
PSMC Privatization – MMK Al-Tuwairqu Arif Habib consortium wins

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Consortium of Russia's Magnitogorsk Iron & Steel Works Open JSC, Saudi Arabia based Al-Tuwairqi Group of Companies and Pakistani firm Arif Habib Securities, made a winning bid of \$362 million (RS 21.68 billion) for a 75% stake in Pakistan Steel Mills at an open auction yesterday to take control of Pakistan's only integrated steel manufacturing plant. Bidding had begun at 10.17 rupees per share and closed at 16.8 rupees per share.

"The price is within the range approved by the Cabinet Committee on Privatization and that's why we accepted the offer" Mr Awais Khan Laghari, Pakistan's newly appointed Minister for Privatization, told journalists after the auction held in an Islamabad hotel. He said that the bidding of the steel mills was held in a transparent manner and 4457 acre land of steel mills would be given to the successful bidder and more than 14000 acre land would remain in the control of government. "We have prepared a special package for the employees of the steel mills and government will give this package to the employees," minister said adding the employees will be given protection.

Minister said that the successful bidder would submit the 25% amount to the government within 20 days and the rest of the amount would be handed over to the government within 40 days. "The acceptance letter to the successful bidder will be given within one or two days," he added.

The losing consortium included Al-Jomaih Holdings of Saudi Arabia, the Emirates' government of Ras Al-Khaimah, Kuwait-based Noor Financial Investment Co and Ukraine based Industrial Union of Donbass.

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