

**GOVERNMENT OF INDIA  
HEAVY INDUSTRIES AND PUBLIC ENTERPRISES  
LOK SABHA**

UNSTARRED QUESTION NO:3012  
ANSWERED ON:11.05.2006  
MODERNISATION OF SICK INDUSTRIES  
Rana Shri Kashi Ram;Singh Deo Smt. Sangeeta Kumari

**Will the Minister of HEAVY INDUSTRIES AND PUBLIC ENTERPRISES be pleased to state:**

- (a) whether the amount received from the disinvestment of undertakings has been utilized for the modernization of sick industries;
- (b) if so, the names of undertakings modernized by the Government therefrom so far; and
- (c) the expenditure incurred thereon, undertaking-wise?

**Answer**

MINISTER OF STATE IN THE MINISTRY OF HEAVY INDUSTRIES AND PUBLIC ENTERPRISES (SMT. KANTI SINGH)

(a) to (c) : The Government has constituted a corpus called 'National Investment Fund' (NIF) in 2005-06, into which the proceeds from disinvestment of Government equity in Central Public Sector Enterprises (CPSEs) would be placed. 75% of the annual income from NIF will be used to finance selected social sector schemes, which promote education, health and employment. The residual 25% of the annual income of NIF will be used to meet the capital investment requirements of profitable and revivable CPSEs that yield adequate returns, in order to enlarge their capital base to finance expansion/diversification. There has been no accrual to NIF so far