

GOVERNMENT OF INDIA  
MINISTRY OF HEAVY INDUSTRIES AND PUBLIC ENTERPRISES  
DEPARTMENT OF PUBLIC ENTERPRISES

**LOK SABHA**

**UNSTARRED QUESTION No. 3356**

**TO BE ANSWERED ON 16.03.2021**

**Closure of CPSUs**

**3356. SHRI RAVNEET SINGH BITTU:**

Will the Minister of HEAVY INDUSTRIES & PUBLIC ENTERPRISES be pleased to state:

- (a) whether the Government is considering to revise the norms for time-bound closing down of Central Public Sector Undertakings (CPSUs) in the country;
- (b) if so, the details thereof;
- (c) whether it is a fact that a number of CPSUs have been identified by the Government for closure where all efforts including privatization through strategic disinvestment have failed;
- (d) if so, the details thereof, State/UT-wise; and
- (e) the details of the reasons for the failure of the disinvestment efforts by the Government in regard to the identified CPSUs?

**ANSWER**

THE MINISTER OF STATE FOR HEAVY INDUSTRIES & PUBLIC ENTERPRISES  
(SHRI ARJUN RAM MEGHWAL)

(a)&(b): Department of Public Enterprises (DPE) has issued guidelines on 14<sup>th</sup> June, 2018 on time bound closure of sick / loss making CPSEs and disposal of their movable and immovable assets. Introducing a revised mechanism to ensure timely closure of sick and loss-making units has been announced by the Hon'ble Union Finance Minister in the Budget Speech 2021-22. Department of Public Enterprises (DPE) being the nodal department for Central Public Sector Enterprises (CPSEs) will formulate the revised mechanism for timely closure of sick and loss-making CPSEs and will notify the revised mechanism on completion of due process.

(c) to (e): The Department of Investment and Public Asset Management (DIPAM), Ministry of Finance is the nodal Department for disinvestment and privatization of CPSEs. DIPAM has informed that since 2016, Government has 'in-principle' approved strategic disinvestment of 35 CPSEs and subsidiaries/Units/Joint Ventures. Out of which, 4 CPSEs viz. Scooters India Ltd, Uttar Pradesh., Hindustan Fluorocarbons Ltd. Telangana, Bharat Pumps and Compressors Ltd. Uttar Pradesh and Hindustan Prefab Ltd. New Delhi are identified for closure. The main reason for failure of strategic disinvestment of the above CPSEs is due to limited investor response/ failure to get the bids, etc.

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