

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF INVESTMENT
AND PUBLIC ASSET MANAGEMENT

LOK SABHA
UNSTARRED QUESTION NO. 4657
TO BE ANSWERED ON MONDAY, JULY 22, 2019
ASHADHA 31, 1941 (SAKA)

Disinvestment Target

4657. DR. T. R. SUMATHY (A) THAMIZHACHI THANGAPANDIAN:
SHRI DEEPAK BAIJ:

Will the Minister of FINANCE be pleased to state:

- (a) the details of targets and achievements made by the Government through disinvestments process during the last five years and the target set for 2019-20;
- (b) the details of methodology followed by the Government in making disinvestments in loss-making Public Sector Undertakings (PSUs) so that fair price is realized for Government stakes;
- (c) whether the Government has been successful in making disinvestment of its stakes in loss making PSUs and if so, the details thereof during the last three years; and
- (d) the names of PSUs which the Government proposes to disinvest along with the amount likely to be received therefrom and the reasons due to which the Government is contemplating to disinvest the PSUs?

ANSWER

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE
(SHRI ANURAG SINGH THAKUR)

(a): Details of the disinvestment targets and receipts during the last five years i.e. 2014-15 to 2018-19 are as follows:

(In Rs. Crore)

S. No.	Financial Year	Disinvestment Target		Proceeds from Disinvestment
		Budget Estimate	Revised Estimate	
1.	2014-15	43,425	26,353	24,349
2.	2015-16	69,500	25,313	23,997
3.	2016-17	56,500	45,500	46,247
4.	2017-18	72,500	1,00,000	1,00,057
5.	2018-19	80,000	80,000	84,972

The Budget Estimate for disinvestment during 2019-20 has been set at Rs. 1,05,000 crore.

(b) & (c): Disinvestment of the CPSEs is undertaken through an open competitive bidding process so that best price is realized for Government of India stake. During the last two years, strategic disinvestment of 5 CPSEs (HPCL, REC, NPCC, HSCC and DCIL) has been successfully completed. Profitability is not a criterion for strategic disinvestment.

(d): The Government has given 'in-principle' approval for strategic disinvestment of 23 CPSEs including subsidiaries, Units and Joint Ventures with sale of majority stake of Government of India and transfer of management control (the list is at **Annex**).

Strategic disinvestment has been guided by the basic economic principle that the Government should not be in the business to engage itself in manufacturing/producing goods and services in sectors where competitive markets have come of age, and economic potential of such entities may be better discovered in the hands of the strategic investors due to various factors, e.g. infusion of capital, technology up-gradation and efficient management practices. In addition, the Government would also be able to monetize its investment in CPSEs.

The proceeds from strategic sale will depend on various factors, including prevailing market conditions, at the time of actual sale.

Annex as referred to in reply to parts (b) to (d) of the Lok Sabha USQ No. 4657 to be answered on 22.7.2019.

CPSEs, including Subsidiaries, Units and Joint Ventures for which Government has given 'in-principle' approval for strategic disinvestment.

1. Project & Development India Ltd.
2. Hindustan Prefab Limited (HPL).
3. Engineering Project (India) Ltd.
4. Bridge and Roof Co. India Ltd.
5. Pawan Hans Ltd.
6. Hindustan Newsprint Ltd(subsidiary)
7. Scooters India Limited
8. Bharat Pumps & Compressors Ltd
9. Hindustan Fluorocarbon Ltd. (HFL) (sub.)
10. Central Electronics Ltd
11. Bharat Earth Movers Ltd. (BEML)
12. Ferro Scrap Nigam Ltd.(sub.)
13. Cement Corporation of India Ltd (CCI)
14. Nagarnar Steel Plant of NMDC
15. Alloy Steel Plant, Durgapur of SAIL
16. Salem Steel Plant of SAIL
17. Bhadrawati units of SAIL
18. Air India and its five subsidiaries and one JV.
19. HLL Life Care
20. Indian Medicine & Pharmaceuticals Corporation Ltd. (IMPCL)
21. Karnataka Antibiotics
22. Kamrajar Port
23. Indian Tourism Development Corporation (ITDC)
