

## **PMO Thrust Area – Restructuring of HUDCO – Reg.**

In pursuance of Prime Minister's Office Thrust Area Item No.39.4, relating to restructuring of HUDCO, the Ministry had directed HUDCO to commission detailed study in this regard by a reputed Consultant. Accordingly HUDCO engaged M/s Ernst & Young Pvt. Ltd. for making recommendations on the business and diversification plan, evaluation and re-engineering of processes and automated systems.

HUDCO Board after detailed examination and deliberations accepted the report submitted by the consultants. Thereafter, the report was considered by the Ministry for which a committee was constituted under the chairmanship of Secretary (HUPA)

Towards implementation of the recommendations made by the consultants, the Committee felt that these should be implemented in a time bound manner and the recommendations involving major policy issues should be closely monitored by the Ministry for which a Committee would be set up for ensuring effective implementation. Other recommendations which are in line with the current Government policies and within the purview of HUDCO could be taken up at the level of HUDCO for implementation. The status report received from HUDCO in this regard had been considered in the Ministry and directions have been issued to HUDCO to implement the recommendations of Ernst & Young Report as endorsed by the Committee under the chairmanship of Secretary(HUPA). The HUDCO vide their letter dated 8<sup>th</sup> December 2006 has now informed that HUDCO has already initiated action for implementation of the recommendations and detailed action plan has also been prepared with the approval of CMD, HUDCO. The periodic report will also be submitted to the Ministry by HUDCO for review of the status of implementation.