

1.1 Introduction

The Central Public Sector Enterprises (CPSEs) are engaged in the production and supply of a wide range of products and services. These include basic goods like steel, cement and chemicals; capital goods like pressure vessels, boilers and drilling rigs; and intermediate goods like electricity and gas. They also render a large number of services, such as, telecommunications, trading, tourism, warehousing etc.

A large number of these CPSEs have been set up as greenfield projects consequent to the initiatives taken during the Five Year Plans. CPSEs, such as National Textile Corporation, Coal India Ltd. (and its subsidiaries), Iron and Steel Co. have, however, been taken over from the private sector consequent to their 'nationalization'. Industrial units such as Indian Petrochemicals Corporation Ltd., Modern Food Industries Ltd., Hindustan Zinc Ltd., Bharat Aluminum Company, Maruti Udyog Ltd. etc. on the other hand, which were CPSEs earlier ceased to be CPSEs after their 'privatization'.

A number of CPSEs belong to the category of limited companies and have been

established with the approval of the Government under the Companies Act, 1956. CPSEs in the category of 'corporations' like the Food Corporation of India, the Life Insurance Corporation etc. have been established with the specific central legislations. While the company form of CPSEs function according to the Articles of Association and are registered under the Companies Act, the Corporation form of CPSEs have their objectives and scope defined in the concerned legislation.

On the eve of the First Five Year Plan there were 5 CPSEs with a total investment of Rs. 29 crore. Both the number of enterprises and the total investment in CPSEs saw an overwhelming increase over the years. On 31st March, 2006, there were as many 239 CPSEs (excluding 6 Insurance Companies and 6 newly set up CPSEs) with a total investment of Rs. 3,93,057 crore.

Major highlights of performance of CPSEs as a whole are given in Box 1. Box 2 gives macro view of performance for last ten years.

BOX-1
HIGHLIGHTS

- The share of CPSEs in GDP at market price stood at 11.12 percent in 2005-06, and 11.68 percent in 2004-05.
- The cumulative investment of all CPSEs, as on 31.3.2006 was Rs.3,93,057 crore. The share of manufacturing CPSEs in total investment was the highest at 51 percent followed by service CPSEs (40%), mining CPSEs (7%) during 2005-06.
- The overall growth in turnover of CPSEs, during 2005-06 over 2004-05, was 11.86 percent. The growth in the turnover of 'heavy engineering' and 'construction services' groups was the highest at 39 percent during the year.
- As high as 51 percent of all the CPSEs showed 75 percent or higher capacity utilization. 16 percent of CPSEs were operating at 50 percent and less than 75 percent capacity utilization and 33 percent of CPSEs were operating at less than 50 percent of capacity utilization.
- The public sector has a near monopoly in the production of coal (85.52%), crude oil (85.87%) and refinery (74.51%).
- The aggregate reserves and surpluses of all CPSEs have gone up to Rs.3,59,077 crore in 2005-06.
- The long-term loans of CPSEs went up to Rs.3,61,714 crore.
- The accumulated losses of all CPSEs declined from Rs.83,725 crore in 2004-05 to Rs.73,147 crore in 2005-06 showing a decline in accumulated losses by Rs.10,578 crore.
- While the petroleum producing CPSEs ranked amongst the top ten profit making CPSEs, the fertilizer producing CPSEs were generally the loss making companies.
- As many as 44 CPSEs are listed on the domestic Stock Exchanges. While the shares of MTNL (ADR) are listed on the New York Stock Exchange, the shares of GAIL and SAIL are listed on the London Stock Exchange.
- The share of 'taxes and duties' in net value addition of CPSEs at market prices during 2005-06 was the highest at 46 percent, amongst all constituents. This was followed by 'net profit' (26%), 'salaries & wages' (19%) and 'interest' (9%).

BOX-2
MACRO VIEW OF CENTRAL PUBLIC SECTOR ENTERPRISES

(Rs. in crore)

Particulars	1997-98	1998-99	1999-00	2000-01	2001-02	2002-03	2003-04	2004-05	2005-06
No of operating CPSEs	236	235	232	234	231	226	230	227	225
Capital employed	249855	265093	302947	331372	389934	417160	452336	504407	581250
Turnover	276002	310179	389199	458237	478731	572833	630704	744307	832584
Net Worth	134443	148064	160674	171406	225472	241846	291828	341595	412737
Profit before dep, int, tax & EP (PBDITEP)	53062	56495	62212	69287	89550	101691	127320	142554	141951
Depreciation	15856	16768	19942	20520	26360	28247	31251	33147	34549
DRE/Prel. Exps. Written Off	-	-	-	-	-	905	1025	986	869
Profit before int., tax & EP (PBITEP)	37206	39727	42270	48767	63190	72539	95039	108420	106533
Interest	17990	20025	20233	23800	24957	23921	23835	22869	22283
Profit before Tax & EP (PBTEP)	19216	19702	22037	24967	38233	48618	71144	85550	84250
Tax provisions	5634	6499	7706	9314	12255	17499	22134	21662	23225
Net Profit before EP	-	-	-	-	-	31119	49010	63889	61025
Net Extra Ordi. Items & Prior Period AdJ.	-	-	-	-	-	-1225	-3933	-1075	-9263
Net profit	13582	13203	14331	15653	25978	32344	52985	64963	70288
Profit of profit making CPSEs	20279	22508	24633	28494	36432	43316	61606	74433	76240
Loss of loss incurring CPSEs	6697	9305	10302	12841	10454	10972	8522	9356	5952
Profit making CPSEs (No.)	134	126	126	123	120	119	139	138	157
Loss Incurring CPSEs (No.)	100	107	105	110	109	105	89	79	58
PSEs Making no profit/loss (No.)	2	2	1	1	2	2	2	-	-
Operating PSEs not furnished information (No.)	-	-	-	-	-	-	-	-	10
Dividend	3609	4932	5455	8260	8068	13769	15288	20718	22886
Dividend tax	464	537	790	842	8	1193	1961	2852	3215
Retained profit	9509	7734	8086	6551	17902	17382	35835	41393	44187

Note: Out of 225 CPSEs in operation, 10 CPSEs have not furnished information. Hence, the analysis is based on the performance data received from 215 CPSEs only.

1.2 Aggregate Balance Sheet of CPSEs

Table 1.1 below reveals the availability of funds/capital with the CPSEs. It showed further improvement in 2005-06 as the funds available went up to Rs. 888861 crore from the earlier level of Rs. 793939 crore in 2004-05 and Rs. 708236 crore in 2003-04. However unlike a normal balance sheet for an individual company, both reserves and surpluses and long term loans showed an increase at the aggregate level during the year. As such, while the reserves and surpluses went up from Rs. 2,59,582 crore in 2003-04 to Rs. 3,59,077 crore in 2005-06, long term loan also went up from Rs. 2,96,716 crore in 2003-04 to Rs. 3,61,714 crore in 2005-06.

The reason for this lies in the mixed nature of CPSEs, that is, while some are doing very well and have reserves and

surpluses of their own on account of high profits, the others have to depend on the market for funds. There has, therefore, been an increase in (financial) investment by the well performing CPSEs during 2003-04 to 2005-06, although with a declining trend. Financial investments, which was 41.47 per cent of reserves & surpluses during 2003-04 came down to 38.65 per cent in 2004-05 and was 38 per cent in 2005-06.

Equally important change noticeable is in regard to the debit balance/ Profit & Loss Account (DR) (under application/utilization of funds) of all CPSEs, which was Rs. 78,037 crore in 2003-04, Rs. 83,725 crore in 2004-05 and Rs. 73,147 crore in 2005-06. In other words, there was a decline in the accumulated losses of loss making CPSEs by Rs. 10,578 crore between 2004-05 and 2005-06.

Table 1.1
Aggregate Balance Sheet of Public Sector Enterprises

(Rs. in crore)

Particulars	2005-06	2004-05	2003-04
SOURCES OF FUNDS			
(i) Share holders fund (a+b+c)	485770.16	434162.85	378543.24
a. Paid-up Capital	120489.54	117550.93	111874.54
b. Share application Money	6203.72	6494.13	7086.75
c. Reserves & Surplus	359076.90	310117.79	259581.95
(ii) Long Term Loans	361713.88	324608.93	296715.81
(iii) Deferred Tax Liability	41376.98	35166.90	32977.55
Total (i+ii+iii)	888861.02	793938.68	708236.60
APPLICATION OF FUNDS			
(i) Gross Block	619935.56	569247.85	533304.79
(ii) Less: Depreciation	310797.55	279865.78	248059.18
(iii) Net Block	309138.01	289382.07	285245.61
(iv) Capital Work In Progress	92883.16	79997.31	63421.86
(v) Investments (Financial)	136558.83	119887.50	107646.28
(vi) Net Current Assets	270842.10	215401.80	167664.14
(vii) Deferred Revenue Expenditure	3706.55	4266.05	4470.97
(viii) Deferred Tax Asset	2584.93	1279.30	1750.99
(ix) Profit & Loss Account (DR)	73147.44	83724.65	78036.75
Total (iii to ix)	888861.02	793938.68	708236.60

Note: DR= Debit Balance /Accumulated losses from previous year.

1.3. Investment Pattern

The cumulative investment of all CPSEs, as on 31.3.2006, was Rs. 3,93,057 crore. This was Rs. 35,118 crore more than as on 31.3.2005, showing a growth of 9.81 per cent. Investment in some cognate groups, during this period declined due to restructuring in funding pattern, especially on account of repayments of long term loans by the profit making companies or the financial restructuring in sick/loss making CPSEs. Financial services (Rs. 13,352 crore), petroleum (Rs. 12,469 crore), power (Rs. 4554 crore) transportation services (Rs. 2465 crore), industrial development and technical consultancy Services (Rs. 2072

crore) contract and construction services (Rs. 944 crore) saw infusion of additional capital during the year.

Overall share of manufacturing CPSEs was the highest at 51 per cent followed by services at 40 per cent and that of mining at 7 per cent (Figure 1 & 2). 'Companies under construction' had a share in the range of 1-2 per cent of the total investment. Cognate group-wise analysis, moreover, shows that the financial services had the largest share of 24 per cent of total investment followed by power at 20 per cent and petroleum at 12 per cent. The cognate group wise investment pattern is given in Table 1.2 below :

TABLE 1.2
PATTERN OF INVESTMENT in CPSEs

(Rs in Crore)

Sl. No.	Cognate Group	Cumulative net Investment as on		Investment (net) during 2005-06	% Share as on 31.3.06
		31.3.2006	31.3.2005		
1	2	3	4	5(3-4)	6
I Mining					
	1.1 Coal and Lignite	22418.37	22931.73	- 513.36	5.70
	1.2 Minerals & Metals	3902.85	3800.66	102.19	0.99
TOTAL (1.1 to 1.2)		26321.22	26732.39	- 411.17	6.70
II Manufacturing					
	2.1 Steel	16069.48	18061.71	- 1992.23	4.09
	2.2 Power	79854.04	75300.45	4553.59	20.32
	2.3 Petroleum	47328.93	34859.77	12469.16	12.04
	2.4 Fertilizers	14722.45	13917.01	805.44	3.75
	2.5 Chem. & Pharmaceuticals	2431.26	2597.77	- 166.51	0.62
	2.6 Heavy Engineering	4848.21	5694.06	- 845.85	1.23
	2.7 Medium & Light Engineering	6962.68	6628.45	334.23	1.77
	2.8 Transportation Equipment	3289.26	3221.27	67.99	0.84

Sl. No.	Cognate Group	Cumulative net Investment as on		Investment (net) during 2005-06	% Share as on 31.3.06
		31.3.2006	31.3.2005		
1	2	3	4	5(3-4)	6
	2.9 Consumer Goods	4350.92	4345.68	5.24	1.11
	2.10 Agro Based Industries	78.59	70.66	7.93	0.02
	2.11 Textiles	19792.73	19713.65	79.08	5.04
	TOTAL (2.1 to 2.11)	199728.55	184410.48	15318.07	50.81
III	Services				
	3.1 Trading and Marketing	7758.83	6837.22	921.61	1.97
	3.2 Transportation Services	7142.95	4677.77	2465.18	1.82
	3.3 Contract & Construction Services	10374.03	9430.27	943.76	2.64
	3.4 Ind Dev & Tech Consul. Services	18792.20	16719.91	2072.29	4.78
	3.5 Tourist Services	146.98	189.45	- 42.47	0.04
	3.6 Financial Services	93451.96	80099.83	13352.13	23.78
	3.7 Telecommunications and Information Technology	20745.23	21608.20	- 862.97	5.28
	3.8 Section 25 Companies	1717.70	1593.00	124.70	0.44
	TOTAL (3.1 to 3.8)	160129.88	141155.65	18974.23	40.74
IV	Under Construction	6877.61	5640.84	1236.77	1.75
	GRAND TOTAL (I+II+III)	393057.26	357939.36	35117.90	100.00

1.4 Turnover and Sales

A perusal of Table 1.3 reveals that the sales/ turnover of CPSEs have been robust during 2005-06. The manufacturing companies performed the best with a 16.60 per cent growth, followed by the mining companies with a 6.89 per cent growth and the service companies with a decline of 2.04 percent in 2005-06 (over 2004-05). This growth rate, when seen in conjunction with the high growth rates achieved in the previous year is indeed impressive (Figure-3).

Amongst the various cognate groups, the growth in turnover of heavy engineering

(39%), contract and construction services (39%), tourist services (30%), minerals & metals (22%), consumer goods (21%), petroleum (18%), transportation equipment (17%), industrial development and technical consultancy services (16%) and agro based industries (16%) have been more spectacular. The high growth in turnover of heavy engineering of capital goods is especially significant as it reflects the expansion phase of the business cycle in the economy.

However, the CPSEs under the cognate groups of chemicals &

pharmaceuticals (-24.80%), financial services (-4.60%), trade and marketing (-5.57%), textiles (-2.23%) and steel (-1.34%) witnessed a negative growth in turnover

during 2005-06 over 2004-05. Overall, there was a 11.86 per cent growth in the turnover of CPSEs during 2005-06 over 2004-05.

TABLE 1.3
Turnover of CPSEs

(Rs. in crore)

Sr.No.	Cognate Group	Turnover during		% change over the previous year
		2005-06	2004-05	
I. Mining				
1.1	Coal & Lignite	34489.46	33698.44	2.35
1.2	Minerals & Metals	12384.31	10153.04	21.98
Total (I)		46873.77	43851.48	6.89
II. Manufacturing				
2.1	Steel	41742.28	42307.31	-1.34
2.2	Power	34305.65	30009.51	14.32
2.3	Petroleum	499555.45	421725.29	18.46
2.4	Fertilizers	9364.39	8999.20	4.06
2.5	Chemicals & Pharmaceuticals	976.28	1298.18	-24.80
2.6	Heavy Engineering	15041.85	10823.02	38.98
2.7	Medium & Light Engineering	9558.64	8443.02	13.21
2.8	Transportation Equipment	9618.66	8197.86	17.33
2.9	Consumer Goods	1606.30	1324.83	21.25
2.10	Agro Based Industries	172.73	149.52	15.52
2.11	Textiles	855.70	875.19	-2.23
Total (II)		622797.93	534152.93	16.60
III. Services				
3.1	Trading and Marketing	79925.24	84644.10	-5.57
3.2	Transport Services	19325.99	22579.18	- 14.41
3.3	Contract & Construction Services	4452.68	3211.91	38.63
3.4	Ind. Dev. & Tech. Consul. Services	6333.94	5458.18	16.04
3.5	Tourist Services	672.33	515.24	30.49
3.6	Financial Services	10108.25	10595.31	-4.60
3.7	Telecommunication Services	41756.04	39076.10	6.86
3.8	Section 25 Companies	337.64	222.25	51.92
Total (III)		162912.11	166302.27	-2.04
Grand Total (I+II+III)		832583.81	744306.68	11.86

1.5 Share of select items in domestic/national production

Table 1.4 shows the share of CPSEs in domestic/national production in select items for 1968-69 and 2005-06. There has been a sharp decline in public sector's share in the production of nitrogenous fertilizer where the share declined from 71 per cent in 1968-69 to 26 per cent in 2005-06. In the case of steel as well, the share came down from 56 per cent in 1968-69 to 27 per cent in 2005-06. The share of power generation by CPSEs is also less than 50% of the total power generation in the country.

However, public sector's share in total (national) production went up for items, such as coal (86%), crude oil (86%) and refinery oil (75%) over the period i.e. between 1968-69 and 2005-06. The public sector has thus

a near monopoly in products like coal (85.52%), crude oil (85.87%) and refinery (74.51%). In products like finished steel (26.89%), nitrogenous fertilizer (26.05%) and phosphate fertilizer (6.99%), the public sector however, faces competition from the private sector.

1.6 Capacity Utilization

In consonance with high turnover of CPSEs witnessed during 2005-06, there has been overall improvement in capacity utilization of CPSEs. As high as 51 per cent of CPSEs showed 75 per cent or higher capacity utilization. Around 16 per cent of CPSEs were operating at 50 per cent or more capacity (but less than 75%) utilization. However, 33 per cent of CPSEs were operating at less than 50 per cent of capacity utilization.

TABLE 1.4
Share in Output, Select Items

Item	Units	National Production(NP)		Public Sector's Production(PSP)		PSP to NP (%)	
		1968-69	2005-06	1968-69	2005-06	1968-69	2005-06
Coal	(mill. tonnes)	71.40	401.515	12.61	343.390	17.66	85.52
Crude Oil	(mill. Tones)	6.06	32.19	3.08	27.64	50.83	85.87
Refinery Crude	(mill. tonnes)	16.55	130.11	8.09	96.95	48.88	74.51
Finished Steel	(mill. tonnes)	4.58	46.82	2.55	12.59	55.68	26.89
Nitrogenous	(000 tonnes)	563	11354	401	2958	71.23	26.05
Phosphatic	(000 tonnes)	213	4221	53	295	24.88	6.99
Power	(Mill. Units)	47439	599846	NA	258391	NA	43.08

TABLE 1.5
Capacity Utilization in CPSEs

S.N.Capacity Utilization		2005-06	Number of Units 2004-05	2003-04
(i)	Units > 75% Capacity utilization	103(51%)	106(52%)	95(47%)
(ii)	Units > 50% Capacity utilization	33(16%)	27(13%)	50 (25%)
(iii)	Units < 50% Capacity utilization	67(33%)	70 (35%)	58(28%)
Total		203 (100%)	203 (100%)	203 (100%)

1.7 Profit & Loss of CPSEs

Group-wise analysis of aggregate profit and loss shows that except for the cognate groups of 'fertilizers' 'chemicals & pharmaceuticals', 'medium and light engineering', 'agro-based industries' and 'contract and construction services' all the others showed profits during the year 2005-06. Companies under the cognate groups of 'tourist services' and 'heavy engineering' out performed the rest with a 431 per cent growth and 212 per cent growth in profit in 2005-06 over 2004-05 respectively.

In terms of absolute values (Figure-4), however, the highest profits were reported by companies under the cognate groups of petroleum (Rs. 26,181 crore), telecommunications (Rs. 9,510 crore), coal and lignite (Rs. 8,216 crore), steel (Rs. 5,307 crore), minerals and metals (Rs. 4039 crore), transportation services (Rs. 2,490 crore) and financial services (Rs. 2,469 crore). Overall, the grand total of net profits of all the CPSEs put together was Rs. 70288 crore during 2005-06, which indicates 8.02% growth over 2004-05. Box 3 gives Financial Ratios for the last ten years.

TABLE 1.6
Net Profit/Loss of CPSEs

(Rs. in crore)

Sr. No.	Cognate Group	Net Profit/Loss during		% change over the previous year
		2005-06	2004-05	
I.	Mining			
1.1	Coal & Lignite	8215.72	4826.03	70.24
1.2	Other Minerals & Metals	4039.23	2876.39	40.43
	Total (I)	12254.95	7702.42	59.11
II.	Manufacturing			
2.1	Steel	5307.20	8940.08	-40.64
2.2	Power	9082.12	8730.49	4.03
2.3	Petroleum	26181.33	26796.41	-2.30
2.4	Fertilizers	-1990.11	-1989.76	0.02
2.5	Chemicals & Pharmaceuticals	-74.28	-556.51	-86.65
2.6	Heavy Engineering	976.56	312.88	212.12
2.7	Medium & Light Engineering	-24.87	-450.40	94.48
2.8	Transportation Equipment	1044.50	679.35	53.75
2.9	Consumer Goods	225.02	-848.46	126.52
2.10	Agro Based Industries	-21.31	-25.64	16.89
2.11	Textiles	1210.61	-1478.56	181.88
	Total (II)	41916.77	40109.85	4.50
III.	Services			
3.1	Trading & Marketing	287.85	255.09	12.84
3.2	Transportation Services	2489.54	2474.35	0.61

Sr. No.	Cognate Group	Net Profits/Loss during		% changeOver the previous year
		2005-06	2004-05	
3.3	Contract & Construction Services	-190.36	-363.82	47.68
3.4	Ind. Dev & Tech Consul. Services	1340.75	998.17	34.32
3.5	Tourist Services	67.96	12.80	430.94
3.6	Financial Services	2468.56	2677.24	-7.79
3.7	Telecommunications & Information Technology	9509.77	11103.43	14.35
3.8	Section 25 Companies	142.65	107.70	32.45
	Total (III)	16116.72	17264.96	-6.65
IV	Grand Total (I+II+III)	70288.44	65077.23	8.02

BOX-3									
FINANCIAL RATIOS OF CPSEs									
<i>(Rs. in crore)</i>									
Particulars	1997-98	1998-99	1999-00	2000-01	2001-02	2002-03	2003-04	2004-05	2005-06
Sales to C.E.	110.47	117.01	128.47	138.28	122.77	137.32	139.43	147.56	143.24
PBDITEP to C.E.	21.24	21.31	20.54	20.91	22.97	24.38	28.15	28.26	24.42
PBTEP to NW	14/29	13.31	13.72	14.57	16.96	20.10	24.38	25.08	20.41
PBDITEP to T.O.	19.23	18.21	15.98	15.12	18.71	17.75	20.19	19.15	17.05
PBITEP to C.E.	14.89	14.99	13.95	14.72	16.21	17.39	21.01	21.50	18.33
PBITEP to T.O.	13.48	12.81	10.86	10.64	13.20	12.66	15.07	14.57	12.80
PBTEP to T.O.	6.96	6.35	5.66	5.45	7.99	8.49	11.28	11.51	10.12
Net Profit to T.O.	4.92	4.26	3.68	3.42	5.43	5.65	8.40	8.74	8.44
Net Profit to C.E.	5.44	4.98	4.73	4.72	6.66	7.75	11.71	12.90	12.09
Net Profit to N.W.	10.10	8.92	8.92	9.13	11.52	13.37	18.16	19.05	17.03
Dividend Payout	26.57	37.35	38.07	52.77	31.06	42.57	28.85	31.84	32.56

- C.E.** = Capital Employed **T.O.** = Turnover
N.W. = Net Worth **N.P.** = Net Profit
- PBDITEP** = Profit before Depreciation, Interest, Tax, Extra-ordinary item and Prior Period adjustment.
- PBITEP** = Profit before interest, Taxes, Extra-ordinary items and Prior Period adjustment.
- PBTEP** = Profit before Taxes, Extra - ordinary items and Prior Period Adjustment.

1.8 Top Ten Profit & Loss Making CPSEs

Table 1.7 and Table 1.8 provide the list of the top ten profit making and top ten loss making CPSEs. ONGC, BSNL and NTPC ranked first second and third amongst the profit making companies, which coincides with the cognate group wise performance as discussed in the paragraph above. Equally

significant to note is that these ten companies accounted for 62 per cent of the total profits of all CPSEs. Amongst the loss making companies, the fertilizer companies led the rest. The total loss of these ten CPSEs was equal to Rs. 4552 crore during 2005-06 and more than the loss of Rs. 4258 crore posted in 2004-05.

TABLE 1.7
Top Ten Profit Making CPSEs

(Rs. in crore)

SI No.	Enterprise	Net Profit 2005-06
1	Oil & Natural Gas Corporation Ltd.	14430.78
2	Bharat Sanchar Nigam Ltd.	8939.69
3	National Thermal Power Corporation Ltd.	5820.20
4	Indian Oil Corporation Ltd.	4915.12
5	Steel Authority of India Ltd.	4012.97
6	GAIL (India) Ltd.	2310.07
7	National Mineral Development Corpn. Ltd.	1827.80
8	Nuclear Power Corpn. Of India Ltd.	1712.97
9	Coal India Ltd.	1711.66
10	Oil India Ltd.	1689.93
	Total	47371.19

TABLE 1.8
Top Ten Loss Making CPSEs

(Rs. in crore)

SI No.	Enterprise	Net loss 2005-06
1.	Fertilizer Corpn. of India Ltd.	1294.00
2.	Hindustan Fertilizer Corpn. Ltd.	964.61
3.	Hindustan Photo Films Manufacturing Co. Ltd.	560.90
4.	Burn Standard Company Ltd.	442.74
5.	I T I Ltd.	423.16
6.	Hindustan Cables Ltd.	295.32
7.	Konkan Railway Corporation Ltd.	235.61
8.	Madras Fertilizers Ltd.	131.74
9.	NTC (A. Pradesh, Karnataka, Kerala & Mahe) Ltd.	103.99
10.	Brahmaputra Valley Fertilizers Corpn. Ltd.	99.78
	Total	4551.85

1.9 Contribution of CPSEs to the Economy

The share of output of CPSEs in GDP at market price stood at 11.68 per cent in 2004-05 and 11.12 per cent in 2005-06. The share of 'taxes & duties' in net value addition

by CPSEs, during 2005-06 was the highest at 41 per cent and 46 per cent in 2004-05 and 2005-06 respectively (Figure-5). The share of (net profit) (26%), salaries & wages (19%) and interest (9%) declined marginally in 2005-06, as compared to 2004-05 (Table 1.9).

TABLE 1.9
Net Value Addition by CPSEs

Sl. No.	Net Value Addition	2005-06	%	2004-05	%
1.	Net Profit (before EP)	61024.95	26	63888.65	28
2.	Interest	22282.89	9	22869.30	10
3.	Taxes & Duties	105852.94	46	94671.15	41
4.	Salaries & Wages	45624.94	19	48628.89	21
	Total:	234785.72	100	230057.99	100

1.10 Contribution to the Central Exchequer

CPSEs contribute to the Central Exchequer through payment of dividends, interest on government loans and taxes & duties (Figure 6). The major share of contribution to Central Exchequer by the CPSEs went up by way of payment of taxes

& duties (84.42%) followed by dividend (15.47%) and interest (0.11%). The share of interest has come down from 2004-05 (0.66%) indicating lowering of interest rates and less dependence on borrowings as good many CPSEs have their reserves and surpluses.

TABLE 1.10
Contribution to the Central Exchequer

(Rs. in crore)

	2005-06	2004-05	2003-04
I. On Investment by CPSEs			
1. Dividend	19393.16	15200.85	9596.45
2. Interest	138.22	731.67	794.32
Total (I)	19531.38	15932.52	10390.77
II. Taxes and Duties			
1. Excise Duty	53203.31	44262.34	42963.75
2. Custom Duty	8601.06	10431.95	8408.67
3. Corporate Tax	26044.61	23613.61	17936.29
4. Dividend Tax	3242.94	2742.48	1613.00
5. Sales Tax	5026.95	4487.80	3821.62
6. Other Duties & Taxes	9734.07	9132.97	3901.23
Total (II)	105852.94	94671.15	78644.56
Grand Total (I+II)	125384.32	110603.67	89035.33

1.11 Disinvestment

The Government Policy on 'disinvestment' has evolved over the last decade and has been generally announced through the Budget. The Government constituted the Public Sector Disinvestment Commission in 1996 for a period of three years and its term was further extended till November, 1999. The Commission soon submitted reports on 58 CPSEs. In July, 2001, the Commission was reconstituted for a period of two years and after a subsequent extension, it was wound up on 31st October, 2004. The reconstituted Commission submitted reports on 41 CPSEs, including 4 review cases.

Disinvestment of Government equity in CPSEs began in 1991-92. Till 1999-2000, disinvestment was primarily through sale of minority shares in small lots. From 1999-2000 till 2003-04, the emphasis of disinvestment changed in favour of strategic sale. At present, the emphasis is to list large, profitable CPSEs on domestic stock exchanges and to selectively sell small portions of equity in listed, profitable CPSEs (other than the Navratnas). The proceeds from disinvestment from April 1991 to November, 2005 amounted to Rs.47,671.62 crore.

1.12 Revival of Sick PSEs

The National Common Minimum Programme (NCMP) stipulates for a strong and effective Public Sector whose social objectives are met by its commercial functioning. Endeavour is to modernize and restructure sick CPSEs and revive sick industry. Only the chronically loss making CPSEs may be closed down or sold off after all the employees are paid their legitimate dues

Reasons for losses/sickness are manifold and may vary from unit to unit. However, some common problems faced/ being faced by sick and loss making CPSEs include old and obsolete plant and machinery, outdated technology, low capacity

utilization, excess manpower, weak marketing strategies, stiff competition, reluctance of financial institutions to provide funds for revival/ rehabilitation, heavy interest burden, high input cost, resource crunch, erosion of networth due to continuous losses and inherent problems of sick taken over enterprises.

The problem of sickness in CPSEs is addressed by the administrative Ministries/ Departments in the Government by evolving appropriate need based strategy concerning a particular PSE. Some of the strategies for restructuring / revival of CPSEs including sick units on long-term basis may include:-

- Revival through the process of BIFR;
- Financial restructuring;
- Formation of joint venture by induction of partners capable of providing technical, financial and marketing inputs; and
- Organizational restructuring and manpower rationalization through approved Voluntary Retirement Scheme (VRS).

The Sick Industrial Companies Act (SICA), 1985 was amended in 1991 so as to bring industrial public sector enterprises under its purview. A company is termed sick if at the end of any financial year, it has accumulated losses equal to or exceeding its entire net worth. Such industrial company is required to be referred to BIFR for formulation of rehabilitation/ revival plan. 74 sick industrial CPSEs were registered with BIFR upto 30.6.2006 and out of these 4 have been declared no longer sick and the cases of three have been dropped due to their net worth becoming positive.

Government set up a Board for Reconstruction of Public Sector Enterprises (BRPSE) in December, 2004 to advise the Government inter-alia on the measures to be taken to restructure/revive PSEs, including cases where disinvestments or closure or sale are justified. The concerned administrative Ministries are required to refer the proposals of their CPSEs identified as

'sick' for consideration of the BRPSE. Till 31.10.2006 BRPSE has made recommendations in respect of 36 CPSEs, and Government has approved the proposals of 21 cases of CPSEs. The total cost involved

is Rs. 5609.40 crore including cash assistance of Rs. 924.54 crore and non-cash assistance of Rs. 4684.86 crore. The enterprise-wise details are in Table 1.11 given below :-

Table 1.11
Government approved Revival/Closure of CPSEs
(Rs. in Crores)

Sl. No.	Name of the CPSE	Recommendation by BRPSE	Government Decisions	Total Revival Cost		
				Cash#	Non-cash@	Total
1.	2.	3.	4.	5.	6.	7.
1.	Hindustan Salts Ltd.	Revival	Revival. Directed for considering feasibility of joint venture company for the management of salt factory.	4.28	73.30	77.58
2.	NTC including its subsidiaries	Revival	Revival of 22 mills and handing over of 2 mills to Govt. of Pondicherry.	39.23	-	39.23
3.	Bridge & Roof Co. (India) Ltd.	Revival	Revival	60.00	42.92	102.92
4.	BBJ Construction Co. Ltd.	Revival	Revival	-	54.61	54.61
5.	HMT Bearings Ltd.	Revival	Granted assistance recommended by BRPSE and directed for identification of strategic partner.z	7.40	43.97	51.37
6.	Praga Tools Ltd.	Revival	Merger with HMT Ltd.	5.00	209.71	214.71
7.	Braithwaite & Co. Ltd.	Revival	Revival	4.00	280.21	284.21
8.	British India Corporation**	Revival	Revival	47.35	-	47.35
9.	Central Inland Water Transport Corporation Ltd.**	Revival/ Disinvestment	Revival/ Disinvestment	73.60	280.00	353.60
10.	Heavy Engineering Corporation Ltd.	Revival	Revival	102.00	1116.30	1218.30
11.	Cement Corp. of India Ltd.	Closure for non-operating units and revival for operating units.	Closer for non-operating units and revival for operating units.	184.29	1267.95	1452.24

1.	2.	3.	4.	5.	6.	7.
12.	Richardson and Cruddas (1972) Limited**	Revival/ Disinvestment	Revival / Disinvestment	-	-	-
13.	Hindustan Antibiotics Ltd.	Revival	Revival	137.59	267.57	405.16
14.	Hindustan Organics Chemicals Ltd.	Revival	Revival	250.00	NA	250.00
15.	Fertilizer and Chemicals (Travancore) Limited	Revival	Revival	-	670.37	670.37
16.	Tungabhadra Steel Products Limited**	Revival/ Disinvestment	Revival/ Disinvestment	-	-	-
17.	Bharat Ophthalmic Glass Limited	Closure	Closure	9.80	-	9.80
18.	Hindustan Insecticides Limited	Revival	Revival	-	267.29	267.29
19.	Mineral Exploration Corporation Limited	Revival	Revival	-	104.64	104.64
20.	Central Electronic Limited	Revival	Revival	-	6.02	6.02
21.	Eastern Coalfields Limited	Revival	Revival	*	*	*
Total				924.54	4684.86	5609.40

** Revival through formation of joint venture

Cash Assistance may involve budgetary support through equity/loan/grants

@ Non-cash Assistance may involve waiver of interest, penal interest, GOI loan, guarantee fee, conversion of loan into equity/debentures etc.

* (i) The revival plan approved by the Government on 5.10.2006 envisaged investment of Rs.2956.83 crore from 2003-04 to 2012-13 from internal resources of ECL.

(ii) Non-cash assistance by CIL Rs. 2470.77 crore plus service charges of Rs.14.00 crore per annum w.e.f 2004-05 as conversion/waiver of loan, interest etc.

(iii) Non-cash assistance by the Governments of West Bengal/Jharkhand @ of Rs. 18 crore per annum from 2004-05 for 5 years.

1.13 Board Structure Of CPSEs

The Department of Public Enterprises formulates policy guidelines on the Board structure of public enterprises and advises on the shape and size of organizational structure of CPSEs. The public enterprises are categorized in four Schedules namely 'A',

'B', 'C' and 'D' based on various quantitative, qualitative and other factors. As on 31.3.2006, there were 52 Schedule 'A', 87 Schedule 'B', 55 Schedule 'C' and 07 Schedule 'D' enterprises. The details of the Board level posts (whole time) are given in the Table 1.12 at next page.

TABLE 1.12

Schedule	Chief Executive		Whole Time Director	
	2005	2006	2005	2006
Schedule A	51	52	-	-
Schedule B	87	87	185	194
Schedule C	54	55	211	207
Schedule D	09	07	67	68
Total	201	201	463	469

The pay scales of Chief Executives and full time Functional Directors in CPSEs are determined as per the schedule of the concerned enterprise.

Proposals received from the administrative Ministries/Departments for categorization/ upgradation of PSEs are considered in DPE in consultation with PESB. During 2005-06, DPE examined 17 proposals relating to categorization of PSEs in appropriate schedule, creation of posts, etc. As a result, 3 PSEs were categorized in appropriate schedule, 2 PSEs were upgraded to the next higher schedule and 6 posts of Functional Directors created.

1.14 Professionalisation of Boards

In pursuance of the public sector policy being followed since 1991 several measures have been taken by the Department of Public Enterprises to professionalize the Boards of public enterprises. The DPE guidelines issued in 1992 provide that outside professionals should be inducted on the Boards of PSEs in the form of part-time non-official Directors and that the number of such Directors should be at least 1/3rd of the actual strength of the Board. The guidelines also provide that the number of Government Directors on the

Boards should be not more than one-sixth of the actual strength of the Board subject to a maximum of two. Apart from this there should be some functional Directors on each Board whose number should not exceed 50% of the actual strength of the Board. In the case of listed PSEs headed by executive Chairman the number of non-official Directors (Independent Directors) should be at least half of the strength of the Board.

Appointments of part-time non-official Directors on the Boards of PSEs are made by the administrative Ministries/Departments from the panel prepared in consultation with the Department of Public Enterprises. In so far as Navratna/Miniratna PSEs are concerned, the panel of non-official Directors is prepared by the Search Committee consisting of Chairman (PESB), Secretary (DPE), Secretary of the administrative Ministry/Department of the PSE, and four other non-official Members. According to the Navratna/Miniratna scheme, the Boards of these companies should be professionalised by inducting a minimum of 4 non-official Directors in the case of Navratna and 3 non-official Directors in the case of Miniratnas before the Boards exercise the enhanced powers.

1.15 Employment

As on 31.3.2006 the 239 CPSEs employed over 16.49 lakh people excluding casual workers. Government initiated a voluntary retirement scheme in public sector enterprises during 1988 to help them shed

excess manpower and to improve the age-mix and the skill-mix. Simultaneously, their training and re-training programmes are also being given substantial uplift to bring about overall improvement in per capita productivity.

TABLE 1.13
Employment and Average Annual Emoluments

Year	No. of Employees (in lakh)	Average Annual Per capita Emoluments (Rs.)	% increase in Average Annual Emoluments
2001-02	19.92	193554	(-) 11.89
2002-03	18.66	225986	16.76
2003-04	17.62	248481	9.95
2004-05	17.00	286053	15.12
2005-06	16.49	276760	(-) 3.25

The basic parameters of the model Voluntary Retirement Scheme (VRS) which were notified by the Government vide Department of Public Enterprises' OM dated 5.10.1988 and 6.1.1989 were in force since 1988 till April, 2000. Government have improved upon the said scheme and introduced new schemes of VRS on 5.5.2000 and again on 6.11.2001. As per the available information, about 5.67 lakh employees opted for Voluntary Retirement Scheme (VRS), till 31.3.2006.

1.16 Employees Welfare

The Public Enterprises as model employers, have always recognized their social responsibility for provision of housing facilities to their employees. This is specially true in cases where the projects are located in green field areas, away from the towns and villages. Housing is a major contributory factor in bringing about an attachment and a

sense of belongingness of the employees with their enterprises and in promoting better well-balanced industrial development including higher productivity.

Public Sector enterprises besides providing housing, have taken a lead in providing essential community facilities like health care, education, shopping and recreation centers etc. in their townships. Public Sector Enterprises are incurring significant expenditure on the provision of these basic amenities. Detailed review on socio-economic and welfare measures is given in Chapter 15 of this volume.

1.17 Scheme for Counselling, Retraining and Redeployment (CRR)

Considering the emerging need to have safety net, Government had established National Renewal Fund (NRF) in February, 1992 to cover broadly the expenses of VRS

and to provide retraining to the workers in the organized sector. The NRF was abolished in February, 2000. The retraining activity was administered by Department of Industrial Policy & Promotion till 31st March, 2001. The

scheme for Counselling, Retraining and Redeployment (CRR) of rationalized employees of CPSEs is under implementation by Department of Public Enterprises since 2001-02 (Table 1.14).

TABLE 1.14
Counselling, Retraining and Redeployment of VRS Optees

Year	Fund allocated (Rs. in Crore)	Physical target	Achievement	Redeployment
2001-02	8.00	8000	8064	2660
2002-03	10.00	11900	12066	4705
2003-04	10.00	12000	12134	5732
2004-05	30.00 (Revised as Rs. 26.50 at RE)	29700	28003	11917
2005-06	30.00	28000	28718	15464
Total	88.00	89600	88985	40478

1.18 Wage Policy

In respect of workmen following IDA pattern scales of pay, complete autonomy has been allowed to the managements of CPSEs to negotiate revision of pay scales for the workmen within certain stipulated conditions. The latest wage negotiation to be entered into between managements and the workers' unions, was to come to effect from 1.1.1997 for 10 year periodicity and 1.1.2002 for five year periodicity. For the unionized employees covered by the IDA pattern pay scales in the Central Public Enterprises, the Government have decided to allow the option to opt for either :

- A ten year periodicity of pay revision with 100% neutralization of DA as set out in the guidelines issued on 14.1.99 OR
- A five year periodicity on the basis of graded

neutralization as did exist previously i.e. from 1.1.1992 to 31.12.1996.

The CPSEs who had opted earlier for five year wage negotiation for workmen have been allowed wage negotiation for a period of five years with effect from 1.1.2002. Some of the CPSEs have already implemented this negotiated wage settlements.

The pay scales in respect of workmen following CDA pattern scales of pay are revised as per the recommendations of the Central Pay Commission and Government decision thereon for the Central Government employees.

The Govt. has approved the policy for the 7th round of wages negotiations for unionized employees of Central Public Sector Enterprises. The broad guidelines would inter-alia include that the wage settlement will

be for a period of 10 years with 100% DA neutralization, that the enhanced expenditure has to be absorbed by the companies and that no budgetary support will be given. The settlement would be applicable with effect from 01.01.2007. Guidelines have been issued on 09.11.2006.

1.19 Pay Revision for Executives

The last pay revision for the IDA executives and non-unionized supervisors was done w.e.f 1.1.97 for a period of ten years based on the recommendations of Justice Mohan Committee and consequent DPE O.M dated 25.6.99. For the employees following CDA pattern pay, their pay scales are governed by the recommendations of the Central Pay Commission and Government decisions thereon for the Government employees. The benefits allowed to Government employees are also extended to them as per the Supreme Court directions.

As per the recommendations of the High Power Pay Committee and Supreme Court directive thereon, the employees following CDA pattern of scales of the Central Public Sector Enterprises would get pay revision only as and when similar changes are effected for the Central Government employees.

The Second Pay Revision Committee for the revision of scales of pay of Board level and below board level executives including non-unionized supervisors of CPSEs following industrial dearness allowance (IDA) pattern scales of pay with effect from 01.01.2007 has been constituted on 30.11.2006 vide the Gazette of India

Notification dated 01.12.2006. The pay revision committee is headed by Mr. Justice M.J. Rao, Retired Judge, Supreme Court of India as Chairman. Dr. Nitish Sengupta (Economist and former Member Secretary, Planning Commission, Govt. of India), Shri P.C. Parekh (former secretary, Deptt. of Coal, Govt. of India) and Shri R.S.S.L.N. Bhaskarudu (former Managing Director, Maruti Udyog Ltd. and ex-Chairman, Public Enterprises Selection Board) are Members. Secretary and Joint Secretary, Deptt. of Public Enterprises are Ex-officio Member and Secretary respectively. The committee will submit their report within a period of 18 months.

1.20 Memorandum of Understanding

On the recommendations of Arjun Sen Gupta Committee report, the Government of India introduced the concept of Memorandum of Understanding (MoU) during 1987-88. MoU defines clearly the relationship of the PSE with the Government, and clarifies the respective roles of the PSEs as well as the Government for achieving better results. The MoU is also an attempt to bring a proper balance between accountability and autonomy. The emphasis is on achieving the negotiated and agreed objective rather than interfering in day to day affairs of the PSEs. While only 4 CPSEs signed MoUs in 1987-88, there were 112 CPSEs that signed MOUs for 2006-07. The MoU also forms the basis of selecting a CPSE as a 'Navratna' company. A list of CPSEs winning MOU awards is given in Table 1.15.

TABLE 1.15**MOU award winning CPSEs (2000-01 to 2004-05)**

S.No.	Enterprise
2000-01	
1	Bharat Petroleum Corporation Limited
2	Engineering Projects India Limited
3	GAIL (India) Limited.
4	Hindustan Petroleum Corporation Limited
5	Karnataka Antibiotics and Pharmaceuticals Limited
6	NTPC Limited
7	National Mineral Development Corporation Limited
8	National Backward Classes Financial & Development Corpn. Limited
9	PEC Limited
10	Powergrid Corporation of India Limited
2001-02	
1	National Schedule Castes Financial & Development Corpn. Limited
2	National Backward Classes Financial & Development Corpn. Limited
3	Power Finance Corporation Limited
4	Hindustan Aeronautics Limited
5	Rural Electrification Corporation Limited
6	Indian Railway Finance Corporation Limited
7	GAIL (India) Limited.
8	MSTC Limited
9	PEC Limited
10	Hindustan Latex Limited
11	Nuclear Power Corporation of India Limited
2002-03	
1	NTPC Limited
2	GAIL (India) Limited.
3	Power Finance Corporation Limited
4	Rural Electrification Corporation Limited
5	Hindustan Aeronautics Limited
6	Indian Railway Finance Corporation Limited
7	PEC Limited
8	Hindustan Petroleum Corporation Limited

S.No.	Enterprise
9	Hindustan Latex Limited
10	Bharat Electronics Limited
2003-04	
1	NTPC Limited
2	GAIL (I) Limited
3	Power Finance Corporation Limited
4	Rashtriya Ispat Nigam Limited
5	Hindustan Aeronautics Limited
6	Indian Railway Finance Corporation Limited
7	Bharat Electronics Limited
8	Powergrid Corporation of India Limited
9	Indian Oil Corporation Limited
10	PEC Limited

1.21 Ranking of CPSEs

An attempt has been made to evaluate the performance of the CPSEs. CPSEs which are having negative net worth, have undergone capital restructuring and CPSEs whose net worth is less than paid up capital have not been considered in this ranking. Further CPSEs which have not submitted data/information for PE Survey either for the year 2005-06 or 2004-05 have not been considered for ranking. The ranking is based on the seven parameters namely,

(a) Sales, (b) % of change in sales over previous year, (c) net profit, (d) % of change in net profit over previous year, (e) return on net worth, (f) earning per share and (g) dividend pay out ratio. The composite ranking of CPSEs during 2005-06 based on these parameters, giving equal weights, may be seen at Table 1.16. It is emphasized that the ranking indicates the relative performance of these CPSEs in the year 2005-06 as compared to their performance for the year 2004-05. A list of CPSEs which have not been considered for ranking is at Table 1.17.

Table 1.16
RANKING OF CPSEs (2005-06)

Rank based on the parameter of										
NAME OF THE COMPANY	Sales 05-06	% of Change in Sales	Net Profit/ Loss(-) 05-06	% of Change in Net P/L	Return on Networth 05-06	EPS 05-06	Dividend Payout 05-06	Composite Rank	Rank	
1	2	3	4	5	6	7	8	9	10	
OIL INDIA LTD.	20	14	10	31	18	10	32	135	1	
NATIONAL MINERAL DEVELOPMENT CORPN. LTD.	29	10	7	13	5	6	79	149	2	
BHARAT HEAVY ELECTRICALS LTD.	13	15	11	22	32	14	63	170	3	
WESTERN COALFIELDS LTD.	25	62	18	18	8	28	16	175	4	
HINDUSTAN AERONAUTICS LTD.	21	45	21	37	4	17	51	196	5	
GAIL (INDIA) LTD.	11	38	6	56	31	32	27	201	6	
CENTRAL COALFIELDS LTD.	27	59	22	11	2	59	22	202	7	
OIL & NATURAL GAS CORPN. LTD.	4	90	1	64	23	7	14	203	8	
MAHANADI COALFIELDLS LTD.	35	71	14	44	12	15	18	209	9	
NORTHERN COALFIELDS LTD.	24	85	13	61	21	12	19	235	10	
BITES LTD.	67	7	51	14	26	5	72	242	11	
CHENNAI PETROLEUM CORPN. LTD.	9	13	32	97	37	29	26	243	12	
INDIAN OIL CORPORATION LTD.	1	35	4	79	52	25	50	246	13	
NATIONAL ALUMINIUM CO. LTD.	23	46	12	52	25	35	64	257	14	
CONTAINER CORPN. OF INDIA LTD.	39	37	30	54	27	9	61	257	15	
NUMALIGARH REFINARY LTD.	22	20	33	65	24	66	39	269	16	
BALMER LAWRIE & CO. LTD.	48	29	63	33	34	30	38	275	17	
SOUTH EASTERN COALFIELDS LTD.	17	78	20	92	22	33	17	279	18	
INDIAN RAILWAY CATERING AND TOURISM CORPORATION LTD.	75	4	72	4	6	52	69	282	19	
BHARAT ELECTRONICS LTD.	33	68	28	47	19	13	77	285	20	
COAL INDIA LTD.	78	1	9	48	64	82	5	287	21	
NTPC LTD.	7	52	3	81	69	63	20	295	22	
AIRPORTS AUTHORITY OF (I) LTD.	34	51	24	17	50	40	81	297	23	
ANTRIX CORPORATION LTD.	68	64	57	36	9	3	78	315	24	
ONGC VIDESHA LTD.	49	66	26	30	10	38	97	316	25	
KUMARAKUPPA FRONTIER HOTELS LTD.	112	8	95	75	3	21	6	320	26	
M S T C LTD.	26	108	60	41	13	4	75	327	27	
NTPC ELECTRIC SUPPLY CO. LTD.	115	36	116	2	1	22	40	332	28	
HSCC (INDIA) LTD.	106	9	86	16	38	20	60	335	29	
POWER GRID CORPN. OF INDIA LTD	36	28	17	49	78	80	48	336	30	
BHARAT EARTH MOVERS LTD.	44	41	42	70	33	23	84	337	31	
BHARAT DYNAMICS LTD.	61	48	53	12	53	64	49	340	32	
EDUCATIONAL CONSULTANTS (INDIA) LTD.	100	11	100	6	43	39	43	342	33	
SATLUJ JAL VIDYUT NIGAM LTD.	47	30	31	29	74	97	35	343	34	
SHIPPING CORPORATION OF (INDIA) LTD.	32	87	16	99	29	27	58	348	35	
STEEL AUTHORITY OF INDIA LTD.	6	99	5	105	16	53	65	349	36	
ENGINEERING PROJECTS (INDIA) LTD.	58	34	82	24	66	77	9	350	37	
BONGAIGAON REFINERY & PETROCHEMICALS LTD.	18	33	44	118	40	56	42	351	38	
MANGALORE REFINERY & PETROCHEMICALS LTD.	8	19	35	115	59	87	33	356	39	

1	2	3	4	5	6	7	8	9	10
WATER & POWER CONSULTANCY SERVICES (INDIA) LTD.	88	24	87	19	42	24	73	357	40
DREDGING CORPN.OF INDIA LTD.	62	100	43	34	46	18	56	359	41
EXPORT CREDIT GUARANTEE CORPN.OF INDIA LTD.	60	57	40	10	39	79	80	365	42
M M T C LTD.	10	77	49	77	67	37	57	374	43
STATE TRADING CORPN. OF (INDIA) LTD.	16	116	66	35	77	44	21	375	44
INDIAN RAILWAY FINANCE CORPN. LTD.	45	89	37	94	57	42	13	377	45
GARDEN REACH SHIPBUILDERS & ENGINEERS LTD.	53	60	55	15	44	72	86	385	46
POWER FINANCE CORPN. LTD.	37	93	19	85	72	54	25	385	47
INDIA TRADE PROMOTION ORG.	87	16	56	57	62	1	107	386	48
RAJASTHAN DRUGS & PHARMACEUTICALS LTD.	103	6	105	3	36	41	94	388	49
GOA SHIPYARD LTD.	89	26	74	27	82	68	23	389	50
BHARAT PETROLEUM CORPN. LTD.	2	23	38	120	106	60	41	390	51
CENTRAL WAREHOUSING CORPN. LTD.	59	47	54	26	85	49	70	390	52
IRCON INTERNATIONAL LTD.	52	74	52	89	79	8	36	390	53
STCL LTD.	63	72	93	28	15	26	93	390	54
ENGINEERS INDIA LTD.	55	107	46	53	65	34	34	394	55
FCI ARAVALI GYPSUM & MINERALS (INDIA) LTD.	101	25	88	39	7	46	88	394	56
BHARAT SANCHAR NIGAM LTD.	5	79	2	91	75	62	90	404	57
HINDUSTAN NEWSPRINT LTD.	74	65	75	5	90	90	8	407	58
RASHTRIYA CHEMICALS AND FERTILIZERS LTD.	38	69	45	73	76	83	24	408	59
HINDUSTAN PETROLEUM CORPN. LTD.	3	54	34	119	98	47	54	409	60
HINDUSTAN PAPER CORPN. LTD.	56	31	59	25	89	101	52	413	61
MAHANAGAR TELEPHONE NIGAM LTD.	19	95	29	104	96	55	15	413	62
INDIA TOURISM DEV. CORPN.LTD.	70	92	61	9	20	61	105	418	63
NUCLEAR POWER CORPN. OF (I) LTD.	31	81	8	80	87	92	45	424	64
MANGANESE ORE(INDIA) LTD.	72	105	48	90	14	11	87	427	65
NARMADA HYDROELECTRIC DEVELOPMENT CORPORATION LTD.	71	5	50	8	104	107	82	427	66
INDIAN RARE EARTHS LTD.	73	88	64	21	55	73	55	429	67
RURAL ELECTRIFICATION CORPN. LTD.	43	102	27	95	63	58	47	435	68
COTTON CORPN. OF INDIA LTD.	42	12	78	111	95	67	31	436	69
P E C LTD.	28	121	80	88	47	16	59	439	70
NATIONAL HYDROELECTRIC POWER CORPN.LTD.	46	61	23	66	100	105	46	447	71
HINDUSTAN LATEX LTD.	79	73	71	59	35	43	91	451	72
NEYVELI LIGNITE CORPN. LTD.	41	117	25	108	84	74	12	461	73
KUDREMUKH IRON ORE CO.LTD	50	119	36	110	49	70	28	462	74
NATIONAL FERTILIZERS LTD.	30	91	47	100	81	84	30	463	75
MUMBAI RAILWAY VIKAS NIGAM LTD.	120	3	79	45	28	69	120	464	76
CERTIFICATION ENGINEERS INTERNATIONAL LTD.	107	111	91	87	17	19	37	469	77
NATIONAL SEEDS CORPN. LTD.	90	22	96	7	70	88	100	473	78
I.B.P. CO. LTD.	12	49	81	122	116	71	29	480	79
PAWAN HANS HELICOPTERS LTD.	81	114	62	86	51	75	11	480	80
NORTH EASTERN ELECTRIC POWER CORPORATION LTD.	54	83	41	76	93	99	44	490	81
MAZAGON DOCK LTD.	82	103	58	93	56	89	10	491	82
COCHIN SHIPYARD LTD.	69	18	73	38	94	102	98	492	83

1	2	3	4	5	6	7	8	9	10
RASHTRIYA ISPAT NIGAM LTD.	15	98	15	103	61	94	111	497	84
MISHRA DHATU NIGAM LTD.	84	43	83	23	91	100	76	500	85
BEL OPTRONICS LTD.	95	44	92	46	30	78	124	509	86
RAJASTHAN ELECTRONICS AND INSTRUMENTS LTD.	94	86	102	63	45	51	71	512	87
ELECTRONICS CORPN. OF INDIA LTD.	57	104	65	60	73	81	83	523	88
VIGNYAN INDUSTRIES LTD.	104	21	112	32	60	85	113	527	89
FERRO SCRAP NIGAM LTD.	91	67	94	72	102	31	74	531	90
TELECOMMUNICATIONS CONSULTANTS (INDIA) LTD.	65	76	67	84	88	48	109	537	91
DONYI POLO ASHOK HOTEL LTD.	123	97	119	51	54	91	3	538	92
URANIUM CORPN. OF INDIA LTD.	76	70	68	68	103	109	53	547	93
MAHARASHTRA ELEKTROSMELT LTD.	80	106	70	116	11	57	114	554	94
NTPC VIDYUT VYAPAR NIGAM LTD.	66	115	98	107	68	93	7	554	95
KARNATAKA ANTIBIOTICS & PHARMACEUTICALS LTD.	92	96	97	74	71	36	92	558	96
AIR INDIA LTD.	14	50	77	123	99	98	103	564	97
BROADCAST ENGINEERING CONSULTANTS INDIA LTD.	102	109	109	69	41	50	85	565	98
HOUSING & URBAN DEV. CORPN. LTD.	40	110	39	101	92	96	89	567	99
BHARAT BHARI UDYOG NIGAM LTD.	117	2	121	82	121	121	4	568	100
INDIAN MEDICINES & PHARMACEUTICAL CORPORATION LTD.	114	17	110	43	83	95	110	572	101
PROJECTS & DEVP. INDIA LTD.	99	94	85	71	58	65	108	580	102
TAMIL NADU TRADE PROMOTION ORG.	113	55	104	112	80	2	121	587	103
HMT (INTERNATIONAL) LTD.	111	122	114	1	107	45	101	601	104
HANDICRAFTS & HANDLOOM EXPORTS CORP. OF	51	112	113	113	109	110	2	610	105
BRIDGE & ROOF CO.(INDIA) LTD.	64	82	108	40	115	113	95	617	106
SCOOTERS INDIA LTD.	86	42	106	62	111	112	99	618	107
INDIAN RENEWABLE ENERGY DEVT. AGENCY LTD.	83	120	69	78	101	103	67	621	108
NATIONAL MINORITIES DEVP. & FINANCE CORP.	108	32	84	55	114	117	117	627	109
CENTRAL MINE PLANNING & DESIGN INSTITUTE LTD.	85	101	107	42	112	104	96	647	110
CENTRAL COTTAGE INDUSTRIES CORPORATION OF INDIA LTD.	93	58	111	106	105	106	68	647	111
NATIONAL SCHEDULED TRIBES FINANCE & DEVELOPMENT CORP.	110	40	89	67	108	111	122	647	112
NATIONAL BACKWARD CLASSES FINANCE & DEVELOPMENT CORP.	105	80	76	50	110	114	116	651	113
NATIONAL RESEARCH DEVP. CORPN.	119	53	120	20	119	115	106	652	114
HOOGHLY PRINTING COMPANY LTD.	118	123	117	121	86	86	1	652	115
NATIONAL HANDICAPPED FINANCE & DEVP. CORP.	121	39	103	58	113	116	119	669	116
NATIONAL HANDLOOM DEVP. CORPORATION LTD.	77	84	115	102	117	118	62	675	117
SPONGE IRON INDIA LTD.	97	118	99	96	97	108	66	681	118
HOTEL CORPN. OF INDIA LTD.	96	27	123	117	123	123	104	713	119
INDIAN OIL TECHNOLOGIES LTD.	124	113	118	114	48	76	123	716	120
NATIONAL SCHEDULED CASTES FIN. & DEVELOPMENT CORP.	109	75	90	98	118	119	115	724	121
NATIONAL SAFAI KARAMCHARIS' FINANCE & DEVELOPMENT CORP.	116	56	101	109	120	120	118	740	122
BHARAT YANTRA NIGAM LTD.	122	63	122	83	122	122	112	746	123
JUTE CORPN. OF INDIA LTD.	98	124	124	124	124	124	102	820	124

Table 1.17**List of operating CPSEs as on 31.3.2006 those have not been taken for Ranking Analysis**

1	AIR INDIA AIR TRANSPORT SERVICES LTD.
2	AIR INDIA CHARTERS LTD.
3	AIRLINE ALLIED SERVICES LTD.
4	ANDAMAN & NICOBAR ISL. FOREST & PLANT.DEV. CORP. LTD.
5	ANDREW YULE & COMPANY LTD.
6	ARTIFICIAL LIMBS MFG. CORPN. OF INDIA LTD.
7	ASSAM ASHOK HOTEL CORPN. LTD.
8	BALMER LAWRIE INVESTMENTS LTD.
9	BBJ CONSTRUCTION COMPANY LTD.
10	BENGAL CHEMICALS & PHARMACEUTICALS LTD.
11	BHARAT COKING COAL LTD.
12	BHARAT HEAVY PLATE & VESSELS LTD.
13	BHARAT IMMUNOLOGICALS & BIOLOGICALS CORP. LTD.
14	BHARAT OPHTHALMIC GLASS LTD.
15	BHARAT PUMPS & COMPRESSORS LTD.
16	BHARAT REFRACTORIES LTD.
17	BHARAT WAGON & ENGG. CO. LTD.
18	BIECCO LAWRIE LTD.
19	BIRDS JUTE & EXPORTS LTD.
20	BRAHMAPUTRA VALLEY FERTILIZER CORPN. LTD.
21	BRAITHWAITE & CO. LTD.
22	BRITISH INDIA CORPORATION LTD.
23	BRUSHWARE LTD.
24	BURN STANDARD COMPANY LTD.
25	CEMENT CORPN. OF INDIA LTD.
26	CENTRAL ELECTRONICS LTD.
27	CENTRAL INLAND WATER TRANSPORT CORPN. LTD.
28	EASTERN COALFIELDS LTD.
29	ENNORE PORT LTD.
30	FERTILIZER CORPN. OF INDIA LTD.
31	FERTILIZERS & CHEMICALS (TRAVANCORE) LTD.

32	FOOD CORPN. OF INDIA LTD.
33	HEAVY ENGINEERING CORPN. LTD.
34	HINDUSTAN ANTIBIOTICS LTD.
35	HINDUSTAN CABLES LTD.
36	HINDUSTAN COPPER LTD.
37	HINDUSTAN FERTILIZER CORPN. LTD.
38	HINDUSTAN FLUOROCARBONS LTD.
39	HINDUSTAN INSECTICIDES LTD.
40	HINDUSTAN ORGANIC CHEMICALS LTD.
41	HINDUSTAN PHOTO FILMS MANUFACTURING CO. LTD.
42	HINDUSTAN PREFAB LTD.
43	HINDUSTAN SALTS LTD.
44	HINDUSTAN SHIPYARD LTD.
45	HINDUSTAN STEEL WORKS COSTN. LTD.
46	HINDUSTAN VEGETABLE OILS CORPN. LTD.
47	HMT BEARINGS LTD.
48	HMT CHINAR WATCHES LTD.
49	HMT LTD.
50	HMT MACHINE TOOLS LTD.
51	HMT WATCHES LTD.
52	HOOGLHY DOCK AND PORT ENGINEERS LTD.
53	I T I LTD.
54	IDPL (TAMILNADU) LTD.
55	INDIAN AIRLINES LTD.
56	INDIAN DRUGS & PHARMACEUTICALS LTD.
57	INSTRUMENTATION LTD.
58	J & K MINERAL DEVELOPMENT CORPN. LTD.
59	KARNATAKA TRADE PROMOTION ORGANISATION LTD.
60	KONKAN RAILWAY CORPORATION LTD.
61	MADHYA PRADESH ASHOK HOTEL CORPN. LTD.
62	MADRAS FERTILIZERS LTD.
63	MECON LTD.
64	MILLENNIUM TELECOM LTD.
65	MINERAL EXPLORATION CORPN. LTD.
66	NAGALAND PULP & PAPER COMPANY LTD.

67	NATIONAL BLDG. CONSTN. CORPN. LTD.
68	NATIONAL FILM DEV. CORPN. LTD.
69	NATIONAL INFORMATICS CENTRE SERVICES INCORPORATED
70	NATIONAL INSTRUMENTS LTD.
71	NATIONAL JUTE MANUFACTURERS CORPORATION LTD.
72	NATIONAL PROJECTS CONSTRUCTION CORPN. LTD.
73	NATIONAL SMALL INDUSTRIES CORPN. LTD.
74	NATIONAL TEXTILE CORPN. (Holding Co.) LTD.
75	NEPAL LTD.
76	NORTH EASTERN HANDICRAFTS & HANDLOOM DEV. CORP. LTD.
77	NORTH EASTERN REGIONAL AGRI. MARKETING CORP. LTD.
78	NTC(A.PRADESH, KARNATAKA, KERALA & MAHE.) LTD.
79	NTC(DELHI,PUNJAB & RAJASTHAN) LTD.
80	NTC(GUJARAT)LTD.
81	NTC(MADHYA PRADESH) LTD.
82	NTC(MAHARASHTRA NORTH)LTD.
83	NTC(SOUTH MAHARASHTRA) LTD.
84	NTC(TAMILNADU & PONDICHERRY) LTD.
85	NTC(UTTAR PRADESH) LTD.
86	NTC(WEST BENGAL, ASSAM, BIHAR & ORISSA) LTD.
87	ORISSA DRUGS & CHEMICALS LTD.
88	PONDICHERRY ASHOK HOTEL CORPN. LTD.
89	PRAGA TOOLS LTD.
90	PYRITES, PHOSPHATES & CHEMICALS LTD.
91	RAIL VIKAS NIGAM LTD.
92	RAILTEL CORPORATION INDIA LTD.
93	RANCHI ASHOK BIHAR HOTEL CORPN. LTD.
94	RICHARDSON & CRUDDAS(1972) LTD.
95	SAMBHAR SALTS LTD.
96	SEMI-CONDUCTOR COMPLEX LTD.
97	STATE FARMS CORPORATION OF INDIA LTD.
98	TRIVENI STRUCTURALS LTD.
99	TUNGABHADRA STEEL PRODUCTS LTD.
100	TYRE CORPORATION OF INDIA LTD.
101	UTKAL ASHOK HOTEL CORPN. LTD.