

huge cost of operating the sick CPSEs to the national exchequer and the tax payer at large, it is imperative to ensure that appropriate policies are in place to revive the sick enterprises, if viable, as well as to close the terminally sick ones. More importantly, they must be intensively monitored for incipient signs of sickness and preventive steps and correctives must be taken as warranted.

1.8 Research Questions

For achieving the objectives of the dissertation, efforts have been made to seek answers to the following questions:

- i) What are the Government policies with regard to revival of sick CPSEs and are they adequate to address the issues or there are some policy gaps?
- ii) What are the factors that contributed to the turnaround of some and to the failure of revival process in case of others though case studies of select CPSEs?
- iii) What can be the way forward?

1.9 Delimitations

In India, the Public Sector Enterprises constitute a broad overarching category comprising several types of entities viz. departmental undertakings, statutory corporations, Government companies, State Public Sector Enterprises, Central Public Sector Enterprises. There are multifarious issues related to the subject such as extent of sickness in the omnibus group denoted by "Public Sector

Enterprises", predictive models of sickness etc. If all of these were examined, the study would have become extremely voluminous. In view of the time constraints, the scope of the study has therefore be limited to the Central Public Sector Enterprises as stated under "Objectives".

1.10 Methodology

The following methods have been adopted for the purpose of this dissertation:

- a) The published work available on the subject has been reviewed.
- b) Discussion has been held with officials of the CPSEs that have been covered in the case studies as well as officials of the administrative ministry to gather insights.
- c) Government policies with regard to revival of sick enterprises, information available from various sources such as balance sheets and annual reports of the CPSEs, have been studied.

1.11 Literature review

An overview of CPSEs as well as strategies for restructuring and revival of sick ones have been presented in Public Enterprises Survey (2011-12).

Khandwalla (1981) has suggested a model strategy for turning around sick organizations that emphasizes, among other things, the need for induction of a results-oriented top level change agent, an individual or a team, committed to turning around the enterprise.

Chatterjee et. al. (1999) recommends that every country must evolve a turnaround strategy that suits it best in view of its own unique political, social, economic infrastructural and cultural environment. The experience of the developed Western World cannot be transplanted to the developing countries without disastrous consequences. Any vigorous restructuring of the public sector must necessarily result in large scale unemployment. Such an exercise must therefore be accompanied by the creation of a safety net and programmes for the creation of alternative job opportunities. Further, the developing countries in their own interest have to develop the political will to initiate liberalisation and turnaround measures including liquidation of terminally ill PSEs. There can be no cure without some pain.

While tracing the evolution of privatization and disinvestment of CPSEs in India, Gangadhar and Devi (2007) have, in a study, discussed their role in enhancing the efficiency of CPSEs.

Mishra, Kumari and Kiranmai (2008) have outlined the causes of sickness of public enterprises and strategies adopted by the Government in the backdrop of the Common Minimum Programme

1.12 Chapterisation Scheme

Chapter one introduces the subject of the present study. The issues relating to revival of CPSEs are elaborated. In addition, the objectives, research questions

and methodology of the study have been discussed and the available literature on the topic reviewed.

In **Chapter two**, an overview of the administrative, policy and legal/legislative frameworks regarding sick CPSEs has been attempted

Chapter three: a detailed study of the cases of several CPSEs a few of which could be successfully turned around and others could not, has been undertaken.

Chapter four: a summary of conclusions and recommendations has been provided in the culminating chapter.