

GOVERNMENT OF INDIA
MINISTRY OF STEEL

LOK SABHA
UNSTARRED QUESTION NO.2191
FOR ANSWER ON 08/03/2021

PRIVATISATION OF RASHTRIYA ISPAT NIGAM LIMITED

2191. SHRI RAM MOHAN NAIDU KINJARAPU:
SHRI BALASHOWRY VALLABHANENI:
SHRI MARGANI BHARAT:

Will the Minister of STEEL be pleased to state:

- (a) whether the Government has recently taken a decision to privatise Rashtriya Ispat Nigam Limited (RINL) in Visakhapatnam and if so, the details thereof along with the reasons therefor;
- (b) the details of assets of RINL and investment made by the Government along with its outstanding debt;
- (c) the details of financial, physical, marketing, production and other performance of RINL during the last five years, year-wise and category-wise;
- (d) whether the said decision has been taken after consulting the State Government and if so, the details thereof;
- (e) whether any consultations have been held with RINL trade union leaders and other stakeholders; and
- (f) if so, the details of the steps taken/ proposed to be taken to ensure their job protection/ security given to workers after the privatisation of RINL?

ANSWER

THE MINISTER OF STEEL

(SHRI DHARMENDRA PRADHAN)

(a) The Cabinet Committee of Economic Affairs (CCEA), in its meeting held on 27.01.2021, 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.

(b) The details are as following:-

A. Assets of RINL:

(Rs. in crores)

Gross Block of Property, Plant & Equipment, intangible assets (as on 31.12.2020)	32022.32
---	-----------------

B. Investment made by Government:-

(Rs. in crores)

Particulars	As on 31.12.2020
Equity share capital	4889.85

C. Outstanding debts:-

(Rs. in crores)

Particulars	As on 31.12.2020
Total:	21236.01

Contd.....2/-

(c) The performance of RINL during the last 5 years has been as following:-

i) Financial performance:

Financial Year	2015-16	2016-17	2017-18	2018-19	2019-20
Turnover (Rs. Crs)	10059.34	12317.32	14459.67	20338.06	15819.24
Reserves & Surplus (Rs. Crs)	4983.35	3679.81	2331.11	2462.43	-1618.06
PAT (Rs. Crs)	-1420.64	-1263.16	-1369.01	96.71	-3910.17
Net Worth (Rs. Crs)	9873.20	8569.66	7220.96	7352.28	3271.79

ii) Physical and Marketing Performance:

(‘000 MT)

Saleable Steel (“000 MT)	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20
Production	3513	3847	4500	5000	4452
Total Sales	3728	3702	4488	4911	4278

(d)to(f): While deciding the terms and conditions of the strategic sale, legitimate concerns of the existing employees and other stakeholders are suitably addressed through appropriate provisions made in the Share Purchase Agreement (SPA). 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.
