

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

UNSTARRED QUESTION NO:119

ANSWERED ON:02.07.2009

SURPLUS FUNDS OF PSUS

Sharma Shri Jagdish;Singh Shri Rajiv Ranjan (Lalan)

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

- (a) whether several public sector enterprises have invested their surplus capital with banks and other financial institutions;
- (b) if so, the details of such PSUs;
- (c) the amount of surplus capital of each public sector enterprise as on 31 March,2009; and
- (d) the details of the banks and financial institutions where this amount was deposited?

Answer

THE MINISTER OF HEAVY INDUSTRIES & PUBLIC ENTERPRISES (SHRI VILASRAO DESHMUKH)

(a): Board of Central Public Sector Enterprises (CPSEs) have been delegated powers to take decisions regarding investment of surplus funds in instruments including deposits with banks and other financial institutions as per the guidelines issued by Department of Public Enterprises (DPE) on the advice of Ministry of Finance from time to time.

(b) & (c): As per Public Enterprises Survey (PE Survey) 2007-08, the latest period for which information is available, as on 31st March, 2008, all CPSEs taken together have a total cash and bank balance of Rs. 2,46,374.60 crore. The individual details of CPSEs, in this regard is available in Volume-III of PE Survey, which is a public document and was placed in both the Houses of Parliament on 25.2.2009.

(d): As per DPE guidelines, surplus funds can be invested in the term deposits with any scheduled commercial bank incorporated in India with paid up capital of at least Rs. 100 crore fulfilling the capital adequacy norms as prescribed by the Reserve Bank of India from time to time and not less than 60% of surplus funds may be placed with Public Sector Banks only.