

**GOVERNMENT OF INDIA  
DISINVESTMENT  
LOK SABHA**

UNSTARRED QUESTION NO:2195  
ANSWERED ON:17.12.2003  
STAKE IN STERLITE INDUSTRIES  
BASUDEB ACHARIA

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

(a) whether the Government is aware about an application filed by a Mauritius-based holding company, Twinstar Holdings, which states it has already taken a 55 per cent stake in Sterlite industries and wants to raise this to 75 per cent; and

(b) if so, the facts thereof alongwith the reaction of the Government thereto?

**Answer**

MINISTER OF COMMUNICATIONS AND INFORMATION TECHNOLOGY AND MINISTER OF DISINVESTMENT (SMBNARUN SHOURIE)

(a) & (b) Yes Sir. Ministry of Finance received an application filed by M/s Twin-Star Holdings Limited, Mauritius (THL) in respect of increase in shareholding in M/s Sterlite Industries (India) Limited (SILL) from 18.91% to 55.15% and proposed increase from 55.15% to 75%. The necessary approval in this regard was issued by Department of Industrial Policy and Promotion subject to the following conditions:

(i) Pricing/transfer of shares shall be as per SEBI/RBI guidelines.

(ii) Subject to company being in compliance with SEBI(SAST), Regulations 1997 in respect of increase in shareholding in M/s SILL from 18.91% to 55.15% and proposed increase from 55.15% to 75% by M/s THL.

(iii) The investments by M/s THL in M/s SILL were made in foreign exchange.

(iv) In terms of RBI Circular dated 16th September, 2003, OCBs as a class of investor has been de-recognized. However, in terms of RBI's Press Note dated 18th September,2003 M/s THL would be eligible to make investment as foreign investor.

(v) All RBI guidelines/SEBI guidelines and regulations are to be followed.