

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

UNSTARRED QUESTION NO:3448

ANSWERED ON:13.12.2012

LOSS OF PSUS DUE TO DEPENDENCE ON IMPORTED GOODS

Thamaraiselvan Shri R.

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

- (a) whether many Public Sector Undertakings (PSUs) have turned into loss making units in the recent times due to dependence on imported goods;
- (b) if so, the details thereof;
- (c) whether the Government is considering to make it mandatory particularly for Government projects to buy the goods produced by the PSUs;
- (d) if so, the details thereof; and
- (e) the other steps taken / being taken by the Government to address the issue?

Answer

THE MINISTER FOR HEAVY INDUSTRIES & PUBLIC ENTERPRISES (SHRI PRAFUL PATEL)

- (a) & (b) As per Public Enterprises Survey 2010-11 that was laid in the Parliament on 22.03.2012 there were 36 Central Public Sector Enterprise (CPSE) showing continuous losses during the last three years (i.e. 2010-11, 2009-10 and 2008-09). These CPSEs are operating in fertilizers, chemical & Pharmaceuticals, medium & light engineering; transportation and consumer goods sectors. The reasons for losses are varied such as high input cost, technology obsolescence and market competition.
- (c) & (d) There is no proposal to make it mandatory for Government projects to buy goods produced by CPSEs.
- (e) The Government constituted the Board for Reconstruction of Public Sector Enterprises (BRPSE) in 2004 to advise the Government of India for revival and restructuring of loss making CPSEs.