

# Govt to achieve ₹80,000 cr disinvestment target: Garg

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Economic affairs secretary S.C. Garg shares his views on import curbs, the government's divestment target and the possibility of US sanctions if India continues importing Iranian crude to address rising fuel prices. Edited excerpts:



**S.C. Garg, economic affairs secretary**

What do you think of the oil prices?

I just attended the meeting of the International Monetary Fund (IMF). There also we underlined the oil risk, which is important, and the developments coming now. To some extent the uncertainty related to Iran oil is also getting out of the way. Most contracts of November have happened now.

You saw the results of both these actions reflected in the declining crude oil prices. I think this will be the case, going forward, and we don't have any reversal, going forward. So this should be good for us. It affects us quite substantially.

There is optimism as far as the crude forecast is concerned, and how it could impact India. But, there is a meeting today that the Prime Minister is holding on building on domestic crude production, and the Iranian sanctions. Where do things stand on negotiations with the US president, and what is our position on both defence deals with Russia, as well as the issue with Iran on crude? Where does the payment mechanism issue stand, as well as our negotiation with Iran?

The petroleum minister had clarified that we will continue to have Iranian oil to some extent and the contracts have been done for November. So, I would go by what the minister has said.

We will work out whatever is the appropriate arrangement to put that into effect. In the past six months, there has been a change in what we have been buying from Iran. It may not be the same, but that does not matter.

So, those things are taken into account in the aggregate purchase of oil, which the petroleum ministry is taking. More importantly, is that we have tied up for our needs for November. Next month we will take care of what we need in December.

I want to talk to you about the possibility of these NRI bonds. The speculations in the market is that because the Reserve Bank of India (RBI) governor is not with you in Bali, is the government seriously considering the possibility of moving ahead with this. It could be exercised in a day, in a month or not at all. What could be the precipitating factor to exercise that option?

This option has always been on the table. I have also clarified from time to time, it does not take long to put it into effect.

So, as and when it is needed to be put on to the table, it can surely be done, but when exactly it is going to be done is not something we can discuss now.

It depends on the kind of situation, kind of reserves, kind of movements of the rupee, etc., and, therefore, this is not exactly the time when one can say that this would be done at any specific point in time. This remains an option that can be exercised.

I understand that it remains an option. But what could be the precipitating factor or factors that could push the government and the RBI to move ahead with this? Also, has there been a discussion on the terms of the quantum, etc., have those decisions been taken?

Any plan on moving ahead with strategic disinvestment? The reason I ask you this is because some government officials are telling us that this is the time to press ahead and push the accelerator on big-ticket decisions. There are many candidates that have already got cabinet approvals, so you don't need to go back to the cabinet. Are we likely to see any movement at all on a strategic disinvestment?

That again, as a policy, we need to identify the right candidate and the right time to come up with this. That is what the disinvestment department will be considering at an appropriate time.

I want to ask you about the latest that we have seen on the import curbs. One view is that perhaps a more measured approach was being taken by on import curb—we saw three additional notifications. But there was also a view that things such as minerals and coal, there has been a significant jump year-on-year on imports, and that is a cause for concern. Is that something that you share? Do you believe that in the next instalment, those could be the items that could be looked at?

The policy was enunciated by the finance minister very clearly. It is broadly the category of non-essential items and consumption items that are the point of attention. Not anything which is capital goods .

Given the fact that we are negotiating with the US on Iranian crude, if the US puts sanctions on account of that, can we expect retaliatory tariffs from India on 2 November?

I think this question will be better answered by the ministry of commerce and finance secretary.