

**GOVERNMENT OF INDIA
STEEL
LOK SABHA**

UNSTARRED QUESTION NO:2782
ANSWERED ON:17.08.2004
EMPLOYEES OF HSCL
Jena Shri Mohan

Will the Minister of STEEL be pleased to state:

- (a) whether about 2000 employees on roll of the Hindustan Steelworks Construction Corporation Limited (HSCL) are not getting their salary regularly and have been deprived of their legitimate DA as it has been paid to the employees of other 67 Public Sector Undertakings;
- (b) whether more than 12000 employees of HSCL who have given VRS during the period of 1999-2003 have not received their full and final payment alongwith statutory dues;
- (c) if so, the steps proposed to be taken by the Government to solve the problems; and
- (d) whether the Government has any proposal for the merger of HSCL with SAIL ?

Answer

MINISTER OF CHEMICALS & FERTILIZERS AND MINISTER OF STEEL (SHRI RAM VILAS PASWAN)

(a) The financial condition of Hindustan Steelworks Construction Ltd.(HSCL) has been adverse for the last several years. The company has not been able to generate sufficient resources to regularly pay monthly salary to its employees working in the steel units. However, monthly salaries are being paid regularly to the employees working in non-steel units. Government has provided following financial assistance to the company to enable it to clear salary/statutory dues of its employees :

- Non-plan loan of Rs.89.44 crores during 2001-02
- Non plan loan of Rs.61.11 crores during 2002-03

Payment of DA has been frozen in terms of financial restructuring package provided to the company by Government in July 1999 till achievement of cash profit by the company.

(b) & (c): All VRS related dues have been paid to employees who opted VRS. However, arrears of wages/salaries on account of wage revision by the company have not been paid by the company due to its adverse financial condition. However, a provision of Rs.71.89 crores has been made in the BE 2004-05 for HSCL to enable it to clear dues of its separated employees.

(d) Government has no proposal for the merger of HSCL with SAIL.