

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

UNSTARRED QUESTION NO:5133

ANSWERED ON:28.04.2005

FINANCIAL RESTRUCTURING OF TUNGABHADRA STEEL PRODUCTS LTD.

Kharventhan Shri Salarapatty Kuppusamy

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

- (a) whether IDBI has recommended the Government for financial restructuring of Tungabhadra Steel Products Ltd. and also to find a joint-venture partner;
- (b) if so, the details thereof and the action taken by the Government thereon; and
- (c) the steps taken by the Government to protect the interest of the workers of the company?

Answer

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

(a) to (c): The IDBI Caps had submitted a financial restructuring proposal of M/s. Tungabhadra Steel Products Limited (TSPL). Tungabhadra Dam, Hospet, Karnataka on 5.6.2002 as a precursor to joint venture formation. The Ministry of Disinvestment (MODI) was carrying the exercise of joint venture formation of TSPL. As the joint venture formation exercise of TSPL did not materialize, the approval on financial restructuring does not arise. However, in line with the stipulations contained in the National Common Minimum Programme (NCMP), the Government of India will take an appropriate decision on the future of TSPL.