

In view of the severity of the global economic crisis, India has taken both monetary and fiscal measures to restore the growth momentum. The monetary and credit measures taken by the Reserve Bank of India relate to provision of adequate liquidity and credit delivery, progressive reduction in the signalling Repo rate under the liquidity adjustment facility (LAF), reduction in cash reserve and statutory liquidity ratios (CRR and SLR) for banks. These measures have been supplemented with sector specific credit measures for exports, housing, micro and small enterprises and infrastructure.

Further, to counter the negative fallout of the global slowdown, the Government responded by providing a substantial fiscal expansion in the form of tax relief to boost demand and increased expenditure on public projects to create employment and public assets.

The effect of global economic recession has been minimal on the Indian economy *vis-a-vis* most other countries. An unimpaired financial system, large domestic market and fiscal and monetary stimulus packages have been responsible for the resilience exhibited by the economy against the adverse impact of global economic slowdown.

Disinvestment of PSUs

2622. SHRI JESUDASU SEELAM: Will the Minister of FINANCE be pleased state:

(a) whether Government is planning to list at least five public sector undertakings (PSUs) in the stock markets after a similar effort last year had to be shelved at the last moment when the stock markets tanked following the global financial meltdown;

(b) if so, whether Government had earlier given a go ahead to a dozen odd PSUs to go public and all of them had initiated steps to disinvest; and

(c) if so, whether Government has also pointed out that it would adhere to FRBM Act after next financial year, as they need enhanced expenditure?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) In the year 2007-08, NHPC Limited, Oil India Limited and RITES Limited had proposed to make public offerings of equity. The Government decided to disinvest a small portion of equity out of its shareholding in these companies in conjunction with their public offerings.

The public offerings of NHPC Limited and Oil India Limited are likely to be completed in the current financial year. The public offering of RITES Limited has been deferred for the present by the company due to change in capital requirements of the company. After the public offerings NHPC Limited and Oil India Limited would get listed on the stock exchanges.

(b) All cases of disinvestment are decided on a case by case basis.

(c) As per the Medium Term Fiscal Policy Statement presented in the Parliament along with the Union Budget 2009-10 on 6th July, 2009 the Government has given a fiscal roadmap wherein it has been indicated that the fiscal deficit in 2010-11 and 2011-12 will be brought down to 5.5 per cent and 4 per cent of GDP respectively.