

Government is committed to boosting the economic growth and welfare of the people. To this end various measures are announced on a continuous basis. Introduction of Insolvency and Bankruptcy Code (IBC) in 2016 is a significant step towards cleaning and strengthening the financial system of the country. Implementation of Goods and Services Tax in 2017 stands out as the most important measure for improving ease of doing business in the country. Make-in-India programme is a major initiative towards increasing the indigenous capacity of the country to produce world class goods and services. Continuous liberalization has resulted in record and unprecedented inflows of foreign direct investment into the country. And all along Government has kept inflation low, fiscal spending disciplined and current account deficit manageable to ensure macroeconomic stability so necessary to sustaining a healthy investment climate in the country. More recently, Government has cut corporate tax rate from 30 per cent to 22 per cent to boost investment activity in the country. In particular, the corporate tax rate has been cut to 15 per cent for new domestic manufacturing companies, which is amongst the lowest in the world. This complements a cut in the repo rate by 135 basis points during 2019 by the Reserve Bank of India and mandating of banks to link their lending rates with external benchmarks for reducing the cost of capital for investors. Government has also extended PM Kisan scheme to include all farmers, which will boost rural consumption.

Privatization of BPCL and NRL

2433. SHRI RIPUN BORA: Will the Minister of FINANCE be pleased to state:

- (a) whether it is a fact that Government proposes to privatise Bharat Petroleum Corporation Limited (BPCL);
- (b) if so, the details thereof and the reasons therefor;
- (c) the time-frame by which this proposal would be implemented;
- (d) whether Numaligarh Refinery Limited (NRL) would also be privatised accordingly since BPCL has 61.65 per cent stake in the refinery; and
- (e) the measure taken by Government to protect the interest of NRL which is also called "Assam Accord Refinery"?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI ANURAG SINGH THAKUR): (a) and (b) The Government has given 'in-principle' approval for:—

- (i) Strategic disinvestment of Government of India shareholding of 53.29% in Bharat Petroleum Corporation Ltd. [except its equity shareholding of 61.65% in Numaligarh Refinery Limited (NRL) and management control thereon] along with transfer of management control to a strategic buyer,
- (ii) Strategic disinvestment of BPCL's shareholding of 61.65% in NRL along with transfer of management control to a Central Public Sector Enterprise (CPSE) operating in the Oil and Gas Sector.

Government follows a policy of strategic disinvestment of CPSEs, which are not in 'priority sectors'. For this purpose, NITI Aayog has been mandated to identify such CPSEs based on the criteria of (i) National Security; (ii) Sovereign function at arm's length; and (iii) Market Imperfections and Public Purpose. Profitability and loss are not among the relevant criteria.

It is expected that the strategic buyer in the oil sector will bring in new funds/technology/new management etc., for optimum development of business potential and growth of BPCL. The growth of the company post disinvestment would be able to generate higher economic activity.

Further, the resources unlocked by the strategic disinvestment of BPCL would be used to finance the social sector/developmental programmes of the Government benefiting the public.

(c) Completion of the disinvestment process depends on the prevailing market conditions and the investor's interest.

(d) No. Sir.

(e) The BPCL stake in the NRL will be strategically disinvested to a CPSE operating in oil and gas sector.

Disinvestment process in BPCL

2434. SHRI K.J. ALPHONS: Will the Minister of FINANCE be pleased to state:

- (a) the total investment in BPCL;