

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

UNSTARRED QUESTION NO:325
ANSWERED ON:23.11.2006
AUTONOMY TO PSUs
Jindal Shri Naveen

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

- (a) whether there is any proposal to grant more powers to public sector undertakings (PSUs) as reported in the Tribune dated October 31, 2006;
- (b) if so, the facts and the details thereof; and
- (c) the benefits that are likely to accrue to these PSUs?

Answer

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

(a) to (c) : The National Common Minimum Programme (NCMP) provides that the Government is committed to a strong and effective public sector, and to devolve full functional and commercial autonomy to the successful, profit-making companies in a competitive environment. In line with this policy, and on the basis of the recommendations of the Ad-Hoc Group of Experts (AGE) enhanced powers relating to capital expenditure, establishing joint ventures/subsidiaries, human resources management and approval of foreign tours of functional directors, etc. have already been delegated in August, 2005 to the Boards of Navratna, Miniratna and other profit making Central Public Sector Enterprises (CPSEs). The remaining recommendations of the AGE are under consideration.