

**GOVERNMENT OF INDIA  
FINANCE  
LOK SABHA**

UNSTARRED QUESTION NO:1079  
ANSWERED ON:30.07.2010  
DISINVESTMENT  
Singh Dr. Raghuvansh Prasad

**Will the Minister of FINANCE be pleased to state:**

- (a) since when the disinvestment policy was adopted by the Government;
- (b) the objectives of disinvestment of Government shares from the Union Government's Public Sector Undertakings (PSUs);
- (c) the amount already collected through disinvestment till now, year-wise and company-wise;
- (d) the manner in which the amount has been utilized;
- (e) whether amounts collected through the disinvestment and utilized are shown in annual Budget; and
- (f) if so, the details thereof?

**Answer**

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (S.S.PALANIMANICKAM)

(a) The current disinvestment policy of the Government was announced in the President's Address to the Joint Session of Parliament on 4th June 2009 and reiterated in the Budget Speech on 6th July 2009.

(b) The objectives of the disinvestment policy is to develop peoples' ownership' of CPSEs to share in their wealth and prosperity while ensuring that Government equity does not fall below 51% and Government retains management and control. As per this policy:

(i) Listed CPSEs that do not meet the mandatory requirement of 10% public shareholding are to be made compliant; and

(ii) Unlisted CPSEs are to list on Indian stock exchanges through public offerings out of Government's shareholding or issue of fresh shares or a combination of both.

(c) Disinvestment receipts to date :

S.No. CPSE Amount in Rs/crore

FY 2009-10

1. NHPC Ltd. 2012.85
2. Oil India Ltd. 2247.05
3. NTPC Ltd. 8480.00
4. REC Ltd. 882.52
5. NMDC 9930.42

FY 2010-11

1. SJVN Ltd. 1062.74

(d) The disinvestment proceeds are being used for funding the capital expenditure under the social sector schemes of the Government namely:-

(i) Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS)

(ii) Indira Awas Yojana (IAY)

(iii) Rajiv Gandhi Gramin Vidyutikaran Yojana (RGVY)

(iv) Jawaharlal Nehru National Urban Renewal Mission (JNNURM)

(v) Accelerated Irrigation Benefits Programme (AIBP)

(vi) Accelerated Power Development Reform Programme (APDRP).

(e)&(f) The receipts from disinvestment are shown under Non Debt Capital Receipts in the sub head "Miscellaneous Capital Receipts". The expenditure from these proceeds is currently utilized for six different schemes under the demand for grants, viz. Grant-in-aid to States (JNNURM and AIBP), Ministry of Power (RGVY, APDRP) and Department of Rural Development (IAY and MGNREGS).