

**GOVERNMENT OF INDIA  
DISINVESTMENT  
LOK SABHA**

UNSTARRED QUESTION NO:6113  
ANSWERED ON:05.05.2000  
DISINVESTMENT OF PROFIT MAKING PSUS  
NIKHILANANDA SAR

**Will the Minister of DISINVESTMENT be pleased to state:**

- (a) whether sale of shares of selected profit making PSUs viz. VSNL, Bharat Petroleum, Hindustan Petroleum, IPCL, HOCL, IOC, ONGC, etc. is oriented to meet the deficit financing;
- (b) if so, the details thereof;
- (c) whether disinvestment of the above profit making units was made much below to the market price; and
- (d) if so, the sale value of shares vis-à-vis market value of the profit making Central PSUs?

**Answer**

MINISTER OF STATE OF THE MINISTRY OF INFORMATION AND BROADCASTING AND MINISTER OF STATE IN CHARGE  
DEPARTMENT OF DISINVESTMENT (SHRI ARUN JAITLEY)

- (a)&(b) The sale of the shares of the public sectors enterprises results in generation of revenue to the government, which is inter-alia used for meeting expenditure in social sector, restructuring of public sector undertakings and retiring of public debt.
- (c)&(d) Out of the above companies, part of the shares of VSNL, BPCL, HPCL, IPCL, and HOCL were sold in bundles with the shares of other companies. Hence the price of shares of individual companies is not ascertainable. In case of IOC and ONGC, the average price at which shares were sold is above the current market price of these shares.