

**GOVERNMENT OF INDIA
DISINVESTMENT
LOK SABHA**

UNSTARRED QUESTION NO:2505
ANSWERED ON:10.03.2000
DISINVESTMENT OF NFL
AJAY CHAKRABORTY;AJAY SINGH CHAUTALA;GEETA MUKHERJEE

Will the Minister of DISINVESTMENT be pleased to state:

- (a) whether the Government propose to disinvest 51% equity in National Fertilizers Ltd;
- (b) if so, the details in this regard alongwith reasons therefore;
- (c) the extent to which this process of disinvestment is likely to boost the working and production of NFL; and
- (d) the manner in which the interest of the employees will be protected?

Answer

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

- (a)&(b): Government have decided to disinvest a total of 51% of the NFL's equity held by the Government through strategic sale to a strategic buyer together with transfer of management control. This is in accordance with the policy of bringing down government equity in all non-strategic PSUs to 26% or less.
- (c) The process of disinvestment and resultant dispersal of ownership will exert necessary pressure on the PSU to improve its performance, enhance efficiency, earn profits and declare dividends.
- (d) Interest of the employees will be protected. The finance Minister, in his recent budget speech, has reiterated this aspect.