

**GOVERNMENT OF INDIA  
FINANCE  
LOK SABHA**

UNSTARRED QUESTION NO:2610  
ANSWERED ON:11.03.2011  
PHALGUNA SAKA JOINT VENTURE OF PSUS WITH PRIVATE ENTERPRISES  
Pal Shri Jagdambika

**Will the Minister of FINANCE be pleased to state:**

- (a) the details of guidelines governing Public Sector Undertakings for entering into Joint Venture (JV) agreements with the private enterprises;
- (b) the details of JV cases which have got the approval of Government during the last three years.
- (c) whether JVs are subject to Government audit;
- (d) whether the CAG has been empowered to supervise or conduct audit of such JVs; and
- (e) if so, the details thereof and if not, the reasons therefor?

**Answer**

MINISTER OF STATE IN THE MINISTRY OF FINANCE SHRI NAMO NARAIN MEENA:

- (a) to (b) The Department of Public Enterprises, Government of India has issued guidelines delegating powers to the Boards of Maharatna, Navratna and Miniratna Central Public Sector Enterprises (CPSEs) for making equity investments to establish joint ventures (JVs) within the laid down limits and subject to certain conditions. Department of Public Enterprises is not maintaining the details of Joint Venture cases approved by the Government. It is also added that Joint Venture (JV) proposals of Maharatana, Navratna and Miniratna CPSEs, within their respective delegated powers, do not require the approval of the Cabinet.
- (c) to (e) In case, the joint venture is a Government company under Section 619 of the Companies Act or deemed Government company under Section 619 B of the Companies Act, the auditor of such joint venture will be appointed and audit will be supervised by C&AG. The C&AG will also have powers to undertake supplementary or test audit of such joint venture. In case such joint venture is not a Government company under Section 619 of the Companies Act or deemed government company under Section 619 B of the Companies Act, the auditor will not be appointed or audit supervised by C&AG.