

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF INVESTMENT AND PUBLIC ASSET MANAGEMENT
LOK SABHA
UNSTARRED QUESTION NO. 2326
TO BE ANSWERED ON MONDAY, DECEMBER 18, 2023
AGRAHAYANA 27, 1945(SAKA)

Divestment Proceeds

2326. SHRI DHAIRYASHEEL SAMBHAJIRAO MANE:
SHRI SANJAY SADASHIVRAO MANDLIK:
SHRI SUDHEER GUPTA:
SHRI SHRIRANG APPA BARNE:
SHRI PRATAPRAO JADHAV:

Will the Minister of FINANCE be pleased to state:

- (a) the target set by the Government from divestment proceeds for the current fiscal year, 2023-24;
- (b) whether the Government is likely to fall short of its divestment goal by Rs. 30,000 crore in 2023-24;
- (c) if so, the details thereof and the reasons therefor;
- (d) the total revenue generated by the Government by divesting during the current fiscal year;
- (e) the manner in which the delay in privatization likely to impact the Government's fiscal deficit target which is 5.9 per cent of GDP; and
- (f) the names of the Government entities likely to be come up for divestment in the coming fiscal year along with the progress made in this regard?

ANSWER

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE
(DR. BHAGWAT KISHANRAO KARAD)

- (a):** The Budget Estimate for disinvestment receipts in the current Fiscal Year 2023-24 has been kept at Rs.51,000 crore.
- (b) & (c):** The Budget Estimate for disinvestment receipts in the current FY 2023-24 was fixed based on the probability of completion of the transactions. However, disinvestment is an ongoing process, and execution of disinvestment transactions depends upon administrative

feasibility, market conditions, domestic and global economic outlook, and investor interest. In view of this, it is difficult to anticipate the quantum of actual proceeds from disinvestment during the current FY 2023-24.

(d): During the current Fiscal Year, Government has realised about Rs. 10,050 crore through various disinvestment transactions as on 13.12.2023.

(e): Fiscal deficit depends upon many factors such as total expenditure, total non-debt receipts, GDP etc. for the financial year. Tax and non-tax receipts constitute major proportion of the Government's total non-debt receipts. The Government is likely to achieve the fiscal deficit target of 5.9 per cent of GDP in the current financial year 2023-24.

(f): Government policy on disinvestment is implemented through the Strategic Disinvestment (entire or substantial sale of Government of India shareholding in CPSEs, along with transfer of management control) and Minority Stake Sale. The Government, since 2016, has given 'in-principle' approval for strategic disinvestment of 36 cases of PSEs and/or Subsidiaries/ Units/ Joint Ventures of PSEs/ Bank. Out of the 36 cases, 33 cases are being handled by DIPAM and 3 cases are being handled by the respective Administrative Ministry/Department. Out of the 33 cases being handled by DIPAM, strategic disinvestment transactions have been completed in 10 cases (8 transactions are in CPSE to CPSE space while Air India and NINL have been privatized). Of the remaining 23 cases, 5 PSEs are under consideration for closure; 1 case held up due to litigation and 1 case is under Corporate Insolvency Resolution Process (CIRP) in NCLT and 2 transactions found not feasible. Remaining 14 transactions are at various stages. Details are given at Annexure.

In other PSEs, where the Government continues to retain control, disinvestment through minority stake sale is carried out through various SEBI-approved methods such as Initial Public Offer (IPO), Offer for Sale (OFS), Buyback of shares etc. from time to time based on prevailing market conditions and investor interest.

**Annexure referred in reply to the Lok Sabha Unstarred Q.No. 2326 regarding
Disinvestment Proceeds**

List of PSEs and/or Subsidiaries/ Units/ Joint Ventures of PSEs and Bank for which Government has given 'in-principle' approval for strategic disinvestment since 2016.

1. Ongoing Transactions being processed by DIPAM

S. No.	Name of PSE
1.	BEML Limited
2.	The Shipping Corporation of India Limited
3.	HLL Lifecare Limited
4.	Project & Development India Limited
5.	Ferro Scrap Nigam Limited (subsidiary)
6.	Indian Medicines Pharmaceuticals Corporation Limited
7.	Container Corporation of India Limited
8.	Rashtriya Ispat Nigam Limited
9.	NMDC Steel Limited (NSL)
10.	(a) Bharat Petroleum Corporation Ltd (except Numaligarh Refinery Limited) @ (b) BPCL stake in Numaligarh Refinery Limited to a PSE strategic buyer \$
11.	Pawan Hans Limited #
12.	Central Electronics Limited (CEL)#
13.	Alloy Steel Plant, Durgapur^; Salem Steel Plant; Bhadrawati Steel Plant@ - units of Steel Authority of India Limited
14.	IDBI Bank

@ EoI process called off due to lack of sufficient Bidder's interest to proceed.

\$ Transaction completed.

^ Transaction halted for the time being.

Successful bidder disqualified and transaction has been terminated.

2. Transactions halted as the PSEs recommended / approved for closure; or any other reason

S. No.	Name of PSE
15.	Hindustan Fluorocarbons Limited (subsidiary)*
16.	Scooters India Limited*
17.	Bharat Pumps & Compressors Limited*
18.	Hindustan Prefab Limited
19.	Units of Cement Corporation of India Limited (Nayagaon Unit) ##

* Government approved for closure of the Company.

Transaction not feasible and the mines are being returned to the State Governments.

3. Transactions held up due to litigation

S. No.	Name of PSE
20.	Karnataka Antibiotics & Pharmaceuticals Limited

4. Under Corporate Insolvency Resolution Process (CIRP) in NCLT

S. No.	Name of PSE
21.	Hindustan Newsprint Limited (subsidiary)***

***Resolution Plan of Kerala Industrial Infrastructure Development Corporation (KINFRA) approved by the NCLT, Kochi vide order dated 29.01.2021 is under implementation at present.

5. Transactions not Feasible

S. No.	Name of PSE
22.	Engineering Projects India Limited
23.	Bridge & Roof Company (India) Limited

6. Transactions being processed by respective Administrative Ministries

S. No.	Name of PSE
24.	Various Units of India Tourism Development Corporation Limited
25.	Hindustan Antibiotics Limited
26.	Bengal Chemicals & Pharmaceuticals Limited

7. Completed Transactions

S. No.	CPSE	Acquirer
27.	Hindustan Petroleum Corporation Limited (HPCL)	ONGC
28.	Rural Electrification Corporation Limited (REC)	PFC
29.	HSCC(India) Limited	NBCC
30.	National Projects construction corporation Limited (NPCC)	WAPCOS
31.	Dredging Corporation of India Limited (DCIL)	Consortium of 4 major ports
32.	THDC India Limited (THDC)	NTPC
33.	North Eastern Electric Power Corporation Limited (NEEPCO)	NTPC
34.	Kamrajar Port Limited	Chennai Port Trust
35.	Air India^^	M/s Talace Pvt. Ltd
36.	Neelachal Ispat Nigam Limited (NINL)	M/s Tata Steel Long Products Limited

^^Subsidiaries which are now with AIAHL are still to be divested
