

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF INVESTMENT AND PUBLIC ASSET MANAGEMENT

LOK SABHA
UNSTARRED QUESTION NO. 1014
TO BE ANSWERED ON MONDAY, JULY 26, 2021
SRAVANA 4, 1943 (SAKA)

CREATION OF CORPUS FOR SALARIES AND ARREARS

1014. SHRI MAHESH SAHOO:

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

- (a) whether the Department of Investment and Public Asset Management (DIPAM) under the aegis of the Ministry is creating a corpus of about Rs 150/175 crore to pay salary arrears pending since March 2020 and other statutory dues as decided in the ministerial meeting on 10.11.2020 and minutes on 01.12.2020 to save the employees of Neelachal Ispat Nigam Limited (NINL) in Jajpur and Odisha from starvation;
- (b) if so, the details thereof;
- (c) whether DIPAM is making necessary arrangements with consortium of banks for restructuring of NINL's loan or deferment of loan interest using RBI guidelines on COVID restructuring; and
- (d) if so, the details thereof?

ANSWER

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE
(DR. BHAGWAT KISHANRAO KARAD)

- (a) to (d): Neelachal Ispat Nigam Limited (NINL) is a Joint Venture company of 4 CPSEs namely MMTC Limited, NMDC Limited, Bharat Heavy Electrical Limited (BHEL) and MECON Limited and 2 State PSUs of Odisha Government, namely, Industrial Promotion and Investment Corporation of Orissa Ltd. (IPICOL) and Odisha Mining Corporation (OMC). MMTC Limited is the controlling promoter in the NINL.

DIPAM is not creating a corpus to pay salary arrears and other statutory dues. However, on successful completion of disinvestment transaction, the Waterfall Agreement among promoters envisages priority for payment of dues of employees from the consideration received from disinvestment.

NINL has informed that they had submitted an application to consortium of banks for deferment of existing loan payment schedule through suitable Restructuring Plan.
