

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

UNSTARRED QUESTION NO:3484
ANSWERED ON:15.12.2011
RESTRUCTURING OF BBUNL
Dhruvanarayana Shri R.

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 provided so far?

Answer

MINISTER OF HEAVY INDUSTRIES AND PUBLIC ENTERPRISES (SHRI PRAFUL PATEL)

(a): Yes, Madam.

(b) & (c): Government of India (GoI) has approved the financial restructuring of Bharat Bharti Udyog Nigam Limited (BBUNL) and transfer of administrative control of its subsidiaries Burn Standard Company Limited (BSCL) and Braithwaite & Company Limited (BCL) to Ministry of Railways (MoR), transfer of Refractory unit of BSCL at Salem to Steel Authority of India Limited (SAIL) under Ministry of Steel (MoS).

The financial assistance provided so far in respect of BSCL is as follows:

- (i) Conversion of Plan-loan of Rs. 31.70 crores, Non-Plan loan of Rs. 350.82 crores given by Government of India (GOI) through BBUNL and Zero Rate Debenture of Rs. 75.03 crores given by GOI as on 31.12.2009 into equity and subsequently reduction of the equity by Rs. 457.55 crore with a corresponding reduction in accumulated losses.
- (ii) Conversion of Plan-Loan, Non-Plan loan of Rs. 28.16 crores and Zero Rate Debenture of Rs. 14.30 crores given by GOI to subsidiaries (BBVL & RBL) of BSCL through BBUNL/BSCL as on 31.3.2009 into equity and subsequently reduction of the equity by Rs. 42.46 crores with a corresponding reduction in accumulated losses.
- (iii) Provision of Rs. 25.43 crores Plan fund in the form of equity for discharging current statutory liabilities as on 31.3.2009.
- (iv) Waiver of normal and penal interest on GOI loan and loan through BBUNL of Rs. 639.15 crores as on 31.3.2009 and further no interest would be levied beyond the cut off date of 31.3.2009 till the date of approval.