

## Govt re-starts Pawan Hans selloff process

**New Delhi:** The government has re-initiated the process to sell off Pawan Hans (PHL). The government will “indemnify the contingent liabilities related to tax and statutory dues to the extent to 51% of Rs 576.9 crore (as on March 31, 2019), which amounts to Rs 294.3 crore.”

SBI Caps, the transaction advisor for this divestment, has released PHL's preliminary information memorandum (PIM), which says the successful bidder for the government's 51% stake in PHL will also have the option to buy ONGC's 49% stake in the chopper PSU. The last date for submitting expression of interest is August 22 and shortlisted bidders will be announced on September 12, 2019. TNN

■ Intends to cut government stake to 40 per cent in many PSUs

# Modi 2.0 aims to raise \$47 bn from disinvestment in 5 years

AFTAB AHMED &  
SUDARSHAN VARADHA  
NEW DELHI, JULY 12

The government has plans to raise as much as Rs 3.25 lakh crore (\$47.4 billion) in the next five years by reducing its stakes in some large state-owned firms to 40 per cent, two senior government officials told Reuters, in the nation's biggest privatisation push in more than two decades.

Last week, Finance Minister Nirmala Sitharaman in her budget announced that the government will look to reduce direct controlling stakes in some state-run firms on a case-by-case basis.

The plan will open up a steady stream of state companies to greater private investment, and target the kind of annual divestment revenue that will be crucial to meet fiscal deficit targets.

Prime Minister Narendra Modi's administration already sold government stakes in a host of companies to raise a record \$40.92 billion in his first five-year term, nearly three times the divestment proceeds of \$14.52 billion achieved by

## FINDING RESOURCES

- ▶ Modi govt raised a record \$40.92 bn in the first term, nearly three times the proceeds of \$14.52 bn raised by UPA-2
- ▶ PSUs identified for selloff include ONGC, IOC, GAIL (India), NHPC, NTPC, NMDC, Coal India and BHEL
- ▶ Govt plans to raise ₹40,000 crore through exchange traded funds this fiscal

the Congress party government in 2009-2014.

The government has identified a number of state-owned firms, including Oil and Natural Gas Corp, Indian Oil Corp, GAIL (India), NHPC, NTPC, NMDC, Coal India and Bharat Heavy Electricals Ltd, said the sources, who declined to be named due to the sensitive

## Govt plans to list 10 CPSEs

**New Delhi, July 12:** The government is planning to list 10 more CPSEs in the current fiscal, Dipam Secretary Atanu Chakraborty said on Friday.

He said though the government has not been able to privatise any PSU under strategic disinvestments in the last term, the Department of Investment and Public Asset Management is hopeful of pushing forward some proposals this fiscal.

"The number of listed CPSEs is 59. We are going to add 10 more this year," he said, adding that three-four CPSEs are likely to

come out with follow on offers or offer for sales.

The PSUs lined up for IPO include THDCIL, RailTel, TCIL, Wapcos, and FCI Aravali Gypsum.

On criticism that government sells family silver, Chakraborty said in 2014 the value of government holding in listed entities was Rs 8.01 lakh crore. Although the government during 2014-2019 raised Rs 2.80 lakh crore through disinvestment, the total value of government holding in listed companies at the end of June was Rs 8.17 lakh crore, he said. —PTI

nature of the matter.

"We have done a calculation on current prices and we could get Rs 3.25 trillion if we bring our stake down to 40 per cent in government companies, excluding banks," one of the officials said.

The two officials, though, said the government is yet to gauge investor appetite for the state-owned compa-

nies and that the level of demand will be crucial to any timetable.

Analysts said the government would need to be flexible, especially given that a lot of the companies were in the resource sector and their prices would often depend on the volatility of commodities prices.

New Delhi wants to reduce its holdings in such

a way that the cumulative stake of the government and state-owned companies such as Life Insurance Corporation (LIC) would continue to be above 51 per cent.

This year, the government is planning to put stakes in a group of companies into exchange traded funds, which would then be sold on public markets and raise at least Rs 40,000 crore, the officials said. The state's stakes in those companies would be cut to 51 per cent in some cases.

The government has set a divestment target of Rs 1.05 lakh crore for the current fiscal year.

It is in the process of identifying some power companies for merger with a view to cutting its stakes to 40 per cent, one of the sources said.

Eventually, the officials say the government would like to see its shareholdings reduced to 26 per cent in some companies if the ruling BJP gets a third term.

"That step will be real privatisation," the second official said.

—Reuters

# Govt to raise ₹3.25 lakh cr via divestment in 5 years

To cut controlling stake in large state-owned companies to 40%

NEW DELHI, JULY 12

The Centre has plans to raise as much as Rs 3.25 lakh crore (\$47.4 billion) in the next five years by reducing its stakes in some large state-owned firms to 40%, two senior government officials said, in the nation's biggest privatisation push in more than two decades.

Last week, Finance Minister Nirmala Sitharaman in her Budget announced that the government will look to reduce direct controlling stakes in some state-run firms on a case-by-case basis.

The plan will open up a

## FIRMS IDENTIFIED FOR STAKE SALE

- Oil and Natural Gas Corporation, oil refiner Indian Oil Corporation, gas transmitter GAIL (India) Ltd, power producers NHPC Ltd and NTPC Ltd, miners NMDC and Coal India Ltd, and Bharat Heavy Electricals Ltd

steady stream of state companies to greater private investment, and target the kind of annual divestment revenue that will be crucial to meet fiscal deficit targets.

Prime Minister Narendra Modi's administration already sold government stakes in a host of companies to raise a record \$40.92

billion in his first five-year term, nearly three times the divestment proceeds of \$14.52 billion achieved by the Congress party government in 2009-2014. Modi was re-elected for a second term in a landslide victory in April-May.

The government has identified a number of state-owned firms, including

explorer Oil and Natural Gas Corp, oil refiner Indian Oil Corp, gas transmitter GAIL (India) Ltd, power producers NHPC Ltd and NTPC, miners NMDC Ltd and Coal India, and Bharat Heavy Electricals Ltd, said the sources, who declined to be named due to the sensitive nature of the matter.

"We have done a calculation on current prices and we could get Rs 3.25 lakh crore if we bring our stake down to 40% in government companies, excluding banks," one of the officials, said. — Reuters

### विनय कुमार ने पद संभाला

मंगलुरु। एम. विनय कुमार ने यहां मेंगलोर रिफाइनरी एंड पेट्रोकेमिकल्स (एमआरपीएल) के रिफाइनरी निदेशक का पद संभाल लिया है। कंपनी ने यहां जारी एक बयान में बताया कि मंत्रिमंडल की नियुक्ति मामलों की समिति ने कुमार की नियुक्ति की है। कुमार ने वृहस्पतिवार को अपना कार्यभार संभाल लिया। पिछले साल एम. वेंकटेश को कंपनी का प्रबंध निदेशक बनाए जाने के बाद से यह पद खाली पड़ा था।

राजकोषीय घाटा कम करने के लिए सरकार ने सार्वजनिक क्षेत्र की प्रमुख कंपनियों में हिस्सेदारी बेचने की योजना बनाई

# विनिवेश से 5 साल में 3.25 लाख करोड़ जुटाने का लक्ष्य, दो दशक में निजीकरण का सबसे बड़ा प्रयास

पिछले कार्यकाल में मोदी सरकार ने विनिवेश से जुटाए थे 2.7 लाख करोड़ रुपए

एजेंसी | नई दिल्ली

सार्वजनिक क्षेत्र की कुछ प्रमुख कंपनियों में हिस्सेदारी बेचकर सरकार ने 3.5 लाख करोड़ रुपए जुटाने का लक्ष्य बनाया है। सरकारी अधिकारियों के मुताबिक सरकार कुछ कंपनियों में हिस्सेदारी 40% तक ला सकती है। निजीकरण को लेकर पिछले दो दशकों में यह सरकार का सबसे बड़ा कदम है। पिछले सप्ताह वित्त मंत्री निर्मला सीतारमण ने कहा था कि कंपनियों के आधार पर सरकार अपनी सीधे हिस्सेदारी

को कम करने की कोशिश करेगी। इस कदम से सरकारी कंपनियों में निजी निवेश को बढ़ावा मिलेगा, साथ ही सरकार को अपना राजकोषीय घाटा कम करने के लक्ष्य को प्राप्त करने में भी आसानी होगी। मोदी सरकार ने अपने पहले पांच साल के कार्यकाल में हिस्सेदारी बेचकर 4,092 करोड़ डॉलर जुटाए थे जो इससे पहले की सरकार पांच साल के कार्यकाल का तीन गुना है। जबकि इससे पहले की सरकार ने 2009-2014 के बीच विनिवेश से 1,452 करोड़ डॉलर जुटाए थे। अधिकारियों के मुताबिक वर्तमान कीमतों के हिसाब से अगर सरकार की हिस्सेदारी को 40% तक लाया जाएगा तो सरकार को 3.25 लाख करोड़ रुपए तक मिलेंगे।

सार्वजनिक क्षेत्र की कुछ बड़ी कंपनियों में सरकार की हिस्सेदारी गिरकर 40% तक आ सकती है

## सही टाइमिंग जरूरी: हिस्सेदारी बेचने से पहले बाजार और कमोडिटी की कीमतों पर नजर



### ओएनजीसी, गेल, एचईसी जैसी कंपनियां शामिल

सरकार जिन कंपनियों में अपनी हिस्सेदारी कम कर सकती है उनमें ऑयल एंड नैचुरल गैस कॉरपोरेशन, इंडियन ऑयल कॉरपोरेशन, गेल, बिजली उत्पादक एनएचपीसी और एनटीपीसी, खनन कंपनी एनएमडीसी और कोल इंडिया और भारत हैवी इलेक्ट्रिकल के नाम शामिल हैं। सरकार पहले निवेशकों के मूड को भांपना चाहती है क्योंकि मांग के ऊपर ही सब कुछ निर्भर करेगा।

### कीमतों के हिसाब से समय चुने सरकार: विशेषज्ञ

विशेषज्ञों का कहना है कि कमोडिटी की कीमतें तेजी से ऊपर-नीचे होती रहती हैं और सरकार द्वारा चुनी गई कंपनियां संसाधनों से जुड़ी हुई हैं, इस कारण सरकार को इस मामले में लचीलापन दिखाना होगा। एक वैश्विक मेटल और माइनिंग कंपनी के कंसल्टेंट का कहना है कि सरकार को पहले निवेशकों के मूड को देखना चाहिए और कमोडिटी की कीमतों के हिसाब से समय चुनना चाहिए।

### बाजार के मूड को भांप कर फैसला करना बेहतर होगा

विशेषज्ञों का मानना है कि कंपनियों में हिस्सेदारी बेचने से पहले सरकार को थोड़ा इंतजार करना चाहिए। उनके मुताबिक मौजूदा समय में वैश्विक बाजार में कोयले की कीमतें कम चल रही हैं। इस कारण कोल इंडिया का वैल्यूएशन कम हो सकता है। सरकार हिस्सेदारी को इस तरह कम करना चाहती है जिससे सरकार और सरकारी कंपनियों की कुल हिस्सेदारी 51% के ऊपर बनी रहे।

## सरकारी कंपनियों में हिस्सा बेच 3.25 लाख करोड़ जुटाएगा केंद्र

नई दिल्ली। केंद्र सरकार अगले पांच वर्षों में सार्वजनिक क्षेत्र की कंपनियों में अपनी हिस्सेदारी बेचकर 3.25 लाख करोड़ रुपये (करीब 47.4 अरब डॉलर) जुटाने की तैयारी में है। सरकार सार्वजनिक क्षेत्र के कुछ उपक्रमों (सीपीएसई) में अपनी हिस्सेदारी घटाकर 40 फीसदी तक ला सकती है। सरकार के दो वरिष्ठ अधिकारियों का कहना है कि दो दशक से अधिक समय में यह देश का सबसे बड़ा निजीकरण हो सकता है।

पिछले सप्ताह वित्त मंत्री निर्मला सीतारमण ने वित्त वर्ष 2019-20 के लिए

बजट पेश करते हुए कहा था कि सरकार कुछ सीपीएसई में अपनी हिस्सेदारी घटाकर 51 फीसदी से नीचे लाने पर विचार करेगी। इस पर मामला दर मामला विचार होगा। सीतारमण ने कहा कि सरकार ने कुछ सीपीएसई में 51 फीसदी तक हिस्सेदारी रखने की नीति में संशोधन करने का फैसला किया है। इनमें सरकारी संस्थान भी शामिल हैं। एजेंसी

# 40%

तक ला सकती है  
सरकार अपनी  
हिस्सेदारी घटाकर

### इनमें हिस्सेदारी बेचने का अनुमान

सरकार ऑयल एंड नेचुरल गैस कॉर्पोरेशन, आईओसी, गेल, एनएचपीसी, एनटीपीसी, एनएमडीसी, कोल इंडिया, भेल में अपनी हिस्सेदारी बेचेगी। सूत्रों का कहना है कि मामले की गंभीरता को देखते हुए इन कंपनियों के नाम सार्वजनिक नहीं किए गए हैं।

## एमआरपीएल के निदेशक बने विनय कुमार

एम. विनय कुमार ने मंगलोर रिफ़ाइनरी ऐंड पेट्रोकेमिकल्स (एमआरपीएल) के रिफ़ाइनरी निदेशक का पद संभाल लिया है। कंपनी ने एक विज्ञप्ति में बताया कि मंत्रिमंडल की नियुक्ति मामलों की समिति ने कुमार की नियुक्ति की है। कुमार ने गुरुवार को अपना कार्यभार संभाल लिया। पिछले साल एम. वेंकटेश को कंपनी का प्रबंध निदेशक बनाए जाने के बाद से यह पद खाली पड़ा था।

भाषा



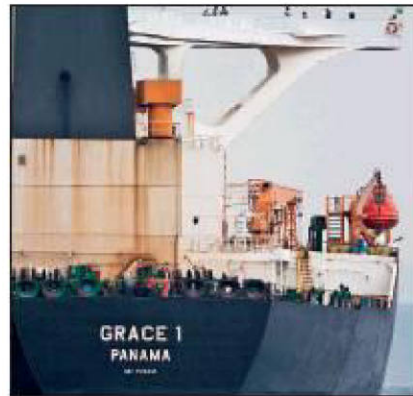
# Iran Calls on Britain to Release Oil Tanker

**Dubai:** Iran called on Britain on Friday to immediately release an oil tanker that British Royal Marines seized last week on suspicion it was breaking European sanctions by taking oil to Syria, a foreign ministry spokesman told state news agency IRNA. "This is a dangerous game and has consequences ... the legal pretexts for the capture are not valid ... the release of the tanker is in all countries' interest," the spokesman, Abbas Mousavi, said.

Iran has warned of reciprocal measures if the tanker is not released.

Britain said on Thursday that three Iranian vessels tried to block a British-owned tanker passing through the Strait of Hormuz, which controls the flow of Middle East oil to the world, but backed off when confronted by a Royal Navy warship. Iran denied that its vessels had done any such thing.

Tension between Iran and the West has increased a week after



**Supertanker Grace 1 off the coast of Gibraltar on July 6, 2019**

Britain seized the tanker and London said the British Heritage, operated by oil company BP, had been approached in the strait between Iran and the Arabian peninsula.

Mousavi accused Britain of seizing the tanker under US pressure. "Such illegal measures could increase tensions in the Persian Gulf," he told IRNA. **Reuters**

# Distribution glitches a hurdle for govt's LPG Ujjwala scheme

After the success of PMUY, LPG coverage in India increased from 56% in 2014 to 94.3% by April 2019

SHINE JACOB  
New Delhi, 12 July

The slow pace on the part of state-run oil-marketing firms (OMCs) in giving cooking gas distributorships, as well as reluctance on the part of existing peers to share consumers with new distributors, is affecting the Pradhan Mantri Ujjwala Yojana (PMUY).

The government in June asked LPG distributors to serve only those who fell within 15 km. For any customer beyond this limit, a distributor has to take permission from the district administration.

"Our per capita distribution has declined because the number of PMUY refills is as low as 3 per year. Hence, we have suggested that all customers beyond 15 km should be transferred," said Pawan Soni, general secretary, Federation of LPG Distributors of India.

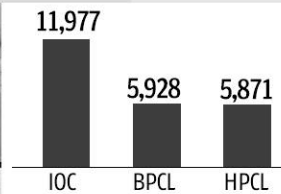
According to latest government estimates, more than 57 per cent of the existing distributors are serving PMUY beneficiaries beyond 15 km, going even up to 92 km. However, they are reluctant to share these consumers with the new distributors.

"The estimates were based on a sample that the government has taken



## FUEL MATTERS

266mn: LPG consumers  
23,776: Number of distributors



11,188 Average consumers for every distributor

Source: PPAC

to assess the progress of the scheme. Covering such a large distance has resulted in delay of supply to Ujjwala beneficiaries," said a source close to the development.

Some families below the poverty line (BPL) are paying extra charges to get a cylinder because they were outside the 15 km zone.

The latest data with the Petroleum Planning and Analysis Cell (PPAC) shows India has 266 million liquefied

petroleum gas (LPG) connections, while the number of distributors is just 23,776.

This includes 11,977 distributors of Indian Oil Corporation, 5,928 of Bharat Petroleum Corporation and 5,871 of Hindustan Petroleum Corporation.

Going by this, there is only one distributor in place for 11,188 consumers. Following the success of the PMUY, the LPG coverage in India increased from 56 per cent in 2014 to 94.3 per cent by the end of April this year.

The government came up with a notification for commissioning new distributors in 6,347 locations of the country. Of these, only 3,610 have been commissioned so far, and the rest are stuck in procedural bottlenecks.

According to an industry source, consumers can shift their connection from one dealer to another. Even after the government asking for transferring Ujjwala consumers to the nearest distributor, neither the companies nor the distributors have changed the distributors.

OMCs have been told to allow intra- and inter-company transfers, based on current applications, by July 31 this year.

At present, there is an in-built dealer commission of ₹50 attached to the bill and up to 15 km there is a minimal transport charge too. On the other hand, beyond 15 km and up to 30 km, consumers will have to pay additional delivery charges.

When asked about the reasons for delay in allotting distributorships, a senior oil-marketing company official told *Business Standard* the companies were in the process of doing it and would complete the process soon. "Our aim is to extend the reach of the scheme," he said.

## Oil prices firm on tropical storm and geopolitical tensions

### REUTERS

London, July 12

Oil prices edged higher on Friday and were on track for a weekly gain as US oil producers in the Gulf of Mexico cut more than half their output because of a tropical storm and as tensions continued to simmer in West Asia.

OPEC predicted on Thursday the return of a surplus next year despite an OPEC-led pact to restrain supplies.

Brent crude futures were up 36 cents at \$66.88 a barrel by 1315 GMT after hitting a session high of \$67.29.

US West Texas Intermediate (WTI) crude futures were up 6 cents at \$60.26 after touching a high of \$60.74.

Brent prices have climbed 4.1 per cent this week while WTI has gained 4.9%. Both registered declines last week.

# IEA sees oil market oversupplied in 2019 on US production

NOAH BROWNING  
London, July 12

**SURGING US OIL** output will outpace sluggish global demand and lead to a large stocks build around the world in the next nine months, the International Energy Agency (IEA) said on Friday.

The forecasts appear to predict the need for producer club Opec and its allies to reduce production to balance the market despite extending their existing pact, forecasting a fall in demand for Opec crude to only 28 million barrels per day (bpd) in early 2020.

"Market tightness is not an issue for the time being and any rebalancing seems to have moved further into the future," the IEA said in its monthly report.

"Clearly, this presents a major challenge to those who have taken on the task of market management," it added, referring to the Organization of the Petroleum Exporting Countries and producer allies such as Russia.

The demand for Opec crude oil in early 2020 could fall to only 28 million bpd, it added, with non-Opec expansion in 2020 rising by 2.1 million bpd — a full 2 million bpd of which is expected to come from the United States.

At current Opec output levels of 30 million bpd, the IEA predicted that global oil stocks could rise by 136 million barrels by the end of the first quarter of 2020.



Maintaining its forecasts for oil demand for the rest of 2019 and 2020, the Paris-based agency cited expected improvement in US-China trade relations and US economic expansion as encouraging but flagged tailwinds elsewhere.

"There are indications of deteriorating trade and manufacturing activity. Recent data show that global manufacturing output in 2Q19 fell for the first time since late 2012 and new orders have declined at a fast pace," it said.

The IEA said that markets were concerned by escalating tension between Iran and the West over oil tankers leaving the Gulf but that incidents in the region's shipping lanes have been overshadowed by supply concerns.

"The oil price impact has been minimal with no real security of supply premium," the IEA said. "For now, maritime operations in the region are close to normal and markets remain calm." —REUTERS

## Oil prices firm on tropical storm and geopolitical tensions

OIL PRICES EDGED higher on Friday and were on track for a weekly gain as US oil producers in the Gulf of Mexico cut more than half their output because of a tropical storm and as tensions continued to simmer in West Asia. However, an International Energy Agency (IEA) forecast for a global oil surplus capped the gains. The agency on Friday predicted that surging US oil output will outpace sluggish global demand and lead to a large stocks build around the world in the next nine months. Opec also predicted on Thursday the return of a surplus next year despite an Opec-led pact to restrain supplies. Brent crude futures were up 36 cents at \$66.88 a barrel after hitting a session high of \$67.29. US West Texas Intermediate (WTI) crude futures were up 6 cents at \$60.26 after touching a high of \$60.74.