GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF INVESTMENT AND PUBLIC ASSET MANAGEMENT

RAJYA SABHA

UNSTARRED QUESTION NO. 219

TO BE ANSWERED ON TUESDAY, NOVEMBER 30, 2021

9 Agrahayana , 1943 (Saka)

Disinvestment of NINL

219. **Prof. Manoj Kumar Jha**:

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

(a) by when the disinvestment of Neelachal Ispat Nigam Limited (NINL) will be completed which is under progress since 2018 by Department of Investment of Public Asset Management (DIPAM);
(b) the reasons for which the employees of NINL are being deprived of salary since March 2020;
(c) the reasons for which DIPAM did not allow NINL to conduct pending Departmental Promotion Committee (DPC) upto June 2021;
(d) whether DIPAM is not taking any initiative to start the production in NINL by merging with SAIL/RINL/NMDC like its captive mines started with the help of NMDC; and
(e) if so, the details and, if not, the reasons therefore?

ANSWER

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE

(DR. BHAGWAT KISHANRAO KARAD)

(a) to (e): Neelachal Ispat Nigam Limited (NINL) is a Joint Venture company of 4 CPSEs namely MMTC Limited (49.78%), NMDC Limited (10.10%), Bharat Heavy Electrical Limited (BHEL) (0.68%) and MECON Limited(0.68%) and 2 State PSUs of Odisha Government, namely, Industrial Promotion and Investment Corporation of Orissa Ltd. (IPICOL) (12%) and Odisha Mining Corporation (OMC) (20.47%). MMTC Limited is the controlling promoter in the NINL. Government of India does not have any shareholding in NINL.

Government on 08.01.2020 has accorded 'in-principle' approval for strategic disinvestment of entire shareholding of all 4 CPSEs & 2 State PSUs shareholding (93.71%) in NINL through a single transaction. Expression of Interest (EOI) have been received and the due diligence process is presently being undertaken by the qualified bidders following which finalization of financial bidding process will take place.

The employee-related issues of the company are within the purview of Management and Promoters of NINL. NINL has informed that outstanding dues of salary of employee's upto December, 2020 have been disbursed. Further, the Selling Shareholders have signed a Waterfall Agreement amongst themselves, which ranks priority for payment of various dues and liabilities of NINL, out of which dues of employees get the highest priority from the proceeds of the sale.

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