

GOVERNMENT OF INDIA  
MINISTRY OF FINANCE  
DEPARTMENT OF INVESTMENT AND PUBLIC ASSET MANAGEMENT  
**LOK SABHA**  
**UNSTARRED QUESTION NO. 2614**  
TO BE ANSWERED ON MONDAY, MARCH 09, 2026/PHALGUNA 18, 1947 (SAKA)

**Disinvestment Plan for Public Sector Enterprises**

**2614. SHRI SANJAY UTTAMRAO DESHMUKH**  
**SHRI ANIL YESHWANT DESAI**

Will the Minister of Finance:

- (a) The details of the Government's disinvestment plan for the current financial year:
- (b) The reasons for selling Government equity in Public Sector Enterprises and inviting private entities to participate in these business operations:
- (c) The assessment of the Government regarding the success of the undertaking handed over to private parties during the last ten years:
- (d) Whether sufficient funds are available for the said purpose: and
- (e) If so, the details there of?

**ANSWER**

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

**(a) to (b):** Government carries out disinvestment in Public Sector Enterprises (PSEs) through (i) Minority Stake Sale through various SEBI-approved methods such as Initial Public Offer (IPO), Offer for Sale (OFS), Buyback of shares etc and (ii) Strategic Disinvestment i.e. entire or substantial sale of Government shareholding to a strategic buyer along with transfer of management control.

While minority stake sale increases public float of CPSEs and enable citizens /investors to benefit from the value created by these companies through the stock exchanges, strategic disinvestment/privatization is based on the economic principle that Government should discontinue in sectors, where competitive markets have come of age and economic potential of such entities may be better discovered in the hands of strategic investor due to various factors such as infusion of capital, technological upgradation and efficient management practices.

Disinvestment is an ongoing process, and execution/completion of specific transactions hinges upon market conditions, domestic and global economic outlook, geopolitical factors, investor interest and administrative feasibility. Given the market-sensitive nature of disinvestment transactions, drawing up timelines for disinvestment are not feasible.

**(c) to (e):** The following CPSEs have been privatized in the last ten years through transparent, open and competitive bidding process:

<b>S. No</b>	<b>Financial Year</b>	<b>Name of the CPSE /Entity</b>	<b>Name of Acquirer</b>
1	2021-22	Air India and its subsidiary AIXL and AISATS(JV)	M/s Talace Pvt. Ltd.
2	2022-23	Neelachal Ispat Nigam Limited (NINL)	TATA Steel Long Products Ltd.
3	2024-25	Ferro Scrap Nigam Limited (FSNL), a subsidiary of MSTC Ltd.	M/s. Konoike Transport Co. Ltd

The Department has not made any formal assessment of operational, technological and managerial efficacies of these privatized CPSEs. However, the Economic Survey, 2019-20 analyzed the gains of privatization in case of 11 CPSEs that had undergone strategic disinvestment from 1999-2000 to 2003-04. The analysis shows that these privatized CPSEs on an average, perform better post privatization than their peers in terms of their net worth, net profit, return on assets, return on equity, gross revenue, net profit margin, sales growth and gross profit per employee.

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