

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

UNSTARRED QUESTION NO:2499

ANSWERED ON:04.08.2015

Corruption in PSUs

Bhabhor Shri Jasvantsinh Sumanbhai;Khaire Shri Chandrakant Bhaurao

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

- (a) whether the Government is aware that the capital invested in a number of public enterprises are not being properly utilised due to corruption in these public enterprises;
- (b) if so, the details thereof and the reaction of the Government thereto;
- (c) The corrective steps taken by the Government in this regard; and
- (d) the extent to which success has been achieved in this regard?

**Answer**

THE MINISTER OF STATE FOR HEAVY INDUSTRIES & PUBLIC ENTERPRISES  
(SHRI G. M. SIDDESHWARA)

(a) & (b) The Government is committed to efficient and gainful utilisation of capital invested in Central Public Sector Enterprises (CPSEs). The complaints of individual corruption cases are dealt with in accordance with the extant guidelines issued by the concerned Competent Authority of the Government as well as Central Vigilance Commission.

(c) The Government has put in place a number of institutional mechanisms to ensure proper utilisation of capital invested and to check corruption in CPSEs. These include issuing of guidelines from time to time in line with the instructions of the Central Vigilance Commission on strengthening of vigilance machinery, improving vigilance administration, appointment of Chief Vigilance Officers to carry out a preventive role to deal with the cases of corruption/malpractices in CPSEs and to create a culture of honesty and transparency in all prevailing systems and procedures in CPSEs. Besides, vigilance setup, the Department has also issued guidelines on transparent corporate governance making it mandatory for inclusion of professionals as non-official Directors in the Boards of CPSEs. The Memorandum of Understanding system being followed currently by CPSEs as per Department guidelines also ensures constant performance monitoring of CPSEs.

(d) On account of various measures taken by the Government for better performance of CPSEs, the turnover of operating CPSEs as per the Public Enterprises Survey 2013-14 has increased by 5.96% in 2013-14 over 2012-13.

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