

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:3356
ANSWERED ON:12.12.2014
DISINVESTMENT .
Mani Shri Jose K.

Will the Minister of FINANCE be pleased to state:

- (a) whether the Government has finalized plans to sell a part of its equity stake in Central Public Sector Enterprises (CPSEs) under its disinvestment programme for 2014-15 and if so, the details thereof, CPSE-wise;
- (b) whether the Government has fallen short of its target in disinvestment consistently in the last four years mopping up only half the targeted Rs. 1.5 lakh crores from its stake sale and if so, the details thereof; and
- (c) whether market analysts have recently commented that investor appetite for PSUs stocks is waning and if so, the details thereof?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JAYANT SINHA)

(a) Yes, Sir. As per the Action Plan of 2014-15 on Disinvestment, the following CPSEs have been approved for disinvestment:

Sl. No.	Name of CPSE	Proposed Disinvestment
i)	Steel Authority of India (SAIL)	5%
ii)	Rashtriya Ispat Nigam Ltd (RINL)	10%
iii)	Hindustan Aeronautics Ltd (HAL)	10%
iv)	Oil and Natural Gas Corporation Ltd. (ONGC)	5%
v)	Coal India Ltd. (CIL)	10%
vi)	National Hydroelectric Power Corporation (NHPC)	11.36%##
vii)	Power Finance Corporation (PFC)	5%
viii)	Rural Electrification Corporation (REC)	5%
ix)	Container Corporation of India	5%
x)	SJVNL	10%
xi)	MOIL	10%

In addition, some loss-making CPSEs may also be disinvested in 2014-15. However, they have not yet been identified.

As per the Action Plan on Disinvestment, proposed disinvestment was 10%, which has been increased to 11.36% at the Cabinet Committee on Economic Affairs approval stage.

(b) The disinvestment target and the actual receipts during the last four years is shown in the table below:

Table 1: Disinvestment Target and Actual Receipts in last four years

(in Rs. crore)

S.No.	Year	Target	Actual Receipts
1.	2010-11	40,000	22,144.21
2.	2011-12	40,000	13,894.05
3.	2012-13	30,000	23,956.81
4.	2013-14	40,000	15,819.46

(c) Stock price movements are impacted by many factors including: (i) capital flows; (ii) global and domestic economic trends; (iii) financial performance of individual companies; (iv) industry trends and competition; and (v) management and operational changes. As a result, it is difficult to identify specific causes for stock price movements.