

**GOVERNMENT OF INDIA
MINISTRY OF CHEMICALS & FERTILIZERS
DEPARTMENT OF PHARMACEUTICALS**

LOK SABHA
UNSTARRED QUESTION NO.4946
TO BE ANSWERED ON THE 23rd July 2019

Privatization of PSUs

†4946. SHRI ASHOK KUMAR RAWAT:

Will the Minister of **CHEMICALS AND FERTILIZERS** be pleased to state:

- (a) the details of the Public Sector Undertakings under the Ministry privatised/disinvested, particularly in backward and rural areas, so far;
- (b) the amount received by the Government, undertaking-wise;
- (c) whether some irregularities have been reported in privatisation/ disinvestment of the undertakings and if so, the details thereof;
- (d) whether the Government has taken/proposes to take any action to conduct a detailed investigation in this regard;
- (e) if so, the details thereof; and
- (f) if not, the reasons therefor?

ANSWER

MINISTER IN THE MINISTRY OF CHEMICALS AND FERTILIZERS

(SHRI D. V. SADANANDA GOWDA)

(a) and (b): Two PSUs namely, Hindustan Organic Chemicals Limited (HOCL) and Indian Petrochemicals Corporation Limited (IPCL) were disinvested. Government held 59.95% of the issued paid-up capital of IPCL which was incorporated in 1969. The Government referred IPCL along with other PSUs to the Disinvestment Commission in September, 1996. The Disinvestment Commission in its 7th Report, of March, 1998, classified IPCL as a non-core public sector undertaking and recommended disinvestment. The recommendations of the Disinvestment Commission were considered and disinvestment was made as under:

Date(s) on which shares disinvested	To whom the shares were sold / transferred	% of shares	Amount received by the Government
June, 2002	Strategic Partner i.e. Reliance Petroinvestments Ltd.	26.00	Rs. 1490.84 crore
February, 2004	Public / Financial Institutions	28.95	Rs. 1202.85 crore

April, 2004	Employees of IPCL	04.58	Rs. 64.81 crore
	The Government of India was left with unsubscribed 10,40,604 shares of IPCL, due to non-response from the employees of the IPCL.	00.42	Under a scheme of amalgamation, IPCL was merged with Reliance Industries Limited (RIL) w.e.f. 05.09.2007. In terms of the said amalgamation scheme, 2,08,120 (face value of Rs.10 each) equity shares of the company (RIL) were allotted in view of the holding of 10,40,604 shares by the Government in the erstwhile IPCL. Subsequently due to allotment of Bonus shares, the GoI is now holding 8,32,480 shares in RIL.

Hindustan Organic Chemicals Limited (HOCL) was disinvested during 1992 to 1995 reducing Government of India equity shareholding holding to 58.78% and amount of Rs. 49.35 crore was realized from the disinvestment.

(c) to (f): No irregularities were reported in the disinvestment of HOCL and IPCL.
