

Setting up of disinvestment fund

1895. SHRI DIPANKAR MUKHERJEE: Will the Minister of HEAVY INDUSTRIES AND PUBLIC ENTERPRISES be please to state,;

(a) whether Disinvestment Commission had recommended setting up of a Disinvestment Fund;

(b) if so, whether the fund has been set up and if so, its scope and objectives;

(c) if not, the reasons therefor;

(d) whether the Commission had also recommended delinking of disinvestment process from the budgetary exercise of Government;

(e) whether the same has been accepted; and

(f) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF HEAVY INDUSTRIES AND PUBLIC ENTERPRISES (DR. VALLABHBHAI KATHIRIA): (a) to (f) The Disinvestment Commission has outlined the advantage of separating disinvestment proceeds from the other non-debt capital receipts in the budget. Government have decided in principle to establish a disinvestment fund.

Exit policy for unviable public enterprises

1896. SHRI SANTOSH BAGRODIA: Will the Minister of HEAVY INDUSTRIES AND PUBLIC ENTERPRISES be please to state:

(a) whether Government have any exit policy for heavy loss making and unviable public enterprises;

(b) if so, the details thereof;

(c) if not, the reasons therefor; and

(d) what is the plan for their revival?

THE MINISTER OF STATE IN THE MINISTRY OF HEAVY INDUSTRIES AND PUBLIC ENTERPRISES (DR. VALLABHBHAI KATHIRIA): (a) to (d) There is no exit policy as such. Government have formulated a Voluntary Retirement Scheme in

respect of the work force. In the case of 10 heavy loss making public enterprises (PSEs) a scheme of voluntary separation scheme conforming to the VRS model has been implemented by the Department of Heavy industries. Sick companies are referred to the BIFR for revival. Revival package are sought to be implemented in accordance with BIFR's plans. These include restructuring, write offs, conversion of loans into equity, fresh infusion of capital etc.

Use of Disinvestment Fund

1897. DR. ALLADI P. RAJKUMAR: Will the Minister of HEAVY INDUSTRIES AND PUBLIC ENTERPRISES be pleased to state:

(a) whether Government propose to spend a part of the money collected through the disinvestment of Public Sector Enterprises on making the viable PSE's stronger; and

(b) if so, the viable rehabilitation programmes devised for weak units?

THE MINISTER OF STATE IN THE MINISTRY OF HEAVY INDUSTRIES AND PUBLIC ENTERPRISES (DR. VALLABHBHAI KATHIRIA): (a) and (b) The proceeds of disinvestment of Government equity in Public Sector Undertakings (PSUs) are credited into the Consolidated Fund of India. Government provides Plan & non-Plan budgetary support to PSUs in relation to assessed needs.

Financial Sector Reforms

1898. DR. GOPALRAO VITHALRAO PATIL: Will the Minister of HEAVY INDUSTRIES AND PUBLIC ENTERPRISES be pleased to state:

(a) whether it is a fact that the Confederation of Indian Industry (CII) has urged Government to take up reforms in the pension sector in tandem with insurance sector reforms to strengthen the overall financial sector reforms; and

(b) if so, the reaction of Government to the above demand?

THE MINISTER OF STATE IN THE MINISTRY OF HEAVY INDUSTRIES AND PUBLIC ENTERPRISES (DR. VALLABHBHAI KATHIRIA): (a) and (b) As part of the