

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

UNSTARRED QUESTION NO:2744  
ANSWERED ON:09.12.2014  
ENHANCED PUBLIC EXPENDITURE BY CPSUS  
Ahlawat Smt. Santosh

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

- (a) whether the Government has issued any directives to the Central Public Sector Undertakings (CPSUs) to increase public expenditure and contribute more towards the manufacturing sector and Gross Domestic Product (GDP) of the country;
- (b) if so, the details thereof; and
- (c) the manner in which this move is likely to accelerate economic growth in the country?

**Answer**

THE MINISTER OF STATE OF HEAVY INDUSTRY AND PUBLIC ENTERPRISES  
(SHRI G.M. SIDDESHWARA )

[a] & (b) As per Public Enterprises Survey 2012-13, there were 277 Central Public Sector Enterprises (CPSEs) with a total investment of Rs. 8,50,599 crore as on 31st March, 2013. The total turnover of these CPSEs was Rs. 19,45,777 crore as on 31st March, 2013. Under the Memorandum of Understanding (MoU), which is a mutually negotiated agreement between the management of the CPSE and its Administrative Ministry/Department, annual targets are fixed for different financial and non-financial parameters. CPSEs are encouraged to undertake capital expenditure and include it as a parameter in the MoU.

(c) The Capital Expenditure made by CPSEs is expected to lead to higher turnover contributing to growth in Gross Domestic Product (GDP).