

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

STARRED QUESTION NO:481
ANSWERED ON:29.04.2005
SALE OF SHARES
Chakraborty Shri Ajay

Will the Minister of FINANCE be pleased to state:

- (a) whether the Government are considering a proposal to sell the residual Government stake in Maruti Udyog Ltd. and BALCO;
- (b) if so, the details thereof; and
- (c) the amount likely to be raised by this disinvestment ?

Answer

MINISTER OF FINANCE (SHRI P. CHIDAMBARAM)

- (a) to (c) A Statement is laid on the Table of the House.

Statement referred to in reply to parts (a) to (c) of the Lok Sabha Starred Question No.481 for 29th April 2005 regarding Sale of Shares by Shri Ajoy Chakraborty.

(a) & (b) No specific decision has been taken with respect to disinvestment of government equity in Maruti Udyog Ltd. In the case of Bharat Aluminium Company Limited (BALCO), the Strategic Partner has exercised a Call Option, in accordance with the Shareholders Agreement entered into at the time of disinvestment, for the residual shares of upto 49% of the Government. Out of the residual shareholding of 49% held by the Government, upto 5% will be offered to the employees for purchase as is provided in the Shareholders Agreement while the remaining shares will be sold to the Strategic Partner. Valuation of the shares to be transferred to the Strategic Partner is being done, as per the provisions of the Shareholders Agreement.

(c) The realisation from the sale of residual shares of 49% held by the Government in BALCO will depend upon the valuation of the shares.