

India's asset sales near a quarter of ₹80,000-cr target

Dhirendra Kumar

dhirendra.kumar@livemint.com

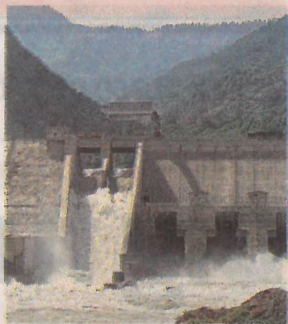
NEW DELHI

India's asset sale campaign got off to a strong start, with the government realizing nearly a quarter of its ₹80,000-crore target for the ongoing financial year (FY27), two people aware of the matter said.

The government has raised ₹6,366.93 crore through land monetization via Infrastructure Investment Trusts (InvITs), while stake sales in Central Bank of India and Coal India fetched another ₹7,808.49 crore, the first of the two persons mentioned earlier said, citing the disinvestment receipts. Further, the Centre is estimated to have raised about ₹4,279 crore by selling a 6% stake in NHPC through the offer-for-sale (OFS) route, including the green shoe option to meet excess demand, the second person said. These asset sales add up to ₹18,454.42 crore, accounting for over 23% of disinvestment and asset monetization target for FY27.

The resource mobilization assumes significance at a time when India's fiscal deficit nearly doubled from year-ago to ₹3.62 trillion, driven by a sharp fall in revenue receipts and a jump in expenditure in the first month of this fiscal.

The April fiscal deficit—which reflects the gap between expenditure and revenue financed through borrowing—reached 21.4% of the ₹16.96 tril-



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Queries sent to the Department of Investment and Public Asset Management secretary, finance ministry, Central Bank of India, Coal India and NHPC remained unanswered.

Experts said the groundwork for divestments had largely been completed in FY25 and FY26. But, the government did not accelerate stake sales earlier as strong revenue collections helped it meet fiscal deficit targets.

"FY27 is a challenge for the government as the subsidy bill and pump-priming support requirements have increased owing to the Middle East conflict-related adverse impacts on crude oil prices, fertiliser prices and exports," said Ranen Banerjee, partner and leader, economic advisory, PwC India.

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