

**GOVERNMENT OF INDIA
PETROLEUM AND NATURAL GAS
LOK SABHA**

UNSTARRED QUESTION NO:662
ANSWERED ON:18.07.2002
SALE OF EQUITY SHARES BY IOCL
VILAS BABURAO MUTTEMWAR

Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

- (a) Whether the Indian Oil Corporation Limited proposed to issue 7.8 crores fresh equity shares at the face value of Rs.10 per share;
- (b) whether the proposal submitted by the Indian Oil Corporation Limited in this regard has been considered by the Government;
- (c) if so, whether this would bring down the Government equity in the IOCL from 82.03 per cent to 74.5 per cent; and
- (d) if so, the reasons for mopping up the amount through the issue of equity shares?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM & NATURAL GAS AND MINISTER OF STATE IN THE MI
OF PARLIAMENTARY AFFAIRS (SHRI SANTOSH KUMAR GANGWAR)

(a),(b)&(c). Indian Oil Corporation Limited has requested the Government to permit issue of fresh equity shares up to 10% of the existing paid up capital of the company. Decision is yet to be taken by the Government on this proposal. The issue of fresh equity shares of 10% of the existing paid up capital of IOC, if agreed to, would bring down the Government shareholding in IOC to 74.57 per cent.

(d) IOC is required to make sizeable investments during the Tenth Five Year Plan to finance new projects and for modernisation schemes including product upgradation. For this, fund is proposed to be raised through public issue of equity shares which will also help in improving the debt-equity ratio of IOC.