GOVERNMENT OF INDIA HEAVY INDUSTRIES AND PUBLIC ENTERPRISES LOK SABHA

UNSTARRED QUESTION NO:436 ANSWERED ON:23.02.2001 FALL OF PUBLIC SECTOR INVESTMENTS ANANTA NAYAK

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

(a) whether the public Sector Investments have fallen behind private sector investment during the first three years of the Ninth Five Year Plan;

(b) If so, the reasons therefor; and

(c) the steps taken by the Government to increase the investment in Public Sector Undertakings?

Answer

MINISTER OF STATE FOR HEAVY INDUSTRIES AND PUBLIC ENTERPRISES (DR. VALLABHBHAI KATHIRIA)

(a) : As per available information, Rs. 38944 crores have been invested in the Central Public Sector Undertakings during 1997-98 to 1999-2000 as compared to investment of Rs. 261372 crores approved for delicensed sector (IEMs) and licensable sector (LOIs) during the same period.

(b) : Due to economic liberalization certain sectors of economy earlier reserved for the public sector have been opened up to the private sector in order to increase private investment in the economy.

(c): Under the scheme of granting Navratna/Mini-Ratna status to CPSUs, enhanced financial autonomy for investment decisions have been granted to allow them to invest from their own resources. At the same time, in the case of loss making CPSUs, Government considers revival of the viable sick CPSUs by further investment on case-to-case basis based on appropriate rehabilitation packages.