

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

LOK SABHA
UNSTARRED QUESTION NO. 1853
TO BE ANSWERED ON MONDAY, DECEMBER 19, 2022
Agrahayana 28, 1944 (Saka)

Privatisation of Steel Plants

1853. SHRIMATI SARMISTHA SETHI

Will the Minister of FINANCE be pleased to state:

- (a) whether the Government is planning to privatise public sector steel plants across the country and if so, the details thereof;
- (b) the reasons for the privatisation of steel plants despite protests from workers; and
- (c) the details of the steel plants proposed to be privatised, State/UT-wise?

ANSWER

THE MINISTER OF STATE IN MINISTRY OF FINANCE

(DR. BHAGWAT KISHANRAO KARAD)

(a)&(c): At present, based on 'in principle' approval of CCEA, strategic disinvestment is under process for NMDC Steel Limited (NSL) (Chhattisgarh); Salem Steel Plant (Tamil Nadu); and Rashtriya Ispat Nigam Limited (RINL) (Andhra Pradesh).

(b): The strategic disinvestment/privatisation of the Steel Plants will lead to infusion of capital for optimum utilization, expansion of capacity, infusion of technology, and better management practices. This is expected to result in higher production and productivity and expansion of direct and indirect employment opportunities. If the true potential of these public sector plants is realized through these measures, it will lead to greater contribution to the employment opportunities and growth. Further, while deciding the terms and conditions of strategic sale, legitimate concerns of the existing employees and other stakeholders are suitably addressed through appropriate provisions in the Share Purchase Agreement (SPA).
