

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF PUBLIC ENTERPRISES

LOK SABHA

UNSTARRED QUESTION No. 1159

ANSWERED ON 06.12.2021

Disinvestment of PSUs

1159. MS. RAMYA HARIDAS:

SHRI KALYAN BANERJEE:

SHRIMATI POONAM MAHAJAN:

Will the Minister of Finance be pleased to state:

- (a) whether it is a fact that wards of employees of closed Public Sector Undertakings (PSUs) are facing a major problem in getting education and are seeking financial help from the people to pay their school fees;
- (b) if so, the details of report received by Government and action taken by Government to reopen or restructure the liquidated PSUs;
- (c) the details of PSUs identified for disinvestment process during 2021-2022 and the progress made in this regard so far;
- (d) the action taken/proposed to be taken by the Government to protect the interests of the employees and contractual labourers of such PSUs; and
- (e) the details of proposal of Government to disinvest such PSUs in next five year period?

ANSWER

**THE MINISTER OF STATE FOR FINANCE
(DR. BHAGWAT KISHANRAO KARAD)**

(a): The employees of Central Public Sector Enterprises (CPSEs) under closure are entitled to compensation as per VRS/VSS guidelines of DPE. Further, Government is implementing Counseling, Retraining and Redeployment (CRR) scheme for employees of CPSEs who have been released under VRS / VSS. These separated employees or their dependents have the opportunity of undergoing short duration skill trainings under the CRR scheme for self / wage employment.

(b) to (e): As per the information received from the Department of Investment and Public Asset Management (DIPAM), the nodal Department for disinvestment and privatization of CPSEs, the Government, since 2016, has given 'in-principle' approval for strategic disinvestment of 35 CPSEs and/or Subsidiaries/ Units/ Joint Ventures of CPSEs. The details are given in **Annexure**. 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.

The Government notified in February, 2021 the New Public Sector Enterprise ("PSE") Policy under which the public sector commercial enterprises have been classified as Strategic and Non-Strategic Sectors. In Strategic Sectors, bare minimum presence of the existing public sector commercial enterprises at Holding Company level will be retained under Government control. The remaining enterprises in a strategic sector, will be considered for privatisation or merger or subsidiarization with another PSE or for closure. PSEs in Non-Strategic Sectors shall be considered for privatisation, where feasible, otherwise such enterprises shall be considered for closure.

Annexure referred to in part (b) to (e) of reply to Lok Sabha Unstarred Question No.1159 due for answer on 06.12.2021

List of CPSEs and/or Subsidiaries/ Units/ Joint Ventures of CPSEs for which Government has given 'in-principle' approval for strategic disinvestment since 2016.

a) Ongoing Transactions being processed by DIPAM

Sl. No.	Name of the CPSE/ Subsidiaries/ Units/ Joint Ventures of CPSEs
1	Project & Development India Limited
2	Engineering Project (India) Limited
3	Bridge and Roof Co. India Limited
4	Central Electronics Limited
5	BEML Limited
6	Ferro Scrap Nigam Limited (subsidiary)
7	Nagarnar Steel Plant of NMDC Limited
8	Alloy Steel Plant, Durgapur [^] ; Salem Steel Plant; Bhadrawati Steel Plant - units of Steel Authority of India Limited
9	Pawan Hans Limited
10	Air India and five of its subsidiaries @
11	HLL Lifecare Limited
12	Indian Medicines Pharmaceuticals Corporation Limited
13	(a) Bharat Petroleum Corporation Ltd (except Numaligarh Refinery Limited) (b) BPCL stake in Numaligarh Refinery Limited to a CPSE strategic buyer \$
14	The Shipping Corporation of India Limited
15	Container Corporation of India Limited
16	Neelachal Ispat Nigam Limited (JV of four CPSEs and two State PSEs)
17	Rashtriya Ispat Nigam Ltd.

[^] Transaction halted for the time being.

@ Strategic Buyer selected for Air India and AIXL. Transaction is at concluding stage.

\$ Transaction completed.

b) Transactions being processed by respective Administrative Ministries

Sl. No.	Name of the CPSE/ Subsidiaries/ Units/ Joint Ventures of CPSEs
18	Various Units of India Tourism Development Corporation Limited
19	Hindustan Antibiotics Limited
20	Bengal Chemicals & Pharmaceuticals Limited

c) Transactions held up due to litigation

Sl. No.	Name of the CPSE/ Subsidiaries/ Units/ Joint Ventures of CPSEs
21	Hindustan Newsprint Limited (subsidiary)
22	Karnataka Antibiotics & Pharmaceuticals Limited

d) Transactions halted as the CPSEs recommended / approved for closure; or any other reason

Sl. No.	Name of the CPSE/ Subsidiaries/ Units/ Joint Ventures of CPSEs
23	Hindustan Fluorocarbons Limited (subsidiary)*
24	Scooters India Limited*
25	Bharat Pumps & Compressors Limited*
26	Hindustan Prefab Limited
27	Units of Cement Corporation of India Limited #

*Subsequently, Government approved for closure of the Company.

Transaction not feasible and the mines are being returned to the State Governments.

e) Transactions Completed

Sl. No.	Name of the CPSE/ Subsidiaries/ Units/ Joint Ventures of CPSEs
28	Hindustan Petroleum Corporation Limited
29	Rural Electrification Corporation Limited
30	HSCC(India) Limited
31	National Projects construction corporation Limited
32	Dredging Corporation of India Limited
33	THDC India Limited
34	North Eastern Electric Power Corporation Limited
35	Kamrajar Port Limited
