

**GOVERNMENT OF INDIA
DISINVESTMENT
LOK SABHA**

UNSTARRED QUESTION NO:1261
ANSWERED ON:26.11.2002
DISINVESTMENT OF SCI
RAM SHAKAL;RAMSHETH THAKUR

Will the Minister of DISINVESTMENT be pleased to state:

- (a) whether the Government have finally decided to divest its stake from Shipping Corporation of India;
- (b) if so, the details thereof;
- (c) whether SCI was incurred losses during the previous years;
- (d) if not, the justification behind taking decision for its disinvestment; and
- (e) the estimated amount likely to be collected from SCI sell off?

Answer

THE MINISTER OF DISINVESTMENT, MINISTER OF DEVELOPMENT OF NORTH EASTERN REGION AND MINISTER OF COMMERCE AND INDUSTRY (SHRI ARUN SHOURIE):

- (a) Yes, Sir.
- (b) Government have decided to disinvest 51% Government equity out of 80.12% in Shipping Corporation of India Ltd. through strategic sale and in the event of the strategic partner being a joint venture/consortium, the foreign holding, if any, shall not exceed 25%.
- (c) SCI is a profit making company and has not incurred any losses for the last ten years.
- (d) Disinvestment in public sector undertakings is being done as per the declared policy of the Government to bring down the Government equity in non-strategic PSUs to 26% or lower in the generality of cases. The non-strategic PSUs are those, which are not in the areas of arms and ammunitions and the allied items of defence equipments etc., atomic energy (except in the areas relating to generation of nuclear power and applications of radiations and radio isotopes to agriculture, medicine and non-strategic industries) and railway transport. This policy is applicable to profit-making as well as loss-making PSUs. Government has decided to disinvest in SCI as it operates in the non-strategic sector.
- (e) It is pre-mature to give any estimates of the realisation from the sale of Government equity in SCI.