

**GOVERNMENT OF INDIA
DISINVESTMENT
LOK SABHA**

STARRED QUESTION NO:26
ANSWERED ON:25.02.2000
DISINVESTMENT TARGET
AJIT SINGH;DR. KIRIT SOMAIYA

Will the Minister of DISINVESTMENT be pleased to state:

- (a) whether the Government would be able to realize the disinvestment target of Rs. 10,000 crore during 1999-2000;
- (b) if so, the details thereof;
- (c) if not, the reasons therefore;
- (d) the future course of action of the Government in connection with disinvestment;
- (e) whether the Government are opting out for strategic partners of wholesale sale of the sick PSUs; and
- (f) the plans of the Government regarding disinvestment of the `navaratnas` and when would the formulation of the new Disinvestment Commission be completed?

Answer

MINISTER OF STATE OF THE MINISTRY OF INFORMATION AND BROADCASTING AND MINISTER OF THE DEPARTMENT OF DISINVESTMENT (SHRI ARUN JAITLEY)

(a), (b), (c), (d), (e), & (f): A statement is laid on the Table of the House.

Statement referred in reply to Lok Sabha Starred Question No. 26 for 25.2.2000 regarding Disinvestment Target by Shri Kirit Somaiya and Shri Ajit Singh:

- (a) It may not be possible to achieve the Disinvestment Target of Rs. 10,000 set for the year 1999-2000.
- (b) Not applicable.
- (c) Disinvestment as planned initially in some companies through capital market route could not take off till 2nd week of October, 1999 as General Elections were being held in the country. Government decided to wait for the new Government. During October-November, 1999, the GDR offering in GAIL was completed. From second week of November, 1999 to January, 2000, no international offering could be planned because of Y2K problem. In the meanwhile, a separate Department was constituted deal with this disinvestment.
- (d) The Government would implement the present declared policy of disinvestment that in generality of cases, the government shareholding in public enterprises will be brought down to 26 per cent. In case of strategic PSUs Government will continue to retain majority holding.
- (e) There is no general policy with regard to the methodology of disinvestment in sick PSUs. It is worked out on a case to case basis.
- (f) The Government has no separate policy in disinvestment as detailed in answer to part (d) would be followed. The Disinvestment Commission shall be constituted in near future.