

**GOVERNMENT OF INDIA  
DISINVESTMENT  
LOK SABHA**

UNSTARRED QUESTION NO:183  
ANSWERED ON:03.12.2003  
DISINVESTMENT OF COTTAGE INDUSTRIES CORPORATION  
AVSM, BRIG.(RETD.) KAMAKHYA PRASAD SINGH DEO

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

- (a) the present performance of the Central Cottage Industries Corporation;
- (b) whether the Government have a proposal for the disinvestment of the Central Cottage Industries Corporation;
- (c) if so, the reasons therefor;
- (d) whether the disinvestment of the company will have adverse impact on the export of handloom and handicrafts; and
- (e) if so, the steps taken to mitigate the adverse impact?

**Answer**

MINISTER OF COMMUNICATIONS AND INFORMATION TECHNOLOGY AND MINISTER OF DISINVESTMENT (SHF SHOURIE)

- (a) to (e) A statement is laid on the Table of the House.

Statement referred to in reply to part (a) to (e) of the Lok Sabha Unstarred Question No.183 for 3-12-2003 regarding Disinvestment of Cottage Industries by Shri K.P.Singh Deo.

- (a) The performance of Central Cottage Industries Corporation (CCIC) in 2002-03 was as follows:

Turnover Rs. 54 crore  
Profit before tax Rs. 1.18 crore  
Reserves (as on 31.03.2003) Rs. 6.82 crore

- (b) A recommendation has been received from the Disinvestment Commission that CCIC should be disinvested. No decision has been taken by Government on this recommendation as on date.

(c) The decision to disinvest in a particular Public Sector Undertaking is taken in terms of the declared disinvestment policy of the Government. According to it, in generality of the cases, Government will bring down its equity to 26% or below in all non-strategic Central Public Sector Undertakings. The Strategic public sector enterprises are those in the areas of arms and ammunitions and allied items of defence equipments etc; atomic energy except in the areas relating to generation of nuclear power and applications of radiation, radio isotopes to agriculture, medicine in non-strategic industries; and railway transport.

- (d) No conclusion has been reached in this regard.

- (e) Does not arise.