

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

UNSTARRED QUESTION NO:1400
ANSWERED ON:30.11.2006
PRIVATISATION OF PSUs
Singh Shri Chandra Bhushan

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

- (a) whether the Government had received any proposal to privatise some of the Public Sector Undertakings (PSUs);
- (b) if so, the details thereof;
- (c) whether the Government also proposes to allow private equity participation in most of the PSUs; and
- (d) if so, the details thereof?

Answer

THE MINISTER OF THE STATE IN THE MINISTRY OF HEAVY INDUSTRIES AND PUBLIC ENTERPRISES (SHRI SONTOSH MOHAN DEV)

(a) to (d): As per National Common Minimum Programme (NCMP) of Government, the Government is committed to a strong and effective public sector whose social objectives are met by its commercial functioning. The Government is pledged to devolve full managerial and commercial autonomy to successful public sector enterprises and profit-making companies will not be privatized. All privatisation will be considered on a transparent and consultative case-by-case basis. The Government will retain existing ``navaratna`` companies in the public sector, although these companies raise resources from the capital market. While every effort will be made to modernise and restructure sick public sector companies and revive sick industry, chronically loss-making companies will either be sold-off or closed after all workers have got their legitimate dues and compensation. The Government will induct private industry to turn around companies that have potential for revival.