

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

UNSTARRED QUESTION NO:3113
ANSWERED ON:12.08.2010
SALARY TO EMPLOYEES OF PSES
Pakkirappa Shri S.

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

- (a) The details of Public Sector Enterprises (PSEs) which have been receiving the budgetary grants to pay salary to their employees;
- (b) The details of annual budgetary grant received, PSE-wise;
- (c) The criteria on which such grants were given and whether such grants covered all the sick PSEs; and
- (d) If so, the details thereof?

Answer

THE MINISTER OF STATE FOR HEAVY INDUSTRIES AND PUBLIC ENTERPRISES(SHRI ARUN YADAV)

(a) Central Public Sector Enterprises (CPSEs) are expected to pay the wages, salaries and statutory dues to their employees regularly out of their own resources. Government provides financial assistance by way of non-plan loans to certain CPSEs to supplement their efforts for payment of wages and salaries and statutory dues when they are unable to generate required resources.

(b) In respect of ten sick CPSEs under the administrative control of Department of Heavy Industry (DHI), budgetary support in the form of loan towards payment of salary / wages and statutory dues for the period from 01.04.2009 to 31.12.2009 is Rs. 204.83 crore

(c) & (d) The criteria on which Budgetary support as loans are extended to CPSEs are :

(i) The CPSEs are still loss making under the definition given in Sick Industrial Companies (Special Provision) Act, 1985/Department of Public Enterprises Resolution dated 6.12.2004.

(ii) The CPSEs are unable to pay the salary/wages due to their poor financial condition.

(iii) The revival/closure plan is pending consideration of Government/BIFR (Board for Industrial and Financial Reconstruction)for approval based on recommendations of BRPSE for Reconstruction of Public Sector Enterprises).

Such Budgetary support have covered all sick CPSEs under the Department of Heavy Industry, which are eligible under the above conditions.