

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF INVESTMENT AND PUBLIC ASSET MANAGEMENT

LOK SABHA
UNSTARRED QUESTION NO. 1265
TO BE ANSWERED ON 22nd December, 2017
PAUSHA 01, 1939 (SAKA)

Disinvestment of SCL

1265. SHRI B. SRIRAMULU:
SHRIMATI ANJU BALA:
SHRI TEJ PRATAP SINGH YADAV:

Will the Minister of FINANCE be pleased to state :

- a) whether the Government proposes to privatise the loss making Public Sector Undertakings (PSUs) and if so, the details thereof;
- b) whether the Government has planned the outright sale of Scooters India Ltd. (SCL) and if so, the details thereof;
- c) whether the Department of Investment and Public Asset Management (DIPAM) has in-principle approved the strategic disinvestment (ceding management control to a strategic partner) for the SCL and if so, the details thereof; and
- d) the compensation package/future of its present employees working in SCL after its outright sale?

ANSWER

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE
(SHRI PON. RADHAKRISHNAN)

- (a) NITI Aayog has been mandated to identify the CPSEs for strategic disinvestment. For this purpose, NITI Aayog has classified CPSEs into "high priority" and "low priority" based on:- (i) National Security; (ii) Sovereign function at arm's length and (iii) Market Imperfections and Public Purpose. The CPSEs falling under 'low-priority' are covered for strategic disinvestment. Identification of CPSEs for strategic disinvestment is not based on the criteria of their profitability.
- (b)&(c) Government has 'in-principle' approved strategic disinvestment of Scooters India Ltd. (SCL) to a strategic buyer to be identified through a two-stage auction process.
- (d) The terms and conditions of the strategic sale suitably address employees' concerns in the Share Purchase Agreement (SPA)/Share Holders Agreement (SHA) to be signed by the Govt. with the strategic buyer.
