

**GOVERNMENT OF INDIA  
DISINVESTMENT  
LOK SABHA**

UNSTARRED QUESTION NO:366

ANSWERED ON:25.02.2000

DISINVESTMENT OF PUBLIC SECTOR UNDERTAKINGS

AJAY SINGH CHAUTALA;ANANT GANGARAM GEETE;PRABHUNATH SINGH;SURESH KODIKUNNIL

**Will the Minister of DISINVESTMENT be pleased to state:**

- (a) whether the Government have proposal for disinvestment of some of public sector industries during the year 1999-2000 and 2000-2001;
- (b) if so, the public sector industries going to be disinvested during the above period, state-wise;
- (c) the reasons for disinvestment;
- (d) the amount realized or likely to be realized through disinvestment; and
- (e) the specific provisions made for protection of interests of the employees in such PSUs?

**Answer**

MINISTER OF STATE OF THE MINISTRY OF INFORMATION AND BROADCASTING AND MINISTER OF STATE OF DEPARTMENT OF DISINVESTMENT (SHRI ARUN JAITLEY)

(a) & (b): During 1999-2000, the Government had proposals to disinvest the Government equity in various PSUs including VSNL, GAIL, IOC, MTNL, IPPCL, Modern Foods. However, disinvestment is carried out keeping in view various factors including market conditions, financial performance of companies under consideration, sale conditions etc. Similarly, for the year 2000-2001, the Government would pursue disinvestment in various PSUs in accordance with its announced policy and keeping in view the recommendations of Disinvestment Commission and views of the Administrative and other concerned Ministries in this regard. There is no separate policy State-wise.

(c) Disinvestment is being carried out in line with Government policy as announced in the Budget Speech of the Finance Minister as under: 'In the generality of case, the Government Shareholding in public sector enterprises will be brought down to 26 per cent. In cases of public sector enterprises involving strategic considerations, Government will continue to retain majority holding.

(d) The target for the year 1999-2000 from disinvestment was Rs. 10,000 crores and for 2000-01 Rs. 15,850 crores. An amount of Rs. 15,850 crores has been raised.

(e) As announced by the Finance Minister in his Budget Speech for the year 1998-99, the interest of workers shall be protected in all cases. Specific provisions are made in the shareholder's agreement on a case to case basis in this respect.