages in sick/loss making CPSEs under the
Department of Heavy Industry**

The Cabinet Committee on Economic Affairs today approved the proposal for providing non-plan budgetary support of Rs.122.65 crore for liquidation of statutory dues (Provident Fund, Gratuity, Pension, Employees State Insurance and Bonus) and salary and wages from 1.4.2012 to 30.09.2012 in respect of nine Central Public Sector Enterprises (CPSEs) under the Department of Heavy Industry. The CPSEs are Hindustan Cables Ltd., HMT Ltd., HMT (Watches) Ltd., HMT (CW) Ltd., Nagaland Pulp & Papers Co. Ltd., Triveni Structural Ltd., Tungbhadra Steel Products Ltd., Nepa Ltd. and HMT Bearings Ltd.

Revival of these companies is yet to be finalized except in the case of HMT Bearing Ltd, and Nagaland Pulp & Papers Co. Ltd. whose approved revival plan could not be implemented. Therefore, it was 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 would prepare them to achieve the goal of revival/restructuring of the company. In addition clearance of outstanding statutory dues (Provident Fund, Gratuity, Pension, Employees State Insurance) would result in fulfilment of statutory obligations.

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