

**GOVERNMENT OF INDIA  
DISINVESTMENT  
LOK SABHA**

UNSTARRED QUESTION NO:1262  
ANSWERED ON:26.11.2002  
DISINVESTMENT OF OIL COMPANIES  
KAMBALAPADU E. KRISHNAMURTHY

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

- (a) whether the Government have arrived at any resolution on the Disinvestment of Oil Companies;
- (b) if so, the details thereof; and
- (c) if not, the reasons therefor and the causes for delay?

**Answer**

MINISTER OF DISINVESTMENT, MINISTER OF DEVELOPMENT OF NORTH EASTERN REGION AND MINISTER OF COMMERCE AND INDUSTRY (SHRI ARUN SHOURIE)

(a) to (c) Disinvestment of Public Sector Undertakings (PSU) is a continuous process. Government keeps considering proposals for disinvestment in various PSUs from time to time through inter-Ministerial consultations. After considering all relevant viewpoints, Government takes a final decision about disinvestment of a PSU in line with the approved policy. In June 2000, Government had decided that Oil and Natural Gas Corporation (ONGC), Indian Oil Corporation (IOC) and Gas Authority of India Ltd. (GAIL) be treated as flagship companies in the oil sector where Government shareholding would not be reduced below 51%. In February 2002, Government had decided 'in principle' to disinvest in Bharat Petroleum Corporation Limited (BPCL)/ Hindustan Petroleum Corporation Limited (HPCL) through strategic sale with the modalities to be worked out through consultations between the different ministries concerned. Final decision has not been taken so far.