

Discrimination of pay in PSUs

2654. SHRI M.V. MYSURA REDDY:

SHRI NANDAMURI HARIKRISHNA:

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

(a) whether it is a fact that under the revised Pay Commission guidelines only profit-making Public Sector Undertakings (PSUs) would get the benefit of pay hike whereas the loss-making PSUs are not allowed to hike the pay to their employees;

(b) if so, what are the reasons behind this discrimination towards loss-making units;

(c) whether it is also a fact that if a particular PSU has a large number of employees, as per guidelines, the hike in pay and allowances are not equal to those which have small number of employees and are profit-making; and

(d) if so, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF HEAVY INDUSTRIES AND PUBLIC ENTERPRISES (SHRI ARUN YADAV): (a) and (b) Government has issued policy guidelines for wage negotiations in respect of unionized workmen in CPSEs *vide* OM dated 9.11.2006. The Government after due consideration of the recommendations of the 2nd Pay Revision Committee (2nd PRC) has also issued O.Ms dated 26.11.2008, 09.02.2009 and 02.04.2009 in respect of executives and non-unionised supervisors in IDA pay scales. Government has also issued O.Ms dated 14.10.2008 and 20.1.2009 in respect of pay revision of employees of CPSEs following CDA pattern of pay scales. These O.Ms *inter-alia* provide that CPSEs are required to bear the additional financial implication on account of pay revision from their own resources and no budgetary support will be provided.

(c) and (d) The pay package for the employees of CPSEs depends on profitability and affordability of respective CPSEs. The Performance Related Pay in respect of executives has been linked to the profits of CPSEs and also performance of the CPSEs/units and individual executives.

Navratna status for PSUs

2655. SHRI R.C. SINGH: Will the Minister of HEAVY INDUSTRIES AND PUBLIC ENTERPRISES be pleased to state:

(a) what is the criteria adopted to declare a Public Sector Undertaking (PSU) as a Navratna;

(b) what benefits a Navratna gets, when compared to other companies;

(c) whether it is a fact that Government is giving Navratna status to a company if its sales turnover crosses Rs.3.000 crores and also a company whose sales turnover crosses Rs.2,74,000 crores and living same autonomy and liberty to both the companies;

(d) if so, what is the justification in this;

(e) whether it is a fact that some of the larger PSUs are demanding for giving Maharatna status to them; and

(f) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF HEAVY INDUSTRIES AND PUBLIC ENTERPRISES (SHRI ARUN YADAV): (a) The Central Public Sector Enterprises (CPSEs) fulfilling the following criteria are eligible to be considered for grant of Navratna status:

(i) Having Schedule 'A' and Miniratna Category-1 status

(ii) Having at least three "Excellent" or "Very Good" Memorandum of Understanding (MoU) ratings during the last five years

(iii) Having a composite score of 60 or above out of 100 marks based on its performance during the last 3 years on the following six identified efficiency parameters:

Performance Parameters	Maximum Marks
Net profit to Net Worth	25
Manpower Cost to Cost of Production or services	15
Gross Margin to Capital Employed	15
Gross Profit to Turnover	15
Earnings per Share	10
Inter-Sectoral comparison based on Net Profit to Net Worth	20
TOTAL :	100

(b) As compared to other CPSEs, the Boards of Navratna CPSEs have been delegated enhanced powers in the areas of (i) capital expenditure, (ii) equity investment in joint ventures/subsidiaries in India or abroad, (iii) human resources development, (iv) organizational restructuring and (v) raising of debt from the domestic capital markets and borrowings from international markets.

(c) and (d) The grant of Navratna status to CPSEs is not directly linked to their turnover. It depends on the criteria given in the answer for part (a) of the question.

(e) No proposal from any CPSE has been recently received in Department of Public Enterprises for grant of 'Maharatna' status to it.

(f) Does not arise.

Shut down of CPSUs

2656. SHRI SHYAMAL CHAKRABORTY: Will the Minister of HEAVY INDUSTRIES AND PUBLIC ENTERPRISES be pleased to state:

(a) how many Central Public Sector Undertakings have been shut down in the last three years;