

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

LOK SABHA

UNSTARRED QUESTION No. 3408

ANSWERED ON 16.03.2021

Disinvestment of PSUs

**3408. SHRI KOMATI REDDY VENKAT REDDY;
SHRI MANNE SRINIVAS REDDY;**

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

- (a) whether the Government is taking steps to similarly incentivise States to take up disinvestment of their Public Sector Undertakings (PSUs) and work out an incentive package of Central Funds for States using a Special Purpose Vehicle;
- (b) if so, the response received from each State and the present status thereof;
- (c) whether the Government is taking steps to ensure timely completion of closure of sick or loss making CPSEs and introducing a revised mechanism that will ensure timely closure of such units; and
- (d) if so, the details thereof and the target set/ achieved so far?

ANSWER

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

(a) & (b): Hon'ble Union Finance Minister in the Budget Speech 2021-22 has announced a new policy for strategic disinvestment of public sector enterprises. The policy provides a road map for disinvestment in strategic and non-strategic sectors. Budget announcement also contains proposal to incentivise States to take up disinvestment of their public sector companies.

(c) & (d): Introducing a revised mechanism ensuring timely closure of sick and loss-making units has also been announced by the Hon'ble Union Finance Minister in the Budget Speech 2021-22. Department of Public Enterprises (DPE) being the nodal department will formulate the revised closure mechanism of sick and loss-making CPSEs and notify the revised mechanism on completion of due process.
