

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

**LOK SABHA**  
**UNSTARRED QUESTION NO. 2864**  
TO BE ANSWERED ON 03<sup>rd</sup> August, 2018  
SHARVANA 12, 1940 (SAKA)

**Disinvestment of HNL**

**2864. SHRI ANTO ANTONY:**

Will the Minister of FINANCE be pleased to state :

- a) whether the Government is planning to close down or disinvest the Hindustan Newsprint Limited (HNL), Vellore Unit in Kottayam District, Kerala;
- b) if so, the details thereof and reasons therefor;
- c) whether the Government has received any representations from any quarter regarding the closure/disinvestment for this unit;
- d) if so, the details thereof and response of the Government in this regard; and
- e) whether the Government has received any recommendation/ proposal for taking HNL Unit, Vellore and if so, the details and the response of the Government thereon?

**ANSWER**

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE  
(SHRI PON. RADHAKRISHNAN)

- (a)&(b) Yes Sir. CCEA, on the advice from Niti Aayog, accorded "in-principle" approval on 27.10.2016 for disinvestment of 100% shareholding of HPCL in HNL to a strategic buyer to be identified through a 2 stage auction process.
- (c)&(d) Yes Sir. Representations in the matter of disinvestment of HNL have been received from time to time from employees/Unions of HNL, Chief Minister of Kerala and Members of Parliament. Such references have been examined and responded to keeping in view the extant disinvestment policy of the Government.
- (e) In view of the CCEA approval dated 27.10.2016, the Department of Heavy Industry (DHI), Ministry of Heavy Industries & Public Enterprises, Government of India had invited bids from interested buyers. Later, the DHI vide letter dated 21.06.2018 requested the Government of Kerala to participate in the bid process of HNL. However, no bid was received from Government of Kerala within the due date. Government of Kerala vide their letter dated 13.06.2018 has expressed their willingness to take over the Assets of HNL unit through mutual consultations.

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