

GOVERNMENT OF INDIA
MINISTRY OF STEEL

RAJYA SABHA
UNSTARRED QUESTION NO.2218
FOR ANSWER ON 14/03/2018

DISINVESTMENT OF RINL

2218. SHRI T.G. VENKATESH:

Will the Minister of STEEL be pleased to state:

- (a) whether it is a fact that Government is in the process of going for disinvestment of its share in RINL, Visakhapatnam;
- (b) if so, the details thereof;
- (c) the reasons for disinvestment of RINL which is running in profits; and
- (d) the steps being taken by Government to protect the indigenous steel producing companies from adverse market conditions?

ANSWER

THE MINISTER OF STATE FOR STEEL

(SHRI VISHNU DEO SAI)

(a)to(c): The Cabinet Committee on Economic Affairs (CCEA) has given “in-principle” approval in the year 2012 on the proposal for disinvestment of 10% paid up equity of RINL out of government of India shareholding of 100% through Initial Public Offering (IPO) as per the disinvestment Policy of the Government of India. Due to poor financial performance of RINL the disinvestment has not been pursued.

RINL has been reportedly incurring losses since 2015-16 and has posted loss before tax of Rs.1402 crore (Provisional) during April, 2017 to February, 2018 in the current financial year.

(d) Steel is a deregulated sector and role of Government is that of a facilitator. The Government has taken various trade remedial measures such as anti dumping duties, countervailing duties, safeguard duties and notified Quality Control Order thereby making BIS standards mandatory for steel products.
