

**NINL IS A JOINT VENTURE OF 4 CENTRAL PUBLIC SECTOR ENTERPRISES AND 2 ODISHA GOVT PSUs**

# Tata Steel Long Products to Buy Neelachal Ispat for ₹12,100 crore

**Our Bureau**

**New Delhi:** The centre on Monday said it has approved the bid of Tata Steel Long Products Limited to purchase Neelachal Ispat Nigam Ltd. (NINL) for ₹12,100 crore.

Apart from Tata Steel, consortium of Jindal Steel & Power Limited and Nalwa Steel and Power Ltd and JSW Steel Limited also bid for the company.

“Government approves strategic buyer for Neelachal Ispat Nigam Ltd located in Odisha. The highest bid of ₹12,100 crore by M/s Tata Steel Long Products Ltd is accepted,” DIPAM secretary Tuhin Kanta Pandey tweeted.

The amount will go towards settling liabilities of the company in the order provided in Waterfall Agreement.

The company has debt and liabilities exceeding ₹6,600 crores as on 31.3.2021, including overdues of promoters of ₹4,116 crore, banks

## Strategic Sale

**Tata Steel emerged winner to buy NINL**

**Other bidders include JSPL, NSPL and JSW Steel Ltd**

**NINL debt and liabilities ₹6,600 crore as on 31.3.2021**

**NINL has negative net worth of ₹3,487 crore**

**NINL accumulated losses is ₹4,228 crore on March 31, 2021**

**Post-sale consideration will go towards settling of the liabilities**

₹1,741 crore and to other creditors and employees.

The finance ministry added that the company has negative net worth of ₹3,487 crore and accumulated losses of ₹4,228 crore as of

March 31, 2021.

In a statement issued on Monday, the ministry said the bid for NINL was approved by Alternative Mechanism, comprising Nitin Gadkari, Nirmala Sitharaman and Piy-

ush Goel.

NINL is a joint venture of four Central Public Sector Enterprises, MMTC, NMDC, BHEL, MECON and two Odisha government PSUs, OMC and IPICOL.

The company has an integrated steel plant with a capacity of 1.1 MT at Kalinganagar, Odisha. The company has been running in huge losses and plant has been closed since March 30, 2020.

The expressions of interest (EoI) were invited on January 25, 2021 and final three bids were received by December 23.

The ministry said the employees of NINL will continue with the company in terms of the share purchase agreement (SPA), which binds the buyer to have a lock-in period of one year.

The strategic buyer will also be bound to follow the terms of voluntary retirement scheme applicable to CPSEs whenever such a decision is taken.

