

NMDC Steel's divestment process may pick up steam once plant is commissioned

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The divestment process of NMDC Steel — the recently demerged Chhattisgarh-based steel making unit of NMDC Ltd — is expected to pick up pace over the next few days, “once the complete commissioning happens in the next seven days of so”, Amitava Mukherjee, Chairman and Managing Director (Additional Charge) and Director (Finance), said.

NMDC is the country's largest iron ore merchant miner and a CPSE under the Ministry of Steel.

At a post analyst earnings call, Mukherjee said, there has been substantial interest in the EoIs floated by DIPAM and some five to eight people have expressed interest at a very initial stage. He, however, did not share names.

In January, DIPAM, through its official handle on micro-blogging site X (formerly Twitter), said: “Multiple Expressions of Interest received for the strategic divestment of NMDC Steel (NSL). The transaction will now move to the second stage.”

An EoI is not a formal order tender. It will determine the terms of engagement and



Amitava Mukherjee, Chairman and MD (Additional Charge) and Director (Finance)

orders are awarded later. The other stages include site visits, placing financial bids, among others before the divestment process takes place. Market sources said, interested bidders include the likes of JSW, JSPL, among others.

Share purchase agreement draft is reportedly being prepared, sources said.

ADEQUATE EOIS

“The disinvestment process is being run by DIPAM and as we know the EoIs have been called for. This is a state-of-the-art plant and obviously there is a lot of interest. But, there has been more than adequate interest in that (EoIs),” he said during the earnings call and clarified that NMDC is not privy to the names who had placed bids.