

Target of Disinvestment

824. SHRI A VIJAYA RAGHAVAN: Will the Minister of DISINVESTMENT be pleased to state:

- (a) the details regarding the target of disinvestment in this financial year;
- (b) the steps taken by Government to achieve this target; and
- (c) the total amount collected by Government, so far?

THE MINISTER OF STATE OF THE DEPARTMENT OF DISINVESTMENT (SHRI ARUN SHOURIE): (a) Rs. 10,000 crores.

(b) Disinvestment proposals in 19 PSEs (BALCO, IPCL, STL Ltd., RBL Ltd., Scooters-India, Engineerings Jtojects of India, NEPA, Hindustan Cables, Instrumentation Ltd., Bharat Leather, Air India, Indian Airlines, JTDC, Madras Fertilizers, National Fertilizers, Hindustan Copper, Jessop & Company) have been cleared by the Government Advisors have been appointed in 17 cases to assist Government in disinvestment and in 2 cases they would be shortly appointed HOCL, MSTC.

(c) Nil.

Valuation of Profit making PSUs

825. DR. ALLADI P. RAJKUMAR: Will the Minister of DISINVESTMENT be pleased to state the reaction of Government to the opposition suspicion that the assets of the profit making PSUs are not being valued properly in terms of their inherent strengths future earnings potential before selling their shares to private sector companies?

THE MINISTER OF STATE OF THE DEPARTMENT OF DISINVESTMENT (SHRI ARUN SHOURIE): The shares of a PSU are disinvested by a bidding process. The best price is determined by the market forces. Before arriving at a final decision, the Government values shares by different methods to ensure that the sale process fetches the best value. Whenever necessary, the assets are valued on a case to case basis.

Demand for white paper on disinvestment

826. DR. ALLADI P. RAJKUMAR: Will the Minister of DISINVESTMENT be pleased to state:

- (a) whether the Standing Conference of Public Enterprises (SCOPE) has demanded a white paper on disinvestment from Government;

(b) if so, the action proposed to stop the process of unplanned disinvestment in PSEs; and

(c) Government's clear policy to declare the sector they would like to quit?

THE MINISTER OF- STATE OF THE DEPARTMENT OF DISINVESTMENT (SHRI ARUN SHOURIE): (a) Yes, Sir.

(b) Disinvestment is carried out by the Govt, in various PSEs in accordance with the declared disinvestment policy. There is no unplanned disinvestment.

(c) As stated in the Budget Speech of 2000-2001, the disinvestment policy of the Govt, applicable to all the PSEs, is to bring down the Govt, equity to 26% or below in generality of cases. In cases of public sector enterprises involving strategic considerationsrgovernment will continue to retain majority holding. It has been decided that the Strategic Public Sector Enterprises would be those in the areas of:

(a) Arms and ammunitions, and the allied items of defence equipment, defence aircrafts and warships.

(b) Atomic energy (except*in the areas related to the generation of nuclear power and applications of radiation and radio-isotopes to agriculture medicine and non- strategic industries)

(c) Railway transport.

Revival Proposal for PPCL

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

(a) whether Board for Industrial and Financial Reconstruction (BIFR) has declared State owned Pyrities, Phosphates and Chemicals Ltd. as sick and directed SBI to formulate a revival proposals for the company due to complete erosion of its net capital;

(b) whether it is a fact that the company could not revive on its own and therefore Government appointed State Bank of India in public interest to study viability of the sick company and prepare a rehabilitation scheme;

(c) if so, what are the details in this regard; and

(d) by when the scheme would be finalised?