

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

UNSTARRED QUESTION NO:4944
ANSWERED ON:26.08.2010
BHARAT BHARI UDYOG NIGAM LTD.
Reddy Shri Magunta Srinivasulu

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

- (a) whether the Government has approved the restructuring of Bharat Bhari Udyog Nigam Ltd. (BBUNL) to improve the functioning of its units in Tamil Nadu and West Bengal;
- (b) if so, the details thereof; and
- (c) the financial assistance received for the purpose so far?

Answer

MINISTER OF STATE IN THE MINISTRY OF HEAVY INDUSTRIES AND PUBLIC ENTERPRISES (SHRI ARUN YADAV)

(a) & (b): Yes Madam. Cabinet Committee of Economic Affairs (CCEA) on 10.06.2010 has approved the financial restructuring of Bharat Bhari Udyog Nigam Ltd (BBUNL) and transfer of administrative control of the wagon manufacturing units of its subsidiaries Burn Standard Company Ltd. (BSCL) and Braithwaite & Co Ltd (BCL) to Ministry of Railways (MoR) and transfer of refractory unit of BSCL to Steel Authority of India Ltd. (SAIL), under Ministry of Steel.

In order to clean the balance sheet of BSCL, the Government has also approved conversion of Plan loan, Non Plan loan and zero rate debenture of BSCL into equity and subsequently reduction of the equity with a corresponding reduction in accumulated losses and waiver of normal and penal interest of BSCL on Govt. of India loan.

(c): No financial assistance has been received so far. The implementation of Government decision dated 10.06.2010 is under process.