

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

UNSTARRED QUESTION NO:1311
ANSWERED ON:03.03.2015
ASSESSMENT OF PERFORMANCE OF PSUS
Singh Shri Dushyant

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

- (a) whether the Government has assessed the performance of the Public Sector Undertakings (PSUs) in the recent past and if so, the details and outcome thereof;
- (b) whether the Government has identified any sick PSUs during this assessment and if so, the details thereof and the action proposed to be taken thereon; and
- (c) whether the Government proposes to conduct a fresh survey on the performance of PSUs in the country in the near future and if so, the details thereof?

Answer

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

- (a) The Memorandum of Understanding (MoU) is a mutually negotiated agreement between the management of the Central Public Sector Enterprise (CPSE) and its Administrative Ministry/Department wherein annual targets are fixed for different financial and non-financial parameters. Evaluation of the performance of the CPSE against these targets is done at the end of the financial year. The details of evaluation of the achievements of CPSEs vis-a-vis targets fixed in the MoU for the 2013-14 is enclosed at Annex.
- (b) Sick and loss making CPSEs which are in operation and are not on the verge of being closed or merged are included in the MoU system. The targets fixed for such CPSEs depend on their nature of operations, details of revival package if any, future outlook etc.
- (C) The MoU mechanism is an annual exercise. Further, the Public Enterprise Survey which is a comprehensive report on the performance of CPSEs is laid in both the Houses of Parliament every year. The survey for year 2013-14 has been laid in both the Houses of Parliament on 26th February 2015.