

Losses by Burn Standard Company Limited

7017 SHRI SANAT KUMAR MANDAL Will the PRIME MINISTER be pleased to state

(a) whether the Burn standard company Limited a wholly owned subsidiary of the Bharat Bharat Udyodnigam Ltd. has piled up huge losses and has also wiped out the paid-up capital fully

(b) if so the reasons therefor and

(c) the present liability of the company and the steps proposed to make it viable?

THE MINISTER OF STATE IN THE MINISTRY OF INDUSTRY (DEPARTMENT OF INDUSTRIAL DEVELOPMENT AND DEPARTMENT OF HEAVY INDUSTRY) (SHRIMATI KRISHNA SAHIB) (a) Yes, sir

(b) The present Burn standard Company Limited (BSCL) was incorporated on December 1 1976 following the nationalisation of erstwhile companies namely Burn and Co. and Indian standard Wagon company, which were in the private sector. At the time of take over, the companies had excessive manpower, outdated plant and machinery, and obsolete technology. Further the paid-up capital of Rs. 882.83 lakhs was actually in the form of concession of a part of loan received by the undertakings prior to incorporation. Thus, BSCL did not revive the benefit of equity participation in real terms.

(c) Liabilities including provisions aggregated to Rs. 9709.71 lakhs as on 31-3-92. Various measures have been taken to improve the performance of BSCL including diversification of the product-base, upgradation and introduction of modern technology, and renewal/replacement of outdated plant and machinery.

Manufacturing of caprolactum

7018 SHRI PARKASH V. PATIL Will the PRIME MINISTER be pleased to state

(a) the names of the fertiliser plants in the country manufacturing caprolactum capacity-wise,

(b) the estimated annual requirement of caprolactum in the country,

(c) the cost of production of caprolactum in each of the plants,

(d) whether the price of imported caprolactum is cheaper than the price of indigenously produced caprolactum, and

(e) if so, the steps proposed to be taken to protect the indigenous units against cheap import of caprolactum?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI EDUARDO FALEIRO) (a) and (b) M/s Fertilizers And Chemicals Travancore Ltd (FACT) and Gujarat State Fertilizers Co. (GSFC) are the only two manufacturers of caprolactum in the country, with installed capacity of 50,000 tonnes per annum (tpa) and 20,000 tpa respectively. The expansion project of GSFC with additional 50,000 tpa capacity is under commissioning. The estimated requirement of caprolactum in the country is around 90,000 to 100,000 tonnes per annum.

(c) At present the cost of production of FACT's caprolactum is about Rs. 62,000/MT. The average cost of production of GSFC's caprolactum (after commissioning of expansion project) is estimated at about Rs. 61,700/MT.

(d) Yes, Sir

(e) To give relief to the indigenous caprolactum industry, Government have reduced the custom duty on import of basic raw materials. In addition, an increase in custom duty on imported caprolactum has also been announced.