

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

STARRED QUESTION NO:235  
ANSWERED ON:10.03.2000  
INVESTMENT IN LOSS MAKING PUBLIC SECTOR UNDERTAKINGS  
ADHIR RANJAN CHOWDHURY;SHYAMA SINGH

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

- (a) whether the Associated Chambers of Commerce and Industry has urged the Government not to finance the loss making Public Sector Undertakings in the country;
- (b) if so, the total investments made by the Government in loss making PSUs during the last three years;
- (c) whether the efforts of the Government to revive the loss making units have gone waste; and
- (d) if so, the factors responsible for such losses ?

**Answer**

THE MINISTER OF HEAVY INDUSTRIES & PUBLIC ENTERPRISES SHRI MANOHAR JOSHI

(a) No Sir.

(b) There were 102, 104 and 100 loss making CPSUs respectively as on 31.3.1996, 31.3.1997 and 31.3.98 the period upto which information is available. The net investments made by the Central Government in CPSUs, including loss making, are available in Statements 17 & 18 of Volume-I of Public Enterprises Survey for the respective years, which had been laid in the Parliament and are published documents.

(c) It is the constant endeavour of the Government to restructure and revive loss making PSUs. As a result, many PSUs have been able to restructure their operations, improve productivity and achieve a turn around in performance.

(d) The factors responsible for losses vary from unit to unit. Some of the general factors have been low capacity utilisation, outdated technology, obsolete plant and machinery, low productivity, input cost escalations, resource crunch, high interest and depreciation burden, weak marketing strategy, surplus manpower etc.