

No going back on strategic sale of PSUs, ministries told

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New Delhi: The Centre has ruled out diluting the list of public sector enterprises lined up for strategic sale amid repeated demands from heavy industries, fertiliser and housing ministries for a review.

Over the last few months, govt has engaged in an extensive exercise reviewing the list of public sector companies that have been identified for privatisation, listing and closure, with the PM's Office involved in the process. While individual ministries have managed to get several of the PSUs that were originally on the sell-off list — such as BPCL and Shipping Corp — out of the govt's scheme, multiple officials told **TOI** that there is little possibility of further dilution.

On Way To Meet Target

➤ Some ministries have managed to get several of the PSUs that were originally on the sell-off list — such as BPCL and Shipping Corp — out of govt's scheme



➤ Govt has already raised upwards of ₹60,000 crore from disinvestment

➤ With IDBI Bank sale and other small stake sales lined up, it is on course to beat the ₹80,000 crore target

Officials acknowledged that several govt departments had started turning inter-ministerial meetings into a forum for seeking a review, with some of them repeatedly approaching Niti Aayog and other agencies suggesting a review.

The message from top is, however, clear that all ministries have to work together in achieving the goal of strategic sale, especially at a time when govt is keen to maximise revenue and also send a message that it is serious about the exercise.

Despite govt's commitment to disinvestment, over the years, the process had become haphazard with no centralised list even in place. Over the years, the companies that were being pursued for privatisation were also lost on the way, be it BEML or Shipping Corp.

Even now, just one entity — IDBI Bank — is sought to be privatised with all eyes on the Prem Vatsa-owned Fairfax and Emirates NBD being the two bidders in the fray. While both have investments in In-

dian banks, Catholic Syrian Bank and RBL, respectively, they are keen on being part of the exercise. For either, RBI will have to step in and provide some exemption to facilitate running two banking entities in the country.

Officials indicated that given the current emphasis on offer-for-sale and initial public offers, strategic sale cases will be identified once the IDBI Bank deal closes.

With govt in the third year of its current term, it will have to move quickly so that more transactions can be pursued. The Centre has already raised upwards of Rs 60,000 crore from disinvestment and with IDBI Bank sale, if it materialises this time, and other small stake sales lined up, it is on course to beat the Rs 80,000 crore target.