

**GOVERNMENT OF INDIA  
FINANCE  
LOK SABHA**

UNSTARRED QUESTION NO:2020

ANSWERED ON:02.12.2011

DISINVESTMENT

Bhoi Shri Sanjay;Gaikwad Shri Eknath Mahadeo;Hussain Shri Syed Shahnawaz;Jaiswal Shri Gorakh Prasad ;Laguri Shri Yashbant Narayan Singh;Naik Dr. Sanjeev Ganesh;Paranjpe Shri Anand Prakash;Rajaram Shri Wakchaure Bhausaheb;Singh Shri Ravneet;Sivasami Shri C.;Yadav Shri Ranjan Prasad;Yaskhi Shri Madhu Goud

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

- (a) whether faltering disinvestment programmes lead to hold in the account in the country;
- (b) if so, the reasons therefor and remedial measures being taken in this regard;
- (c) whether the Government has formulated any scheme to achieve the target of Rs.40,000/- crore under the disinvestment programme in the current fiscal year;
- (d) if so, the details thereof including names of public sector undertakings (PSUs) selected for disinvestment, their percentage share of disinvestment alongwith the current status of the target achieved in this regard;
- (e) whether the Government has prepared a list of cash-rich PSUs which can buy back Government equity and help it meet the ambitious disinvestment target during the current fiscal; and
- (f) if so, the details of the PSUs identified under this scheme alongwith the impact of buy back on its share price?

**Answer**

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

- (a) & (b) The Government is hopeful of achieving the disinvestment target of Rs.40,000 crore for the year 2011-12.
- (c) & (d) During 2011-12 disinvestment of 5 per cent paid-up equity capital of Power Finance Corporation Limited has been completed and Government has realized Rs.1 144.55 crore. Further, Government has approved disinvestment of 5 per cent paid-up equity capital of Oil and Natural Gas Corporation Limited; 5 per cent paid-up equity capital of Bharat Heavy Electricals Limited; and 10 per cent paid-up equity capital of National Building Corporation Limited. Other cases of disinvestment at various stages of approval are Rashtriya Ispat Nigam Limited; Hindustan Aeronautics Limited; Steel Authority of India Limited; and Hindustan Copper Limited. For enhancing the list the Department of Disinvestment is in dialogue with the Administrative Departments of other CPSEs.
- (e) & (f) Proposal for enabling Department of Disinvestment to respond to the decision of a listed CPSE having surplus cash to buy-back their shares has been formulated for seeking Government approval. The buy-back decision is to be taken by the Board of Directors of the CPSE concerned, keeping in view all factors.