

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF INVESTMENT AND PUBLIC ASSET MANAGEMENT

LOK SABHA

UNSTARRED QUESTION NO. 2398

TO BE ANSWERED ON MONDAY, DECEMBER 13, 2021

Agrahayana 22, 1943 (Saka)

Disinvestment of BPCL

2398. SHRI PRADYUT BORDOLOI:

Will the Minister of FINANCE be pleased to state:

- (a) the status of disinvestment of BPCL and the timeline for the same;
- (b) the reasons for dedicating petrochemical complex in Kochi worth Rs. 6000 crores to BPCL after the Government announced its intention to disinvest it;
- (c) whether the Government intends to provide the benefit of the subsidy mechanism to BPCL after its sale and if so, the details thereof; and
- (d) whether LPG subsidies available for domestic users will be affected by the disinvestment of BPCL and if so, the measures taken by the Government to safeguard the interests of domestic users?

ANSWER

THE MINISTER OF STATE IN MINISTRY OF FINANCE

(DR. BHAGWAT KISHANRAO KARAD)

- (a) Expression of Interests (EOIs) have been received. The shortlisted bidders have been allowed to conduct due diligence. The timeline is dependent on successful outcome of different stages of transaction.
- (b) The Propylene Derivative Petrochemical Project (PDPP) is a 'Make in India' initiative, which has been envisaged for production of niche Propylene derivatives viz. Acrylic Acid, Oxo Alcohol and Acrylates, using the polymer-grade propylene as the primary feedstock. These feedstocks, which were hitherto mostly imported into the Country, are now being produced from the Petro-FCCU of Kochi Refinery. The BPCL Board had approved the Propylene Derivative Petrochemical Project at Kochi Refinery on 3.12.2014 and the mechanical completion of its three units was achieved

during June-August 2019 and subsequently the units came on stream and project was dedicated. Since BPCL is being divested on a 'going concern' basis, the business activities of the BPCL will continue after privatization.

(c) & (d): Keeping into consideration the interests of LPG consumers of BPCL, there are appropriate provisions for continuity.