

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

UNSTARRED QUESTION NO:864  
ANSWERED ON:29.07.2010  
CASH RESERVES OF PSUs  
Naik Dr. Sanjeev Ganesh;Sule Supriya

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

- (a) whether the Government has asked Public Sector Undertakings (PSUs) to shell out large dividends in a bid to attract investors;
- (b) if so, the details thereof;
- (c) whether the Government has sought details of surpluses and cash reserves from all PSUs;
- (d) if so, the extent to which the Government has received the details sought from PSUs; and
- (e) the further action proposes to be taken by the Government in this regard?

**Answer**

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

- (a) & (b): Central Public Sector Enterprises (CPSEs) are expected to declare a minimum dividend on equity of 20% or a minimum dividend pay out of 20% of post-tax profits, whichever is higher. The minimum dividend payout in respect of CPSEs in oil, Petroleum, Chemical and other infrastructure sectors is 30% of post-tax profits. This is to meet the austerity measures of the Government.
- (c) to (e): The government have been reviewing the compliance of its guidelines for investment of surplus fund by CPSEs. The status of investment of reserve and surplus is received from all concerned CPSEs.