

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:2427

ANSWERED ON:07.12.2012

TARGET OF DISINVESTMENT

Ahir Shri Hansraj Gangaram;Bundela Shri Jeetendra Singh;Haque Shri Sk. Saidul;Jagannath Dr. M.;Pakirappa Shri S.;Reddy Shri Anantha Venkatarami;Tagore Shri Manicka;Vijayan Shri A.K.S.

Will the Minister of FINANCE be pleased to state:

- (a) the details of targets vis-À-vis achievements in disinvestment of Public Sector Undertakings (PSUs) during each of the last three years and current year till date, reasons for failure to meet targets if any and steps taken thereon, PSU-wise;
- (b) the amount realized from such disinvestment and that utilized for fighting inflation;
- (c) whether any consultation had been held with such disinvested PSUs and if so, the details thereof;
- (d) the target set for disinvestment for the current and each of the next three years and amount proposed to be raised therefrom along with purposes on which the revenue is proposed to be utilized PSU-wise; and
- (e) the steps taken or proposed to be taken for achievement of the set target and protect the interests of employees of such PSUs?

Answer

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

(a) & (b) The Budget Estimates, the Revised Estimates and the Actuals amount of disinvestment during the last three years and for the current year (till date) are as under:

(in crore)

Year	Budget	Estimates	Revised Estimates	Actuals
2009-10	1,120	25,000.00	23,552.93	
2010-11	40,000	22,144.79	22,144.22	
2011-12	40,000	13,144.55	13,894.05	
2012-13	30,000	-	931.99	

(till date)

The disinvestment in Bharat Heavy Electricals Ltd., Steel Authority of India Ltd., Rashtriya Ispat Nigam Ltd. and National Aluminium Company Ltd. could not be completed as per plan due to volatility in the capital market and as appropriate valuation was not realizable.

The above disinvestment proceeds were used for funding the capital expenditure in social sector schemes identified by Planning Commission and Department of Expenditure.

(c) As per procedure, in each case, Inter-Ministerial Consultations are held before placing the matter to the Cabinet Committee on Economic Affairs for approval of disinvestment taking into consideration the views of other departments including the Administrative Ministry concerned with the Public Sector Undertakings (PSUs). The process of disinvestment is overseen and guided by an Inter-Ministerial Group constituted in each case with representatives from various departments including the Administrative Ministry concerned and the concerned PSU.

(d) The budgetary target for the year 2012-13 is `30,000 crore. No target set for the next three years. The proceeds would be used for funding the capital expenditure in social sector schemes identified by Planning Commission and Department of Expenditure.

(e) Disinvestment proposals in some more PSUs have been taken up for Government approval for achieving the target. The interest of the employees is not affected as only minority stake is being disinvested.