

# Centre invites bids for NMDC Steel stake sale

FE BUREAU

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**THE CENTRE HAS** invited expressions of interest (EOIs) for selling its 50.79% stake in NMDC Steel (NSL).

The last date for submission of EOIs by interested bidders, who must have a net worth of ₹5,000 crore, is

January 27, 2023, according to the preliminary information memorandum published by the Department of Investment and Public Asset Management (Dipam).

State-run mining major NMDC is setting up a 3 million tonne per annum NMDC Iron and Steel Plant (NISP) at Nagarnar, Chhattisgarh.

Currently, NISP is in the process of being demerged from NMDC into NSL. After the completion of the demerger process, NSL will have mirror shareholding to NMDC, i.e., the Centre's shareholding of 60.79%

and public shareholding of 39.21%. Thereafter, the Centre would divest its 50.79% shareholding in NSL, along with management control, to a strategic buyer through a two-stage, competitive bidding process.

Additionally, the Centre would offer a 10% stake in NSL to NMDC after the strategic buyer has been identified through the bidding process, Dipam said.

Further, the assets and liabilities of the plant as mentioned in the Demerger Scheme will be owned/held by NSL. The demerger

scheme for NSL has been approved by the ministry of corporate affairs in its hearing on October 6, 2022.

Only the interested bidders found to be meeting the eligibility criteria would be allowed to participate in the next stage of the transaction, which involves detailed due diligence and submission of financial bids.

**The last date for submission of Eois by bidders for the 50.79% stake sale is January 27, 2023**