

**GOVERNMENT OF INDIA
STEEL
LOK SABHA**

UNSTARRED QUESTION NO:3455
ANSWERED ON:14.08.2001
VRS IN HSCL
TARACHAND SAHU

Will the Minister of STEEL be pleased to state:

- (a) the total number of employees of the Hindustan Steelworks Construction Limited opted for voluntary retirement under the Voluntary Retirement Scheme during the last three years;
- (b) if so, whether the outstanding salaries and all other benefits have been paid to these employees;
- (c) if not, the reasons therefor;
- (d) the time by which all the dues are likely to be paid to them;
- (e) whether the Government propose to reintroduce the Voluntary Retirement Scheme in the near future; and
- (f) if so, the objective of reintroducing this scheme and the number of employees proposed to be given benefit of this Scheme?

Answer

MINISTER OF STATE FOR STEEL (SHRI BRAJA KISHORE TRIPATHY)

- (a) Hindustan Steelworks Construction Limited (HSCL) have separated 407 and 6134 employees under Voluntary retirement Scheme (VRS) during 1998-99 and 2000-2001. In the year 1999-2000, VRS could not be implemented, as the loan from the banks could not be raised.
- (b) No, Sir. Most of the separated employees have not been paid outstanding salaries and other benefits. However, they have been paid their VRS benefits.
- (c) The company has not been able to generate sufficient resources from its operations to meet this liability. The results expected through revival package approved in July 1999 could not be fully achieved due to the prevailing sluggish condition in the steel industry for the last few years and the margin in its turnover is not sufficient to meet all expenditure including payment of wages and salaries.
- (d) Sincere efforts have been made and it is hoped that with the possible financial assistance from Government, the company will be in a position to pay the outstanding salaries and other benefits at an early date.
- (e)&(f): The proposal to reintroduce Voluntary Retirement Scheme in the near future is under active consideration of the Government. The objective of reintroduction of this scheme is to separate surplus manpower in order to make the company viable and the number of employees proposed to be given separation under the scheme is around 5000 (Five Thousand).