

**GOVERNMENT OF INDIA
HEAVY INDUSTRIES AND PUBLIC ENTERPRISES
LOK SABHA**

UNSTARRED QUESTION NO:1838
ANSWERED ON:04.08.2005
EXTRAVAGANT EXPENDITURE BY PSUs
Badiga Shri Ramakrishna;Ponnuswamy Shri E.

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

- (a) whether the Government has laid down any rules to check extravagant expenditure by PSUs;
- (b) if so, the details thereof;
- (c) whether any violation of these guidelines has been reported;
- (d) if so, the details thereof; and
- (e) the steps being taken to streamline the functioning of PSUs to cut wasteful expenditure?

Answer

THE MINISTER OF STATE (INDEPENDENT CHARGE) IN THE MINISTRY OF HEAVY INDUSTRIES & PUBLIC ENTERPRISES
(SHRI SONTOSH MOHAN DEV)

(a) to (e) : Government have issued guidelines on expenditure management from time to time for compliance by CPSEs. In view of directions given by Prime Minister, Department of Public Enterprises issued instructions in September, 2004 to all the administrative Ministries/Departments emphasizing the need for efficiency, rectitude and austerity. Subsequently in October, 2004, all administrative Ministries/ Departments were requested to advise CPSEs under their administrative control to strictly comply with the austerity measures announced by the Government. Administrative Ministries have been asked to monitor the instances of deviation as well as to ensure compliance of these measures.