

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

UNSTARRED QUESTION NO:591
ANSWERED ON:24.07.2003
RESTRUCTURING OF PUBLIC SECTOR ENTERPRISES
SHRINWAS DADASAHEB PATIL

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

- (a) Whether any assessment by the Government is done regarding the losses suffered by the PSE's;
- (b) if so, the details thereof alongwith the steps taken by the Government in restructuring of public sector enterprises which are making losses;
- (c) whether the Government has framed a labour policy for labourers working in these loss making PSE's in order to avoid unemployment due to closure of the units; and
- (d) if so, the details thereof ?

Answer

MINISTER OF HEAVY INDUSTRIES AND PUBLIC ENTERPRISES (SHRI SUBODH MOHITE)

(a) and (b): The assessment of the performance of the Central Public Sector Enterprises(CPSEs) including their losses is done and published in the Public Enterprises Survey, which is laid in Parliament during the Budget Session every year. Details of losses incurred by the CPSEs during 2001-02, till which period the information is available, are given in Statement 7B of the Public Enterprises Survey 2001-02 which was laid in the Lok Sabha on 3.3.2003 and is a published document.

Enterprise specific steps are taken by the concerned administrative Ministries / Departments in consultation with the Management of the PSU and other stakeholders for financial and business restructuring of the enterprises to improve their performance. The restructuring measures include waiver of interest and loan, conversion of loan into equity, infusion of fresh funds, rationalization of manpower, formation of joint ventures, closure of unviable units etc.

(c) and (d) : Government have introduced a comprehensive VRS policy vide DPE's O.M. No. 2(32)/97-DPE(WC)GL-XXII date 5.5.2000 for the benefit of workers in profit making as well as loss making/sick PSUs. The VRS compensation has been further increased by 100 per cent / 50 per cent for the workers who are at 1987/1992 pay scales respectively. Government have also introduced a scheme of counselling, retraining and redeployment for the benefit of rationalized employees.