

**GOVERNMENT OF INDIA  
STEEL  
LOK SABHA**

UNSTARRED QUESTION NO:3749  
ANSWERED ON:18.12.2006  
ASSISTANCE TO BRL  
Patel Shri Kishanbhai Vestabhai;Singh Shri Sugrib

**Will the Minister of STEEL be pleased to state:**

- (a) Whether the Government has provided/proposes to provide concessions and financial assistance to Bharat Refractories Limited (BRL) on the basis of techno economic viability study;
- (b) If so, the details in this regard ;
- (c) Whether despite such concessions and assistance BRL has failed to achieve the targets set in the techno economic viability report ; and
- (d) If so, the steps taken by the Government to achieve such targets ?

**Answer**

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

(a)&(b): Yes, Sir. Government has provided following concessions and financial assistance to Bharat Refractories Limited (BRL) in 2002-03 on the basis of a techno- economic viability study.

Rs.55.00 Crores as Non-Plan loan Assistance to liquidate statutory dues in respect of employees who had either already accepted VR/Superannuated or were likely to accept VRS.

Rs.90.00 Crores as Non-Plan loan for implementation of Voluntary Retirement Scheme to bring down the manpower of the company from 2766 to 1311.

Govt. Guarantee (without any guarantee fee) for raising Rs.30.00 Crores for meeting working Capital Requirement of the Company.

Rs.35.00 Crores (Rs.7.00 crores every year during the next five years) for Addition Modification Replacement Scheme as equity to replace obsolete machinery.

Conversion of Existing Plan & Non-Plan loans amounting to Rs. 97.89 Crores as on 2000-01, into equity.

Moratorium on the repayment of loans and interest up to 2010-2011

Exemption from payment of guarantee fees in respect of Rs.24.00 Crores cash credit limit.

(c)Due to reasons such as non achievement of VRS targets, high interest rate on Government of India loan and increasing input costs etc., BRL partially achieved the targets set in the techno-economic viability report.

(d)Following steps have been taken/being taken by the Government and the company to achieve the targets:

More emphasis on value addition to products.

Continuous persuasion and counseling of employees to opt for VRS.

Control on expenditure.

Thrust on new marketing areas.