

**THE MINISTER OF DISINVESTMENT (SHRI ARUN SHOURIE):** (a) Yes, Sir. The disinvestment process relates to 12 central public sector companies and Maruti Udyog Limited (MUL), which is a non-Government company;

(b) and (c) The process of disinvestment in Central PSUs is carried forward through Inter Ministerial consultations, particularly with the Administrative Ministries concerned with the public sector undertaking in question. The disinvestment process in two out of the 13 cases mentioned in (a) above, that is CMC Limited and HTL Limited, has been completed in October, 2001.

### **Disinvestment of profit making PSUs**

†15. **SHRI JANESHWAR MISHRA:** Will the Minister of DISINVESTMENT be pleased to state:

(a) whether it is a fact that Government are considering to hand over profit making Public Sector Undertakings to Private Sector;

(b) if so, the details thereof;

(c) whether it is also a fact that Government are turning a blind eye towards the interests of labourers employed in these undertakings;

(d) if so, whether Government have formulated / are considering to formulate any scheme to provide better living conditions to these labourers;

(e) if so, the details thereof; and

(f) if not, the reasons therefor?

**THE MINISTER OF DISINVESTMENT (SHRI ARUN SHOURIE):** (a) and (b) Disinvestment in PSUs in the non-strategic areas, whether profit-making or loss-making, is being pursued as per the clear disinvestment policy of the Government.

(c) No, Sir.

(d) and (e) Protection of interest of workers is an integral component of the disinvestment policy. This is ensured by making appropriate provisions in the Share Holders' Agreement. The provisions made in this regard in respect of BALCO are given in the Statement. (See below)

(f) Does not arise.

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†Original notice of the question was received to Hindi.

**Statement*****Provisions related to Employees Interest in the Shareholders Agreement  
signed for disinvestment in BALCO*****Recitals:**

**H.** Subject to Clause 7.2, the Parties envision that all employees of the Company on the date hereof shall continue in the employment of the Company.

**J.** The SP recognises that the government in relation to its employment policies follows certain principles for the benefit of the members of the Scheduled Caste / Scheduled Tribes, physically handicapped persons and other socially disadvantaged categories of the society. The SP shall use its best efforts to cause the Company to provide adequate job opportunities for such persons. Further, in the event of any reduction in the strength of the employees of the Company, the SP shall use its best efforts to ensure that the physically handicapped persons are retrenched at the end.

**Article 5.3**

**(m)** Notwithstanding anything to the contrary in this Article 5, the Government, shall at its sole discretion, have the option of selling from its shares representing not more than 5% (five percent) of the equity share capital existing as of date of this Agreement, to the employees of the Company. In the event that the Government exercises its option to sell part of its shares to the employees, the employees shall be issued fresh share certificates for the shares transferred to the employees, without the endorsement of the legend provided in Clause 5.2 (e). The Parties agree that, upon the completion of transfer, the shares transferred to the employees pursuant to this sub-clause (m) shall not be subject to any restrictions in this Agreement, whether by way of a voting arrangement or a right of first refusal.

**Article 7.2**

**(e)** Notwithstanding anything to the contrary in this Agreement, it shall not retrench any part of the labour force of the Company for a period of one (1) year from the Closing Date other than any dismissal or termination of employees of the Company from their employment in accordance with the applicable staff regulations and standing orders of the Company or applicable Law.

**(f)** Notwithstanding anything to the contrary in this Agreement, but

subject to sub-clause (e) above, any restructuring of the labour force of the Company shall be implemented in the manner recommended by the Board and in accordance with all applicable laws.

(g) Notwithstanding anything to the contrary in this Agreement, but subject to sub-clause (e) above, in the event of any reduction of the strength of the Company's employees the SP shall ensure that the Company offers its employees, an option to voluntarily retire on terms that are not, in any manner, less favourable than the voluntary retirement scheme offered by the Company which is referred to in Schedule 7.4 of the Share Purchase Agreement.

### **Achievement of targets of disinvestment**

†16. SHRI GANDHIAZAD: Will the Minister of DISINVESTMENT be pleased to state:

(a) the target of disinvestment earmarked for the year 1999-2000 and 2000-2001;

(b) the target achieved upto second quarter of the year 2000-2001 and the details thereof;

(c) if the target has not been achieved, the reasons therefor; and

(d) the steps taken by Government for achieving the target?

THE MINISTER OF DISINVESTMENT (SHRIARUN SHOURIE): (a) and (b) The target of disinvestment for the years 1999-2000 and 2000-2001 was Rs. 10,000 crore each year. There was no disinvestment during the period April to September, 2000.

(c) and (d) Achievement of target depends on a variety of factors. However, to accelerate the pace of disinvestment, tight time-frame has been fixed in respect of 13 public sector enterprises, which is being regularly monitored.

### **Delinking of PSUs to be disinvested**

17. SHRI NANA DESHMUKH: Will the Minister of DISINVESTMENT be pleased to state:

(a) whether it is a fact that 11 Public Sector Undertakings are to be disinvested in the current fiscal year;

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