

Improve on professionalism, reduce expenditure: Nirmala Sitharaman to PSEs

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GANDHINAGAR: Finance minister Nirmala Sitharaman on Thursday asked public sector enterprises to improve on professionalism, reduce expenditure and consider working with private sector entities. She was addressing the heads of various central public sector enterprises (CPSEs) at Mahatma Mandir in Gandhinagar after inaugurating a mega exhibition on the contribution of these government-owned companies to nation-building as part of the Azadi Ka Amrit Mahotsav celebrations.

"It is now time for PSEs to show that you are very keen to improve on your professionalism as much as you have done between 1991 and now. And where possible, in order to bring down the overheads, it might be worth looking at private participation together with what you are doing...you can

benefit from the efficiency of the private sector," Sitharaman said.

Referring to the new PSE policy announced in 2021, the Finance Minister said PSEs need to be aware of the competition they will face from the private sector for whom the government has opened the strategic sectors.

"The policy has opened up for the private sector to operate, and therefore, I would raise a flag here to all the PSEs. The moment you are opening up for the private sector to come into an area, we in the public sector will have to be conscious of the level of competition which is going to be before us.

"And if we are conscious of the level of competition, I am sure, just like you have done in the past for several decades, you will face the challenge, and also be able to stand up and through better efficiencies be on the top rather than leave the space," Sitharaman said.

She termed the economic reforms, which were introduced in the country in 1991, a "game-changer".

"With India opening up after 1991, PSEs started competing with the private sector entities. You found that to be a game-changer as the PSEs realised that now they have to improve on their efficiencies, also scale up and reduce the overheads," the minister said.

The exhibition titled "Nation Building and CPSEs" has stalls of nearly 75 central government companies, such as Coal India, GAIL India, NTPC, Steel Authority of India Ltd and Indian Oil Corporation Ltd. The exhibition will be open to the public from June 10 to 12.