

## RAJYA SABHA

*Thursday, the 9th July, 2009/18 Asadha, 1931 (Saka)*

The House met at eleven of the clock,

MR. CHAIRMAN in the Chair.

### OBITUARY REFERENCE

MR. CHAIRMAN: Hon. Members, I refer with profound sorrow to the passing away of Shri D. Heerachand, a former Member of this House, on the 14th of June, 2009 at the age of 68 years.

Born in May, 1941, Shri Heerachand had his education at Banaras Hindu University.

A businessman by vocation, Shri D. Heerachand was President of Indo-Soviet Cultural Society, Tindivanam Branch and Rice Mill Owners and Paddy Merchants Association. He was Councillor and Chairman of Tindivanam Municipal Council. Shri Heerachand was also a Member of the Central Advisory Board of Archaeology from 1980 to 1984.

Shri Heerachand represented the State of Tamil Nadu in this House from June, 1980 to June, 1986.

In the passing away of Shri D. Heerachand, the country has lost a noted parliamentarian.

We deeply mourn the passing away of Shri D. Heerachand.

I request hon. Members to rise in their places and observe silence for one minute as a mark of respect to the memory of the departed.

*(Hon. Members then stood in silence for one minute.)*

MR. CHAIRMAN: Secretary-General will convey to the members of the bereaved family our sense of profound sorrow and deep sympathy.

### ORAL ANSWERS TO QUESTIONS

#### Tamil Nadu Telecommunication Limited, Arkonam

\*81. SHRI T.K. RANGARAJAN: Will the Minister of COMMUNICATIONS AND INFORMATION TECHNOLOGY be pleased to state:

(a) whether the Tamil Nadu Telecommunication Limited, Arkonam has been declared a sick company, and is not functioning;

(b) whether the proposals made before the Board for Industrial and Financial Reconstruction (BIFR) to revive the company have been implemented; and

(c) if not, would Government specify a time-frame for revival of the company?

THE MINISTER OF COMMUNICATIONS AND INFORMATION TECHNOLOGY (SHRI A. RAJA):  
(a) to (c) A statement is laid on the Table of the House.

#### **Statement**

(a) Yes, Sir. Tamilnadu Telecommunication Limited has been declared a sick company and the unit at Arkonam is not functioning. However, another unit at Maraimalai Nagar (M.M.Nagar) which is manufacturing Optical Fibre Cables is still operational.

(b) and (c) The proposals made before BIFR to revive the company are under the consideration of Govt. of India.

SHRI T. K. RANGARAJAN: Sir, my first question is: what are all the steps taken by the Government to revive the company? Has any financial package been proposed by the Ministry to revive that factory?

SHRI A. RAJA: Sir, it is a known fact that the company has been declared sick. It has been referred to the BIFR. Some internal arrangements have been made by the State Bank of India, which has been appointed as the agency to revive the company. The modalities have been worked out; according to those modalities, without any Government support, Government package, the equity of companies can be remodified so that the commercial viability can be ensured. Sir, right now, there is a bank loan of Rs. 27.5 crores and, of course, the TCIL, the Central PSU, gave another Rs.17 crores. So, we decided upon reviving the sick company by way of modifying the equity share structures in the company. Accordingly, a Committee of Secretaries was formed. The Committee of Secretaries gave its recommendations. In keeping with those recommendations, we are going to modify the share pattern. Earlier, in TTL, the Tamil Nadu Telecommunication Limited, TCIL, a Government PSU, had 30.67 per cent; TIDCO, the Tamil Nadu Industrial Development Corporation, owned by the Government of Tamil Nadu, had 29.49 per cent; one company, Fujikura, which provided the technical assistance to this company with some equity, had 14.47 per cent; then, the public share was 25 per cent. This was the share pattern that existed earlier in the company which has been declared sick now. Now, according to the Committee of Secretaries, it has been revived by giving them a package in terms of modification of the share pattern, according to which, TCIL will have 49 per cent, TIDCO will have 14.63 per cent, Fujikura will have 07.18 per cent, other public share will be 12.59 per cent and the banks will have 16.60 per cent. So, the outstanding of the bank loan and the loan being owned by the TCIL will be set right and the Company will be given a new life, and it will be revived in due course of time.

SHRI T.K. RANGARAJAN: Sir, my second question is, whether the future plan, as envisaged by the hon. Minister, would be profitable and give employment to workers who have lost their jobs.

SHRI A. RAJA: Sir, it is a good question. Of course, when we started reviving the sick unit, according to the advice given by the Committee of Secretaries, a technical and feasibility study was conducted. Accordingly, it was referred to the Industrial and Financial Corporation of India, IFCI. They did their study as to how the commercial viability of this company can be ensured. Accordingly, they gave a plan, and as per that plan, for the next five years, the company will be having a profitable business in the market.

DR. K. MALAISAMY: Sir, if I remember correctly, in the last UPA Government, under the Common Minimum Programme, revival package for sick industrial undertakings was one of the main criteria. What I am trying to understand is the present policy of the this UPA Government.

While doing so, I am interested to know this. Sir, as a Member of the Committee on Industries, I know what is happening and what is going to happen. Sir, initially, a sick undertaking is referred to the BIFR, which, of course, is a separate body. Then, it goes to the appellate body and even to the Industry Committee and all. Ultimately, the Government comes forward with a revival package, which means, waiver of loans, treating the loans into equity, etc. and making all out efforts in such a way that there is no undue commitment for the sick unit and the industrial unit is revived. So, this is what the revival package means. I am appreciating the hon. Minister for having done his homework, but it is not relevant to this issue. What I am trying to know is whether this unit in question is going to be revived at all. At what stage the revival package is? If it is a must to revive it, then, when is it going to be revived?

SHRI A. RAJA: Sir, I have already answered this question. The matter is pending before the Government. The Committee of Secretaries recommended the new structure to be fixed in the company. We are working on that, and we will come back soon.

**श्री अवतार सिंह करीमपुरी :** सर, मैं आपके माध्यम से आदरणीय मंत्री जी से यह जानना चाहता हूँ कि how many companies have been declared sick?

और जो BSNL का नेटवर्क है, उसकी बहुत पूअर performance है। क्या उसमें भी इनका कोई योगदान है? उसमें क्या कोई सुधार की गुंजाइश है? ...**(व्यवधान)**...

**श्री सभापति :** आप इस सवाल पर सप्लीमेंट्री पूछ सकते हैं, आप जनरल सवाल नहीं पूछ सकते। आप इस सवाल पर सप्लीमेंट्री पूछिए।

**श्री अवतार सिंह करीमपुरी :** सर, इसी सवाल पर ही सप्लीमेंट्री है कि और कितनी सिक कम्पनीज डिक्लेयर की हैं? जो BSNL का पूअर नेटवर्क है, उसके बारे में तो सभी मेम्बर साहिबान भी जानते होंगे कि इसमें कुछ सुधार की गुंजाइश हो सकती है या नहीं?

**श्री सभापति :** अवतार सिंह जी, आपका यह सवाल, इस सवाल से नहीं जुड़ता है। Thank you very much. We go to Question No. 82. ...**(Interruptions)**...

#### **China's objections to ADB projects in Arunachal Pradesh**

\*82. SHRI MAHENDRA MOHAN: †

SHRI SANJAY RAUT:

Will the Minister of EXTERNAL AFFAIRS be pleased to state:

(a) whether China has objected to an Asian Development Bank (ADB) plan for India that includes projects in Arunachal Pradesh;

(b) if so, the details thereof;

(c) whether China has recently stated that the entire Arunachal Pradesh State is a disputed territory and called upon ADB not to provide funds for watershed projects; and

(d) if so, the reaction of Government in this regard?

THE MINISTER OF EXTERNAL AFFAIRS (SHRI S.M. KRISHNA): (a) to (d) China did not endorse the Country Partnership Strategy [CPS] 2009-12 for India in the Board of the Asian Development Bank [ADB] on the ground that the proposed India CPS involved technical assistance funding for the Flood and River Erosion Management Project in Arunachal Pradesh which China

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† The question was actually asked on the floor of the House by Shri Mahendra Mohan.