

[24th July, 2000]

RAJYA SABHA

is under consideration of the Government. No final decision has yet been taken.

Proposal to privatise Vizag Steel Plant

128. SHRI K. KALAVENKATA RAO:
DR. DASARI NARAYANA RAO:
DR. Y. LAKSHMI PRASAD:

Will the Minister of STEEL be pleased to state:

(a) whether it is a fact that Government proposed to sell off Vizag Steel Plant to Private Players;

(b) If so, the reasons for not granting fund to help the PSU to revive; and

(c) the action proposed to protect jobs of 17,000 employees of the plant?

THE MINISTER OF STATE OF THE MINISTRY OF STEEL (SHRI BRAJ 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.

Progress of Neelachal Ispat Nigam Ltd. in Orissa.

129. SHRI ANANTA SETHI: Will the Minister of STEEL be pleased to state:

(a) whether Government have reviewed the progress of Neelachal Ispat Nigam Ltd. being set up near Dubri in Orissa;

(b) if so, the progress as on date;

(c) the capacity of that plant; and

(d) the expected date of its, commercial production?

THE MINISTER OF STATE OF THE MINISTRY OF STEEL (SHRI BRAJ KISHORE TRIPATHY): (a) Yes, sir. The Board of Neelachal Ispat Nigam Ltd. (NINL), along with its Subcommittee, Government of Orissa and the Government of India i.e. the Ministry of commerce and the Ministry of steel reviewed the progress of NINL periodically.

(b) to (d) NINL is setting up an integrated steel plant with a nominal capacity of 1.1 million tonnes per annum (MTPA) for the production of pig iron (0.492 MTPA), steel billets (0.324 MTPA) and steel wire rods (0.300 MTPA). The integrated steel plant is being set up in phases. While phase-I comprises of the blast furnace complex for production of Pig Iron, phase-II comprises of the steel making and rolling facilities for production of steel billets/wire rods. Physical progress as on 31.6.2000 in respect of phase-I is as under:

- * 85% of civil work is completed.
- * 100% of structural fabrication is completed.
- * 85% of structural erection is completed.
- * 42% of equipment is erected.
- * 61 % of refractory is erected.

According to the available information, Phase-I of the project is likely to be commissioned by early 2001 and shall be followed by commercial production thereafter. The construction work of phase-II to produce steel is in progress.

Proposal to sell non-core units by SAIL

130. SHRI BJ. PANDA: Will the Minister of STEEL be pleased to state:

(a) whether the Steel Authority of India Ltd. (SAIL) proposes to sell some of the non-core units;

(b) if so, the reasons for the disinvestment of these units;

(c) what are the details of these units;

(d) whether the disinvestment of these units are part of SAIL's disinvestment proposal; and

(e) if so, the details of the proposal of Government in that regard?