

Govt plans to list 10 PSUs this fiscal year

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The Centre plans to list around 10 state-owned companies on the bourses this fiscal year, to be able to meet the disinvestment target of ₹1.05 trillion, Atanu Chakraborty, secretary to the Department of Investment and Public Asset Management (Dipam), said on Friday. He did not name the PSUs.

THDC India Ltd, Railtel, Mazagon Dock Shipbuilders, Goa Shipyard, Hindustan Shipyard, Neepeco Ltd, TCIL Ltd, Water & Power Consultancy Services, and FCI Aravali Gypsum are among the PSUs likely to be listed.

Chakraborty was speaking at an event organised by the Confederation of Indian Industry (CII).

At the same event, Finance Secretary Subhash Garg said the government had been transparent in showing the expected off-budget financing for the year in the Budget documents. Taking that into account, the fiscal deficit could touch 3.55 per cent of gross domestic product, as against the budgeted target of 3.3 per cent.

"The number of listed companies in the CPSE space is 59, and we are going to add 10 this year," Chakraborty said. These companies will be listed through initial public offerings, and work on hiring transaction advisors has been going on for a number of them.

Chakraborty was responding to a query from CII members on the disinvestment-related announcements by Finance Minister Nirmala Sitharaman in the Budget.

"Taking banks and non-banks together, there are 16 companies which are still above the existing 25 per cent minimum public shareholding limit. About nine of them got incorporated (listed) over the past two and a half years, and they get time up to August 2020. Four are undergoing bankruptcy proceedings and hence will be delisted," he said.

Chakraborty admitted that in the last five years, the Centre had not been able to privatise any PSU under strategic disinvestment, but was now hopeful of pushing forward some proposals in the current fiscal year.



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In her Budget speech, Nirmala Sitharaman (pictured) had said that the time is right to consider increasing minimum public shareholding in the listed companies. "I have asked Sebi to consider raising the current threshold of 25 per cent to 35 per cent".

Finance Secretary Garg, at the event on Friday, said the market regulator would hold stakeholder consultations to assess the arguments in favour and against the move, and decide what kind of regime would be appropriate for India to move beyond 25 per cent.

"The off-Budget borrowing this year will amount to



about 0.25 per cent of the GDP. So in a way, the fiscal deficit is about 3.55 per cent," Garg said, when asked why the Centre could not go for a fiscal relaxation to boost the economy.

The Budget documents show off-budget liabilities at ₹57,000 crore.