

**GOVERNMENT OF INDIA
DISINVESTMENT
LOK SABHA**

UNSTARRED QUESTION NO:4205
ANSWERED ON:17.12.2002
DISINVESTMENT PROCEDURE
RAVI PRAKASH VERMA;REENA CHOUDHARY

Will the Minister of DISINVESTMENT be pleased to state:

- (a) whether the procedure adopted for disinvestment of PSUs in the country is different from the procedure being followed in other countries particularly in the developing countries;
- (b) if so, the details thereof; and
- (c) the steps being taken by the Government to speed up the disinvestment process?

Answer

MINISTER OF DISINVESTMENT, MINISTER OF DEVELOPMENT OF NORTH EASTERN REGION AND MINISTER OF COMMERCE & INDUSTRY (SHRI ARUN SHOURIE)

(a)&(b) The Government's policy on disinvestment has evolved over a decade in response to the changing economic scenario and the emergent need to put national assets to optimal use and to unleash the productive potential inherent in public sector enterprises. Though the Government takes into consideration policies and practices prevalent in other countries, the disinvestment policy is determined specifically to suit the requirement of the country. The policy and procedures are regularly fine-tuned to better realise the stated objectives.

(c) The Government has progressively standardized the procedure and documents concerned with disinvestment with a view to minimize the time taken for implementation. However, the procedure provides for an extensive and multi-layered Inter-Ministerial consultation and decision making, which though necessary, may sometimes increase the time taken.