

GOVERNMENT OF INDIA  
MINISTRY OF FINANCE  
DEPARTMENT OF INVESTMENT AND PUBLIC ASSET MANAGEMENT  
**RAJYA SABHA**  
**UNSTARRED QUESTION NO. 557**  
TUESDAY, FEBRUARY 7, 2023  
18 MAGHA, 1944 (SAKA)

Disinvestment by Government

557. **Shri Vivek K. Tankha:**

Will the Minister of FINANCE be pleased to state:

- (a) the disinvestment targets and actual disinvestment achieved by Government during the last four financial years including 2022-23;
- (b) whether Government has been able to achieve its disinvestment targets during this time period;
- (c) if not, the reasons therefor;
- (d) the disinvestment target for 2023-24 and which PSUs shall be divested to achieve it; and
- (e) the total dividend earnings for Government from all PSUs for the same time period

**ANSWER**

**THE MINISTER OF STATE IN THE MINISTRY OF FINANCE**  
**(DR. BHAGWAT KISHANRAO KARAD)**

**(a)** : The disinvestment targets (Revised Estimates) and actual disinvestment receipts during the last four financial years including 2022-23 are as follows:

<b>Year</b>	<b>Target (Revised Estimates)</b> (Rs. crore)	<b>Actual receipts</b> (Rs. crore)
2019-20	65,000	50,300
2020-21	32,000	32,886
2021-22	78,000	13,534
2022-23	50,000	31,107*

as on 01.02.2023

**(b) and (c):** Disinvestment process depends on several factors such as constantly changing market conditions and geo-political economic developments, investors' perceptions and interest about CPSE stocks and available opportunities for disinvestment. During the last few years, there have been serious uncertainties in economic and market environment owing to Covid pandemic, global economic turmoil and geo-political tensions which adversely affected the disinvestment process, completion of ongoing transactions and launching of new transactions. All these factors contributed to disinvestment receipts falling short of the target, especially since 2019-20.

**(d):** The Budget Estimates for disinvestment receipts in FY 2023 -24 has been kept at Rs.51, 000 crore.

Disinvestment is an ongoing process, and timing and completion of transactions are contingent upon economic outlook, sectoral trends, market conditions, investor interest and administrative feasibility.

Government carries out disinvestment of CPSEs through Minority Stake Sale and Strategic Disinvestment. Strategic Disinvestment/sale implies entire or substantial sale of Government shareholding of PSEs, along with transfer of management control. The Government, since 2016, has given 'in-principle' approval for strategic disinvestment of 36 cases of PSEs and/or Subsidiaries/ Units/ Joint Ventures of PSEs/ Bank. Out of the 36 cases, 33 cases are being handled by DIPAM and 3 cases are being handled by the respective Administrative Ministry/Department. Out of the 33 cases being handled by DIPAM, strategic disinvestment transactions have been completed in 10 cases; 5 PSEs are under consideration for closure; 1 case held up due to litigation, 1 case is under Corporate Insolvency Resolution Process (CIRP) in NCLT and 2 transactions found not feasible. Remaining 14 transactions are at various stages.

In other PSEs, where the Government continues to retain control, disinvestment through minority stake sale is carried out through various SEBI-approved methods such as Initial Public Offer (IPO), Offer for Sale (OFS), Buyback of shares etc. from time to time based on prevailing market conditions and investor interest.

(e) : Dividend earnings from CPSEs during the last four financial years including 2022-23 are as follows:

<b>Year</b>	<b>Dividend receipts (Rs. crore)</b>
2019-20	35,543
2020-21	39,750
2021-22	59,294
2022-23	36,851*

\* as on 01.02.2023

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