

**GOVERNMENT OF INDIA
DISINVESTMENT
LOK SABHA**

UNSTARRED QUESTION NO:351
ANSWERED ON:25.02.2000
RECOMMENDATIONS OF DISINVESTMENT COMMISSION
PALANIYAPPA GOUNDER KUMARASAMY

Will the Minister of DISINVESTMENT be pleased to state:

- (a) whether the Government propose to implement the recommendations of the recommendations of the Disinvestment Commission in a time-bound manner and clear obstacles in way of privatization of PSUs;
- (b) if so, whether the Government propose to either divest its share in loss making PSUs or consider closing them;
- (c) whether the Government also propose to consider revamping the boards of various PSUs with the induction of professionals to guide the management and install a greater sense of accountability; and
- (d) if so, the details thereof?

Answer

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

- (a) Disinvestment is an on-going process and is done keeping in view the Government policy, market conditions, financial performance of the company and in consultation with the Administrative Ministry and, no time-bound programme has been drawn for disinvestment.
- (b) There is no separate policy for disinvestment in regard to the loss making PSUs. The disinvestment policy of the Government is to bring down the equity stake of the Government upto 26 per cent in the generality of cases. Government will however continue to retain majority holding in strategic areas.
- (c) & (d) Necessary instructions have been issued by the Department of Public Enterprises for professionalising the Board of Directors of PSUs by inducting outside experts.