

**GOVERNMENT OF INDIA  
STEEL  
LOK SABHA**

UNSTARRED QUESTION NO:1527  
ANSWERED ON:01.08.2000  
RETRENCHMENT IN SAIL  
SUNIL KHAN;VILAS BABURAO MUTTEMWAR

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

- (a) whether the Government have decided that there will be no retrenchment of staff in the Steel Authority of India Ltd.;
- (b) if so, the details thereof;
- (c) whether SAIL is also looking forward for the joint venture partnership in certain other sectors; and
- (d) if so, the details thereof;
- (e) whether any revival package has been sanctioned to SAIL; and
- (f) if so, the details thereof?

**Answer**

MINISTER OF STATE FOR STEEL (SHRI BRAJA KISHORE TRIPATHY)

- (a) & (b): Yes, Sir. However, manpower is proposed to be reduced in SAIL through a Voluntary Retirement Scheme.
- (c) & (d): SAIL is looking forward for Joint Venture partners in the areas of Captive Power Generation, Oxygen Plants, Stainless Steel and Alloy Steel.
- (e) & (f): Financial and Business Restructuring of SAIL approved by Government envisages, inter-alia, the following:

+ Waiver of loans advanced to SAIL from:

SDF	Rs.5073 Crores
GoI	Rs. 381 Crores
Total	Rs.5454 Crores

- + Government guarantees with 50% interest subsidy for Loan and Interest thereon of Rs.1500 Crores, to be raised by SAIL from the market to finance reduction in manpower through Voluntary Retirement Scheme.
- + Government guarantee for Loan and Interest thereon of Rs.1500 Crores to be raised by SAIL from the market, primarily for meeting repayment obligation on past loans.
- + Conversion into joint ventures of the following units, while protecting jobs of existing employees:
  - + Power Plants at Bokaro, Durgapur and Rourkela
  - + Oxygen Plant - 2 of Bhilai Steel Plant
  - + Salem Steel Plant (SSP)
  - + Alloy Steels Plant (ASP)
  - + Visvesvarayya Iron and Steel Ltd (VISL)
  - + Fertiliser Plant at Rourkela Steel Plant and
  - + Conversion of IISCO into a Joint Venture, with SAIL holding minority shareholding.