

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF INVESTMENT AND PUBLIC ASSET MANAGEMENT
(DIPAM)

LOK SABHA

UNSTARRED QUESTION No.4269

TO BE ANSWERED ON MONDAY, MARCH 22, 2021

CHAITRA 1, 1943 (SAKA)

PRIVATISATION OF STEEL PLANT

4269. DR. SANJEEV KUMAR SINGARI:

Will the Minister of FINANCE be pleased to state:

- (a) whether the Government proposes to sell off the lands and machinery of Visakhapatnam Steel Plant, separately as part of privatisation and if so, the expected revenue generation from sale of lands and revenue generation from sale of machinery;
- (b) whether the Government plans to allot captive iron ore mines to Visakhapatnam Steel Plant;
- (c) whether the Government plans to reinvest the Visakhapatnam sale proceeds in the state of Andhra Pradesh; and
- (d) whether it is mandatory for the Union Government to take No Objection Certificate from the State Government for the purpose of sale of land in Visakhapatnam Steel Plant?

ANSWER

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE

(SHRI ANURAG SINGH THAKUR)

- (a)** The Government has accorded 'in-principle' approval for 100% disinvestment of Government of India (GOI) shareholding in Rashtriya Ispat Nigam Limited (RINL) (also called Visakhapatnam Steel Plant or Vizag Steel) along with RINL's stake in its Subsidiaries/Joint Ventures through strategic disinvestment by way of privatisation. An Inter-Ministerial Group has been formed to work out the modalities.
- (b)** RINL has participated in the auctions conducted for iron-ore mines but has not been successful so far. Further its efforts to get allotments of iron-ore mines from State Governments under Section 17A of MMDR Act, 1957 have also not been fruitful.
- (c)** The receipts from strategic disinvestment of the CPSEs are used to finance the social sector/developmental programmes of the Government benefiting the people of the country.
- (d)** The ownership of the land acquired/transferred for the RINL vests with the Union of India. While finalising the structure of transaction, due consideration is made for hiving off of surplus non-core land & assets. The State Government is consulted in specific matters as and when needed and their support is also solicited in the matters that require their intervention.
