

GOVERNMENT OF INDIA  
MINISTRY OF FINANCE  
DEPARTMENT OF INVESTMENT AND PUBLIC ASSET MANAGEMENT  
**RAJYA SABHA**  
**UNSTARRED QUESTION NO. 3427**  
TUESDAY, APRIL 1, 2025  
11 CHAITRA, 1947 (SAKA)

Disinvestment target fixed by Government

**3427. Shri Babubhai Jesangbhai Desai:**

Will the Minister of Finance be pleased to state:

- (a) the disinvestment target fixed by Government for the next five years, the details thereof;
- (b) whether Government has identified Public Sector Undertakings (PSUs) for disinvestment, if so, the details thereof?
- (c) whether Government intends to expedite disinvestment process and the steps taken by Government to bring more transparency in disinvestment process; and
- (d) the action taken by Government to attract more investors to take part in disinvestment process?

**ANSWER**

**THE MINISTER OF STATE IN THE MINISTRY OF FINANCE**  
**(SHRI PANKAJ CHAUDHARY)**

- (a) :** Fixing separate disinvestment target/estimate has been discontinued since the Revised Estimate (RE) of FY 2023-24. During FY 2024-25, there is no separate estimate/target for disinvestment receipts. An amount of Rs 50,000 crore was kept under “Miscellaneous Capital Receipts” (MCR) at Budget Estimate (BE) stage of FY2024-25 which was revised to Rs 33,000 crore at RE stage. “Miscellaneous Capital Receipts” include estimated receipts on account of management of equity investments and public assets through various mechanisms. Budget Estimate for Miscellaneous Capital Receipts for FY 2025-26 has been kept at Rs 47,000 crore.

**(b):** Government carries out disinvestment through (i) Minority Stake Sale and (ii) Strategic Disinvestment of CPSEs. Minority stake sale in CPSEs without transfer of management control is implemented through various SEBI-approved methods such as Initial Public Offer (IPO), Offer for Sale (OFS), Buyback of shares etc., in order to unlock the value, promote public ownership, meet the minimum public shareholding norms of SEBI and for ensuring higher degree of accountability. Strategic Disinvestment implies entire or substantial sale of Government shareholding of a CPSE along with transfer of management control. Details of Strategic Disinvestment transactions are given at Annexure. Transactions with regard to minority stake sale in CPSEs are carried out from time to time based on market conditions, investor's interest and economic outlook.

**(c) & (d):** Transparency and accountability lie at the core of disinvestment process followed by the Government for both strategic disinvestment and minority stake sale transactions. All strategic disinvestment transactions are carried out through a multilayered decision-making mechanism following an open, transparent and competitive bidding process.

The Government appoints a Transaction Adviser (TA) for each strategic disinvestment transaction and Merchant Bankers and Selling Brokers (MBSBs) for Minority Stake Sale. TA/MBSBs design the contours and plan the transaction along with advising the possible structuring of the transaction to optimize the value and elicit good response from buyers/investors. Investors' road shows, in India and/or abroad, are conducted to understand the concerns of the bidders/buyers and also to find out the extent of interest of the Investors.

Since 2014-15, an amount of about Rs 4,37,442 crore (as on 25.03.2025) has been realized as disinvestment proceeds using various modes/instruments. This includes Rs 3,30,049 crore realized from minority stake sale, and Rs 69,412 crore realized from strategic disinvestment transactions in 11 CPSEs (Air India, NINL and FSNL have been privatized and in remaining 8 CPSEs strategic disinvestment was in CPSE-to-CPSE space). Amount received from strategic disinvestment (Rs 69,412 crore) does not include Rs 12,100 crore and Rs 320 crore received respectively as Enterprise Value for NINL and FSNL (Subsidiary) as GoI didn't have any direct equity in these companies. Other transactions yielded Rs 37,981 crore.

Government has actively pursued the policy of listing of unlisted CPSEs with a view to promote people's ownership in the companies, unlock the true value of CPSE stocks, and to infuse transparency and accountability in their functioning. Since 2014-15, 18 CPSEs (including LIC) have been listed which yielded Rs 51,225 crore. An additional market capitalization of Rs 7.31 lakh crore (Market-capitalization calculated based on listing price) was achieved through the new listings. After listing, further disinvestment by OFS mechanism in various CPSEs yielded Rs 1,34,771 crore. This apart, Rs 45,104 crore was received from buyback of shares by CPSEs (45 transactions) and Rs 98,949 crore was realised from equity dilution through the CPSE ETF and Bharat 22 ETF during this period.

Currently, as a part of holistic Public Asset Management strategy, the Government has focussed on a calibrated disinvestment approach through listing/IPO of companies and gradual dilution of minority stake through stock market, consistent with interest of minority shareholders. This calibrated approach has enabled CPSEs to improve their efficiency and growth and become important players in the capital market. The calibrated disinvestment approach also ensures that transactions whenever carried out remain aligned to overall market direction. This has led to enhanced value of the CPSEs leading to increasing returns to shareholders.

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## **Annexure**

Annexure to the Rajya Sabha Unstarred Q.No. 3427 raised by Shri Babubhai Jesangbhai Desai, Hon'ble M.P regarding "Disinvestment target fixed by Government"

### **Status of Strategic Disinvestment Transactions**

#### **A. Ongoing Transactions being processed by DIPAM where EoI has been issued**

<b>S. No.</b>	<b>Name of PSE</b>
1.	BEML Limited
2.	The Shipping Corporation of India Limited
3.	HLL Lifecare Limited
4.	Project & Development India Limited
5.	Indian Medicines Pharmaceuticals Corporation Limited
6.	NMDC Steel Limited (NSL)
7.	IDBI Bank.

#### **B. Transactions being processed by respective Administrative Ministries**

<b>S.No.</b>	<b>Name of PSE</b>
1	Various Units of India Tourism Development Corporation Limited
2	Hindustan Antibiotics Limited
3	Bengal Chemicals & Pharmaceuticals Limited

### **C. Transactions Completed**

<b>S.No.</b>	<b>Name of CPSE</b>
1	Hindustan Petroleum Corporation Limited (HPCL)
2	Rural Electrification Corporation Limited (REC)
3	HSCC(India) Limited
4	National Projects Construction Corporation Limited (NPCC)
5	Dredging Corporation of India Limited (DCIL)
6	THDC India Limited (THDC)
7	North Eastern Electric Power Corporation Limited (NEEPCO)
8	Kamrajar Port Limited
9	Air India ^^
10	Neelachal Ispat Nigam Limited (NINL)
11	Ferro Scrap Nigam Limited (subsidiary)

^^ Subsidiaries which are now with AIAHL are still to be divested

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