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## **PSMC Privatization – Minister defends sale**

*Wednesday, 05 Apr, 2006*

Mr Awais Ahmed Khan Leghari Federal Minister for Privatization & Investment and Information Technology said that the price the Privatization Commission has received for the sale of 75% shares of Pakistan Steel Mills Corporation was best possible price that could be attracted. He said that the PSMC had never been profitable in the history, the government had written off the interest on its loans to the PSMC due to which it managed to post profits in the last few years. The privatization would ensure stoppage of government financing loss of around Rs 16 billion every year.

The possible price of 100% shares of PSMC was determined at \$500 before its privatization due to its technology of the Seventies with poor financial health and the government has been able to get the best price of \$362 million with total net value of the Corporation stood at 482 million.

The government has not included 14.5 thousand acres of land in the privatization transaction and the price of this land is around Rs 50 billion that is still with the government. The Economic Coordination Committee of the Cabinet would take the final decision about this land whether it should remain with the federal government or be handed over to the Sindh government.

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