

Seventeenth Loksabha

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Title: Issue regarding sale of PSUs in the country.

SHRI BENNY BEHANAN (CHALAKUDY): Sir, I rise to draw your attention and the attention of the House to an alarming financial situation in the country. Today's newspapers have three front-page items, namely, sale of five profit making public undertakings to cough up Rs. 85,000 crore for the Government; at the same time, the Government has given Rs. 42,336 crore moratorium to telecom companies on their payments to the Government; and more disturbing, the Reserve Bank of India takes over the ailing Housing Finance Corporation. Adding to the already confused scenario, the market regulator Securities and Exchange Board of India's new rules for further disclosure of the listed companies on their loan payments and right issues to warn the investors is very worrisome.

Sir, I have been raising the issue of sale of BPCL, a navratna company, earning profits for years, which has a base in my constituency. Now, if we look into the list of PSUs which are for sale this year, they are all profit-making companies like Shipping Corporation, the Container Corporation of India – CONCOR, the Hydro Development Corporation of India and North Eastern Electric Power Corporation (NEEPCO).

The Government's notification informed that all these profit-making corporation will undertake a sale of 51 per cent stake and the control of the companies will be with the Government on a case to case basis depending on the stake of the other Government organisations.

Sir, I strongly suggest to the Government that there must be re-thinking and further expert consultations at the highest level before deciding on the sale of these PSUs.