

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:3908
ANSWERED ON:16.12.2011
DISINVESTMENT OF PSUS
Ramasubbu Shri S.

Will the Minister of FINANCE be pleased to state:

- (a) whether the Government has approved disinvestment of 5 per cent paid up equity capital of Oil and Natural Gas Corporation (ONGC);
- (b) if so, the details thereof alongwith the reasons therefor;
- (c) the details of percentage of paid-up equity capital of other Public Sector Undertakings (PSUs) approved for disinvestment;
- (d) the amount of money likely to be realised as a result of the said disinvestment, PSU-wise, particularly from ONGC; and
- (e) the time by which the process is likely to be started and the expected time of completion?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF FINANCE (S.S. PALANIMANICKAM)

- (a) Yes, Sir.
- (b) The disinvestment decision is as per disinvestment policy of the Government.
- (c) During 2011-12 disinvestment of 5 per cent paid-up equity capital of Power Finance Corporation Limited has been completed and Government has realized Rs.1 144.55 crore. Further, Government has approved disinvestment of 5 per cent paid-up equity capital of Oil and Natural Gas Corporation Limited; 5 per cent paid-up equity capital of Bharat Heavy Electricals Limited; and 10 per cent paid-up equity capital of National Building Construction Corporation Limited.
- (d) Realisation from sale of shares would depend on the market conditions at the time the sale takes place, therefore, it may not be realistic to estimate the amount to be realized.
- (e) Disinvestment proposals of Oil and Natural Gas Corporation Limited, Bharat Heavy Electricals Limited and National Building Construction Corporation Limited are at various stages of implementation. It is difficult to give any timeframe for completion of the transactions as the same would depend on a number of factors like appointment of Independent Directors, preparedness of the company as well as the market conditions.