

# Cabinet May Soon Consider Big Bang Privatisation Policy

Discussions on with stakeholders, final decision to be taken at the highest level

Deepshikha.Sikarwar  
@timesgroup.com

**New Delhi:** The Union cabinet is likely to soon consider a policy to start big-bang privatisation of public sector enterprises, with the government making a complete exit from non-strategic sectors and limiting its presence in strategic areas, officials said.

The Department of Investment and Public Asset Management (Dipam) is expected to shortly finalise a draft that will designate various sectors as strategic or non-strategic, they told ET.

Banking, petroleum, atomic energy, defence, space, and ports are likely to be part of the strategic list.

The government has said there

## Going Private

Proposal likely before next cabinet

Discussions on with stakeholder ministries

Only four PSUs in strategic sectors

NDA govt had earlier asked Niti Aayog to prepare a list of PSUs for strategic sale

PMO TO TAKE A FINAL CALL

Finance minister Nirmala Sitharaman had announced the proposed policy as part of the Atmanirbhar Bharat package



will be no more than four state run companies in strategic sectors.

"Proposal is expected to be finalised before the next cabinet meeting," said one of the officials.

The policy is being finetuned following discussions with stakeholder ministries and departments, but a final call would be taken on the strategic sectors at the highest level, the official said. "Discussions are on," another official said.

Finance minister Nirmala Sitharaman had announced the proposed policy as part of the Atmanirbhar Bharat package, making a significant policy shift in respect of state-run entities.

The Narendra Modi government had earlier asked Niti Aayog to prepare a list of public sector units for strategic sale.

However, the proposed new policy is seen as a departure from

the past, with the focus shifting to privatisation.

"There is a big privatisation push," economic affairs secretary Tarun Bajaj had told ET in an interview recently. "The new PSE policy announced as part of the package was very significant in this direction." He said the government is committed to implementing this policy.

Announcing the policy, Sitharaman had said, "We need a coherent policy because sometimes you open up some sectors in piecemeal. Now we shall define the areas...where their presence will be impactfully felt."

She had said that in strategic sectors, at least one enterprise will remain in the public sector; but private sector will also be allowed. In the non-strategic sectors, PSEs will be privatised, timing for which will be based on feasibility.

To minimise wasteful administrative costs, the number of enterprises in strategic sectors will ordinarily be only one to four; others will be privatised or merged or brought under holding companies.