

**GOVERNMENT OF INDIA
DISINVESTMENT
LOK SABHA**

STARRED QUESTION NO:160
ANSWERED ON:30.07.2003
DISINVESTMENT POLICY
AJAY CHAKRABORTY

Will the Minister of DISINVESTMENT be pleased to state:

- (a) whether the Government have decided to adopt the policy of issuing Initial Public Offer (IPO) for the disinvestment of public sector undertakings instead of the old method of strategic sale of equity shares;
- (b) if so, the details thereof; and
- (c) the details of the IPOs proposed to be issued after the Maruti offers?

Answer

MINISTER OF LAW AND JUSTICE AND MINISTER OF COMMERCE AND INDUSTRY (SHRI ARUN JAITLEY)

(a) to (c) A statement is laid on the Table of the House.

Statement referred to in reply to parts (a) to (c) of the Lok Sabha Starred Question No. 160 for 30/7/2003 regarding Disinvestment Policy by Ajoy Chakraborty.

(a) to (c): No, Sir. Government approves the disinvestment strategy as appropriate including both Strategic Sale and Public Offer either independently or jointly depending on the specific requirements of each case. Government has approved the disinvestment of Bharat Petroleum Corporation Limited (BPCL) through a Public Offer of 25.2% of the equity through American Depository Receipts and 10% in the Domestic Market. The disinvestment of Dredging Corporation of India Limited (DCI) through a Public Offer of 20% of the equity has been approved. Government has also decided to sell its residual shareholding through the Offer for Sale route in five PSUs (CMC Ltd., Videsh Sanchar Nigam Limited (VSNL), IBP Ltd., Indian Petrochemicals Corporation Limited (IPCL) and Bharat Aluminium Co. Limited (BALCO) which were earlier disinvested through Strategic Sale.