

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

LOK SABHA
UNSTARRED QUESTION NO. †2445
TO BE ANSWERED ON FRIDAY, MARCH 9, 2018
PHALGUNA 18, 1939 (SAKA)

Disinvestment Policy

†2445. PROF. RAVINDRA VISHWANATH GAIKWAD:

Will the Minister of FINANCE be pleased to state:

- (a) whether the Government has prepared any disinvestment policy;
- (b) if so, the details thereof; and
- (c) the action plan prepared by the Government for listing of the Public Sector Undertakings and fixing accountability?

ANSWER

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE
(SHRI PON. RADHAKRISHNAN)

(a) & (b): The extant disinvestment policy, *inter alia*, envisages:

- (i) Listing of profitable CPSEs on stock exchanges to unlock the value of the company, improve efficiency and promote 'people's ownership' by encouraging public participation in CPSEs;
- (ii) Disinvestment through 'minority stake sale' in listed CPSEs to achieve minimum public shareholding norms of 25 per cent. While pursuing divestment through 'minority stake sale', the Government will retain majority shareholding, i.e. at least 51% and management control of the Public Sector Undertakings;
- (iii) Strategic disinvestment by way of sale of substantial portion of Government shareholding in identified CPSEs upto 50 per cent or more, along with transfer of management control.

(c): As per the disinvestment policy, the Government has approved listing of 14 CPSEs in sectors like railways, defence, power, steel, renewable energy & insurance. The Government has also put in place a mechanism/procedure alongwith indicative timelines for listing of CPSEs on 17.02.2017 which are followed by Administrative Ministries/Departments.
