

**GOVERNMENT OF INDIA
STEEL
LOK SABHA**

UNSTARRED QUESTION NO:2678
ANSWERED ON:11.12.2006
OUTSTANDING DUES ON OTTO LTD
Patel Shri Kishanbhai Vestabhai;Singh Shri Sugrib

Will the Minister of STEEL be pleased to state:

- (a) Whether Bharat Refractories Limited (BRL) has supplied refractory to M/s. OTTO India Limited;
- (b) If so, whether a huge amount is still outstanding for a long time against supply of such refractory ;
- (c) If so, the details thereof ;
- (d) The reasons for non recovery of such outstanding dues by BRL; and
- (e) The action taken/proposed to be taken for recovery of such outstanding dues from OTTO India Limited ?

Answer

MINISTER OF STATE IN THE MINISTRY OF STEEL (DR. AKHILESH DAS)

(a) Yes, Sir.

(b)&(c) : Against supplies of Rs.170.05 lakhs during 2001-02 and 2002-03 to M/s.OTTO India Limited, Bharat Refractories Limited(BRL) has received only Rs.47.45 lakhs. As such an amount of Rs.122.60 lakh is still outstanding against M/s. OTTO India Ltd.

(d) BRL had repeatedly taken up the matter with M/s. Otto India Limited. However, the Company has changed address and ownership.

(e) The Company had approached the Hon`ble Jharkhand High Court for recovery of the outstanding amount from M/s. OTTO India Ltd. The Hon`ble Jharkhand High Court had appointed an Arbitrator. The Hon`ble Arbitrator vide its judgment dated 27.07.2006 has passed an order in favour of the company directing M/s.OTTO India Ltd. to pay the outstanding dues alongwith 9% interest with effect from 01.04.2001 till the date of payment. The matter is being pursued by BRL as per legal procedure.