

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

**RAJYA SABHA**  
**USTARRED QUESTION NO. 961**  
TO BE ANSWERED ON TUESDAY, FEBRUARY 12, 2019  
MAGHA 23, 1940 (SAKA)

**Borrowings by PSUs to buy Government stakes in State-owned entities**

961. SHRI HUSAIN DALWAI:

Will the Minister of FINANCE be pleased to state:

- (a) the list of PSUs buying Government stakes in other State-owned entities, including the quantum of stakes bought and corresponding State-owned entities, since 2014;
- (b) the details of PSUs accruing debt by borrowings to make such transaction, including the quantum of debts;
- (c) whether Government treats this as disinvestment and uses that to bridge its fiscal deficit target, if so, the reasons therefor; and
- (d) whether the Ministry has considered if borrowings PSUs for the same would also put pressure on bond yields, if so, the details thereof and if not, the reasons therefor?

**ANSWER**

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE  
(SHRI PON. RADHAKRISHNAN)

(a): Oil & Natural Gas Corporation (ONGC) acquired 51.11 per cent paid up equity of Government of India held in Hindustan Petroleum Corporation Ltd. (HPCL) at a consideration of Rs. 36,915 crore in January, 2018.

NBCC (India) Ltd. has bought the 100% stake of Government of India holding in HSCC Ltd. during November, 2018 for Rs. 285 crore.

(b): In ONGC-HPCL off-market deal, ONGC resorted to borrowings to complete such transaction. ONGC financed Rs. 24,881 crore through market borrowings while the balance Rs. 12,034 crore was met through internal accruals.

(c): Yes sir, such transactions are treated as disinvestment.

(d): Financing acquisition of Government of India's equity by one CPSE in another CPSE is as per the commercial decision of the acquiring CPSE.

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