

**GOVERNMENT OF INDIA  
DISINVESTMENT  
LOK SABHA**

UNSTARRED QUESTION NO:85  
ANSWERED ON:26.02.2002  
DISINVESTMENT COMMISSION  
ALE NARENDRA

**Will the Minister of DISINVESTMENT be pleased to state:**

- (a) the number of reports submitted by the Disinvestment Commission so far;
- (b) the main recommendations made in these reports;
- (c) the number of recommendations implemented by the Government so far; and
- (d) the reasons for not implementing majority of its recommendations by the Government?

**Answer**

MINISTER OF DISINVESTMENT AND MINISTER OF DEVELOPMENT OF NORTH EASTERN REGION (SHRI ARUN SHOURIE)

(a) The Disinvestment Commission has so far submitted 13 reports recommending for disinvestment in 58 Public Sector Undertakings. Out of these, revised recommendations in 4 cases have been made recently in January, 2002.

(b) Out of the 58 cases, the Disinvestment Commission recommended strategic sale for 31 PSUs, trade sale for 8 PSUs, offer of shares in 5 PSUs, closure/sale of assets in 4 PSUs, employee buy-out failing which strategic sale in 2 PSUs and deferment of disinvestment in 8 PSUs.

(c) Most of the company-specific recommendations have been considered by the Government and action has been taken. In many other cases, consultations with the Administrative Ministries have been initiated. In some cases, pre-disinvestment actions have been started. Out of 50 PSUs in which the Commission has recommended for disinvestment, Government shareholding in 10 PSUs viz., Gas Authority of India Ltd., Container Corporation of India Ltd., Oil and Natural Gas Corporation Ltd., Modern Food Industries (India) Ltd., Bharat Aluminium Company Ltd., Bongaigaon Refineries & Petrochemicals Ltd., HTL Ltd, JBP Ltd. and 9 hotels of ITDC and 3 hotels of Hotel Corporation of India Ltd. have been disinvested. Disinvestment in Paradeep Phosphates Ltd. has also been approved. In addition, disinvestment process is in progress in 17 companies, viz., Hindustan Zinc limited (HZL), Indian Petrochemicals Corporation Ltd. (IPCL), NEPA Ltd., India Tourism Development Corporation (ITDC) (Remaining hotels), Hotel Corporation of India Ltd. (Remaining hotels), Air India Ltd. (AI), Engineering Projects (India) Ltd. (EPIL), Hindustan Copper Ltd. (HCL), Hindustan Organics Ltd. (HOCL), Madras Fertilizers Ltd. (MFL), Minerals & Metals Trading Corporation of India Ltd. (MMTC), National Fertilizers Ltd. (NFL), Shipping Corporation of India Ltd. (SCI), Sponge Iron India Ltd. (SIIL), State Trading Corporation of India Ltd. (STC), MECON Ltd. and National Aluminium Company Ltd. (NALCO).

(d) In most of the cases the recommendations of the Commission have been implemented or actions have been initiated for their implementation. It may be noted that the recommendations of the Commission are advisory in nature. Based on the recommendations, Government after consultations with all stake-holders takes a final view. The successful implementation of the Government decision, in turn, depends on a variety of factors including market conditions, interest of prospective bidders, adequacy of bid-price etc.