

growth potential of the economy, policies of the government, corporate performance, domestic and international events that have a bearing on the markets and sentiments.

As regards ability of PSUs to attract foreign investment in comparison to private sector, it may be noted that the number of listed CPSEs on the Stock Exchanges is relatively small in comparison to more than 5000 listed private sector companies.

Foreign investors' participation has been encouraging in the recently concluded Offer for Sale (OFS) transactions of NMDC Ltd., Oil India Ltd. and NTPC Ltd. In OFS mechanism, all categories of investors are eligible to participate. The shares are allocated on price priority basis. The investors who quote higher price are allocated the shares.

(c) As reported by SEBI, FII's made net investment of Rs.15,007 crore, i.e., USD 2.86 billion equivalent in the equity segment during January 01, 2012 to December 31, 2012 in the BSE PSU Index comprised of 60 PSU companies.

#### **Path of fiscal correction**

832. SHRI M. VENKAIAH NAIDU: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that the Minister has suggested that some bitter medicine is needed to put the economy back on the path of fiscal correction and also address the other issues to spur investment and to remove bottlenecks for infrastructure spending;

(b) whether it is also a fact that current account deficit has widened to record high of 5.4 per cent of GDP; and;

(c) whether it is also a fact that balance of payments is in deficit of \$158 million for the last quarter against surplus of \$ 521 million in the previous quarter?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI NAMO NARAIN MEENA): (a) The Finance Minister has highlighted the criticality of current fiscal and economic situation and the need for various reforms measures towards fiscal consolidation and economic growth.

(b) Year/Quarter	Current Account Deficit as per cent of GDP
2011-12	4.2
2012-13	
Q1 (April-June)	3.9
Q2 (July-September)	5.4
H1 (April-September)	4.6

(c)		2012-13	
Sl. No.	Item	Q1 (April-June)	Q2 (July-September)
1	Trade Balance	-42333	-48339
2	Net Invisibles	25758	25941
3	Current Account Balance (1+2)	-16575	-22398
4	Capital Account Balance	16125	23864
5	Errors & Omissions	971	-1624
6	Overall Balance (3+4+5)	521	-158

#### Withdrawal of foreign investors from infrastructure sector

833. SHRI D.P. TRIPATHI: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that due to mishandling of infrastructure sector by Government foreign investors are withdrawing their capitals;

(b) if so, the details of the investors who have withdrawn; and

(c) the details of steps Government is taking in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI NAMO NARAIN MEENA): (a) No Sir.

(b) and (c) Do not arise.

#### Fears of global recession

834. SHRI BIRENDER SINGH: Will the Minister of FINANCE be pleased to state: