

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

UNSTARRED QUESTION NO:280
ANSWERED ON:23.11.2006
SALES/SERVICE EFFICIENCY OF PSUs
Jha Shri Raghunath

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

- (a): whether the PSUs have not been able to achieve the sales/service targets during the last three years despite tendering service abroad.
- (b): if so, the reasons therefore together with the targets fixed for the sales/service; and
- (c): the steps taken to boost the operating efficiency of PSUs?

Answer

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

(a & b) : The performance parameters including those for sales/services are fixed for MoU signing CPSEs. The aggregate sales/service figures (table below) of MoU signing CPSEs shows that targets were achieved during the last three years

(Rs. in Crores)

Year	No. CPSEs Signed MoU	Targets Service (Total)	Saies/ Actual Achievements (Total)
2003-04	43	80849	67362
2004-05	83	539325	622421
2005-06 (Prov.)	83	1351155	1602485

(c): Some of the measures taken by Government and the managements of CPSEs, to improve the performance of CPSEs, are given below:

- (i) Further strengthening of MoU system.
- (ii) Performance review by the administrative Ministries and Inter - Ministerial Committee, Apex Committee,
- (iii) Delegation of enhanced powers to Board of Directors of Navratna, Miniratna PSEs and other profit making CPSEs.
- (iv) Professionalisation of Board of Directors.
- (v) Training and human resource development.
- (vi) Diversification of product-mix.
- (vii) Technology upgradation, research and development.
- (viii) Improved inventory control.