

GOVERNMENT OF INDIA
MINISTRY OF HEAVY INDUSTRIES AND PUBLIC ENTERPRISES
DEPARTMENT OF PUBLIC ENTERPRISES

LOK SABHA

UNSTARRED QUESTION No. 497

TO BE ANSWERED ON 19.12.2017

Huge Reserves in Navratna PSUs

497. COL. SONARAM CHOUDHARY:

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

- (a) whether it is a fact that Navratna PSUs have built up huge reserves over the years;
- (b) if so, whether these are being deployed for further expansion of their operations or diversification, upgradation of technology etc.;
- (c) if not, whether their partial monetization is being considered;
- (d) whether the Government has carried out any review in respect of utilisation of the reserve funds in the said PSUs; and
- (e) if so, the outcome thereof?

ANSWER

THE MINISTER OF STATE FOR HEAVY INDUSTRIES & PUBLIC ENTERPRISES

(SHRI BABUL SUPRIYO)

(a): As per information available in the Public Enterprises Survey 2015-16 that was laid on the Table of both the Houses of Parliament on 21.3.2017, 17 Navratna Central Public Sector Enterprises (CPSEs) have total cash & bank balances of Rs. 65247.94 crore as on 31.3.2016

(b) & (c): The funds available with the CPSEs are used to invest in expansion, diversification and up-gradation of technology and operations based on their investment needs and corporate plans, as per the delegated powers with the approval of competent authority. They are also used to pay dividend, buy-back of shares, issue of bonus shares as per relevant rules/guidelines of the Government.

(d)&(e): Department of Public Enterprises monitors CAPEX expenditure of CPSEs having CAPEX target of more than Rs. 500 crore. Guidelines of DIPAM have been issued on Capital Restructuring of CPSEs covering payment of Dividend, Buyback of Shares, Issue of Bonus Shares, Splitting of Shares and other issues relating to investment management of CPSEs subject to the provisions laid therein. These are being monitored by the Government from time to time.

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