

**GOVERNMENT OF INDIA
DISINVESTMENT
LOK SABHA**

UNSTARRED QUESTION NO:1253
ANSWERED ON:10.12.2003
DISINVESTMENT OF NHDCL AND NEEPCOL
AJAY CHAKRABORTY

Will the Minister of DISINVESTMENT be pleased to state:

(a) whether the Government are considering a proposal to disinvest two public sector companies National Handloom Development Corporation Ltd. (NHDCL) and North Eastern Electric Power Corporation Ltd. (NEEPCOL); and

(b) if so, the details thereof?

Answer

MINISTER OF STATE IN THE MINISTRY OF COMMUNICATIONS AND INFORMATION TECHNOLOGY (SHRINIVAS THIRUNAVUKKARASAR)

(a)&(b) Disinvestment Commission, has recommended that National Handloom Development Corporation Ltd. (NHDCL) should not be disinvested as long as 'Hank Yarn Obligation Scheme' for yarn manufacturing mills, and 'Mill Gate Price Scheme' (MGPS) are continued as NHDCL is the only authorised agency to implement the latter scheme. If MGPS is discontinued, NHDCL should be disinvested. In the case of North Eastern Electric Power Corporation Ltd. (NEEPCOL), the Commission has recommended disinvestment of 51% of Government's equity in favour of a Strategic Partner through the competitive bidding route, together with necessary manpower rationalisation and capital restructuring. No decision has been taken on the recommendations of the Disinvestment Commission.