

**GOVERNMENT OF INDIA  
DISINVESTMENT  
LOK SABHA**

STARRED QUESTION NO:433  
ANSWERED ON:23.04.2002  
DISINVESTMENT OF HZL AND NALCO  
ANANDRAO ADSUL;VILAS BABURAO MUTTEMWAR

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

- (a) whether there is any proposal under consideration of the Government for disinvestment of Hindustan Zinc Ltd. and National Aluminium Company;
- (b) if so, the details thereof and the reasons therefor;
- (c) whether any bids were invited from the private players in this regard;
- (d) if so, the details thereof alongwith the number of parties who submitted their bids for each of the PSUs; and
- (e) the time by which the final decision for disinvestment of the said PSUs is likely to be taken?

**Answer**

MINISTER OF DISINVESTMENT AND MINISTER OF DEVELOPMENT OF NORTH EASTERN REGION (SHRI ARUN SHOURIE)

(a) to (e) A statement is laid on the Table of the House.

Statement referred to in reply to Lok Sabha Starred Question No.433 for 23-4-2002 regarding disinvestment of HZL and NALCO by Anandrao Vithoba Adsul and Shri Vilas Muttemwar (Position No.13).

(a) & (b) Disinvestment of 26% Government held equity in Hindustan Zinc Ltd. (HZL) in favour of a strategic partner has already taken place. As regards, National Aluminium Company Ltd. (NALCO) Government has decided to sell in the open market 80% equity through domestic and international (ADR) capital market offerings. This will bring down Government shareholding to 57.15%. The balance equity will be sold to a strategic partner, bringing the Government equity down to 26% after reserving 2% of the equity for NALCO employees. These decisions are in accordance with the declared policy of the Government to bring down Government equity in all non-strategic PSUs to 26% or lower, in the generality of the cases.

(c) & (d) In respect of disinvestment in HZL, financial bids from the qualified interested parties were invited. Two bids - from Sterlite Opportunities & Ventures Ltd. (SOVL) and Indo Gulf Corporation Ltd were received. The bid of SOVL at Rs.445.00 crore was higher of the two. It has been accepted by the Government.

No bid for disinvestment in NALCO has been invited thus far.

(e) Disinvestment of 26% equity in HZL has taken place. Government has already decided about disinvestment in NALCO as indicated in reply to part (a). The firm is slated for disinvestment in the current financial year.