

**GOVERNMENT OF INDIA
MINISTRY OF CORPORATE AFFAIRS
LOK SABHA
UN-STARRED QUESTION NO. 2977
TO BE ANSWERED ON MONDAY, AUGUST 07, 2023/SRAVANA 16,
1945(SAKA)**

PUBLIC SECTOR UNDERTAKINGS RUNNING INTO LOSSES

QUESTION

2977. SHRI KISHAN KAPOOR:

Will the Minister of CORPORATE AFFAIRS be pleased to state:

- (a) the number of Public Sector Undertakings (PSUs) in the country which have been running into losses since last one decade; and
(b) the measures taken/being taken by the Government to reduce the losses of the said establishments?**

ANSWER

Minister of State (Independent Charge) of the Ministry of Statistics and Programme Implementation; Minister of State (Independent Charge) of the Ministry of Planning and Minister of State in the Ministry of Corporate Affairs.

(Rao Inderjit Singh)

(a): The term Public Sector Undertaking (PSU) is not defined under the Companies Act, 2013 (the Act). As per Section 2(45) of the Act , Government company is defined as under:-

“Government company means any company in which not less than fifty-one per cent of the paid up share capital is held by the Central Government, or by any State Government or Governments, or partly by the Central Government and partly by one or more State

Governments, and includes a company which is a subsidiary company of such a government company”.

CPSEs refers to those Government companies and Statutory Corporations set up under different Statutes of the Parliament wherein more than 50% of the share in equity is held by the Central Government. The Ministry of Corporate Affairs does not administer CPSES. However, as informed by the Department of Public Enterprises there are Eight operating Central Public Sector Enterprises (CPSEs) which are running in losses continuously since 2012-13.

(b): Department of Public Enterprises, Ministry of Finance has informed that Central Public Sector Enterprises (CPSEs) function under the administrative control of respective Ministries/Departments. Enterprises specific measure for their investments and turnaround are taken by the administrative Ministries/Departments having jurisdiction over the concerned CPSEs. These, inter alia include business restructuring, formation of joint ventures, modernization, and improved marketing Strategies etc. Government has also notified the new Public Sector Enterprise (PSE) Policy in February 2021. The CPSEs are therefore, to be dealt according to the provisions of the New PSE Policy only.
