

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

LOK SABHA
UNSTARRED QUESTION NO. 3914
TO BE ANSWERED ON FRIDAY, JANUARY 4, 2019
PAUSHA 14, 1940 (SAKA)

Sale of PSUs

3914. DR. A. SAMPATH :

Will the Minister of FINANCE be pleased to state :

- a) whether the Government proposes to sell successfully running public sector infrastructure projects such as power and steel plants, to power companies;
- b) if so, the details thereof;
- c) whether the Government has held any detailed consultations regarding this proposal with all Central Public Sector Enterprises (CPSEs); and
- d) if so, the details thereof and the response of those CPSEs thereon?

ANSWER

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

a) The present disinvestment policy, inter-alia, envisages:

- (i) Disinvestment through minority stake sale in listed CPSEs to achieve minimum public shareholding norms of 25 %. While pursuing disinvestment of CPSEs, the Government will retain majority shareholding, i.e. at least 51% and management control of the Public Sector Undertakings.
- (ii) Listing of CPSEs to facilitate people's ownership and improve the efficiency of companies through accountability to its stake holders.
- (iii) Strategic Disinvestment by way of sale of substantial portion of Government shareholding in identified CPSEs up to 50 per cent or more, along with transfer of management control.
- (iv) Efficient management of Government's investment in CPSEs by adopting a comprehensive approach for addressing inter-linked issues such as leveraging of assets to attract fresh investment, capital restructuring, financial restructuring, etc.

b) Recently, CCEA has given 'in principle' approval for selling Gol stake in REC to PFC. Also, the Government has 'in principle' decided to undertake Strategic Disinvestment of certain Steel units of Steel Authority of India (SAIL) and National Mineral Development Corporation (NMDC).

- c) No Sir
- d) Does not arise
