

GOVERNMENT OF INDIA
MINISTRY OF SHIPPING

LOK SABHA

UNSTARRED QUESTION NO.1106

TO BE ANSWERED ON 8th FEBRUARY, 2018

DISINVESTMENT IN DREDGING CORPORATION OF INDIA

1106. SHRI MAGANTTI VENKATESWARA RAO (BABU):
SHRIMATI VASANTHI M.:
SHRI RAM MOHAN NAIDU KINJARAPU:

Will the Minister of SHIPPING be pleased to state:
पोत परिवहन मंत्री

- (a) the present status of the proposal for disinvestment of Dredging Corporation of India (DCI);
- (b) the reasons for disinvestment of DCI which is earning profits;
- (c) the details of profits/losses of DCI during the last three years and the current year, year-wise;
- (d) whether the Government has taken note of the suicide attempts being made by the workers of DCI and if so, the details thereof; and
- (e) the remedial measures being taken by the Government to safeguard the employment of workers of DCI?

ANSWER

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

- (a) An Inter Ministerial Group (IMG) has been constituted by Department of Investment and Public Asset Management (DIPAM) for selection of Intermediaries for strategic disinvestment of DCI. Legal Adviser has been selected by the IMG. An Asset Valuer has been selected by the Selection Committee constituted for this purpose by the Ministry of Shipping.
- (b) The decision for disinvestment of DCI is not based on profit earned by it. NITI Aayog has been entrusted to identify the Central Public Sector Enterprises (CPSEs) for strategic disinvestment. NITI Aayog in its report has stated that it has been guided by the basic economic principle that the Government should not continue to engage itself in manufacturing/producing goods and services in sectors where the competitive markets have come of age and that such entities would perform better in the private hands due to various factors e.g. technology up-gradation and efficient management practices.
- (c) The details of profits/losses of DCI during last three years and the current year are as under:-

	2014-15	2015-16	2016-17	2017-18 (Upto September, 2017)
Profit after tax	62	80	7	23

- (d)&(e): One of the employees of DCI, Mr. N. Venkatesh, working as an Assistant, committed suicide in protest against the proposed sale of the company. 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 Government with the strategic buyer. As regards manpower, offering of improved Voluntary Retirement Scheme (VRS) along with the process of sale has been approved by CCEA.
