

**GOVERNMENT OF INDIA
STEEL
LOK SABHA**

UNSTARRED QUESTION NO:3828
ANSWERED ON:02.12.2010
MERGER OF SAIL WITH MEL
Ahir Shri Hansraj Gangaram

Will the Minister of STEEL be pleased to state:

- (a) whether the plant of Maharashtra Elektros melt Ltd. in Maharashtra has been acquired by the Steel Authority of India Ltd. (SAIL);
- (b) if so, whether the process of the said merger has been completed;
- (c) if so, the details thereof;
- (d) whether 492 workers associated with manufacturing process in Maharashtra Elektros melt Limited have been regularised;
- (e) if so, the details thereof; and
- (f) if not, the reasons therefor?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF STEEL (SHRI A. SAI PRATHAP)

(a)to(c): The merger formalities of the Maharashtra Elektros melt Limited (MEL), a subsidiary of Steel Authority of India Limited (SAIL) is in progress and the formal approval of the Ministry of Corporate Affairs (MCA) is awaited. The Scheme of Amalgamation of MEL with SAIL has been approved by the respective shareholders and the compliance reports have been submitted to MCA on 12.10.2010. SAIL and MEL have been directed by the MCA to give public notice to creditors above Rs 1 crore.

(d)to(f): MEL awards job contracts to the contractors in different areas and contract labourers are engaged through the contractors. Presently, 14 supervisors and 474 labourers (total 488) are deployed by these contractors. Contract labourers are dealt as per the provisions under the Contract Labour (Regularization & Abolition) Act, 1970 and as such regularization of contract labourers is not envisaged under the Contract Labour (Regularization & Abolition) Act, 1970.