

Moreover, during July 2010, the price of various steel products have come down by 4% to 13%, from the earlier prices in March-April, 2010.

#### **Disinvestment of SAIL**

709. SHRI M.V. MYSURA REDDY: Will the Minister of STEEL be pleased to state:

(a) whether it is a fact that Government has decided to divest 20 per cent from SAIL to mobilize Rs. 16,000 crores;

(b) whether it is also a fact that trade unions and other public representatives are opposing this move; and

(c) if so, the details of (a) above and reasons for not acceding to the demands made by trade unions and other public representatives?

THE MINISTER OF STATE IN THE MINISTRY OF STEEL (SHRI A. SAI PRATHAP) : (a) to (c) The Government has decided to disinvest 10% of its shareholding in Steel Authority of India Ltd. (SAIL) and for raising of 10% of additional equity by SAIL, in two discrete tranches to be issued at appropriate times in consideration of SEBI guidelines and prevailing market conditions. The actual amount that would be raised through disinvestment as well as from Further Public Offer would depend upon a number of factors including *inter alia* the prevailing market conditions, share price and investors' interest. It is informed by SAIL that some of the unions have resorted to distribution of pamphlets and also staged demonstrations protesting against the decision regarding disinvestment of SAIL. The Government's policy to develop larger people's ownership of Central Public Sector Enterprises with Government retaining majority shareholding and control.

#### **Setting up of Ultra Mega Steel Projects**

710. SHRI M.V. MYSURA REDDY: Will the Minister of STEEL be pleased to state:

(a) whether it is a fact that the Ministry is preparing a blueprint to start Ultra Mega Steel Projects (UMSP) on the lines of Ultra Mega Power Projects in the country so as to increase steel production, etc.;

(b) whether the Ministry is also planning for setting up of Steel Finance Corporation to ensure availability of funds to UMSP; and

(c) if so, the details of (a) and (b) above?

THE MINISTER OF STATE IN THE MINISTRY OF STEEL (SHRI A. SAI PRATHAP) : (a) to (c) Ministry of Steel has requested PFC Consulting Limited to prepare an 'Approach Paper for Ultra Mega Steel Project' in the steel sector on similar lines to the Ultra Mega Power Projects. Ministry of Steel has no proposal for setting up of steel Finance Corporation.

-----