

**GOVERNMENT OF INDIA  
STEEL  
LOK SABHA**

UNSTARRED QUESTION NO:289  
ANSWERED ON:25.07.2000  
PRIVATISATION OF VIZAG STEEL PLANT  
KINJARAPU YERRANNAIDU

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

- (a) whether the Government propose to privatize Vizag Steel Plant;
- (b) if not, the reasons for not granting funds to revive the said plant; and
- (c) the action proposed to be taken to protect the jobs of 17,000 employees of the plant?

**Answer**

MINISTER OF STATE FOR STEEL (SHRI BRAJA KISHORE TRIPATHY)

(a) to (c): Rashtriya Ispat Nigam Ltd.(Visakhapatnam Steel Plant) had submitted a comprehensive turnaround proposal for its revival inter-alia including infusion of funds, but it was not found viable by the Government. In the meantime, the Disinvestment Commission recommended writing off of the entire accumulated losses of the company as on 31.3.1999 alongwith disinvestment of not less than 51% of its remaining equity to a strategic buyer. However, no final decision has yet been taken on these recommendations of the Disinvestment Commission.