

GOVERNMENT OF INDIA
MINISTRY OF STEEL

LOK SABHA
STARRED QUESTION NO.*281
FOR ANSWER ON 23/03/2022

RASHTRIYA ISPAT NIGAM LIMITED

*281. SHRI RAM MOHAN NAIDU KINJARAPU:
SHRI KESINENI SRINIVAS:

Will the Minister of STEEL be pleased to state:

- (a) whether the Government is aware that 20,000 acres of fertile agricultural land was acquired for the Rashtriya Ispat Nigam Ltd. (RINL), Visakhapatnam in accordance with Section (f) (iv) of the Land Acquisition Act, 1894, to be used exclusively for “public purpose”;
- (b) if so, whether the transfer of aforesaid land to a private entity is legitimate;
- (c) if so, the details thereof;
- (d) the details of the criteria according to which the Government plans to transfer the land acquired for public purpose to a private entity;
- (e) the details of the net profits made by all Steel Public Sector Undertakings (PSUs) in the country during the last ten years;
- (f) whether the Government has not allotted a captive iron ore mine to the RINL even after the aforesaid plant significantly increased its profits; and
- (g) if so, the details thereof?

ANSWER

THE MINISTER OF STEEL

(SHRI RAM CHANDRA PRASAD SINGH)

(a)to(g): A Statement is laid on the Table of the Lok Sabha.

STATEMENT REFERRED TO IN REPLY TO PARTS (A) TO (G) OF THE LOK SABHA STARRED QUESTION NO. *281 FOR ANSWER ON 23/03/2022 TABLED BY SHRI RAM MOHAN NAIDU KINJARAPU AND SHRI KESINENI SRINIVAS, MEMBERS OF PARLIAMENT REGARDING “RASHTRIYA ISPAT NIGAM LIMITED”

(a)to(d): The acquisition of land for Visakhapatnam Steel Plant was done by Govt. of Andhra Pradesh as per the Visakhapatnam Steel Project (Acquisition of Lands) Act, 1972, which provided that the State Govt. of Andhra Pradesh may acquire any land in the Project area for Project purpose and for any purpose incidental to or connected with the Visakhapatnam Steel Project.

Accordingly, 11,794 acre of Private land was acquired by the State Government for the Steel Project in various stages in the name of Ministry of Steel, Govt. of India and remaining 9798 acre of State Government Land was also transferred for this Project totalling to 21592 acre. Subsequently, a Power of Attorney was executed by Ministry of Steel in favour of Rashtriya Ispat Nigam Ltd. (RINL/VSP) in the year 1983. Later, land to the extent of 2,588.90 acre was given to various agencies namely Railways, Govt. of Andhra Pradesh for Gangavaram Port Ltd. & NHAI. Presently, 19,703.1 acre of land is under possession of RINL/VSP for the purposes of Steel Project. Steel Production has been going on since 1992 at RINL-VSP.

The Cabinet Committee on 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) along with RINL's stake in its Subsidiaries/Joint Ventures through strategic disinvestment by way of privatisation. The 'Project purpose' under proposed disinvestment would not change and no decision yet on mode of transfer of land has been taken.

This Strategic disinvestment of Government of India's equity in RINL would lead to infusion of capital for optimum utilization, expansion of capacity, infusion of appropriate technology and better management practices with resultant higher production and productivity and expansion of direct and indirect employment opportunities. These measures will help realise true potential of RINL leading to much greater contribution to the economic growth of the nation thereby serving larger public purpose.

(e)to(g): The details of the net profits made by Central Steel Public Enterprises namely Steel Authority of India Ltd. (SAIL) and Rashtriya Ispat Nigam Ltd. (RINL) during the last 10 year are at **Annexure**.

Further, RINL has not increased its profits during the last ten years. RINL cumulative losses were Rs. 7122.25 Cr. Nevertheless, Ministry of Steel has endorsed the requests of RINL to various State Governments viz. Odisha, Chhatisgarh and Andhra Pradesh by recommending reservation of iron ore deposit under Section 17A (2A) of Mines and Minerals (Development and Regulations) Act, 2015 to Ministry of Mines, Government of India. Ministry of Steel has also requested Government of Odisha for reservation of an iron ore block in favour of RINL. RINL has also been participating in allocation of Iron Ore Mines through e-auction route.

Details of Net Profit of SAIL & RINL

	RINL (in Rs. Cr.)	SAIL (in Rs. Cr.)
2011-12	751.46	3543
2012-13	352.83	2170
2013-14	366.45	2616
2014-15	62.38	2093
2015-16	-1420.64	-4021
2016-17	-1263.16	-2883
2017-18	-1369.01	-482
2018-19	96.71	2179
2019-20	-3910.17	2022
2020-21	-789.10	3850