

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

UNSTARRED QUESTION NO:3217  
ANSWERED ON:19.08.2004  
IRREGULARITIES IN PUBLIC SECTOR ENTERPRISES  
Saroj Shri Daroga Prasad;Yadav Shri Ram Kripal

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

- (a) whether the Government is suffering losses worth crores of rupees due to irregularities being committed in the Public Sector Enterprises;
- (b) if so, the reasons of the Government thereto;
- (c) the number of officers dismissed from the service for their involvement in irregularities during the last three years alongwith details thereof, enterprise-wise; and
- (d) the efforts made by the Government to check such irregularities?

**Answer**

THE MINISTER OF STATE (INDEPENDENT CHARGE) IN THE MINISTRY OF HEAVY INDUSTRIES & PUBLIC ENTERPRISES  
(SHRI SONTOSH MOHAN DEV)

(a) and (b) : The reasons for losses suffered by loss incurring Public Sector Enterprises (PSEs) are many. These include old plant & machinery, obsolete technology, resource crunch, high input cost, surplus manpower, high interest burden, low capacity utilization, low order book position, shortage/non-availability of raw material, management deficiency, etc. It would be difficult to segregate and attribute the losses to specific reasons including irregularities.

(c) and (d) : Managements of PSEs enjoy autonomy in regard to recruitment, removal, etc. of all officers of the respective PSEs. The PSEs are not required to consult the government for imposing punishments. Thus the information in this regard is not maintained centrally. However, various guidelines on several measures like strengthening the vigilance machinery and streamlining procurement procedures, etc. in PSEs have been taken by the Government.