

**GOVERNMENT OF INDIA
DISINVESTMENT
LOK SABHA**

UNSTARRED QUESTION NO:3025
ANSWERED ON:13.08.2003
DISINVESTMENT OF BALMER LAWRIE AND COMPANY
RAM VILAS PASWAN

Will the Minister of DISINVESTMENT be pleased to state:

- (a) whether the Government propose to disinvest Balmer Lawrie and Company Ltd., a Government enterprise;
- (b) if so, whether in accordance with the Government policy privatisation of the profit making PSU is not to be done;
- (c) if so, the reasons for disinvestment of the Balmer Lawrie and Company Ltd.;
- (d) whether being a profit making concern, the Government propose to reconsider its disinvestment;
- (e) if so, the details thereof;
- (f) the estimated number of employees of the company likely to be affected as a consequence of its disinvestment; and
- (g) if the answer to
(d) is in the negative, the manner in which the affected employees of the company are proposed to rehabilitated by the Government?

Answer

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

- (a) Yes, Sir. Government have decided to disinvest 61.8% of the equity of Balmer Lawrie & Co. Ltd. held by Balmer Lawrie Investments Limited.
- (b) & (c) The decision to disinvest Balmer Lawrie & Co. Ltd. is in accordance with the declared policy of the Government on 'Disinvestment' under which all non-strategic Public Sector Undertakings can be disinvested up to a level of 26% or below irrespective of whether they are profit making or loss making.
- (d) No, Sir.
- (e) Does not arise.
- (f) & (g) The number of employees working in Balmer Lawrie & Co. as on 31.3.2002 is 1988. Suitable clauses are incorporated in the transaction documents that are entered into at the time of strategic sale to protect against the interests of the employees being affected.