

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

UNSTARRED QUESTION NO:3354
ANSWERED ON:14.12.2006
REVIVAL -CUM -STRUCTURING OF BSCL
Bellarmin Shri A.V.;Khan Shri Sunil

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

- (a) whether the Management of the Burn Standard Company Ltd. (BSCL) has submitted any revival-cum-restructuring proposal of the company to the Government;
- (b) if so, the salient features thereof;
- (c) the decision taken by the Government thereon;
- (d) whether there is any unforeseen liabilities on BSCL due to arbitration; and
- (e) if so, the details thereof and the action taken in the matter?

Answer

MINISTER OF STATE IN THE MINISTRY OF HEAVY INDUSTRIES AND PUBLIC ENTERPRISES (SMT. KANTI SINGH)

(a) to (e): BSCL is a sick company and is under reference to BIFR since 1994. After reviewing its status during August,2004, the company was asked to prepare a restructuring proposal for placing it before the Board for Reconstruction of Public Sector Enterprises (BRPSE). The company had accordingly drawn up a revival-cum-restructuring proposal for its turn-around in consultation with a consultancy firm, viz M/s. A.F. Furguson & Company. However, in the meantime, in a dispute between BSCL and M/s. Mc Dermott International Inc (MII), USA, the liability of BSCL towards MII has been fixed at Rs.327 crores by the Hon'ble Supreme Court. This liability will have to be mitigated before any revival package for the company is taken up.