

Govt on track for strategic sale of PSUs: Dipam Secretary

Divestment plan came to a grinding halt in first 3 months of this fiscal due to Covid

OUR BUREAU

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The Finance Ministry plans to focus on strategic sales to meet the disinvestment target, said Tuhin Kanta Pandey, Secretary, Department of Investment and Public Asset Management (DIPAM).

The disinvestment target for the current fiscal is ₹2.10 lakh-crore, which includes ₹1.20 lakh-crore from stake sale/strategic sale of Central Public Sector Undertakings (CPSUs) and ₹90 lakh-crore through stake sale in Public Sector Banks and Financial Institutions.

Due to the pandemic, the disinvestment programme

has come to a grinding halt in the first three months of the current fiscal.

"Many of our strategic transactions are going on and moving forward. There was some disruption due to Covid-19 and extensions were given in terms of EoI (Expression of Interest), but the government has clarified that we are very much on the same track of aggressively pursuing strategic disinvestment," Pandey said on Friday.

Bids invited

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Tuhin Kanta Pandey, Secretary, Dipam

leum Corporation Ltd (BPCL). However, their bid deadlines have been extended amid the Covid-19 pandemic. The process for stake sale through IPO (Initial Public Offer) in Life Insurance Corporation of India (LIC) has also kicked off. Also, there are sale proposals in other listed PSUs.

"Of course, there will be OFS

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(offer for sale), buybacks but it will be more focused on strategic disinvestment," he reiterated.

The strategic sales being pursued right now include Air India, BPCL, BEML, Scooters India, Bharat Pumps Compressors, and some units of steel major SAIL, among others.

For BPCL, in which the government is selling 52.98 per cent stake, the deadline for EOI has been extended till July 31. For 100 per cent stake sale

in Air India, the deadline for bid submission is now August 31.

The government had in May announced that a maximum of four public sector companies will be present in strategic sectors, while state-owned firms in other segments will be privatised.

This is part of a new coherent Public Sector Enterprises Policy to be formulated to push reforms in Central Public Sector Enterprises (CPSEs). Under the policy, a list of strategic sectors will be notified where there will be at least one, and a maximum of four, public sector enterprises, apart from private sector companies.

In other sectors, CPSEs will be privatised depending upon the feasibility.