

**Title: Disinvestment of the Cochin Shipyard in Kerala by the Government of India.**

SHRI K. FRANCIS GEORGE (IDUKKI): Sir, the Disinvestment Commission of the Government of India has recommended the privatisation and disinvestment of the Cochin Shipyard Limited by realising its cash reserves, by disinvesting 51 per cent of its shares and also by selling its unutilised land.

The Cochin Shipyard Limited is one of the largest public sector enterprises in Kerala. It has been making profits from 1996-97 to 2001-02. It has made a profit of about Rs.184.95 crore. It has paid about Rs.85 crore by way of taxes to the Central and the State Exchequers. It has very efficiently performed ship building and ship repair work that has been entrusted to it. It is expecting a profit of Rs.30 crore in the current year.

The strategic location and importance of the Shipyard has to be understood before privatising it. It is located in the main international sea route. Also, the proposed Vallarpadam Container Terminal, the proposed LNG Terminal and also the Super Thermal Power Project are being envisaged there. They are coming near to it. Further, the Southern Naval Command is located just 600 metres near the Cochin Shipyard Limited. Also, the Defence Ministry is planning to entrust the construction of the Air-Defence Ship for the Navy with this Shipyard. So, to allow the private parties, most of whom are going to be foreigners, to come into the management of the Cochin Shipyard, is not going to be in the interest of the security of our country.

So, considering the above facts, I request the Government to drop the proposal to disinvest the Cochin Shipyard Limited.