

**GOVERNMENT OF INDIA
DISINVESTMENT
LOK SABHA**

UNSTARRED QUESTION NO:4214
ANSWERED ON:17.12.2002
DISINVESTMENT OF NALCO
ANANTA NAYAK;SHRINWAS DADASAHEB PATIL

Will the Minister of DISINVESTMENT be pleased to state:

- (a) whether the Government of Orissa is likely to be benefited as a result of disinvestment of National Aluminium company;
- (b) if so, the details thereof;
- (c) whether the Government propose to reconsider the decision to provide NALCO in view of opposition from some quarters; and
- (d) if so, the details thereof?

Answer

MINISTER OF DISINVESTMENT, MINISTER OF DEVELOPMENT OF NORTH EASTERN REGION AND MINISTER OF COMMERCE & INDUSTRY (SHRI ARUN SHOURIE)

(a)&(b) Disinvestment of NALCO is likely to benefit the economy of Orissa through higher levels of efficiency and product development, with spill over benefit for the services sector and ancillary industry. Higher levels of value addition will also increase the tax revenue of the Government of Orissa.

(c)&(d) Government has decided to disinvest 10% equity in the domestic market, 20% equity in the international market (ADR issue) and 29.15% equity to a strategic partner bringing down Government held equity to 26%, after reserving 2% equity for NALCO employees. There is no change in this decision.