

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF INVESTMENT AND PUBLIC ASSET MANAGEMENT
(DIPAM)

LOK SABHA
STARRED QUESTION NO.*312
TO BE ANSWERED ON MONDAY, MARCH 16, 2020
PHALGUNA 26, 1941 (SAKA)

STEEL AUTHORITY OF INDIA LIMITED

*312. DR. T.R. PAARIVENDHAR:

Will the Minister of FINANCE be pleased to state:

- (a) Whether the Government proposes to sell a 5 percent stake in Steel Authority of India Limited (SAIL) through an Offer For Sale (OFS) which could fetch about Rs.1000 crore to the exchequer;
- (b) if so, the details thereof; and
- (c) the reasons and purpose of the OFS to SAIL?

ANSWER

THE MINISTER OF FINANCE
(SMT. NIRMALA SITHARAMAN)

(a) - (c): A statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) to (c) OF LOK SABHA
STARRED QUESTION No.*312 TO BE ANSWERED ON 16TH MARCH, 2020
REGARDING STEEL AUTHORITY OF INDIA LIMITED

(a) to (c): The disinvestment policy of the Government of India, *inter-alia*, envisages sale of minority shareholding by Government in Central Public Sector Enterprises (CPSEs) through different modes, such as Initial Public Offer (IPO), Offer for Sale (OFS) and Exchange Traded Fund (ETF). In consonance with the disinvestment policy, the Government has taken in-principle decision on 13th April, 2017 to divest Government of India stake in Steel Authority of India Limited (SAIL) to the extent of 10 percent through Offer for Sale (OFS). The timing of actual disinvestment transaction depends on the prevailing market conditions and the interest of investors. The purpose of Offer for Sale (OFS) is to gradually dilute shareholding of the Government of India in consonance with its policy thereby increasing people's participation in shareholding of SAIL. Further, the disinvestment proceeds are used for capital and developmental expenditure of the Government.
