

Govt raises ₹20,000cr via disinvestment, asset sale

25% Of Full-Year Target, To Partially Offset Subsidy Bill

TIMES NEWS NETWORK

New Delhi: Over two months into the financial year, the Centre has raked in around Rs 20,000 crore from disinvestment and asset sales, pushing ahead with its strategy to raise resources through non-tax revenue route in face of the mounting subsidy bill due to the West Asia conflict. The funds raised so far are around 25% of the full-year target.

Already, the fertiliser ministry has sought doubling of subsidy in the current fiscal, budgeted at Rs 1.7 lakh crore,

OFFER FOR SALE

➤ ₹12,166cr raised through disinvestment, ₹6,367cr by way of asset monetisation

➤ Govt offer to **divest up to 3% in NLC India**, which saw issue subscribed 5.2x on Tuesday, **expected to mop up ₹1,260cr**

➤ Govt relying on offer-for-sale to raise money from Central Bank, Coal India and NHPC

➤ Apart from **IDBI Bank stake sale**, where process is still unclear, **not much headway** in other **strategic sale plans**

with govt also urging domestic players to step up fertiliser manufacturing amid rising prices. There is additional uncertainty over ship availability and several fertiliser suppliers opting out of the market.

ATF prices up by 10% under new scheme

Flying is set to get more expensive, with oil marketing companies Tuesday increasing aviation turbine fuel (ATF) prices by 10% under the new price-stabilisation regime. ATF prices will remain frozen at this level for three years under the new regime. Jet fuel for domestic carriers will now cost Rs 115 per litre, up from Rs 105 per litre. **P 10**

Besides, Centre has given support of over Rs 1.2 lakh crore to the oil sector, including excise cuts, to cushion the impact of the high crude prices.

► **'Spending plans', P 25**

No need to review spending plans: Official

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Oil companies have increased prices, and further hikes, in tranches, are likely. The Centre will also have to provide subsidy for cooking gas cylinders as oil companies are incurring losses of around Rs 700 crore a day currently.

While spending cuts or realignments are not planned at the moment, a senior official on Tuesday ruled out seeking parliamentary nod for additional expenditure during the monsoon session. A clearer picture on the revenue and expenditure front will emerge around mid-July when the first quarter trends are available. "There is no need to review our spending plans at the moment as we had factored in global uncertainty when the budget was presented," said an official.

But the disruptions caused since the West Asia conflict began has prodded the finance ministry towards more fund raising through disinvestment and asset monetisation. Officials said finance minister Nirmala Sitharaman is reviewing the situation and the department of investment and public asset monetisation (Dipam) and the department of public enterprises have a pipeline not just for the full year but also for the medium term.

So far this year, Rs 12,166 crore has been raised through disinvestment and another Rs 6,367 crore has come by way of asset monetisation. So far, Dipam has relied on offer-for-sale to raise money from Central Bank of India, Coal India and NHPC. Govt's offer to divest up to 3% stake in NLC India, which saw the issue being subscribed 5.2 times on the opening day on Tuesday, is expected to mop up another Rs 1,260 crore. Apart from IDBI Bank stake sale, where the process is still unclear, most other strategic sale plans have not made much headway.