

**GOVERNMENT OF INDIA  
STEEL  
LOK SABHA**

STARRED QUESTION NO:229  
ANSWERED ON:05.12.2000  
FINALISATION OF RESTRUCTURING PACKAGE BY SAIL  
ALE NARENDRA;ANANTA NAYAK

**Will the Minister of STEEL be pleased to state:**

- (a) the details of restructuring packages finalised by Steel Authority of India (SAIL) for its public sector steel plants;
- (b) the amount of investment likely to be involved in each package;
- (c) the details of steps taken by the Government to implement these packages; and
- (d) the comparative manpower employed by SAIL in its different units during the last three years, year-wise?

**Answer**

THE MINISTER OF STATE FOR STEEL (SHRI BRAJA KISHORE TRIPATHY)

(a) to (d): A Statement is laid on the Table of the Lok Sabha.

STATEMENT REFERRED TO IN REPLY TO PARTS (A) TO (D) OF THE LOK SABHA STARRED QUESTION NO.229 T ANSWERED ON 5-12-2000 TABLED BY S/SHRI ANANTA NAYAK AND A NARENDRA REGARDING FINALISATIOI RESTRUCTURING PACKAGE BY SAIL

(a) The salient details of financial and business restructuring package for SAIL that has been approved by the Government are as under:

i) Financial Restructuring of SAIL by waiving of loans advanced to it from Steel Development Fund to a value of Rs.5073 crore and Rs.381 crore from the Govt. of India.

ii) Provision of Government guarantees with 50% interest subsidy for loan and interest thereon of Rs. 1500 crore to be raised by SAIL from the market to finance reduction in manpower through Voluntary Retirement Scheme.

iii) Provision of Government guarantee for loan and interest thereon of Rs. 1500 crore to be raised by SAIL from the market primarily for meeting repayment obligation on past loans during 1999-2000.

iv) To initiate the process of conversion into Joint Ventures for the following non-core assets while protecting jobs of existing employees

- . Captive Power Plants at Bokaro, Durgapur and Rourkela
- . Oxygen Plant - II of Bhilai Steel Plant
- . Salem Steel Plant (SSP), Salem
- . Alloy Steels Plant (ASP), Durgapur
- . Visvesvaraya Iron & Steel Plant (VISL), Bhadravati
- . Fertiliser Plant at Rourkela

v) Allowing SAIL to have a minority shareholding in any joint venture contemplated for revival of Indian Iron and Steel Company (IISCO).

(b) No investment from Government is envisaged in the approved restructuring package for SAIL.

(c) In order to effectively implement the business restructuring plan, specific milestones have been made for various tasks included in the Plan. Accordingly, a detailed MoU was signed between Ministry of Steel and SAIL on 13.3.2000 incorporating these milestones. The progress of its implementation is reviewed periodically by the Government in order to ensure timely completion.

(d) Manpower employed by SAIL in its different units during the last three years is given below :

Plants/Units 1997-98 1998-99 1999-2000

A. Plants

Bhilai Steel Plant	49707	48361	44730
Bokaro Steel Plant	46087	44965	43401
Durgapur Steel Plant	25895	24390	21039
Rourkela Steel Plant	31677	30922	28301
Alloy Steels Plant	6053	5409	3846
Salem Steel Plant	1665	1616	1550
Visvesvaraya Iron & Steel Plant @	4833	4679	

B. Units

Corporate Office	749	754	737
Central Marketing Organisation	3757	3647	3172
R & D Centre for Iron & Steel	934	909	865
Centre for Engineering & Technology	403	400	390
Raw Materials Division-SAIL	8958	8270	7014
Management Training Institute	129	123	116
Environment Management Division	50	50	48
Safety	16	16	16
Growth Division-Calcutta	67	71	36

C. Total (A+B) 176147 174736 159940

@ Became part of SAIL during 1998-99