

**GOVERNMENT OF INDIA
MINES
LOK SABHA**

UNSTARRED QUESTION NO:3815
ANSWERED ON:08.04.2003
BALCO
BASUDEB ACHARIA

Will the Minister of MINES be pleased to state:

- (a) whether the workers of BALCO (Bharat Aluminium Company) which was sold in 2001, have not so far been paid the full amount of VRS;
- (b) if so, the details thereof and the reasons therefor;
- (c) the number of workers in BALCO and those out of them who opted for VRS and the total number of VRS benefits due to them and the amount so far paid to them;
- (d) whether the Government are aware that Rs. 25,000 to 50,000 has been retained as panel rent for non-vacation of accommodation and Rs. 30,000 of retirement benefit has also been withheld by the company;
- (e) if so, the details thereof; and
- (f) the steps taken by the Government to ensure early payment of VRS money and other deposits withheld by the workers and to redress their other grievances ?

Answer

THE MINISTER OF STATE OF THE MINISTRY OF MINES (SHRI RAMESH BAIS)

- (a) Yes, Sir. Excepting 23 employees, all other employees, whose Voluntary Retirement (VR) applications have been accepted by the BALCO management after disinvestments, have not been paid the full amount of Voluntary Retirement Scheme (VRS) so far.
- (b) BALCO has informed that out of 1099 employees, whose VR applications have been accepted, full amount in respect of 23 have been released. So far the dues of the remaining 1076 employees are concerned, BALCO is making payments in 5 instalments together with 7% interest on second and subsequent instalments. The first instalment of VRS amount has been released to all these excepting 41 employees. The payments in instalments have arisen due to the financial problems faced by BALCO on account of 67 days strike by employees immediately after disinvestment.
- (c) : Out of 5011 employees on BALCO's rolls as on 28.2.2003, the total amount of VRS benefits payable to the 1076 employees as above, including gratuity amount, is, Rs. 66.48 crore. BALCO has released the 1st instalment amounting to Rs. 22.85 crore so far.
- (d) & (e) : BALCO has informed that in case of employees not vacating the Company accommodation within the stipulated time, a sum of Rs. 25,000 (in case of workers) and Rs. 50,000 (in case of officers and Managers) is withheld as security out of the retirement dues which is paid back to them on the vacation of the Company accommodation. So far the Retirement and death Relief benefit of Rs. 30,000/- is concerned, the same is paid by the Company on retirement/death of the employees only.
- (f): Government is taking all required steps to protect the interest of the employees as per the Share Holders Agreement.