

STUDY GROUP ON REFORMS IN STATE PUBLIC SECTOR UNDERTAKINGS

Volume I

Final Report



सत्यमेव जयते

**Planning Commission
Government of India
August 2002.**

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Preface

Public sector reforms occupy a vital place in the process of second-generation reforms. Public sector reforms are generally considered synonymous with reforms in the central public enterprises. The fact that State PSUs are as important as the central public enterprises in terms of investment, manpower and efficiency is sometimes lost sight of. The financial performance of these enterprises has a direct bearing on the health of State finances that are not in a good shape at present. There has been no comprehensive study on the State PSUs during the recent times. Obviously, the lack of adequate data and audited figures, and the difficulties in having an effective access to the nodal agencies controlling the State PSUs in the various States have acted as major impediments in undertaking such a study.

It was against this backdrop that the Hon'ble Deputy Chairman of the Planning Commission, Shri. K.C. Pant, directed that a Study Group be set up by the Planning Commission to initiate a study on **Reforms in State PSUs in India**. The central purpose of the study was to build a database on certain crucial parameters of State PSUs, assess the trends in their financial health and also study reforms in State PSUs. The study, among other things, indicates the scope for divesting public ownership of non-strategic State PSUs which may release financial resources for bridging the fiscal gap or enhancing public spending on social sector. The Study Group has not made any recommendations as the Terms of Reference did not entail it to do so. Nonetheless, the Group has made a number of observations/ suggestions concerning the public enterprises reform process including suggestions for effective functioning of State PSUs that are to be retained in the public sector. The report of the Study Group got delayed due to (a) the time taken by the States / UTs in sending updated / authenticated information on PSUs, and (b) time involved in computerization of the basic enterprise-level data due to the limited resources at the disposal of the Study Group.

The Study Group has received immense help from several quarters in the completion of this study. At the outset the Study Group would like to express its deep gratitude to the Hon'ble Deputy Chairman, Planning Commission, Shri. K.C.Pant for his constant guidance and encouragement. The Group expresses its sincere appreciation of the help extended by the Chief Secretaries, Finance Secretaries, Industry Secretaries, Chiefs of the State Bureaus of Public Enterprises and Chief

Executive Officers of State PSUs, who not only spared their valuable time during the course of the visits of the Study Group but also made available the requisite information.

Shri J.S.Kochhar, Deputy Adviser, Planning Commission did an admirable job in initiating the work of the Study Group and helping in the preparation of its Interim Report. Shri Dinesh Kapila, Senior Research Officer, Planning Commission helped immensely in the setting-up of the database and doing the analytical work underlying the Report. Shri B. Navin of the Research Division, Institute of Public Enterprise, Hyderabad has also been associated with the Study and has made valuable contribution to the Final Report of the Group. The Study Group expresses its gratitude to the above-mentioned officers for their unflinching cooperation and perseverance that has enabled the Group to complete its task.

The Study Group would also like to put on record its deep appreciation of the National Informatics Centre's team in Yojana Bhavan, New Delhi led by Mrs. Mini Mallick, for helping the Group in setting-up a database in the Planning Commission with local area network capability and for developing the software used for analytical work. The Group would like to thank Mrs. Chitra Pant, Stenographer Grade 'D', Planning Commission for providing excellent secretarial support and helping to make the Report ready for presentation.

List of abbreviations

BIFR	Board for Industrial & Financial Reconstruction
BPE	Bureau of Public Enterprises
CAG	Comptroller & Auditor General
CARG	Compound Annual Growth Rate
GSDP	Gross State Domestic Product
GVA	Gross Value-added
INDSEARCH	Indian Institute of Cost and Management Studies & Research
IPE	Institute of Public Enterprise
IPPs	Independent Power Producers
MOU	Memorandum of Understanding
PBDIT	Profit before depreciation, interest & taxes
PBIT	Profit before interest & taxes
PBT	Profit before taxes
PSUs	Public Sector Undertakings
SEBs	State Electricity Boards
SFC	State Financial Corporation
SIDC	State Industrial Development Corporation
SRTCs	State Road Transport Corporations
TFC	Tenth Finance Commission
VRS	Voluntary Retirement Scheme

Glossary

Investment :

This comprises the sum total of the investments in the form of equity and debt capital by State Governments and others which includes the Central Government, holding company and financial institutions.

Capital Employed :

This represents the sum total of investments in the net fixed block and working capital. The net fixed assets indicate the investments in gross fixed assets minus accumulated depreciation. The investment in working capital represents the excess of current assets over current liabilities. The capital employed is also represented by the sum total of investments arising out of equity, long-term debts and internal resources.

Rate of Return on Investment :

This represents the profits before interest and taxes (PBIT) divided by capital investment and the quotient multiplied by 100.

Accumulated Losses :

These are the losses capitalized on the assets' side of the balance sheet.

Net worth :

This is derived by subtracting intangible assets, accumulated losses and fictitious assets from paid-up capital, and reserves and surpluses.

Debt-Equity Ratio :

This expresses the relationship between the long-term debt and the equity as a fraction of the latter. Expressed as a formula. It is :

$$\frac{\text{Long-term debt}}{\text{Equity}} \times 100$$

Gross Margin :

This represents profits before interest, taxes and depreciation.

Gross Profits/ PBIT :

These include profits before interest and taxes. They are inclusive of all direct costs, indirect costs and margins other than interest on loans and taxes.

Profits after Tax :

These are profits net of all expenses, interest and taxes. They determine the scope for and extent of allocations to reserves, dividends and surpluses.

Returns on Capital Invested Ratio :

This quantifies the relationship between the total capital invested and the PBIT. This ratio indicates how efficiently the equity and debt resources have been employed to earn profits. The capital invested is represented by equity, retentions and long-term investments. Expressed as a formula, it is :

$$\frac{\text{PBIT}}{\text{Sales}} \times \frac{\text{Sales}}{\text{Capital invested}} = \frac{\text{PBIT}}{\text{Capital invested}} \times 100$$

Return on Equity :

This ratio quantifies the relationship between paid-up capital and profits after taxes. Expressed as a formula, it is :

$$\frac{\text{Profits after tax}}{\text{Paid-up capital}} \times 100$$

Net Profit to Net Worth :

This ratio shows the profitability net of all expenses of the owned funds in an enterprise. Expressed as a formula, it is :

$$\frac{\text{Net Profits}}{\text{Net worth}} \times 100$$

Gross Profits to Sales:

This quantifies the relationship between the gross profits and sales and depicts the conversion efficiency of an enterprises. Expressed as a formula, it is :

$$\frac{\text{Gross profits}}{\text{Sales}} \times 100$$

Net Profits to Sales:

This shows the profitability of sales net of all expenses. Expressed as a formula it is :

$$\frac{\text{Net Profits}}{\text{Sales}} \times 100$$

Accumulated Losses to Paid-up Capital Ratio :

This quantifies the relationship between accumulated losses and paid-up capital in percentage terms. Expressed as a formula, it is :

$$\frac{\text{Accumulated losses}}{\text{Paid-up capital}} \times 100$$

EXECUTIVE SUMMARY

- The Government rethinking on the role of public sector enterprises was necessitated by the severe resource crunch faced at the Centre as well as State level around the terminal years of the Seventh Plan. (Para 1.1)
- In order to build up a proper database and to plug the existing gaps in the information available relating to reforms being undertaken by various State Governments in this area, Planning Commission constituted on 31st May, 1999, a Study Group under the Chairmanship of Dr. N.J.Kurian, Adviser (Financial Resources), Planning Commission with Prof. R.K.Mishra, Dean, Institute of Public Enterprise (IPE), Hyderabad as member and Shri J.S.Kochher, Deputy Adviser, Planning Commission as convener. Shri J.D.Hajela, Director, Planning Commission took over as convener of the Study Group in January, 2000. (Para 1.2)
- The Terms of Reference of the Study Group included examination of the suitability of the existing database formats and updating the database relating to State PSUs; study of the performance pattern and management practices in the enterprises; and study of the reforms being undertaken in these enterprises by respective State Governments. (Para 1.3)
- In the first meeting of the Study Group held on 22nd June, 1999, a questionnaire was framed for circulation to all States and UTs with legislature to obtain information as per the terms of reference of the Study Group. The Study Group visited 16 States and the Union Territory of Pondicherry and met a large number of Government functionaries involved in policy making, academics and top management of various PSUs. Discussions were also held with the officials of PSUs of NCT of Delhi. The Study Group submitted an Interim Report in October 1999. (Para 1.4)
- During the period of planned development, a need for a review of the continued presence of the public sector in a wide range of activities has been felt from time to time. Central Government appointed several committees to suggest measures to revamp the public sector undertakings of the Centre. (Para 2.6)

- There has been no noteworthy Committee set up for the review of the working of State PSUs at a national level although individual States have been setting up such committees from time to time, especially since the mid-1980s. However, the Seventh Finance Commission, for the first time, mentioned the need for the State PSUs to earn a rate of return. (Para 2.9)
- The Tenth Finance Commission (TFC) adopted a three-fold classification of State PSUs. It laid down 6 per cent, 4 per cent and 1 per cent respectively as the expected rates of return on equity for the three classes of State PSUs viz. commercial, commercial-cum-promotional and promotional. (Para 2.10)
- The existing data on State PSUs could at best be categorised as data coverage. A database is different from data coverage. While the former is planned, long-term, comprehensive and purpose-oriented, the latter is episodic, ad-hoc and with limited focus. (Para 3.2)
- The Study Group has collected information in respect of 747 Public Sector Undertakings and Corporations from 24 States and, the UTs of Delhi and Pondicherry. The Study Group has, in general, excluded departmental undertakings and cooperative enterprises from the purview of its study. (Para 3.30)
- The Report discusses the macro financial aggregates of the State PSUs and brings out the trends related thereto for the period 1990-91 to 1998-99. Total investment in State PSUs increased at a compound annual growth rate of 12.33 per cent during 1990s, from Rs.77760.02 crore in 1990-91 to Rs.197105.47 crore in 1998-99. The net worth increased from Rs.14563.66 crore in 1990-91 to Rs.53579.31 crore in 1998-99 (CARG of 17.68 per cent). However, net worth was about Rs.149727 crore short of capital employed during 1998-99 indicating a tremendous erosion of the capital base over the period. Total revenue earned was only around 55 per cent of the capital employed and about 57 per cent of total investment. (Para 4.3)
- The cash profits/contributions (sales-direct costs) declined from about 20 per cent of the total revenue in 1990-91 to 16.6 per cent in 1998-99 as against the warranted norm of 40 per cent. The gross margin as a percentage of

sales declined from 13 per cent in 1990-91 to 11.2 per cent in 1998-99 as against the stipulated norm of 30 per cent. The percentage of profit before interest and taxes to total revenue declined from 10.24 in 1990-91 to 6.64 in 1998-99 against the popular norm of 20 per cent. (Para 4.3)

- The net profits were in the negative throughout the period of the study excepting for 1994-95 and 1995-96. Dividends as a percentage of equity were miniscule at 0.6 per cent in 1998-99. The prime lending rate during this period was 13.5 per cent implying heavy implicit subsidies to the State PSUs. (Para 4.3)
- About 80 per cent of the total investment in State PSUs in 1998-99 was shared by Andhra Pradesh, Delhi, Gujarat, Karnataka, Kerala, Maharashtra, Tamil Nadu, Uttar Pradesh & West Bengal. Delhi topped the table followed by Andhra Pradesh, Maharashtra and Uttar Pradesh. (Para 4.12)
- Over 90 per cent of the accumulated losses were incurred by Andhra Pradesh, Assam, Delhi, Gujarat, Karnataka, Kerala, Maharashtra, Orissa, Punjab, Tamil Nadu, Uttar Pradesh & West Bengal. Delhi and West Bengal were the loss leaders with Assam, Uttar Pradesh, Kerala and Tamil Nadu as their followers. (Para 4.13)
- Capital employed by the State PSUs was only marginally higher than the total investment during the period of the study indicating lack of organic growth of these enterprises. (Para 4.15)
- Against the generally accepted norm of about 20 per cent of revenue earned, profits before interest and taxes for the State PSUs ranged from a high of 12.11 per cent in 1994-95 to 6.64 per cent in 1998-99. None of the States earned the benchmark profit before interest and taxes. (Para 4.19)
- Net profits should at least be equivalent to prime lending rate or 10 per cent of the revenue earned. However, the net profits for all the States taken together for the various years of the study excepting 1994-95 and 1995-96 were negative. Net profits for all the States taken together have averaged around (-) 1.2 per cent of the total revenue earned over the study period. (Para 4.21)

- Total dividends distributed by the profit making State PSUs in 1998-99 turned out to be 0.58 per cent of the total equity. Taking the opportunity cost of equity as 10 per cent, this implies that the State Governments subsidise the State PSUs by a huge amount which was approximately Rs.4900 crore in 1998-99. (Para 4.22)
- State PSUs have been divided into six categories for the purpose of this study viz. manufacturing, trading & services, financial, promotional, welfare and utility enterprises. Of the total 747 State PSUs for which information is available, about 43 per cent belong to the manufacturing category while about 22 per cent are promotional enterprises. About 9 per cent belong to the trade and services category and 7 per cent each to the financial and welfare categories. Utilities account for the balance 12 per cent of enterprises. (Para 4.24 & 4.25)
- State PSUs in the promotional, welfare, trading and services and utility categories registered a higher rate of growth in investments as compared to the financial and manufacturing categories. (Para 4.27)
- Enterprises in sectors such as financial, trading and services and welfare enterprises (excepting for 1990-91) earned profits all through. Promotional enterprises have shown mixed performance. The manufacturing and utility (excepting for 1994-95) categories of enterprises incurred losses consistently. The utility enterprises were major loss makers. The above findings contradict the general perception that all State PSUs are in losses. Further, it goes against the belief that welfare and promotional State PSUs are necessarily loss-making propositions. (Para 4.28)
- The category-wise optimal rates of return on investment for State PSUs have been taken as 12 per cent for the manufacturing and the utility enterprises, 10 per cent for trading & services enterprises, 9 per cent for financial enterprises, 8 per cent for promotional enterprises and 5 per cent for welfare enterprises. (Para 5.18)
- An analysis of the rates of return earned by State PSUs shows that in each of the six categories of enterprises there are best, average and low performers.

The enterprises in the last two categories need to either devise strategies to rise to the level of the best performing enterprises or such enterprises need to be disinvested. (Para 5.28)

- In view of the growing resource crunch, it has become necessary to carry out reforms in State PSUs at a pace faster than witnessed till now to prevent further drain on resources caused by loss making enterprises. (Para 7.1)
- While deciding whether to retain, restructure or privatize the State PSUs, the States may keep in view the criterion followed by the Disinvestment Commission i.e. the public purpose served by the PSUs. (Para 7.2)
- The matrix approach suggests that State should withdraw from the manufacturing and trading & services sector. Enterprises in the welfare and promotional sectors should be retained while the financial and utility enterprises should be restructured. In the case of promotional enterprises, the manufacturing part will have to be divested and the purely promotional part of activity will have to be retained. (Para 7.2)
- Disinvestment exercise in each State could be handed over to an independent body i.e. Disinvestment Commission, created through an independent legislation. (Para 7.3)
- Enterprises belonging to the welfare category should also be run on commercial basis failing which they should be reconverted into departmental enterprises. (Para 7.8)
- There is a need to set-up State Renewal Funds in each State, the funding for which should come from disinvestment/restructuring fund created out of the proceeds from the sale of State PSUs. (Para 7.9)
- A Social Safety Net needs to be set-up in each State going in for privatisation of State PSUs. (Para 7.10)
- Use of employees stock option scheme may be explored in State PSUs showing a secular trend in profitability. (Para 7.12)

- Nodal agencies at the State level may be set up to coordinate the work of State PSUs. (Para 7.13)
- A fixed minimum tenure for the Managing Director/CEO of State PSUs need to be enforced to provide stability in the management and decision-making apart from bringing in accountability of these officials. (Para 7.15)
- More professional management, especially at the higher echelon of these enterprises, needs to be ensured. (Para 7.15)
- Timely completion of audit in State PSUs is absolutely essential. For this, effective internal audit systems must be installed. (Para 7.15)
- Managerial cadres of the State PSUs at the middle level must be strengthened. (Para 7.16)
- Memorandum of Understanding, on the pattern of Central Government public enterprises, need to be introduced. (Para 7.13 & 7.16)
- There is need for a central nodal unit in the country that can document the experiences of various States in the area of public enterprise reforms and provide an appropriate forum for exchange of ideas among them. The nodal unit can also undertake the task of updating the database on the State level public enterprises which has been set-up by the Study Group. The nodal unit could be located either in the Planning Commission or in the Ministry of Disinvestment and the technical back-up could be provided by the Institute of Public Enterprise, Hyderabad. It may interact with the Finance Departments/nodal agencies dealing with State PSUs of the various States to access latest data and bring out an annual Survey Report on the State PSUs. (Para 7.19)
- There is a need for a mechanism that could facilitate States' access to technical literature and expertise in the area of public sector enterprise reforms. The nodal unit, that the Study Group is suggesting to be set up, may take up this task also. (Para 7.20)

- Tendency of State Govts. to borrow funds through their State PSUs on the strength of State guarantees needs to be curbed. (Para 7.21)

- State PSUs should be adequately compensated for carrying out social obligations and this compensation should be through explicit budgetary provisions. (Para 7.22)

Chapter 1

Introduction

A vital role was assigned to the public sector in the process of economic development of India. This role that was originally enshrined in the Industrial Policy Resolution of 1948 was further emphasised in the Industrial Policy Resolution of 1956. Public Sector was envisaged not only to control the commanding heights of the economy but also to serve as a vehicle to promote balanced and equitable growth. This led to a phenomenal growth of the public sector enterprises at both the Centre and the States during the earlier plans. However, the Government rethinking on the role of public sector enterprises was necessitated by the severe resource crunch faced at the Centre as well as State level around the terminal years of the Seventh Plan. The net losses incurred by the public enterprises being a major contributor to deficit budgets, a need was felt to urgently review the role of these enterprises with a view to reducing the financial burden on the respective Governments at the Centre and in the States. After all, losses of these enterprises reduce the financial maneuverability of the Government to spend money on the development of social sectors and infrastructure, considered so vital for the development of the economy.

Constitution of the Study Group

1.2 On May 31,1999, Planning Commission constituted a Study Group on Disinvestment of State PSUs consisting of Dr. N.J.Kurian, Adviser (Financial Resources), Planning Commission as the Chairman; Prof. R.K.Misra, Dean, Institute of Public Enterprise, Hyderabad as a member; and Shri J.S. Kochher, Deputy Adviser (Financial Resources), Planning Commission as the convener. Subsequently, Shri J.D.Hajela, Director (Financial Resources), Planning Commission assumed responsibility as the convener of the Study Group w.e.f. January 2000.

1.3 The terms of reference of the Study Group were as under:

- To examine the suitability of the existing database formats and update the database on the investment made, cumulative and year-wise, in the State PSUs and Corporations including State Electricity Boards and State Road Transport Corporations.
- To study the performance pattern and management practices in these enterprises in terms of financial indicators on the basis of the latest available data.

- To study the reforms undertaken in these enterprises by respective State Governments including disinvestment in favour of private sector, employees or other members of the general public.

Broad approach of the Study Group

1.4 In the first meeting of the Study Group held on 22nd June, 1999, in Yojana Bhavan, New Delhi, a questionnaire was framed for sending to all the States and UTs with legislature to obtain information as per the terms of reference of the Study Group. A copy of the questionnaire is annexed. It was also decided that the Study Group would visit a few States to have a direct interface with the concerned Departments and Bureaus of Public Enterprises and to get a feel of the functioning of State PSUs and the reform process initiated by the respective State Governments for these PSUs. Accordingly the Study Group visited 16 States and the UT of Pondicherry. Discussions with the officials of the PSUs of NCT of Delhi were also held.

1.5 The Study Group met a large number of Government functionaries involved in policy making, academics and top management of various PSUs. The Study Group also studied the reports of various Committees constituted by individual States on the feasibility and mechanism of reforms to be carried out in State PSUs. The Study Group benefited immensely from this interaction and effort has been made to include the important suggestions received during these meetings and recommendations of the Committees in this Report. The Study Group submitted an Interim Report in October 1999.

1.6 The Study Group has received information as per the questionnaire from all the States except Bihar. However the information has generally not been comprehensive in the sense that either all the public sector units have not been covered and / or information on all the variables mentioned in the questionnaire has not been furnished. The information received from the States was computerised and was sent to the States in July, 2001 for authentication/updating. Revised data were received from all States/UTs except Arunachal Pradesh, Haryana, Himachal Pradesh, Manipur and Nagaland. In case of Punjab, revised data was provided only in case of certain variables. For the non-responding States data, that was originally furnished, has been used.

1.7 Planning Commission Unit of the National Informatics Centre (NIC) has developed the software to facilitate analysis of the data. The basic data and the derived tables are available on the Intranet, Network Neighbourhood, in the Planning Commission.

Structure of the Report

1.8 The Report consists of two volumes. Volume I contains the analytical portion and suggestions of the Study Group. Volume II is essentially a statistical supplement containing the basic enterprise-level data collected and used for analysis.

1.9 As far as Vol. I of the Report is concerned, Chapter 2 carries out a review of the Government policies relating to the public sector including recommendations made by various Committees on the need for reforms in this area. Chapter 3 underlines the gaps in the existing data on the State PSUs and suggests ways to fill the void. It also reviews the reports of the studies conducted by Institute of Public Enterprise, Hyderabad, for Planning Commission and the Indian Institute of Cost and Management Studies & Research (INDSEARCH), Pune for Comptroller & Auditor General of India (CAG), submitted in May, 1997 and October, 1998 respectively. Chapter 4 outlines the major findings of the Study Group on the basis of an analysis of the enterprise-level data collected from various States. Chapter 5 discusses the optimal rate of return that the State PSUs of various categories should earn and points out the gap between the prescribed rate of return and the rates of return realised. Chapter 6 gives a brief account of the performance of the PSUs in various States/UTs based on the data furnished to the Group. Chapter 7 discusses the important issues and the major observations/ suggestions of the Study Group. The Chapter also includes suggestions for building on the work already done by the Study Group.

1.10 Vol. II of the Report has three parts. Part 1 contains the list of State PSUs for which information was furnished and their classification into different categories. Part II gives time-series enterprise-level data on important financial parameters. Part III gives State-wise category-wise time-series data on important financial parameters.

Chapter 2

Policy Review

The Industrial Policy Resolution dated April 6, 1948 envisaged an important role for the public sector. It laid down that besides arms and ammunition, atomic energy and railway transport which would be the monopoly of Central Government, the State would be exclusively responsible for the development of six basic industries namely, iron & steel, coal, aircraft manufacture, ship building, mineral oils, manufacture of telephone, telegraph and wireless apparatus - except where, in the national interest, the State itself found it necessary to secure the cooperation of private sector. All the other areas in industry were left open to private enterprises.

2.2 The vital role to be played by the public sector was enshrined with a much greater emphasis in the Industrial Policy Resolution of 1956 wherein industries were classified into three categories. The first category contained industries, the future development of which was to be the exclusive responsibility of the State. The second category consisted of industries that were to be progressively State-owned and in which the State was, therefore, to generally take the initiative in establishing new undertakings, but in which private enterprise was also expected to supplement the efforts of the State. The third category was to include all the remaining industries and their future development was in general left to the initiative and enterprise of the private sector.

2.3 The Industrial Policy Statement of 1973, inter-alia, identified high priority industries where investment from large industrial houses and foreign companies was to be permitted.

2.4 The Industrial Policy Statement of July, 1980 laid emphasis on the revival of the efficiency of public sector undertakings through a time bound programme of corrective action on a unit by unit basis. According to the Policy, effective steps were to be taken to develop the management cadres of public sector undertakings in functional fields such as operations, finance, marketing and information system.

2.5 The Industrial Policy Statement of July 24, 1991 adopted a new approach towards public enterprises and laid down certain priority areas for the growth of these enterprises namely, essential infrastructure goods and services, exploration and exploitation of oil and mineral resources, technology development and building of manufacturing capabilities in areas which are crucial to the long-term development of the economy and where private sector investment is inadequate and manufacture of products where strategic considerations are predominant such as defence equipment. The Disinvestment

Commission in its first report notes that the list of industries reserved for public sector was reduced from 17 in the Industrial Policy Resolution of 1956 to only 8 by the July, 1991 Policy Statement. This list has been further pruned. Now only two industries stand reserved for public sector, viz., atomic energy and atomic mineral oils. **Some of the other significant features relating to public sector enterprises in the Policy Statement were as follows:**

- Government was to review the existing portfolio of public investment especially in respect of industries based on low technology, small-scale and non-strategic areas and inefficient and unproductive areas, areas with low or nil social considerations or public purpose and areas where private sector had developed sufficient expertise and resources.
- There was to be an emphasis on measures to make public enterprises more growth-oriented and technically dynamic. Units that were faltering at present but were potentially viable were to be restructured and to be given a new lease of life.
- Government was to strengthen the enterprises falling in reserved areas of operation/high priority areas/generating good or reasonable profits. Such enterprises were to be provided greater management autonomy through a system of MOUs. Competition was to be induced in these areas by inviting private sector participation and in a few selected enterprises Government holdings in equity were to be disinvested.
- Public enterprises which were chronically sick and which were unlikely to be turned around were to be referred to the Board for Industrial and Financial Reconstruction (BIFR) for formulation of revival / rehabilitation schemes.

2.6 During the period of planned development, a need for a review of the continued presence of the public sector in a wide range of activities has been felt from time to time, especially due to less than satisfactory performance of these enterprises. As a result, the Government appointed several committees for this purpose the prominent among them being the Economic Administration Reforms Commission (the L.K. Jha Commission) on Government & Public Enterprises which submitted four reports on top management and the Boards, autonomy and accountability, Government clearances and approvals and profitability of public enterprises respectively during November, 1983 - June, 1984 and the

Committee to Review Policy for Public Enterprises headed by Dr. Arjun Sengupta which submitted its report on 31st December, 1984. **Some of the important recommendations contained in the four Reports of L.K. Jha Commission are listed below:**

- To ensure selection of best men, the level of remuneration in public enterprises should be determined with greater attention to the conditions in private sector than those in Government service.
- A top executive should, on appointment, be forthwith given a five-year contract which may be extendable to a ten year period or up to his superannuation whichever is earlier.
- The replacement for a Chief Executive who is due to retire should be found well in advance to prevent the top post being left vacant.
- There should be a minimum of three functional Directorships in a public enterprise Board regardless of the size of the organization. The functioning of the Board should be professional, managerial and decisive and part-time Directors should be people who can contribute with their knowledge and expertise to the efficient management of the enterprise.
- While public enterprises, like units in private sector, must be subjected to such statutory controls as exist, they should not be subjected to any other constraint on their autonomy except that when they seek finance from the Government, they must justify it fully. However, once an investment decision has been approved and necessary funding has been provided for, the management should be allowed to go ahead without seeking any further clearances.
- There should be a radical re-examination of the nature of Government's relationship with public enterprises and detailed supervision of operational matters should be stopped. Submission of a large number of reports and returns to Ministries should be reduced.
- Once the guidelines are laid down, actual pricing decision should be left to be taken by the enterprises. Where there is no requirement of Government's approval, reference of pricing decision to the Government for approval should be discouraged. The principle that pricing by a public enterprise in a competitive

situation should be left to be determined by market forces is a sound one and should be adhered to scrupulously.

- The number, scope and coverage of the Government guidelines and instructions to public enterprises should be thoroughly reviewed and drastically reduced.
- The imposition of a non-commercial obligation by the Government on a public enterprise should be accompanied by a specific compensation for such an obligation. If any subsidisation of any product is to be done for a public, economic or social purpose, it should be done by the Government and not by the producing public enterprise.

2.7 Some of the important recommendations of the Arjun Sengupta Committee report are given below:

- Careful dovetailing of all plans of public enterprises with the National Plan is required in only a few core sectors and plans of enterprises in the non-core sectors are to be integrated with the National Plan only in an indicative manner as for the private sector.
- Government should have dealings only with the Boards of the holding companies and not with the subsidiary companies. The institution of Government Directors should continue but their appointment should be restricted only to the Board of a holding company.
- A basic wage structure of employees of public enterprises should be determined on industry basis or industry-cum-region basis by a Wage Commission or through the mechanism of industry-wise Wage Boards for a period of five years.
- Chief executives and functional Directors of public enterprises should be given a tenure of five years subject to a probationary period of one year and may be removed at three months notice for unsatisfactory performance.
- On the basis of agreed plans for investment, production, capacity utilisation etc. for a period of five years, the administrative ministry and the holding company should enter into a MOU and the performance of the latter would be evaluated on this basis.

- Accounting policies and standards should be evolved for public enterprises with the help of CAG, professionals in the field and Bureau of Public Enterprises (BPE).
- Where a company has suffered cash losses for a number of years, Bureau of Public Enterprises should examine such cases for capital restructuring.
- BPE should undertake special studies of each operation of public enterprises incurring cash losses and submit a comprehensive report to PIB that would then make suitable recommendations to the Cabinet for reviving or closure of the unit.
- Price preference to public enterprises should be phased out over a period of four or five years.

2.8 In the post 1991 scenario, we may refer to the Rangarajan Committee report on Disinvestment of shares of public sector enterprises submitted in June, 1993 wherein targets of level of disinvestment have been recommended for various categories of enterprises. The Committee concluded that the percentage of equity to be disinvested should be generally under 49 per cent in industries reserved for the public sector and over 74 per cent in other industries. The Disinvestment Commission, set up for Central PSUs, has made recommendations which, inter alia, include setting up of a disinvestment fund, restructuring to precede disinvestment to enhance intrinsic share value, greater autonomy to the PSU Boards as well as professionalising them, minimum tenure of five years for CEOs as well as functional Directors and autonomy in price and wage fixation, selection of strategic partners for disinvestment, improving corporate governance, installation of sound internal audit, recruitment, management information system and financial structuring systems. The Commission recommended that public enterprises should be transparent in sharing information and in reporting to the investor community. The Commission suggested setting up of a Pre-investigation Board to protect action-oriented chief executives and public servants from the harassment meted out by the plethora of Government agencies. More importantly, the Commission suggested that the shareholdings of the Government could be brought down to the extent of 26 per cent to keep with the Government the power only of blocking special resolutions. The Commission suggested the extension of safety net to the workers affected by the disinvestment exercise.

2.9 There has been no noteworthy Committee set up for the review of the working of State PSUs at a national level although individual States have been setting up such committees especially since the mid-1980s. A Committee headed by Shri H.K.L.Kapoor, the then Chief Secretary, Govt. of Gujarat had carried out a broad review of the State PSUs after categorising them into 13 groups. However, this Committee, which submitted its report to the Ministry of Home Affairs in 1977, was not able to suggest a financial goal for these categories of PSUs and the varying rates of return that should be earned by them. The Seventh Finance Commission, for the first time, mentioned the need for the State PSUs to earn a rate of return. The Eighth and Ninth Finance Commissions suggested a five-fold categorisation of these enterprises to develop the targeted rates of return that these enterprises should have earned. They divided State PSUs into five categories, viz, manufacturing, service and trading, financial, promotional and welfare. The suggested optimal rates of return to be earned on capital employed by these enterprises were 12 per cent, 10 per cent, 9 per cent, 8 per cent and 5 per cent respectively.

2.10 The Tenth Finance Commission (TFC) requested the Institute of Public Enterprise, Hyderabad to study the performance of, and expected rate of return on equity invested in, State PSUs. The Study recommended that these enterprises be classified as commercial, commercial-cum-promotional and promotional. While agreeing to the classification proposed, the TFC were of the view that it might not be feasible for the States to achieve the suggested rates of return of 7.5 per cent, 5 per cent and 2.5 per cent respectively during 1995-2000. TFC, therefore, adopted 6 per cent, 4 per cent and 1 per cent respectively as the expected rates of return on equity and on this basis calculated the absolute level of dividends in each of the years of the period of its report. TFC was also of the view that there should be no addition to the number of State PSUs and suggested that there could be a possibility of reverting certain functions of a purely promotional nature to either Government Departments or even to Non-Government Organisations of proven record. TFC also noted that the debt-equity ratio of a large number of State PSUs was very high which involved heavy debt-servicing liability leading to progressive sickness. TFC suggested detailed capital restructuring of viable enterprises in order to overcome this problem. It has also been suggested that all States should devise a suitable disinvestment strategy based on consideration of performance, profitability and mobilisation of resources. TFC estimated that atleast 20 per cent of the aggregate equity in such enterprises could be reduced through outright sale or substantial disinvestment during 1995-2000. TFC recommended that the proceeds of such disinvestment should be utilised only for retirement of debt owed to the Central Government, and provided that as an incentive the Central Government should write off debt equivalent to the debt retired by

the States in this manner limited, however, to 20 per cent of the equity investment of the State as on 31st March, 1995.

2.11 The Eleventh Finance Commission, in its report (July 2000), observed that the rate of return generated by the State PSUs is nearly zero. It has recommended a 5 per cent dividend on equity and 9 per cent interest on loans & advances. In the Commission's view it would be unrealistic to postulate a higher rate of return.

Chapter 3

Database on State Public Sector Undertakings

State PSUs is an omnibus term. It covers a wide variety of enterprises undertaking a myriad of activities. What is common in the running of these enterprises is the existence of a number of strategic and functional problems cutting across their sectoral classifications. In order to capture data on these aspects, it is necessary to develop a comprehensive data format. The data format should be susceptible to detailed analysis of long-term performance. The data format should encompass a minimum time period of 10 years for the trend analysis that establishes its linkages with the planning process. At the same time, it is essential to formulate a summary data sheet that can provide an opportunity to have an immediate peep into the short-term performance. For this purpose, this Study Group formulated a summary data sheet that was circulated to all State PSUs. The key consideration in the formulation of such a data sheet was simplicity, operational feasibility and receiving a mix of quantitative and qualitative information that is essential for providing an insight into the working of these PSUs and the status of restructuring and privatisation across the various States. There was no insistence on the supply of the audited and finalised data. The summary data sheet contained questions eliciting the opinion of these PSUs about the ways and means to improve their working.

Existing Data Coverage

3.2 A database is different from data coverage. While the former is planned, long-term, comprehensive and purpose oriented, the latter is episodic, ad-hoc and with limited focus. The existing data on State PSUs could at the best be categorised as data coverage. The Industrial Development Bank of India (IDBI) finalises the annual plans of the State Financial Corporations (SFCs) and the State Industrial Development Corporations (SIDCs) but this does not provide the requisite information on the economic, managerial and strategic aspects. The Central Institute of Road Transport (CIRT) publishes yearly data on the functioning of the State Road Transport Undertakings (SRTUs) that is mostly quantitative in nature and relate to physical and financial performance. The Planning Commission brings out Annual Report on the working of State Electricity Boards (SEBs) and Electricity Departments, which have both the quantitative and qualitative information but does not contain information on strategic, management and organisational aspects. The *Commerce Year Book of Public Sector*, published from Mumbai, contains data on State PSUs in Part-B under the caption 'Public Sector in State Economies'. The data contains the names of State PSUs, the year of their incorporation and the turnover. The

Central Statistical Organisation (CSO) brought out in the past, two volumes (1986, 1992) on *Public Sector Transactions* which had some data relating to State PSUs regarding turnover, manpower, financial performance, capital formation etc. The Reserve Bank of India (RBI) in its studies on Government Companies, covered till 1992, State PSUs organised in the form of Government Companies. These studies contain mostly financial data. The Comptroller & Auditor General of India(CAG), in their annual reports(commercial) for various States include the working of Government Companies and Corporations. Most of the data refers to accounting and financial aspects. The Centre for Monitoring Indian Economy brings out studies on public sector occasionally concerning the Central PSUs. The Institute of Public Enterprise, Hyderabad, in their reports on State PSUs, for the VIIIth, IXth and Xth Finance Commissions, collected data on financial parameters such as turnover, capital employed, investments, gross profit, profit before interest & taxes, costs and net profits. The Institute also prepared survey reports on financial performance of State PSUs for the period 1985-86 to 1993-94 for Planning Commission that contained information enterprise-wise, sector-wise and State-wise in five volumes. A detailed review of these survey reports is presented in the following paragraphs.

All India Survey of State PSUs (1985-86 to 1993-94) by IPE

3.3 An All-India survey of State PSUs for the period 1985-86 to 1993-94 (based on about 50 percent response from 471 out of 882 existing enterprises excluding State Electricity Boards and State Road Transport Corporations) was conducted by the Institute of Public Enterprise, Hyderabad at the instance of the Planning Commission. This task was entrusted to IPE in July 1992 and it was given three years time to set up a data bank. Subsequently, it was given extension of time and the report was finally submitted in May, 1997. The important features brought out by the report are enumerated below:-

- The total investment in these enterprises went up from Rs.11,013 crore in 1985-86 to Rs.31,848 crore in 1993-94 showing a Compound Annual Rate of Growth(CARG) of 14 per cent. The CARG of investment was high in the case of Andhra Pradesh, Bihar, Goa, Gujarat, Maharashtra, Manipur, Mizoram, Sikkim, Tripura and West Bengal. It was low in the case of Jammu & Kashmir, Nagaland and Punjab.
- The maximum of the investment in 1993-94 was concentrated in Maharashtra (Rs.7069 crore) followed by Gujarat (Rs.4473 crore), Andhra Pradesh (Rs.4178 crore) and Karnataka (Rs.3934 crore).

- The paid-up capital of these enterprises increased from Rs.2431 crore in 1985-86 to Rs.8407 crore in 1993-94 showing a CARG of 17 per cent. The States which placed a heavy reliance on the investment in public enterprises, as seen from growth in paid-up capital, included Bihar, Gujarat, Karnataka, Manipur, Mizoram, Sikkim and Tripura while States where emphasis was far below national average included Arunachal Pradesh, Haryana, Himachal Pradesh, Jammu & Kashmir, Kerala, Nagaland, Orissa, Tamil Nadu and Uttar Pradesh.
- Total long-term loans to these enterprises increased from Rs.8581.34 crore in 1985-86 to Rs.23441.37 crore in 1993-94 showing a CARG of 13.38 per cent.
- Total capital employed in these State PSUs increased from Rs.7658 crore in 1985-86 to Rs.23829 crore in 1993-94 showing a CARG of 15.25 per cent.
- Total revenue including realisation from sales and other non-operational activities increased from Rs.6267 crore in 1985-86 to Rs.15789 crore in 1993-94 showing a CARG of 12 per cent which was lower than the growth of total investment indicating that investments have not yielded adequate revenues.
- The net worth of all these State PSUs taken together increased from Rs.1443 crore in 1985-86 to Rs.6428 crore in 1993-94 with a CARG of 21 per cent. However, there were not many States where the net worth of these enterprises was higher than the corresponding paid-up capital. Overall, the net worth of Rs. 6428 crore in 1993-94 was much lower than the paid-up capital of Rs.8407 crore.
- The profit after tax for all these State PSUs showed a CARG of 8 per cent between the period 1985-86 to 1993-94 which was again far lower than the CARG of investment, capital employed, current assets, paid-up capital, net worth etc.
- The State PSUs are engaged in a variety of activities ranging from industrial development, finance, trading and marketing, construction services, consumer goods, engineering goods as also development of backward regions and weaker sections of the society. Some of these are also involved in specific sectors of industry viz., agro-industry, tourism, minerals and metals etc.

Categorywise study of problems-

3.4 The IPE Study has classified the State PSUs into certain homogenous groups in order to be able to pin-point the different dimensions of the problem afflicting these

groups of enterprises. The IPE Study suggests a rate of return of 7.5 per cent, 5 per cent and 2.5 per cent per annum respectively for the three categories in which State PSUs have been divided viz. commercial, commercial-cum-promotional and promotional. The lower rates of return have been suggested to provide enough leverage for sustenance, declaring dividends and going in for expansion. Of the total 882 State PSUs in 25 States, 436 were classified as commercial enterprises, 314 were seen as discharging commercial-cum-promotional functions and 132 were found belonging to the promotional category. Some of the important findings as per the study are given below-

(i) Commercial State PSUs

3.5 The Commercial enterprises form an important component of State PSUs in India accounting for 50 per cent of their total strength. These include engineering, electronics, textiles, mining, telecommunications, drugs and chemicals, sugar and cement sector enterprises. Most of the State Governments set up the enterprises to prop up industrial activities and use the local resources for the purpose of manufacturing. Employment creation was also an important objective behind the creation of these enterprises. In some States, number of these enterprises increased due to takeover from the private sector due to ideological bias in their favour. These States were Kerala, Tamil Nadu and West Bengal. Some States like Haryana, Karnataka, Kerala, Rajasthan and West Bengal treated these enterprises as vehicles of economic development.

3.6 These enterprises collectively incurred losses for all the years covered by the Study between 1985-86 to 1993-94, except in 1989-90 when they earned a nominal rate of return of 2.69 per cent. The losses were maximum in the case of enterprises belonging to Andhra Pradesh, Arunachal Pradesh, Bihar, Mizoram, Nagaland, Uttar Pradesh and West Bengal. State PSUs of Haryana, Jammu & Kashmir, Karnataka, Maharashtra, Meghalaya, Orissa, Punjab and Tamil Nadu were having mixed performance, showing losses in some years and profits in others. Commercial State PSUs of Gujarat and Madhya Pradesh earned not only a positive rate of return but also at the expected optimal rate of 7.5 per cent and above. State PSUs of Assam, Himachal Pradesh and Rajasthan earned a positive rate of return but far lower than the optimal rate of return of 7.5 per cent per annum on the capital employed.

(ii) Commercial-cum-promotional State PSUs

3.7 These enterprises were characterised by twin elements of business i.e. a mix of commercial as well as promotional goals directing their functioning. Their promotional

goals lead them to execute economic activities at the behest of the State on profit or no profit basis while the commercial goals force them to go in for profit earning. These enterprises include the State PSUs dealing with dairy development, fisheries development, industrial finance, industrial development, infrastructure development etc. Most of these State PSUs were set up between the 1950s and 1970s. The commercial-cum-promotional enterprises constitute 35.6 per cent of the total number of State PSUs. A heavy concentration of these enterprises has been found in Andhra Pradesh, Assam, Goa, Gujarat, Haryana, Himachal Pradesh, Karnataka, Kerala, Maharashtra and Punjab. The maximum rate of return that these enterprises on an average earned during the period of this study was 1.62 per cent in 1987-88. It is also interesting to note that it is only in this category of enterprises that profits earned for all the States taken together, during all the years covered by this study were positive. However, the commercial-cum-promotional enterprises in Assam, Jammu & Kashmir, Mizoram and Nagaland recorded a negative return throughout the period of the study. These set of enterprises in Bihar, Gujarat, Haryana, Karnataka, Maharashtra and Tamil Nadu recorded positive rates of return on their capital employed throughout the period of the study. The remaining States came in the mixed category of profits and losses interspersed in different years.

(iii) Promotional State PSUs

3.8 In the case of these enterprises, promotional activities became the primary objective and profit earning became a secondary consideration though at the same time there is need that they do not incur losses. These State PSUs include the Women Development Corporation, SC/ST Finance Corporation, Backward Classes Corporation etc.

3.9 On an average, these enterprises incurred losses in 1985-86, 1988-89 and 1993-94. In other years covered by the study, profits were again marginal though Andhra Pradesh and Punjab presented a better picture. Profit earning was negative throughout the period of the study in the case of Arunachal Pradesh, Jammu & Kashmir, Manipur, Meghalaya, Mizoram, Nagaland, Sikkim, Tamil Nadu, Tripura and West Bengal.

Study on State PSUs by the Indian Institute of Cost And Management Studies & Research

3.10 A Study on State PSUs was conducted by the Indian Institute of Cost And Management Studies & Research (INDSEARCH), Pune for the Comptroller and Auditor General of India (CAG). The data used by INDSEARCH for this study was also provided

by CAG. The study covers the period between 1985-86 to 1996-97 and its State-wise reports have been submitted in October, 1998. The study is quite comprehensive but one of its major shortcomings is that while it analyses the investment and performance indicators of each State individually as well as sector-wise and has prepared State-wise reports on this basis, there is no inter-State comparison, nor is there an All-India report prepared by integrating the State-wise reports. This shortcoming to some extent has been tried to be removed in the background paper prepared for the Seminar on State Level Public Sector Undertakings held in Simla on 6th & 7th May, 1999. While this background paper relies mainly upon the INDSEARCH study and the findings made by it at a disaggregated level, it also uses certain data from other sources like Planning Commission, IDBI, NCAER and ASRTU.

3.11 The background paper puts the investment in State PSUs in 1996-97 at Rs.1,17,760.30 crore consisting of Rs.39,218.19 crore as equity and Rs.78,452.11 crore by way of loan. It also states that out of the total 1071 companies set up by State Governments, only 247 were profitable and 319 companies had eroded their paid up capital on account of persistent losses.

3.12 The INDSEARCH study had categorised the State PSUs into seven sectors and its sector-wise findings for each State have been put together in the background paper to get an integrated picture on All-India basis. These sector-wise findings for the entire country are listed below:-

(i) Manufacturing Sector

3.13 The State PSUs in Cement, textile, electronics, paper, minerals, leather, chemicals, engineering and machinery industries have been included in this sector. These PSUs have been performing poorly compared to the private sector and in general, beset with problems like over-capitalisation, excess manpower, outdated technology, poor management, low capacity utilisation and high interest burden.

(ii) Term Lending & Promotional Sector

3.14 This sector includes Industrial Development Corporations (IDCs) and State Financial Corporations (SFCs) set up in most of the States. There are 18 SFCs operating in different States and involved in development of small and medium enterprises. Besides, there are a total of 28 SIDCs in the country out of which 11 function as SFCs also and provide assistance to small and medium enterprises apart from their normal role

in providing financial support for the promotion and development of medium and large industries. The SFCs have, by and large, functioned well till now. The background paper has also taken note of the NCAER findings in this area as listed below:

- ✓ Per capita assistance by both SFCs & IDCs has generally increased with some States like Haryana, Kerala, Maharashtra, Goa and Gujarat doing well while States like Bihar, Andhra Pradesh, West Bengal, J & K and Manipur performing poorly.
- ✓ Operational efficiency as judged from the rate of recovery of loans disbursed was higher in States like Maharashtra and low for States like Himachal Pradesh, Orissa, Kerala, Karnataka and Punjab.

(iii) Transport Sector

3.15 This Sector includes State PSUs in which, apart from SEBs, a major portion of capital has been invested by the State Governments. The buses of the State Road Transport Corporations (SRTCs) form a significant percentage of the total buses in most States. It has been found that during 1994-95, this ratio was the highest in Andhra Pradesh (62 per cent) followed by Sikkim (56 per cent), Haryana (54 per cent) and Himachal Pradesh (41 per cent). The ratio was lowest for Assam at 3.34 per cent. This sector is beset with problems like poor performance in terms of fleet utilisation, staff bus ratio, fuel efficiency, over staffing and social obligations. In terms of operational efficiency as judged through above stated indicators, it was found that Himachal Pradesh, Punjab, Haryana and Rajasthan were generally doing well while the North-eastern States were performing poorly.

(iv) Welfare Sector

3.16 This sector comprised of corporations and companies set up to promote social development of scheduled castes and tribes, backward classes, economically weaker sections as well as women development programmes. The performance of this sector has been uniformly poor in all states.

(v) Services & Trading Sector

3.17 This sector mainly includes companies engaged in warehousing and tourism development activities apart from various essential commodity corporations, state trading

corporations and civil supplies corporations. While warehousing activities have been generally managed well, tourism companies have shown mixed results.

(vi) Agro-based Sector

3.18 This sector includes companies involved in plantation, poultry, seeds, sugar and other agro-based projects. The sector has generally not found to be fairing well and this holds true even for the States that are primarily dependent upon agriculture and horticulture.

(vii) Electricity Sector

3.19 The State Electricity Boards (SEBs) that form a part of this sector are the most important State PSUs and have accounted for the major portion of total investment made by the States. Most SEBs are performing poorly and are a strain on the resources of the States. The main reasons for this state of affairs as listed in the background paper are high debt:equity ratio, infrequent revision of tariffs, subsidising of power supply to agricultural sector, excess manpower apart from deficiencies in physical performance in terms of plant load factor and Transmission & Distribution (T&D) losses. The inter-State comparison shows Rajasthan achieving the highest plant load factor (76 per cent) and lowest for Bihar (20 per cent) in 1994-95. T&D losses during 1995-96 were found to be the highest for J & K (76.2 per cent). The T&D losses for Gujarat, West Bengal, UP, Orissa, Bihar, Haryana, Rajasthan & Delhi were above 25 per cent.

3.20 The INDSEARCH Study further carried out analysis of some core indicators and the findings at All-India level as compiled in the background paper are listed below. This analysis is based upon the comparison of these core indicators for the period 1992-93 to 1996-97 vis-à-vis the period 1987-88 to 1991-92.

(i) Capital Employed

3.21 The average capital employed in all sectors registered a 69 per cent increase during the second five-year block over the previous block. The increase was evident in all states except in the case of Delhi, J&K and Arunachal Pradesh. The maximum increase was noticed in the advanced States of Andhra Pradesh (114 per cent), Rajasthan (113 per cent), Karnataka (98 per cent), Gujarat (81 per cent), Maharashtra (74 per cent), Punjab (70 per cent) and Tamil Nadu (70 per cent). The electricity and transport sectors accounted for a major chunk of the total capital employed in most States. Maharashtra, Gujarat, Andhra Pradesh, Tamil Nadu, Karnataka and Punjab had relatively higher capital

employed in term lending and promotional sectors than the other States. The States having higher capital employed in manufacturing were Andhra Pradesh, Gujarat, Karnataka, Kerala, Maharashtra, Rajasthan, Tamil Nadu, West Bengal and Uttar Pradesh.

(ii) Profitability

3.22 Profitability as measured by Profit Before Depreciation, Interest & Tax (PBDIT) increased by 91 per cent for all sectors on an average in the second five-year block as compared to the earlier period. States with healthy PBDIT in the second block were Maharashtra, Gujarat, Tamil Nadu, Andhra Pradesh and Madhya Pradesh. States showing negative PBDIT were Bihar, Delhi and some North-eastern States. It was however, observed that profits generated were not commensurate with capital employed in State PSUs. The major contributors to profitability were electricity and term-lending sectors in most States while the contribution of manufacturing sector was low. The manufacturing sector made a meaningful contribution to PBDIT only in Gujarat, Andhra Pradesh, Kerala and Tamil Nadu. The contributions of agro-based and services & trading sectors were also found to be uniformly low in most States. Profitability in transport sector varied widely among States while that of welfare sector was mostly negative.

(iii) Contribution to exchequer

3.23 The contribution to the exchequer saw an increasing trend in the second five-year block in most States except in Bihar, Uttar Pradesh and West Bengal with the overall increase being 74 per cent over the previous block. The highest contribution was made by Maharashtra followed by Gujarat, Kerala, Andhra Pradesh and Karnataka. Kerala's high contribution was surprising considering its capital employed was one third that of Andhra Pradesh, Gujarat and Maharashtra. Assam, Bihar, Haryana, Himachal Pradesh, Orissa, West Bengal and Uttar Pradesh made low contributions. The manufacturing sector did not contribute significantly to the exchequer except in Gujarat, Kerala, Karnataka and Uttar Pradesh. No State other than Kerala had any significant contribution in the services & trading sector. The contribution of term lending and electricity sector was uniformly low. Transport sector fared badly except in Madhya Pradesh, Gujarat, Karnataka, Rajasthan and Maharashtra. The welfare sector made virtually no contribution to the exchequer. With the exception of Andhra Pradesh all other states had low or nominal contribution to the exchequer in the agro-based sector.

(iv) Implied Subsidy

3.24 Implied subsidy is an indicator of the extent to which the Government financed operations or losses of the State PSUs. There was 85 per cent increase in implied subsidy during the second block for all States taken together showing a growing dependence on state resources. The highest subsidy was in West Bengal followed by Andhra Pradesh, Tamil Nadu, Uttar Pradesh and Karnataka. In the electricity sector, rising levels of implied subsidy have had adverse consequences on State finances. Manufacturing sector also had rising levels of subsidy. On the basis of a comparison made for PBDIT and contribution to exchequer vis-à-vis overall implied subsidy, one concludes that for the second five year block, the State PSUs of all States except Gujarat, Karnataka, Kerala, Madhya Pradesh and Rajasthan were a drain on state resources.

(v) Gross Value Added (GVA)

3.25 Gross Value-Added per Rupee Wages paid indicates the extent to which PSUs are in a position to cover the cost of labour and further contribution towards other fixed costs like interest and depreciation. It is computed by adding PBDIT to salaries and wages and dividing the sum by salaries and wages. GVA is an index of efficiency and low levels are indicative of poor physical and financial performance. While in most sectors, the expected level is 3 and above, it should be 10 and above in the case of term lending and promotional sector since the product is of different nature. States that achieved this norm were Goa, Karnataka, Kerala, Punjab and Tamil Nadu. Gross value added was generally low in most States though the better performing States in this area were Goa, Gujarat, Kerala, Madhya Pradesh, Maharashtra, Punjab, Rajasthan, Tamil Nadu and Uttar Pradesh.

(vi) Asset Utilisation

3.26 Asset utilisation is computed by dividing the total income by the tangible assets of the Company. It can also be expressed as total income divided by capital employed. None of the States achieved the standard norm of asset utilisation taken to be 3 and above. While the general trend was that of extremely poor asset utilisation, it was especially low in Assam, Bihar, Orissa, Himachal Pradesh, Punjab, Sikkim and the North-eastern States.

(vii) Employment

3.27 Employment has increased by about 7.00 lakh during the period 1985-86 to 1995-96. The gainful nature of this employment is in question considering that gross value

addition in most States during this period has been below the standard norms. The majority of employment was in SEBs and SRTCs.

(viii) Role of State PSUs in State Economy.

3.28 The role of State PSUs in a State can be assessed from the total turnover as a percentage of the Gross State Domestic Product. There was no consistent pattern among States and this percentage generally varied from 1 to 17 per cent of GSDP, with most States falling in the range of 6 to 15 per cent.

3.29 The same (INDSEARCH) study carried out an appraisal of State PSUs through grading them on selected indicators and reached certain conclusions regarding their viability and need for their closure/continuity. These individual State reports have been summed up in the background paper to arrive at a total of 776 enterprises appraised for all the States. The study has recommended closure of 300 State PSUs out of which 128 were suggested for closure on a priority basis due to their extremely poor performance. 355 State PSUs have been recommended for improvement including 124 that have been included in this category only because of their involvement in social sector and otherwise need closure due to poor performance. Only 69 State PSUs have been found to be performing well while 52 State PSUs could not be evaluated for want of adequate data that is again an indicator of lack of accountability and poor performance.

Suggestions for improvement in the data-base on State PSUs

3.30 The Study Group has collected information in respect of 747 public sector undertakings and corporations from 24 States and UTs of Delhi and Pondicherry. The Study Group has, in general, excluded departmental undertakings and cooperative enterprises from the purview of its study. Information in respect of public enterprises of Arunachal Pradesh, Goa, Gujarat, Punjab and Sikkim was available up to 1997-98 only. In case of Andhra Pradesh, NCT of Delhi, Kerala, Meghalaya, Mizoram, Orissa, Pondicherry, Rajasthan and Uttar Pradesh information was made available up to 1999-2000. In case of the remaining states data is available up to 1998-99 only. However, the All-India analysis in this Report has been carried out for the period 1990-91 to 1998-99. In case of enterprises where information was not available up to 1998-99, figures for earlier years have been repeated. This has been done to ensure comparability of aggregate figures, both All-India and State-level, over time.

3.31 A list of the 747 State level Public enterprises is given in Vol. II of the Report of the Study Group. For purposes of analysis, various public sector enterprises have been classified into six categories : Financial (F), Manufacturing (M), Promotional (P), Trading & Services (T&S), Utility (U) and Welfare (W). The category to which an enterprise belongs has been indicated against the name of the enterprise in the List. Time-series data on important financial parameters of individual enterprises is also included in Vol. II of the Report.

3.32 During its interaction with State Govts. and State PSUs officials, the Study Group found that most of the States still do not have a centralised database system on State PSUs. The problem gets further complicated as State PSUs do not have an organised accounting system, resulting in inordinate delays in finalising their accounts and carrying out accounting adjustments with a long-time tag. For instance, the Study Group found that data pertaining to a large number of State enterprises was drastically revised when sent for authentication/ updating to the various State Bureau of Enterprises/ nodal agencies designated to coordinate the work with the Study Group.

3.33 In the prevailing economic background, the necessity of setting up a comprehensive database on State PSUs is thus strongly felt. The comprehensive data format should be so designed as to elicit exhaustive information not only on the financial aspects but also information with regard to organisational, management, strategic and economic aspects, to name a few. It is felt that the Study Group has already covered a substantial ground in this respect. However, there is a need to continually update and further develop the database already created.

3.34 In this context, the Study group feels that a database unit needs to be set-up that should be centrally located and staffed with an analyst, a programmer and a data entry operator. The Unit may have connectivity to online databases and could have a web site in due course. The database unit may interact with the Finance Departments / nodal agencies dealing with State PSUs of the various States to access latest data.

3.35 A small Core group may be set up to oversee the operational aspects of the database. The Core group may visit various States and the Union Territories at least once a year to hold discussions with the State Govts. and State PSUs representatives. The database unit may bring out an annual Survey Report on the State PSUs.

Chapter 4

State Public Sector Undertakings in India: A Macro View

The State Public Sector Undertakings are a dominant part of the public enterprise system in India. They are extended arms of the State Governments in the task of the promotion of economic and social development. They also act as a tool to operationalise the central schemes on the ground in the various States. As corporatised enterprises, the State PSUs became a major instrument in the hands of the State Governments to hive off their commercial activities organised departmentally. This was essential to provide policy and operational autonomy for autonomous functioning. In the corporatised form, the financial viability was ensured through the separation of budget, accounting and funding.

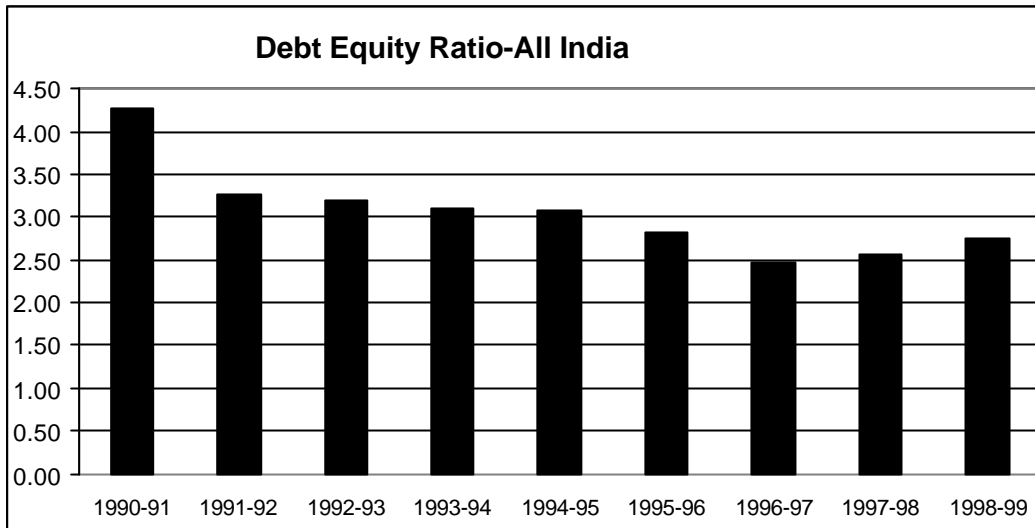
4.2 The State PSUs as a corporatised form registered a phenomenal growth during the First to Ninth Plan Periods. However, their financial performance has been disappointing. They have become a major cause of the growing fiscal deficit. This chapter discusses the macro financial aggregates of the State PSUs and brings out the trends related thereto for the period 1990-91 to 1998-99.

All States Aggregates

4.3 Table-4.1 provides all States aggregates relating to the State PSUs. The following trends emerge from the table:

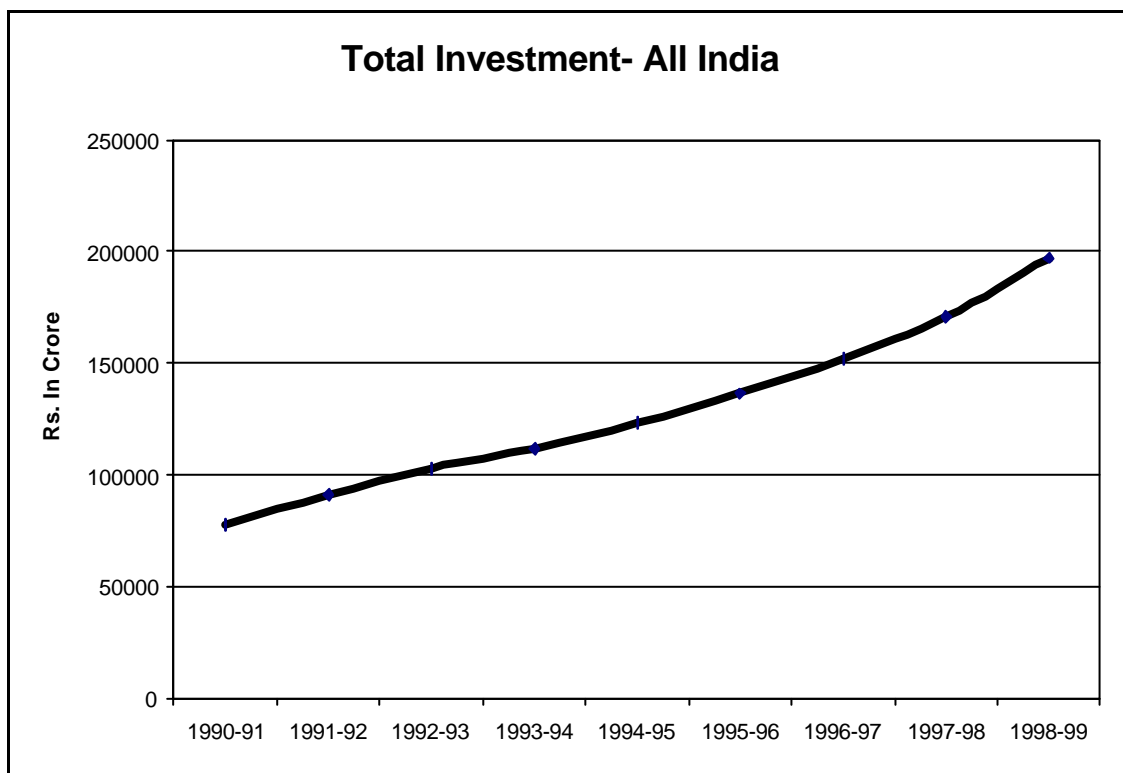
1. The State equity grew at a compound annual rate of growth (CARG) of 19.38 per cent from Rs.11145.67crore in 1990-91 to Rs.45982.20 crore in 1998-99.
2. The other equity showed an increase of 78 per cent from Rs.3607.03crore in 1990-91 to Rs.6425.19crore in 1998-99 (CARG of 7.48 per cent).
3. The total equity increased from Rs.14752.69 crore in 1990-91 to Rs.52407.41 crore in 1998-99 (CARG of 17.17 per cent).
4. The State debt increased by about 77 per cent from Rs.33027.28 crore in 1990-91 to Rs.58467.38 crore in 1998-99 (CARG of 7.40 per cent).
5. The other debt increased from Rs.29980.07 crore in 1990-91 to Rs.86230.70 crore in 1998-99 (CARG of 14.12 per cent). This was in line with the objectives of these enterprises wherein they were expected to mobilise financial resources through debts from sources other than the State Government.
6. The total debt more than doubled (CARG of 10.95 per cent). Debt : equity ratio declined from 4.27 in 1990-01 to 2.76 in 1998-99 as can be seen in Fig 4.1.

Figure No.4.1



7. The total investment increased from Rs.77760.02 crore in 1990-91 to Rs.197105.47 crore in 1998-99 (CARG of 12.33 per cent) as can be seen in Fig 4.2.

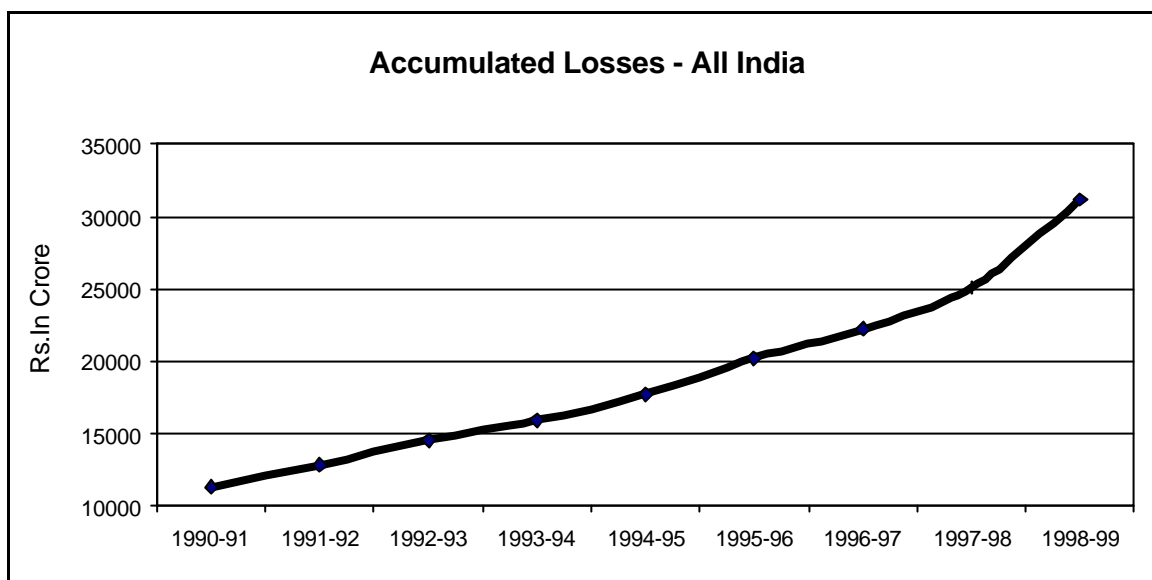
Figure No. 4.2



8. The surpluses and reserves increased from Rs.9263.39 crore in 1990-91 to Rs.34471.86 crore in 1998-99 (CARG of 17.85 per cent).

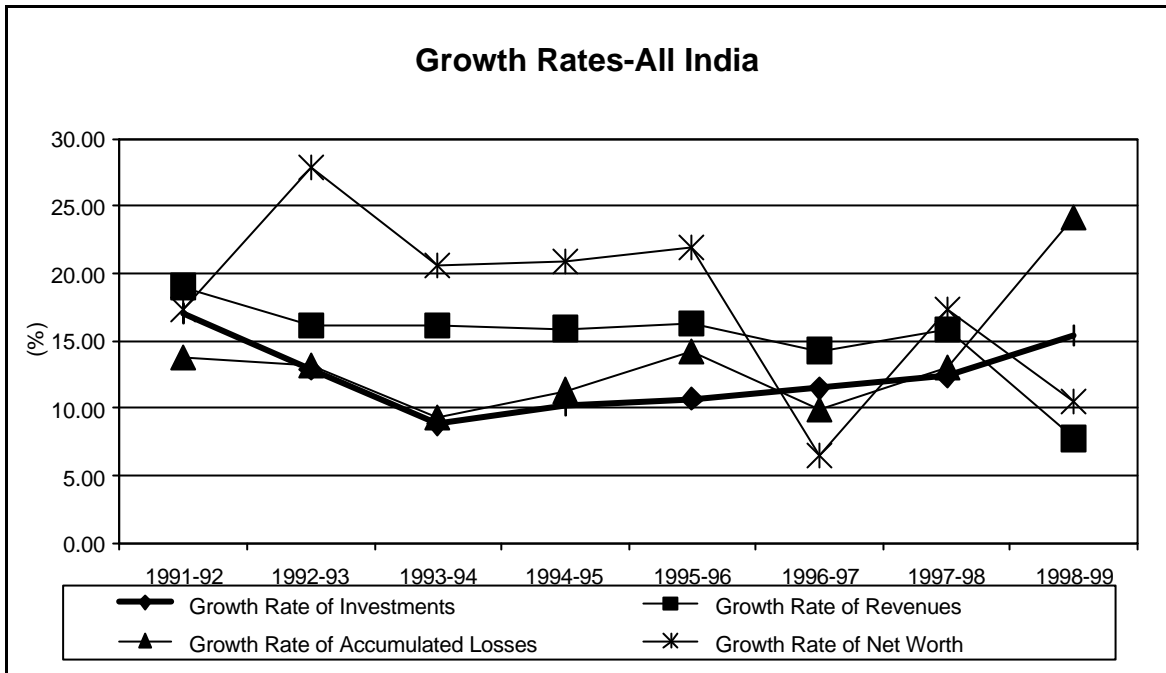
9. The accumulated losses increased from Rs.11,295.76 crore in 1990-91 to Rs. 31167.29 crore in 1998-99 (CARG of 13.53 per cent) which points to the fact that the surpluses and reserves were merely fictitious in nature. The steep increase in accumulated losses is indicated in Fig.4.3.

Figure No.4.3



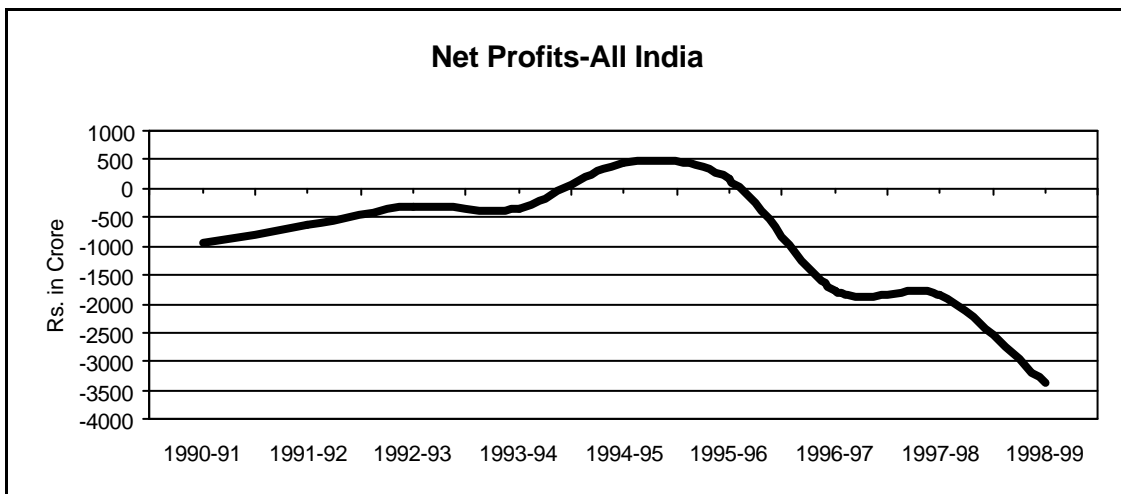
10. The net worth increased from Rs.14563.66 crore in 1990-91 to Rs.53579.31 crore in 1998-99 (CARG of 17.68 per cent). However, it was about Rs.149727crore short of the capital employed during 1998-99 indicating a tremendous erosion of financial resources over the Plan period.
11. The total revenue earned increased from Rs.36111.59 crore in 1990-91 to Rs.111556.87 crore in 1998-99 at a CARG of 15.14 per cent. It was only around 55 percent of the capital employed and about 57 percent of the total investment in 1998-99.
12. A comparison of the growth rates in total investment, revenue earned, net worth and accumulated losses is shown in Fig. 4.4.

Figure No.4.4



13. The cash profits/contribution (sales–direct costs) declined from about 20 per cent of the total revenue in 1990-91 to 16.6 per cent in 1998-99 as against the warranted norm of 40 per cent. The gross margin as a percentage of sales declined from 13 per cent in 1990-91 to 11.2 in 1998-99 as against the stipulated norm of 30 per cent.
14. The percentage of profit before interest and taxes to total revenue declined from 10.24 in 1990-91 to 6.64 in 1998-99 against the popular norm of 20 per cent.
15. The net profits were in negative throughout the period of the study excepting for 1994-95 and 1995-96 as can be seen in Fig.4.5.

Figure No.4.5



16. The dividend trend showed an increase from Rs.97.36 crore in 1990-91 to Rs. 305.12 crore in 1998-99. The percentage of dividend to equity however was miniscule at 0.6 per cent in 1998-99. The Prime Lending Rate during this period was 13.5 per cent implying thereby heavy implicit subsidies to the State PSUs.

State-Wise Analysis of Financial Aggregates

4.4 The major financial aggregates for State PSUs comprise State equity, other equity, total equity, State debt, other debt, total debt, total investment, accumulated losses, capital employed, total revenues, direct expenses, contribution, gross margin, profits before interest and taxes, net profit and dividends.

State Equity

4.5 Table-4.2 depicts investment in State equity. The State governments demonstrated their commitment to the State PSUs by increasing their investment in the form of equity. The equity support of the State Governments to State PSUs increased from Rs.11145.67 crore in 1990-91 to Rs.45982.20 crore in 1998-99. The States where the increase was more than three-fold comprised Andhra Pradesh, Assam, Goa, Himachal Pradesh, Karnataka, Kerala, Maharashtra, Manipur, Orissa, Pondicherry (UT), Punjab, Rajasthan, Tamil Nadu and West Bengal. These States have taken up a number of schemes for economic development and distributional justice and conceived State PSUs as the suitable instrument for their implementation. The ideological bias, relatively sound finances and lack of private initiatives constituted the major reasons for the heavy investment in equity by these States. In the case of Andhra Pradesh, this trend was an outcome of conscious State policy formulated by different political parties.

4.6 Arunachal Pradesh, Jammu and Kashmir, Madhya Pradesh, Meghalaya, Nagaland, Tripura and Uttar Pradesh showed sluggish growth. The lack of financial resources appears to be mainly responsible for the sluggish growth.

Other Equity

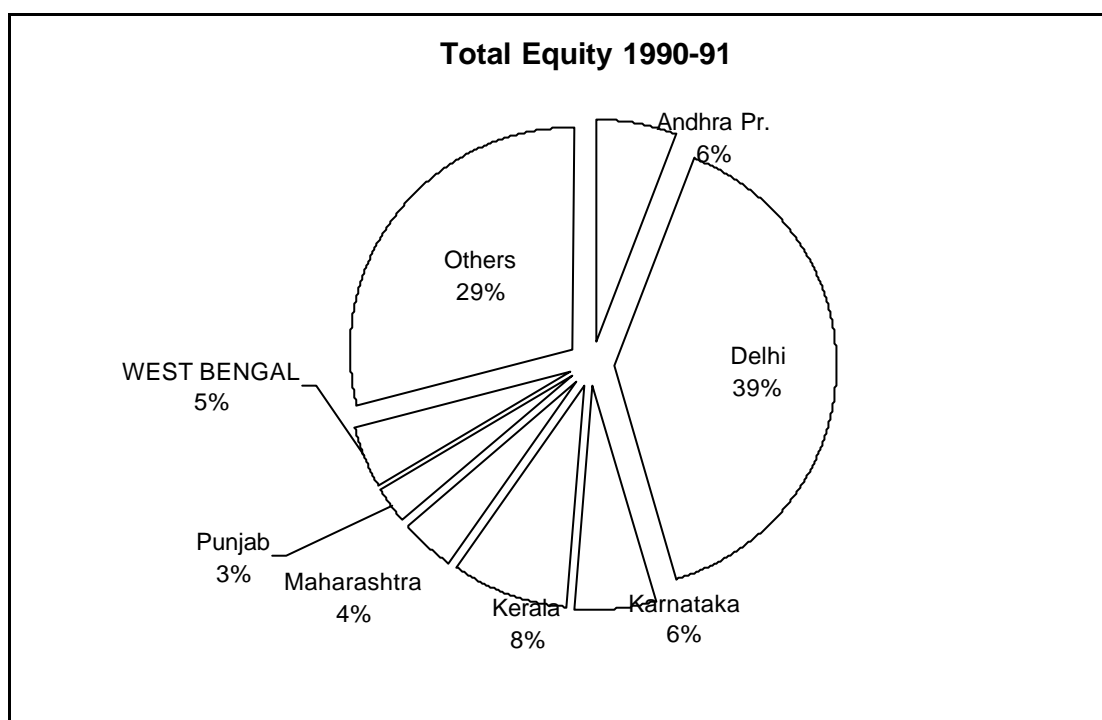
4.7 Table-4.3 depicts other equity. This increased from Rs.3607.03 crore in 1990-91 to Rs.6425.19 crore in 1998.99 at a CARG of 7.48 per cent hinting at a large scope for equity raisings from non-conventional sources as most of the other equity came from the central government. The States which recorded more than the average growth comprised Andhra Pradesh, Assam, Goa, Gujarat, Kerala,

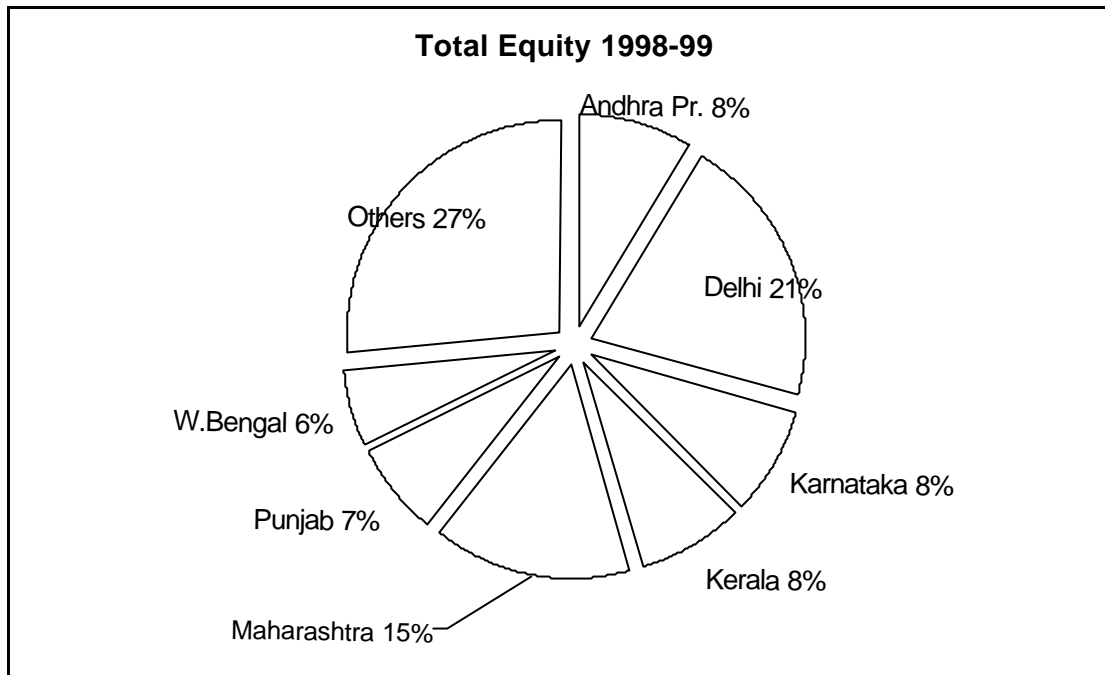
Meghalaya, Nagaland, Orissa, Punjab and Rajasthan. The quality of projects, factor endowments and political sagaciousness tilted the balance in favour of these States.

Total Equity

4.8 The total equity (Table-4.4) was made up of the contributions from the States, Centre and other sources. The States that recorded more than the average growth in this regard included Andhra Pradesh, Assam, Goa, Himachal Pradesh, Karnataka, Maharashtra, Pondicherry, Punjab, Rajasthan, Tamil Nadu and West Bengal. The bias in favour of State intervention was the main reason. Fig.4.6 depicts the States that accounted for major proportion of total equity in State PSUs in 1990-91 and 1998-99.

Figure No.4.6





State Debt

4.9 Theoretically the State Governments were not required to contribute to the day to day needs of the PSUs. But Table-4.5 shows that in States like Delhi (UT), Goa, Jammu & Kashmir, Karnataka, Kerala, Madhya Pradesh, Meghalaya, Orissa, Uttar Pradesh and West Bengal the growth rate in State debt was higher than the All India average. The debt was long-term in nature and was preferred to equity to ensure return in terms of contracted interest.

Other Debt

4.10 Table-4.6 shows the figures relating to other debt mobilised from development financial institutions, suppliers' credit and private promoters that recorded a substantial growth in terms of volume and signaled the capacity of the State PSUs to garner debt funds. The debt-leaders, registering higher growth than the all-States average, comprised Andhra Pradesh, Goa, Haryana, Karnataka, Kerala, Maharashtra, Punjab, Rajasthan and Tamil Nadu. The size, financial muscle and their good perception among the lenders enabled them to have a big draw on debt.

Total Debt

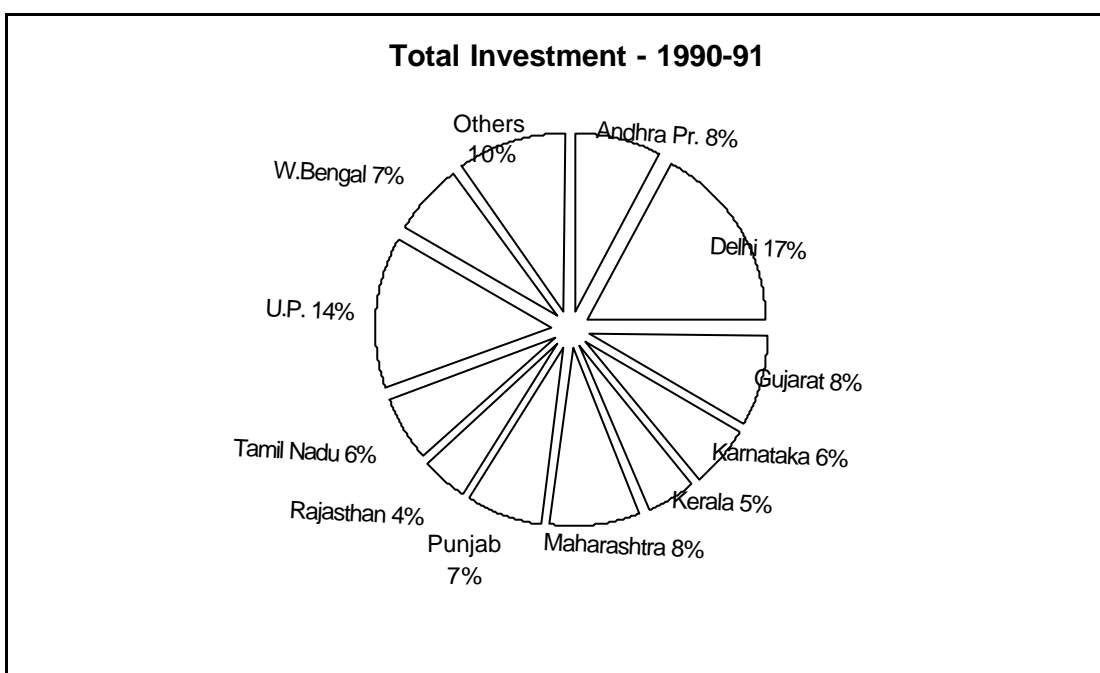
4.11 The Total Debt is depicted in Table-4.7. States like Andhra Pradesh, Delhi (UT), Gujarat, Karnataka, Kerala, Maharashtra, Orissa, Punjab, Rajasthan, Tamil Nadu, Uttar Pradesh and West Bengal dominated the debt scenario. The number of

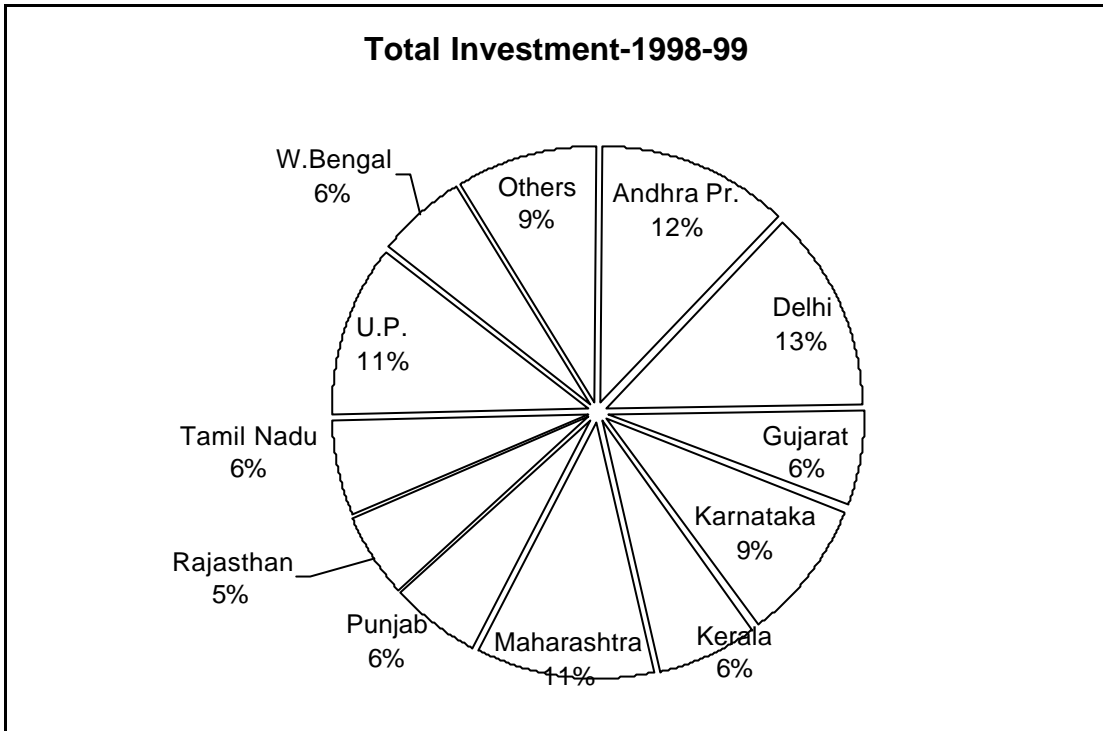
enterprises in these States, their diversity and dependence of the Centre on such States as regards the implementation of the central schemes further strengthened their position.

Total Investment

4.12 Table-4.8 shows the total investment in State PSUs. Andhra Pradesh, Delhi, Gujarat, Karnataka, Kerala, Maharashtra, Tamil Nadu, Uttar Pradesh and West Bengal accounted for about 80 percent of the total investment in State PSUs in 1998-99. Delhi topped the table followed by Andhra Pradesh, Maharashtra and Uttar Pradesh. Each year the investments were shooting up by more than Rs.10,000 crore. In 1998-99, the incremental investment were to the tune of Rs.26,316.68 crore. States that accounted for major proportion of investment in State PSUs in 1990-91 and 1998-99 are brought out in Fig.4.7.

Figure No.4.7

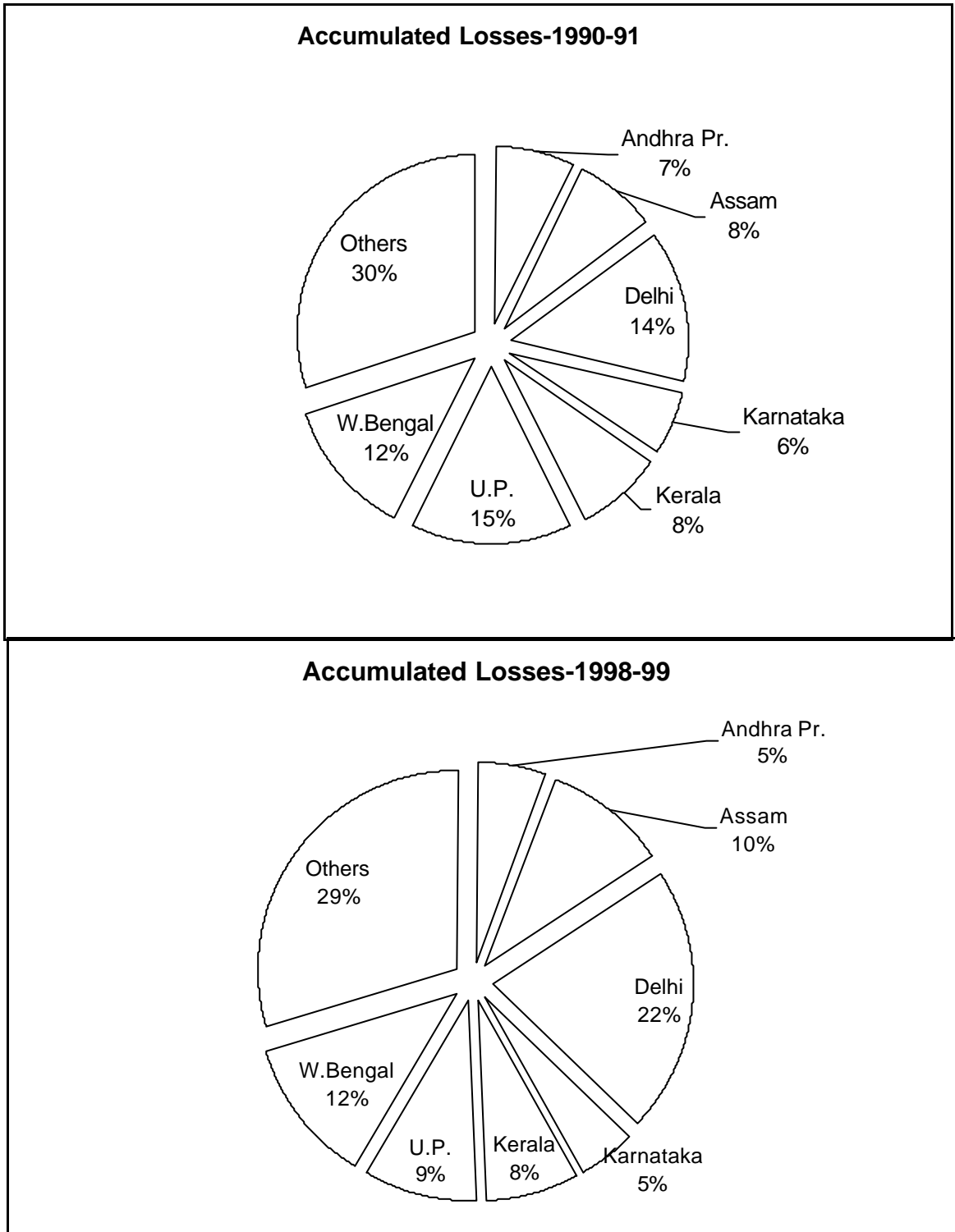




Accumulated Losses

4.13 Accumulated losses continued to be the bane of the State PSUs (Table-4.9). They were a common occurrence for all the States during all the years. Over 90 per cent of the accumulated losses were incurred by twelve States that included Andhra Pradesh, Assam, Delhi (UT), Gujarat, Karnataka, Kerala, Maharashtra, Orissa, Punjab, Tamil Nadu, Uttar Pradesh and West Bengal. Delhi and West Bengal were the loss leaders with Assam, Uttar Pradesh, Kerala and Tamil Nadu as their ardent followers. A comparison of the States that accounted for major proportion of accumulated losses in PSUs in the years 1990-91 and 1998-99 is made in Fig.4.8.

Figure No.4.8



Net Worth

4.14 The net worth did not show a healthy trend of upward growth. This is revealed in Table-4.10, which shows an increase of erosion of around 2 per cent over the total equity in 1998-99. In other words, net worth turned out to be only about 2 per cent higher than the total equity which implied negligible growth in shareholders basic capital.

Capital Employed

4.15 This represents the investment by way of net fixed assets and working capital (Table-4.11). Such investments are financed by debt, equity and internal funds. The capital employed increased by about 177 per cent from 1990-91 to 1998-99. The capital employed figure was only marginally higher than the total investment during this period indicating the lack of organic growth. Andhra Pradesh, Arunachal Pradesh, Goa, Karnataka, Kerala, Maharashtra, Mizoram, Orissa, Pondicherry, Rajasthan and West Bengal experienced more than the average growth in capital employed of 177 per cent.

Total Revenue

4.16 This represents the top line of an enterprise. This provides cushion against contingencies and a cover to meet expenses. Total revenue should grow at least at a compound annual growth rate of 10 per cent to set off the loss caused by the rate of inflation. This should be at least 3 times the investment. Table-4.12 shows that total revenues turned out to be a discouraging figure of about 57 per cent of the total investment in 1998-99. The total revenue comprised the income from mainstream operations and other yields. The total revenue scenario tells many untold facts of lack of marketing drive, quality consciousness and soft targeting. The States that earned more than average return on investment were only handful. In 1998-99, such States included Andhra Pradesh, Gujarat, Haryana, Jammu & Kashmir, Madhya Pradesh, Maharashtra, Rajasthan and Tamil Nadu.

Direct Expenses and Contribution

4.17 Direct expenses are incurred in direct operations and account for a significant portion of the total revenue (Table-4.13). The Contribution (Sales – Direct Costs) should form at least 40 per cent of the total revenues earned. The Contribution as a percentage of total revenues fluctuated between a low of 16.60 per cent in 1998-99 to a high of 22.41 per cent in 1994-95. In some States, direct costs exceeded even the total revenues earned. Table-4.14 depicting contribution clearly points out that at this stage itself, in 1998-99, States such as Arunachal Pradesh, Delhi (UT), Manipur, Meghalaya, Mizoram, Nagaland, Pondicherry (UT), Tripura and West Bengal incurred losses. Uttar Pradesh recorded Contribution to Sales ratio of more than 40 per cent.

Gross Margin, Profit Before Interest & Taxes and Net Profit

4.18 The gross margin provides for the operating costs net of direct costs incurred (Table-4.15). This should be about 30 per cent of the total revenues. This ratio varied

from a high of 16.12 per cent in 1994-95 to 11.24 per cent of the total revenues in 1998-99. This was because high operational costs were incurred pointing out to the lack of cost control and over staffing in the administration and works in the factory.

4.19 The profit before interest and taxes (Table-4.16) should normatively be about 20 per cent of the revenues earned. This is consistent with the Eleventh Finance Commission suggestions that the State PSUs should yield at least a minimum of 9 per cent rate of interest on long-term debt and pay a dividend of 5 per cent on their equity. But the profit before interest and taxes as a percentage of total revenues for the State PSUs ranged from a high of 12.11 per cent in 1994-95 to 6.64 per cent in 1998-99. Some of the States, where enterprises earned negative profit before interest and taxes in 1998-99, were Assam, Delhi (UT), Jammu & Kashmir, Manipur, Meghalaya, Mizoram, Nagaland, Orissa, Pondicherry (UT) and Tripura and West Bengal. None of the States earned the benchmark profit before interest and taxes. It is obvious that the State PSUs in these States overspent on administrative and marketing overheads. The profit before interest and taxes was not adequate even to provide a shield for interest payments. This was mainly because of the sub-optimal debt-equity ratio. The various States started with a debt-equity ratio of 4.27:1 in 1990-91 which declined to 2.76:1 in 1998-99. The significant decline in the debt-equity ratio was, however, of no avail to the State PSUs as their profit balances were only marginally positive at the profit before interest and taxes level.

4.20 Net profit is the be all and end all of all businesses. It is not only that top line is important for a business but it is also essential to see that the bottom line is positive. Net profit making helps in updating the technology, contributes to an organic growth and provides a unified direction. It adds to building up reserves and surpluses and higher earnings per share. Net profit making is the core element of corporatisation that takes place through the concept of equity participation, limited liability, setting up the strategic business units and practicing responsibility accounting. The operationalisation of these concepts create a harmonious internal environment where the different units/product groups-services could compete with one another to improve their efficiency. Profitability strikes an optimum tradeoff between the demand side factors (revenues) and the supply side factors (costs) in a competitive regime.

4.21 The net profits should at least be equivalent to prime lending rate or 10 per cent of the revenues earned which is the benchmark prescribed in financial

management. The net profits for all the States taken together for the various years of the Study, excepting 1994-95 and 1995-96, were negative (Table-4.17). Net profits for all the States taken together have averaged around (-) 1.2 per cent of the total revenue earned over the study period. Assam, Delhi (UT), Jammu & Kashmir, Kerala, Orissa, Tamil Nadu and West Bengal have been major net loss makers in 1998-99. The net losses incurred by these States not only wiped out the total profits of the profit making States but also were responsible for the phenomenon of loss making.

Dividends

4.22 The total dividends distributed by the profit making State PSUs in 1998-99 turned out to be 0.58 per cent of the total equity (Table-4.18). In fact, the opportunity cost of equity could be easily taken as 10 per cent. It is therefore clear that the various State Governments subsidise the State PSUs by a huge amount which was approximately Rs.4935.62 crore in 1998-99 (Rs.5240.74 – Rs.305.12 = Rs.4935.62 crore)

Gross Surpluses and Reserves

4.23 Table-4.19 depicts the state-wise gross surpluses and reserves for the period 1990-91 to 1998-99. The aggregate surpluses and reserves for all the States together increased to about 3.7 times over the Study period. Arunachal Pradesh, Assam, Gujarat, Goa, Haryana, Kerala, Madhya Pradesh, Maharashtra, Orissa, Pondicherry (UT), Rajasthan, Tamil Nadu and West Bengal had performed better than the average trend. The States performing below this trend comprised Andhra Pradesh, Delhi (UT), Himachal Pradesh, Jammu & Kashmir, Karnataka, Punjab, Sikkim, Tripura and Uttar Pradesh. The presence of gross surpluses and reserves has to be seen along with accumulated losses. It may be noted that the accumulated losses, as seen earlier in Table-4.9, had dipped deep into net worth. In other words, there was nothing to cheer about the presence of Gross Surpluses and Reserves.

Sectoral Analysis of Financial Aggregates

4.24 State PSUs have been divided into six categories for the purpose of this study viz. manufacturing, trading & services, financial, promotional, welfare and utility enterprises. The sectoral analysis incorporating the financial dimensions presents an interesting account of the functioning of the State PSUs. This analysis includes the typography, total investments, total revenues earned, net profit and net worth of these enterprises. State PSUs of Arunachal Pradesh could not be included in the

analysis as, in the absence of details, it was not possible to categorise them according to the 6-fold classification.

The Typography

4.25 Table-4.20 presents the sectoral distribution of the State PSUs. Of the total 747 State PSUs for which information is available, about 43 per cent belong to the manufacturing category while about 22 per cent are promotional enterprises. About 9 per cent belong to the trade and services category and 7 per cent each to the financial and welfare categories. Utilities account for the balance 12 per cent of enterprises. It is evident that the manufacturing enterprises followed by the promotional enterprises dominated the scenario. This was because the various State Governments emulated the Central Government in giving a fillip to industrialisation. The trading and services enterprises received an encouragement to provide export thrust and create a suitable infrastructure of services at the State level. The promotional enterprises were set up to orient social activities with an economic tinge at the State level. The welfare enterprises were a new breed of the State PSUs set up to provide economic support to the backward classes of society, comprising scheduled castes, scheduled tribes, minorities, women and handicapped. The utility enterprises had their presence in each major State. These comprised the State Road Transport Corporations and the State Electricity Boards and in some cases, unbundled State power utilities-generation companies/transmission companies/distribution companies.

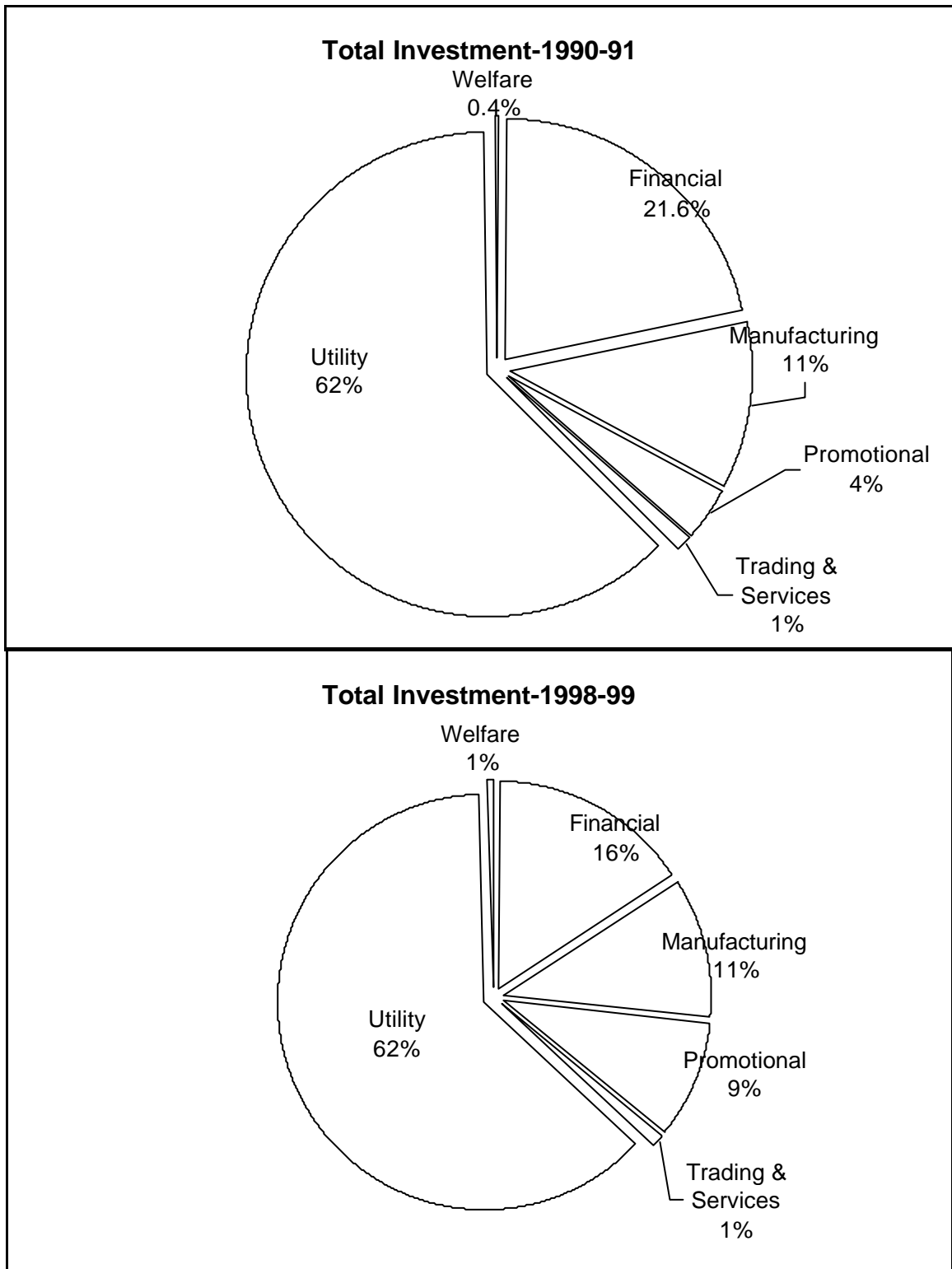
Total Investments

4.26 The total investments in all the State PSUs taken as a whole grew from Rs.77729.79 crore in 1990-91 to Rs.197053.77crore in 1998-99(Table-4.21). The financial sector enterprises saw an increase of investments from Rs.16864.43 crore to Rs.31293.77crore followed by Rs.8524.73crore to Rs.21219.45crore in manufacturing State PSUs during this period. The promotional enterprises saw their investments increasing from Rs.2991.71crore in 1990-91 to Rs.17941.92crore in 1998-99. In case of trading and services, welfare and utility State PSUs, investments in this period increased from Rs.816.27 crore to Rs.2367.38 crore, Rs.285.42 crore to Rs.1347.08 crore and Rs.48247.23 crore to Rs.122884.17crore respectively. Category-wise distribution of total investment in State PSUs in the years 1990-91 and 1998-99 is indicated in Fig.4.9.

4.27 It is clear that the promotional, welfare, trading & services and utility State PSUs registered a higher rate of growth as compared to the financial and

manufacturing State PSUs. This trend reflected the increasing emphasis being placed on the 'welfare' role of the State over time.

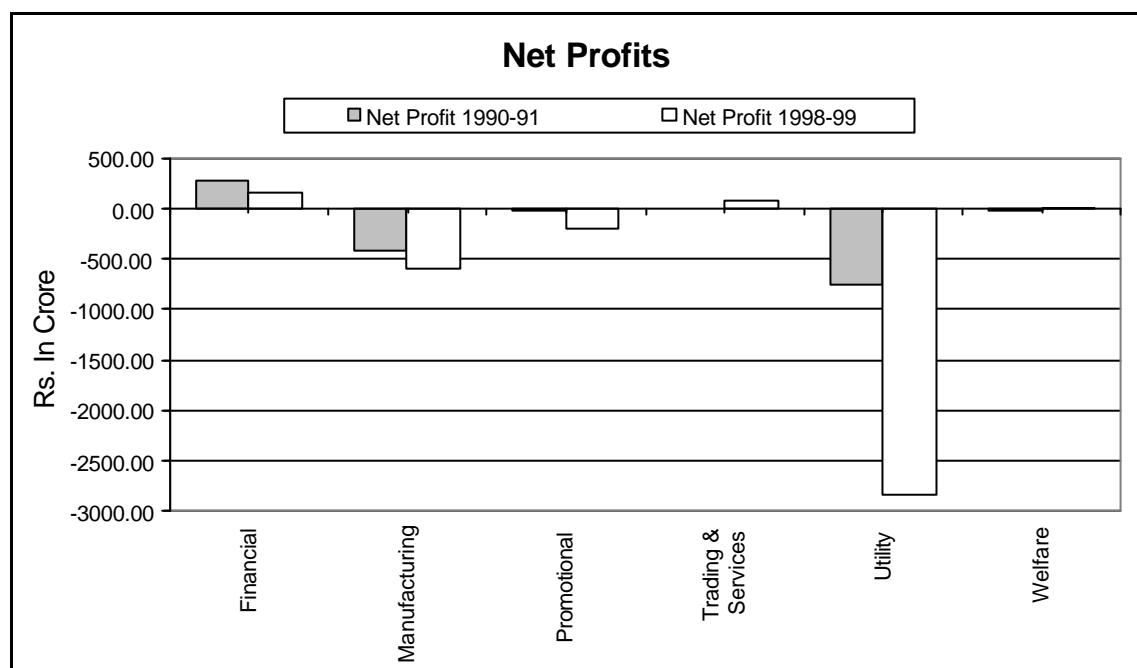
Figure No.4.9



Net Profit

4.28 Table-4.22 shows the net profit position of the State PSUs as a whole. During 1990-91 to 1998-99, according to the table, excepting 1994-95 and 1995-96, these enterprises incurred losses during all the other years. However it is interesting to note that some sectors such as financial, trading & services and welfare enterprises (excepting for 1990-91), earned profits all through. Promotional enterprises have shown mixed performance. The manufacturing and utility (excepting in 1994-95) categories of enterprises incurred losses consistently. The utility enterprises were major loss makers. This contradicts the general perception that all State PSUs are in losses. Further, it goes against the belief that welfare and promotional State PSUs are necessarily loss-making propositions. The table clearly points to the need of restructuring/disinvesting manufacturing and utility enterprises. Category-wise distribution of net profits in State PSUs in the years 1990-91 and 1998-99 is indicated in Fig.4.10.

Figure No.4.10



Total Revenue Earned

4.29 Tables 4.21 and 4.23 show the relationship between total investment and total revenue earned by the State PSUs under different categories. For the year 1998-99, the turnover was 0.16 times in the case of financial enterprises, 0.74 times for manufacturing State PSUs, 0.21 in the case of promotional enterprises, 5.24 for trading and services enterprises, 0.39 times in the case of welfare enterprises and 0.60 times for utility enterprises. Though strictly inter-category comparison is not possible, it could be said that enterprises in all the categories had a vast scope of improvement.

Net Worth

4.30 The net worth of the enterprises in all the categories taken together increased from Rs.14555.36 crore in 1990-91 to Rs.53564.56 crore in 1998-99. During this period, the total investment increased from Rs.77729.79 crore in 1990-91 to Rs.197053.77 crore in 1998-99. This signifies considerable erosion in the use of investment, from 5.34 times in 1990-91 to 3.68 times in 1998-99 (see Tables – 4.21 and 4.24).

Summing Up

4.31 A dissection of the macroeconomic performance of the State PSUs clearly reveals that despite their satisfactory growth in terms of investment, their financial performance was unsatisfactory. Instead of earning a 10 per cent rate of return, these enterprises registered a compound annual growth of 17.36 per cent in their net losses. The net loss making has resulted in stagnation in their net worth and deviated from the trends seen in total capital employed and total investment.

4.32 The study of the profitability of the State PSUs points out that the cushion provided by contribution itself has been very inadequate resulting in meager gross margin and profit before interests and taxes. Consequently, the net profit margin has been negative obliterating the declaration of benchmark dividends. These enterprises have to rewrite the rules of their financial management, attempt product innovation, rationalise their manpower, restructure their debt-equity ratio, increase other incomes and improve significantly their project management. They need to introduce cost control systems and Strategic Business Unit (SBU) concept leading to the adoption of responsibility accounting. This alone can win them the requisite autonomy and inculcate in them the much-sought trait of social accountability.

4.33 The category-wise analysis of the State PSUs points out that against the widely held perception, the welfare enterprises have not only earned profits but also improved their net worth position. The manufacturing and utility category of enterprises presented a very bleak picture in terms of their financial performance and investment use. The trading & services and financial enterprises presented a balanced picture in terms of profit earnings. However, enterprises in all the categories indicated a vast scope for better asset utilisation. Any future policy formulation for the restructuring and disinvestment in State PSUs has to give due regard to this facet.

Table 4.1
ALL INDIA : ALL STATES AGGREGATES

Rs. In Crore

Year	State Equity	Other Equity	Total Equity	State Debt	Other Debt	Total Debt	Total Investment	Surpluses & Reserves	Accumulated losses	Net worth	Capital Employed	Total Revenue Earned	Direct Expense	Contribution	Gross Margin	Profit Before Int.& Taxes	Net Profit	Dividend
1990-91	11,145.67	3,607.03	14,752.69	33,027.28	29,980.07	63,007.35	77,760.02	9,263.39	11,295.76	14,563.66	73,304.47	36,111.59	28,882.73	7,228.86	4,694.19	3,698.67	-938.44	97.36
1991-92	15,600.04	5,749.57	21,349.60	35,885.99	33,780.10	69,666.10	91,015.70	11,010.96	12,855.46	17,079.30	83,276.45	42,984.97	33,961.82	9,023.15	6,284.44	4,127.57	-630.80	60.95
1992-93	17,729.86	6,723.85	24,453.72	39,781.58	38,474.39	78,255.94	102,709.64	13,058.36	14,541.27	21,844.67	94,320.12	49,946.94	39,847.24	10,099.70	7,012.48	5,369.16	-311.95	125.91
1993-94	20,704.45	6,493.59	27,198.06	41,694.38	42,902.73	84,597.12	111,795.17	14,570.65	15,901.48	26,345.31	107,152.40	58,034.50	46,301.27	11,733.23	8,371.35	6,772.24	-339.14	129.28
1994-95	24,322.74	5,801.74	30,124.50	43,114.71	49,940.23	93,054.95	123,179.46	17,052.42	17,699.36	31,834.04	120,018.11	67,269.94	52,194.78	15,075.16	10,846.88	8,144.00	441.02	145.98
1995-96	28,473.19	7,236.21	35,709.39	46,810.51	53,824.75	100,635.24	136,344.62	21,354.94	20,208.34	38,814.56	134,904.42	78,207.97	60,831.87	17,376.10	11,796.91	8,648.16	154.99	140.38
1996-97	36,159.14	7,694.99	43,854.10	51,981.90	56,150.77	108,132.65	151,986.77	26,045.56	22,218.48	41,338.77	150,292.06	89,369.50	72,886.65	16,482.85	11,832.67	7,696.41	-1,764.02	181.75
1997-98	40,613.69	7,331.46	47,945.17	56,841.96	66,001.66	122,843.62	170,788.80	32,410.13	25,104.63	48,493.25	171,211.27	103,515.99	83,648.80	19,867.19	14,148.36	9,730.62	-1,846.55	140.29
1998-99	45,982.20	6,425.19	52,407.41	58,467.38	86,230.70	144,698.06	197,105.47	34,471.86	31,167.29	53,579.31	203,306.42	111,556.87	93,036.10	18,520.77	12,544.10	7,406.91	-3,376.93	305.12
CARG	19.38	7.48	17.17	7.40	14.12	10.95	12.33	17.85	13.53	17.68	13.60	15.14	15.74	12.48	13.07	9.07	17.36	15.35

RATIOS

	State Equity to Total Equity	State Debt to Total Debt	Total Debt to Total Equity	PBIT as % of Sales	Net Profit as % of Sales	Accumulated losses as % of Capital	Net worth as % of Investment	Sales as % of Investment	Contribution as % of Sales	Gross Margin as % of Sales	Net Profit as % of Total Equity	Sales as % of Capital Employed	Surplus and Reserves as % of Capital	Accumulated losses as % of Net Worth	PBIT as % of Capital Employed	Net Profit as % of Capital Epml,
1990-91	0.76	0.52	4.27	10.24	-2.60	15.41	18.73	46.44	20.02	13.00	-6.36	49.26	12.64	77.56	5.05	-1.28
1991-92	0.73	0.52	3.26	9.60	-1.47	15.44	18.77	47.23	20.99	14.62	-2.95	51.62	13.22	75.27	4.96	-0.76
1992-93	0.73	0.51	3.20	10.75	-0.62	15.42	21.27	48.63	20.22	14.04	-1.28	52.95	13.84	66.57	5.69	-0.33
1993-94	0.76	0.49	3.11	11.67	-0.58	14.84	23.57	51.91	20.22	14.42	-1.25	54.16	13.60	60.36	6.32	-0.32
1994-95	0.81	0.46	3.09	12.11	0.66	14.75	25.84	54.61	22.41	16.12	1.46	56.05	14.21	55.60	6.79	0.37
1995-96	0.80	0.47	2.82	11.06	0.20	14.98	28.47	57.36	22.22	15.08	0.43	57.97	15.83	52.06	6.41	0.11
1996-97	0.82	0.48	2.47	8.61	-1.97	14.78	27.20	58.80	18.44	13.24	-4.02	59.46	17.33	53.75	5.12	-1.17
1997-98	0.85	0.46	2.56	9.40	-1.78	14.66	28.39	60.61	19.19	13.67	-3.85	60.46	18.93	51.77	5.68	-1.08
1998-99	0.88	0.40	2.76	6.64	-3.03	15.33	27.18	56.60	16.60	11.24	-6.44	54.87	16.96	58.17	3.64	-1.66

Table 4.2

All States : State Equity										
(Rs. In Crore)										
STATE / YEAR	1990-91	1991-92	1992-93	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99	CARG (%)
1.ANDHRA PRADESH	643.01	690.30	773.37	1942.60	1958.07	2568.62	2609.76	2671.23	3566.55	23.88
2.ARUNACHAL PRADESH	5.50	5.74	6.13	6.64	7.71	8.34	8.64	8.97	9.05	6.42
3.ASSAM	148.11	981.64	1164.31	1178.62	1182.39	1189.55	1176.07	1179.44	1730.32	35.97
4.DELHI (U.T.)	3420.50	3773.22	4277.34	4717.59	5261.25	5714.28	6324.54	7033.62	7729.04	10.73
5.GOA	59.34	88.59	97.67	122.27	136.64	154.05	176.45	192.32	192.31	15.83
6.GUJARAT	432.48	460.51	523.13	554.21	644.08	1079.60	1160.66	1209.26	1271.15	14.43
7.HARYANA	90.33	95.96	106.19	116.12	129.61	152.98	165.41	178.76	190.02	9.74
8.HIMACHAL PRADESH	115.33	130.46	145.38	184.33	437.66	452.15	466.14	478.77	531.57	21.05
9.JAMMU & KASHMIR	136.27	143.29	149.35	149.97	156.31	162.41	172.92	184.07	189.83	4.23
10.KARNATAKA	740.20	1067.13	1237.85	1582.45	1787.50	2869.05	3334.18	3662.17	4100.68	23.86
11.KERALA	1124.90	1234.11	1320.25	1430.80	1554.81	1734.26	2043.24	2355.40	4076.79	17.46
12.MADHYA PRADESH	96.31	108.67	130.60	136.60	145.90	153.39	164.46	166.75	170.39	7.39
13.MAHARASHTRA	563.36	589.24	619.66	658.22	2167.18	2203.10	5604.78	7372.45	7814.13	38.92
14.MANIPUR	31.26	36.59	39.62	92.22	94.75	97.20	98.32	101.70	106.10	16.50
15.MEGHALAYA	49.47	53.15	58.23	65.13	71.27	75.75	77.25	78.24	80.72	6.31
16.MIZORAM	7.90	6.71	7.31	7.81	8.26	8.33	8.66	15.43	16.52	9.66
17.NAGALAND	21.34	22.14	24.62	25.56	23.27	28.26	29.84	32.20	34.82	6.31
18.ORISSA	433.11	583.67	708.71	833.25	745.87	753.18	1424.85	1464.14	1338.82	15.15
19.PONDICHERY (U.T.)	16.56	37.25	44.43	52.70	80.38	109.74	141.81	220.93	271.73	41.87
20.PUNJAB	297.39	1935.69	1928.12	1935.66	1954.90	1968.00	3165.37	3191.60	3191.60	34.53
21.RAJASTHAN	281.96	927.11	966.29	1012.93	1017.07	1353.81	1505.30	2224.60	2230.17	29.50
22.SIKKIM	9.17	12.27	14.15	16.47	16.97	20.52	22.66	24.94	25.94	13.88
23.TAMIL NADU	396.54	421.52	455.92	702.72	958.14	998.39	1599.67	1873.77	2339.16	24.84
24.TRIPURA	29.86	35.47	38.92	40.39	42.76	50.12	52.48	55.50	56.15	8.21
25.UTTAR PRADESH	1343.77	1427.08	1538.90	1675.45	1699.91	1740.96	1761.34	1720.68	1756.81	3.41
26.WEST BENGAL	651.70	732.53	1353.41	1463.74	2040.08	2827.15	2864.34	2916.75	2961.83	20.83
TOTAL (state wise)	11145.67	15600.04	17729.86	20704.45	24322.74	28473.19	36159.14	40613.69	45982.20	19.38

Table 4.3

All States : Other Equity										
(Rs. In Crore)										
STATE / YEAR	1990-91	1991-92	1992-93	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99	CARG (%)
1.ANDHRA PRADESH	208.52	257.29	314.01	526.31	525.28	540.99	718.69	806.05	878.56	19.70
2.ARUNACHAL PRADESH	0.16	0.17	0.17	0.18	0.19	0.21	0.24	0.25	0.27	6.76
3.ASSAM	13.62	15.64	16.92	18.30	22.77	24.00	25.46	26.00	26.32	8.58
4.DELHI (U.T.)	2445.42	4509.27	5319.57	4808.23	3859.86	4996.47	5076.61	4424.75	3141.57	3.18
5.GOA	15.43	16.40	16.90	16.90	80.31	93.77	107.22	120.67	120.67	29.32
6.GUJARAT	34.57	34.87	37.10	38.67	43.92	154.56	155.32	182.62	183.01	23.16
7.HARYANA	22.49	23.54	25.05	27.29	29.97	31.53	32.61	34.50	35.67	5.93
8.HIMACHAL PRADESH	35.03	33.45	34.18	38.86	49.06	50.46	51.12	51.60	51.60	4.96
9.JAMMU & KASHMIR	19.76	14.87	18.74	18.74	18.74	18.74	20.14	20.14	20.14	0.24
10.KARNATAKA	138.35	145.08	151.00	185.63	195.40	202.74	171.27	171.83	173.86	2.90
11.KERALA	82.36	72.73	71.28	73.82	112.41	129.54	130.48	140.71	155.44	8.26
12.MADHYA PRADESH	34.58	36.69	35.63	36.25	39.87	46.52	47.32	47.42	47.39	4.02
13.MAHARASHTRA	48.84	46.27	47.89	42.11	42.11	41.81	52.30	41.30	41.30	-2.07
14.MANIPUR	5.98	6.28	6.47	6.46	6.47	6.47	5.59	5.59	5.59	-0.84
15.MEGHALAYA	0.71	0.86	1.01	1.01	1.18	1.18	1.18	1.43	1.43	9.15
16.MIZORAM	0.30	~	0.70	0.66	~	~	~	0.05	0.05	-20.07
17.NAGALAND	47.67	47.67	47.67	47.67	47.67	47.67	120.05	123.56	123.61	12.65
18.ORISSA	31.70	36.75	56.77	39.56	56.81	42.27	42.27	43.03	283.34	31.49
19.PONDICHERY (U.T.)	8.59	8.59	8.59	8.59	8.59	8.59	8.59	8.59	8.59	0.00
20.PUNJAB	113.55	128.36	158.77	205.56	296.82	435.78	530.58	646.77	667.99	24.80
21.RAJASTHAN	80.30	85.49	92.27	104.60	111.79	121.55	134.72	151.71	148.89	8.02
22.SIKKIM	3.88	3.88	3.88	3.88	3.88	6.38	6.38	6.38	6.38	6.41
23.TAMIL NADU	77.81	80.64	81.05	82.77	82.96	66.25	83.25	91.11	110.58	4.49
24.TRIPURA	5.26	6.26	6.33	6.43	6.43	6.60	6.49	6.54	6.58	2.84
25.UTTAR PRADESH	115.19	121.41	154.79	138.00	141.98	142.74	146.09	157.74	165.15	4.61
26.WEST BENGAL	16.96	17.11	17.11	17.11	17.27	19.39	21.02	21.12	21.21	2.83
TOTAL (state wise)	3607.03	5749.57	6723.85	6493.59	5801.74	7236.21	7694.99	7331.46	6425.19	7.48

Table 4.4

STATE / YEAR	All States : Total Equity (Rs. In Crore)									
	1990-91	1991-92	1992-93	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99	CARG (%)
1.ANDHRA PRADESH	851.53	947.59	1087.38	2468.91	2483.35	3109.60	3328.44	3477.29	4445.11	22.94
2.ARUNACHAL PRADESH	5.66	5.91	6.30	6.82	7.90	8.55	8.88	9.22	9.32	6.43
3.ASSAM	161.74	997.29	1181.24	1196.93	1205.17	1213.56	1201.54	1205.45	1756.65	34.74
4.DELHI (U.T.)	5865.92	8282.49	9596.91	9525.82	9121.11	10710.75	11401.15	11458.37	10870.61	8.02
5.GOA	74.76	104.99	114.57	139.17	216.95	247.82	283.67	312.99	312.98	19.60
6.GUJARAT	467.05	495.38	560.23	592.88	688.00	1234.16	1315.98	1391.88	1454.16	15.25
7.HARYANA	112.82	119.50	131.24	143.41	159.58	184.51	198.01	213.26	225.69	9.05
8.HIMACHAL PRADESH	150.36	163.91	179.56	223.20	486.72	502.60	517.25	530.37	583.17	18.46
9.JAMMU & KASHMIR	156.03	158.16	168.09	168.71	175.05	181.15	193.06	204.21	209.97	3.78
10.KARNATAKA	878.54	1212.21	1388.85	1768.08	1982.90	3071.80	3505.45	3833.99	4274.54	21.87
11.KERALA	1207.26	1306.84	1391.53	1504.62	1667.22	1863.80	2173.72	2496.12	4232.23	16.98
12.MADHYA PRADESH	130.89	145.36	166.23	172.85	185.76	199.90	211.77	214.16	217.77	6.57
13.MAHARASHTRA	612.20	635.51	667.55	700.33	2209.29	2244.91	5657.08	7413.75	7855.43	37.57
14.MANIPUR	37.25	42.86	46.09	98.68	101.22	103.67	103.90	107.29	111.69	14.71
15.MEGHALAYA	50.18	54.01	59.24	66.14	72.45	76.93	78.43	79.67	82.15	6.36
16.MIZORAM	8.20	6.71	8.01	8.47	8.26	8.33	8.66	15.48	16.57	9.19
17.NAGALAND	69.01	69.81	72.29	73.23	70.94	75.94	149.90	155.77	158.44	10.95
18.ORISSA	464.81	620.42	765.48	872.81	802.68	795.45	1467.12	1507.17	1622.16	16.91
19.PONDICHERRY (U.T.)	25.15	45.84	53.02	61.29	88.97	118.33	150.40	229.52	280.32	35.17
20.PUNJAB	410.94	2064.05	2086.89	2141.22	2251.72	2403.78	3695.95	3838.37	3859.59	32.31
21.RAJASTHAN	362.26	1012.60	1058.56	1117.53	1128.87	1475.36	1640.02	2376.32	2379.06	26.52
22.SIKKIM	13.05	16.15	18.03	20.35	20.85	26.90	29.04	31.32	32.32	12.00
23.TAMIL NADU	474.35	502.16	536.97	785.49	1041.10	1064.64	1682.92	1964.88	2449.74	22.78
24.TRIPURA	35.11	41.72	45.25	46.82	49.18	56.71	58.97	62.03	62.73	7.52
25.UTTAR PRADESH	1458.96	1548.49	1693.69	1813.45	1841.90	1883.70	1907.43	1878.42	1921.96	3.51
26.WEST BENGAL	668.66	749.64	1370.52	1480.85	2057.36	2846.54	2885.36	2937.87	2983.05	20.55
TOTAL (state wise)	14752.69	21349.60	24453.72	27198.06	30124.50	35709.39	43854.10	47945.17	52407.41	17.17

Table 4.5

All States : State Debt										
(Rs. In Crore)										
STATE / YEAR	1990-91	1991-92	1992-93	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99	CARG (%)
1.ANDHRA PRADESH	2088.82	2292.59	2725.14	2608.71	3047.25	2446.93	3803.65	4882.35	2979.40	4.54
2.ARUNACHAL PRADESH	5.15	6.18	7.13	7.13	7.13	7.14	7.27	7.27	7.27	4.40
3.ASSAM	1284.44	736.04	730.19	960.50	1127.01	1329.76	1474.88	1615.84	958.27	-3.60
4.DELHI (U.T.)	4094.33	6203.08	7184.61	6499.82	5823.36	7284.53	8120.31	8076.44	7568.95	7.98
5.GOA	1.83	2.02	2.80	2.13	4.23	8.41	10.84	17.73	21.44	36.02
6.GUJARAT	3024.29	3408.75	3386.89	3324.02	3630.98	3561.73	3673.65	3997.58	4166.47	4.09
7.HARYANA	120.55	123.11	121.79	44.98	44.44	37.89	44.94	42.06	42.63	-12.19
8.HIMACHAL PRADESH	449.22	486.18	499.96	542.02	345.96	371.83	412.29	475.92	524.74	1.96
9.JAMMU & KASHMIR	70.84	82.73	104.37	135.94	167.12	205.18	252.10	321.89	374.78	23.15
10.KARNATAKA	1574.33	1564.37	1876.82	2095.54	2057.47	2397.11	3194.35	4173.70	4768.13	14.86
11.KERALA	754.30	927.07	1015.04	1287.90	1469.39	1736.38	1962.87	2373.86	1754.36	11.13
12.MADHYA PRADESH	84.59	100.68	119.04	132.17	140.83	159.65	185.22	168.05	164.25	8.65
13.MAHARASHTRA	4421.23	4876.73	5448.89	5976.49	5202.48	5642.42	5568.18	6068.08	7338.64	6.54
14.MANIPUR	2.42	2.74	3.86	4.48	5.03	6.32	7.39	7.86	8.50	17.00
15.MEGHALAYA	89.00	112.48	118.85	116.04	120.28	137.29	144.30	151.31	169.32	8.37
16.MIZORAM	0.25	0.25	1.75	1.00	0.25	0.25	0.25	0.25	1.93	29.11
17.NAGALAND	1.82	1.96	2.10	2.25	2.39	2.54	2.68	2.82	2.97	6.31
18.ORISSA	545.01	584.90	677.07	490.79	619.51	517.53	1709.69	1857.90	2024.92	17.83
19.PONDICHERY (U.T.)	~	~	~	~	0.90	13.84	22.24	20.54	22.55	~
20.PUNJAB	3970.57	2821.31	3311.14	3751.34	4343.10	4758.28	3794.96	3945.84	3940.84	-0.09
21.RAJASTHAN	1310.75	925.82	1248.39	1612.40	1885.07	1967.70	1932.79	1390.37	1689.46	3.22
22.SIKKIM	65.71	40.89	47.16	39.47	42.46	55.35	52.26	53.89	55.30	-2.13
23.TAMIL NADU	1494.63	1731.01	1471.58	1395.31	1490.70	1717.96	1322.10	954.50	889.56	-6.28
24.TRIPURA	20.17	20.41	23.45	26.75	29.68	34.96	40.46	46.17	15.29	-3.40
25.UTTAR PRADESH	5786.67	6911.62	8085.75	8878.57	9645.49	10303.81	11385.74	12395.01	13563.08	11.23
26.WEST BENGAL	1766.36	1923.07	1567.81	1758.63	1862.20	2105.72	2856.49	3794.73	5414.33	15.03
TOTAL (state wise)	33027.28	35885.99	39781.58	41694.38	43114.71	46810.51	51981.90	56841.96	58467.38	7.40

Table 4.6

All States : Other Debt										
(Rs. In Crore)										
STATE / YEAR	1990-91	1991-92	1992-93	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99	CARG (%)
1.ANDHRA PRADESH	3145.42	3790.22	4551.61	5409.26	7220.51	7698.04	4629.37	4814.40	16036.98	22.58
2.ARUNACHAL PRADESH	19.43	20.18	25.66	24.33	32.70	29.06	36.23	33.77	35.10	7.67
3.ASSAM	837.87	866.03	941.80	920.72	969.40	968.48	956.00	956.35	965.27	1.79
4.DELHI (U.T.)	3410.11	4103.68	4250.03	4596.60	5305.83	5466.20	4757.15	5625.10	6783.05	8.98
5.GOA	63.02	71.44	85.96	105.35	107.06	144.42	181.34	263.39	266.69	19.76
6.GUJARAT	3044.39	3302.58	3782.30	4243.82	4782.30	5359.81	6117.75	6117.32	6355.83	9.64
7.HARYANA	203.68	204.83	224.45	278.57	312.34	379.34	423.91	534.28	658.87	15.81
8.HIMACHAL PRADESH	488.12	535.63	553.54	574.85	765.58	864.81	1018.62	1178.64	1360.35	13.67
9.JAMMU & KASHMIR	31.37	38.64	35.02	33.13	40.32	56.09	51.88	63.48	56.97	7.74
10.KARNATAKA	2112.71	2621.77	2900.88	3641.65	4463.95	5397.74	6653.33	8216.52	9350.00	20.43
11.KERALA	1589.52	1824.28	1987.85	2122.78	2378.85	2767.27	3487.14	4517.35	6131.81	18.38
12.MADHYA PRADESH	303.52	319.11	388.75	388.19	396.41	499.74	457.84	567.52	554.04	7.81
13.MAHARASHTRA	1416.66	1477.29	2626.93	2480.18	2480.59	2636.22	3084.59	5681.31	7413.29	22.98
14.MANIPUR	12.38	13.25	14.23	14.73	15.89	17.33	18.23	20.23	21.64	7.23
15.MEGHALAYA	201.51	213.46	220.41	224.40	219.46	217.06	214.79	219.56	199.89	-0.10
16.MIZORAM	14.11	14.20	13.55	12.93	13.78	14.58	15.09	16.21	18.37	3.35
17.NAGALAND	138.33	148.40	163.51	174.81	281.91	19.52	27.73	31.11	39.54	-14.49
18.ORISSA	1262.33	1377.68	1311.48	1685.41	1900.65	2151.71	2604.88	2904.76	3147.60	12.10
19.PONDICHERRY (U.T.)	23.16	42.57	47.05	54.79	52.52	43.98	41.30	23.38	22.67	-0.27
20.PUNJAB	1111.78	1197.30	1312.92	1445.18	1543.04	1898.84	2335.54	3279.98	3360.17	14.83
21.RAJASTHAN	1475.75	1655.97	1927.92	2286.78	3103.13	3268.03	3976.47	5220.79	6110.31	19.43
22.SIKKIM	8.77	10.90	10.79	10.76	11.76	8.86	3.82	4.99	4.88	-7.07
23.TAMIL NADU	2773.62	3185.82	3558.95	4215.99	5401.54	6047.83	6699.86	7819.19	8830.90	15.58
24.TRIPURA	23.02	25.28	27.25	27.86	26.19	28.11	31.09	35.62	39.51	6.99
25.UTTAR PRADESH	3622.34	3924.05	4420.02	4617.27	4824.20	4803.39	5284.94	4992.67	5661.60	5.74
26.WEST BENGAL	2647.15	2795.54	3091.53	3312.39	3290.32	3038.29	3041.88	2863.74	2805.37	0.73
TOTAL (state wise)	29980.07	33780.10	38474.39	42902.73	49940.23	53824.75	56150.77	66001.66	86230.70	14.12

Table 4.7

All States : Total Debt										
(Rs. In Crore)										
STATE / YEAR	1990-91	1991-92	1992-93	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99	CARG (%)
1.ANDHRA PRADESH	5234.24	6082.81	7276.75	8017.98	10267.76	10144.98	8433.02	9696.75	19016.38	17.50
2.ARUNACHAL PRADESH	24.58	26.36	32.79	31.46	39.83	36.20	43.50	41.04	42.37	7.04
3.ASSAM	2122.31	1602.07	1671.99	1881.22	2096.41	2298.24	2430.88	2572.19	1923.54	-1.22
4.DELHI (U.T.)	7504.44	10306.76	11434.64	11096.42	11129.19	12750.73	12877.46	13701.54	14352.00	8.44
5.GOA	64.85	73.46	88.76	107.48	111.29	152.83	192.18	281.12	288.13	20.49
6.GUJARAT	6068.68	6711.33	7169.19	7567.84	8413.28	8921.54	9791.40	10114.90	10522.30	7.12
7.HARYANA	324.23	327.95	346.24	323.55	356.78	417.23	468.85	576.34	701.50	10.13
8.HIMACHAL PRADESH	937.34	1021.82	1053.50	1116.87	1111.54	1236.64	1430.91	1654.56	1885.08	9.13
9.JAMMU & KASHMIR	102.21	121.36	139.39	169.08	207.44	261.27	303.98	385.37	431.75	19.73
10.KARNATAKA	3687.04	4186.14	4777.70	5737.19	6521.42	7794.85	9847.67	12390.21	14118.13	18.27
11.KERALA	2343.81	2751.36	3002.89	3410.68	3848.24	4503.64	5450.01	6891.21	7886.17	16.38
12.MADHYA PRADESH	388.11	419.79	507.79	520.36	537.24	659.39	643.06	735.57	718.29	8.00
13.MAHARASHTRA	5837.89	6354.02	8075.82	8456.67	7683.07	8278.64	8652.77	11749.39	14751.93	12.29
14.MANIPUR	14.80	15.99	18.08	19.21	20.91	23.65	25.62	28.09	30.14	9.30
15.MEGHALAYA	290.51	325.94	339.26	340.44	339.74	354.35	359.09	370.87	369.21	3.04
16.MIZORAM	14.36	14.45	15.30	13.93	14.03	14.83	15.34	16.46	20.30	4.42
17.NAGALAND	140.14	150.36	165.61	177.06	284.31	22.06	30.40	33.93	42.50	-13.86
18.ORISSA	1807.34	1962.58	1988.54	2176.19	2520.17	2669.24	4314.57	4762.67	5172.52	14.05
19.PONDICHERRY (U.T.)	23.16	42.57	47.05	54.79	53.42	57.82	63.54	43.92	45.22	8.72
20.PUNJAB	5082.35	4018.61	4624.06	5196.52	5886.14	6657.11	6130.50	7225.82	7301.01	4.63
21.RAJASTHAN	2786.51	2581.78	3176.31	3899.18	4988.20	5235.73	5909.26	6611.16	7799.77	13.73
22.SIKKIM	74.48	51.79	57.95	50.23	54.22	64.21	56.08	58.88	60.18	-2.63
23.TAMIL NADU	4268.25	4916.83	5030.53	5611.30	6892.24	7765.79	8021.96	8773.69	9720.46	10.84
24.TRIPURA	43.20	45.69	50.70	54.61	55.87	63.07	71.55	81.79	54.80	3.02
25.UTTAR PRADESH	9409.02	10835.67	12505.77	13495.84	14469.69	15107.20	16670.68	17387.68	19224.68	9.34
26.WEST BENGAL	4413.50	4718.61	4659.33	5071.02	5152.52	5144.00	5898.37	6658.47	8219.70	8.08
TOTAL (state wise)	63007.35	69666.10	78255.94	84597.12	93054.95	100635.24	108132.65	122843.62	144698.06	10.95

Table 4.8

All States : Total Investment										
(Rs. In Crore)										
STATE / YEAR	1990-91	1991-92	1992-93	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99	CARG (%)
1.ANDHRA PRADESH	6085.77	7030.40	8364.13	10486.89	12751.11	13254.58	11761.46	13174.04	23461.49	18.37
2.ARUNACHAL PRADESH	30.24	32.27	39.09	38.28	47.73	44.75	52.38	50.26	51.69	6.93
3.ASSAM	2284.05	2599.36	2853.23	3078.15	3301.58	3511.80	3632.42	3777.64	3680.19	6.14
4.DELHI (U.T.)	13370.36	18589.25	21031.55	20622.24	20250.30	23461.48	24278.61	25159.91	25222.61	8.26
5.GOA	139.61	178.45	203.33	246.65	328.24	400.65	475.85	594.11	601.11	20.02
6.GUJARAT	6535.73	7206.71	7729.42	8160.72	9101.28	10155.70	11107.38	11506.78	11976.46	7.86
7.HARYANA	437.05	447.45	477.48	466.96	516.36	601.74	666.86	789.60	927.19	9.86
8.HIMACHAL PRADESH	1087.70	1185.73	1233.06	1340.07	1598.26	1739.24	1948.16	2184.93	2468.25	10.79
9.JAMMU & KASHMIR	258.24	279.52	307.48	337.79	382.49	442.42	497.04	589.58	641.72	12.05
10.KARNATAKA	4565.58	5398.35	6166.55	7505.27	8504.32	10866.65	13353.12	16224.20	18392.67	19.03
11.KERALA	3551.07	4058.20	4394.42	4915.30	5515.46	6367.44	7623.73	9387.33	12118.40	16.58
12.MADHYA PRADESH	519.00	565.15	674.02	693.21	723.00	859.29	854.83	949.73	936.06	7.65
13.MAHARASHTRA	6450.09	6989.53	8743.37	9157.00	9892.36	10523.55	14309.85	19163.14	22607.36	16.97
14.MANIPUR	52.05	58.85	64.17	117.89	122.13	127.32	129.52	135.38	141.83	13.35
15.MEGHALAYA	340.69	379.95	398.50	406.58	412.19	431.28	437.52	450.54	451.36	3.58
16.MIZORAM	22.56	21.16	23.31	22.40	22.29	23.16	24.00	31.94	36.87	6.33
17.NAGALAND	209.15	220.17	237.90	250.29	355.25	98.00	180.30	189.70	200.94	-0.50
18.ORISSA	2272.15	2583.00	2754.02	3049.00	3322.85	3464.69	5781.69	6269.84	6794.68	14.67
19.PONDICHERY (U.T.)	48.31	88.41	100.07	116.08	142.39	176.15	213.94	273.44	325.54	26.93
20.PUNJAB	5493.29	6082.66	6710.95	7337.74	8137.86	9060.89	9826.45	11064.19	11160.60	9.27
21.RAJASTHAN	3148.77	3594.38	4234.87	5016.71	6117.07	6711.09	7549.28	8987.48	10178.83	15.80
22.SIKKIM	87.53	67.94	75.98	70.58	75.07	91.11	85.12	90.20	92.50	0.69
23.TAMIL NADU	4742.60	5418.99	5567.50	6396.79	7933.34	8830.43	9704.88	10738.57	12170.20	12.50
24.TRIPURA	78.31	87.41	95.95	101.43	105.05	119.78	130.52	143.82	117.53	5.21
25.UTTAR PRADESH	10867.98	12384.16	14199.46	15309.29	16311.59	16990.90	18578.11	19266.10	21146.64	8.68
26.WEST BENGAL	5082.16	5468.25	6029.85	6551.87	7209.88	7990.54	8783.73	9596.34	11202.75	10.38
TOTAL (state wise)	77760.04	91015.70	102709.66	111795.18	123179.45	136344.63	151986.75	170788.79	197105.47	12.33

Table 4.9

All States : Accumulated Losses (Rs. In Crore)										
STATE / YEAR	1990-91	1991-92	1992-93	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99	CARG (%)
1.ANDHRA PRADESH	802.42	988.86	1273.85	912.75	798.15	1097.26	1519.06	1540.66	1713.56	9.95
2.ARUNACHAL PRADESH	10.75	11.76	11.90	12.10	14.49	15.63	14.40	20.46	20.46	8.38
3.ASSAM	874.53	1140.21	1247.59	1157.18	1461.93	1646.72	2044.55	2493.02	3110.02	17.19
4.DELHI (U.T.)	1565.07	2016.12	2726.29	3413.70	4225.50	5319.00	4394.87	5343.31	6766.61	20.08
5.GOA	8.40	11.88	11.18	14.51	11.19	19.40	35.72	49.00	52.59	25.77
6.GUJARAT	444.54	480.40	498.83	549.95	640.07	666.98	739.99	943.48	1137.99	12.47
7.HARYANA	85.76	87.24	89.38	98.90	112.91	122.97	139.99	156.38	167.07	8.69
8.HIMACHAL PRADESH	107.80	129.23	104.50	149.41	160.91	170.48	192.78	214.20	214.45	8.98
9.JAMMU & KASHMIR	132.39	178.14	253.34	345.68	425.19	535.24	618.75	732.56	842.79	26.03
10.KARNATAKA	644.28	681.32	717.91	903.61	918.88	1033.02	1193.22	1187.20	1451.08	10.68
11.KERALA	904.54	1009.74	1177.56	1274.61	1326.27	1508.80	1789.92	2012.08	2337.65	12.60
12.MADHYA PRADESH	10.77	21.17	32.71	47.08	47.04	89.37	109.42	105.06	117.29	34.78
13.MAHARASHTRA	402.67	449.26	200.11	210.99	202.78	233.25	427.39	634.51	908.94	10.71
14.MANIPUR	29.15	34.35	37.21	46.64	55.96	68.06	72.30	79.06	84.34	14.20
15.MEGHALAYA	116.64	128.91	142.08	149.38	167.91	184.78	225.08	275.22	303.76	12.71
16.MIZORAM	5.86	7.41	10.16	10.57	13.32	16.34	18.56	23.66	28.62	21.93
17.NAGALAND	187.75	213.26	238.72	262.81	379.01	134.30	155.87	164.56	178.60	-0.62
18.ORISSA	154.77	197.73	285.12	349.08	445.26	475.29	789.72	1211.77	1712.22	35.05
19.PONDICHERY (U.T.)	0.19	0.76	1.42	4.77	15.86	40.67	73.13	96.30	117.01	123.19
20.PUNJAB	562.52	579.37	718.88	848.88	872.40	772.00	715.37	727.77	788.45	4.31
21.RAJASTHAN	746.59	671.80	615.70	530.12	461.16	442.01	334.07	289.28	271.34	-11.88
22.SIKKIM	3.05	3.87	4.87	8.96	17.24	23.50	26.85	29.32	34.15	35.25
23.TAMIL NADU	318.06	354.65	388.65	404.85	488.23	773.30	1066.66	1372.40	1985.57	25.73
24.TRIPURA	61.83	74.82	86.66	99.32	108.69	122.52	139.23	157.87	170.07	13.48
25.UTTAR PRADESH	1705.21	1716.70	1802.85	2094.20	2125.92	2365.15	2861.30	2526.13	2889.06	6.81
26.WEST BENGAL	1410.22	1666.50	1863.80	2001.43	2203.09	2332.30	2520.28	2719.37	3763.60	13.05
TOTAL (state wise)	11295.76	12855.46	14541.27	15901.48	17699.36	20208.34	22218.48	25104.63	31167.29	13.53

Table 4.10

All States : Net Worth										
(Rs. In Crore)										
STATE / YEAR	1990-91	1991-92	1992-93	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99	CARG (%)
1.ANDHRA PRADESH	1204.21	1372.69	1571.58	3034.70	3116.04	4167.00	4335.73	4820.52	4367.97	17.48
2.ARUNACHAL PRADESH	7.78	9.84	12.18	14.72	22.03	27.86	23.37	13.05	14.76	8.33
3.ASSAM	-558.38	35.02	3.00	0.48	-167.82	-327.78	-714.45	-1070.74	-1231.18	10.39
4.DELHI (U.T.)	1937.29	1959.59	2104.46	2833.95	4632.94	5785.23	4249.94	4917.24	5123.19	12.93
5.GOA	62.57	89.84	110.18	126.20	233.57	278.03	312.36	355.67	350.49	24.03
6.GUJARAT	961.14	1161.21	1430.11	1702.14	2103.13	2518.22	3120.00	4170.63	4188.66	20.20
7.HARYANA	93.30	125.00	167.45	227.46	256.47	334.22	388.79	472.00	500.02	23.35
8.HIMACHAL PRADESH	726.16	794.46	829.19	937.01	1204.78	1369.92	1577.77	1782.56	1983.83	13.39
9.JAMMU & KASHMIR	85.52	22.47	-38.63	-116.75	-185.27	-278.18	-341.04	-426.54	-520.78	~
10.KARNATAKA	1115.29	1225.96	1341.74	1755.88	1886.11	2852.18	3594.06	4093.17	4560.25	19.25
11.KERALA	500.47	388.38	334.78	417.73	611.68	795.64	916.65	1031.12	2717.23	23.55
12.MADHYA PRADESH	175.47	174.60	251.92	266.00	278.09	294.75	323.87	343.55	333.18	8.35
13.MAHARASHTRA	6051.66	6750.33	7807.82	8859.69	10050.67	11156.41	11670.10	13899.62	18306.30	14.84
14.MANIPUR	8.84	0.07	14.57	58.57	52.27	43.17	36.94	34.91	33.75	18.23
15.MEGHALAYA	312.05	348.38	378.13	406.75	422.95	450.94	453.94	437.01	440.93	4.42
16.MIZORAM	13.84	15.29	17.03	21.28	22.22	23.23	23.82	28.59	28.42	9.41
17.NAGALAND	-118.22	-142.83	-166.32	-188.80	-299.61	-56.87	-4.42	-7.52	-18.27	-20.82
18.ORISSA	890.83	1044.17	1298.83	1166.89	1098.54	1243.99	1260.56	1083.62	798.70	-1.36
19.PONDICHERY (U.T.)	30.32	76.56	85.87	87.18	105.39	112.47	123.82	182.37	215.38	27.77
20.PUNJAB	429.57	495.03	2036.09	2130.26	2381.13	2593.36	3704.12	3786.76	3758.03	31.14
21.RAJASTHAN	-233.44	516.51	787.92	841.94	979.33	1539.77	1965.10	2868.54	3035.39	~
22.SIKKIM	23.70	23.22	23.68	20.95	13.25	16.49	15.47	16.86	12.48	-7.70
23.TAMIL NADU	1200.47	914.44	1205.14	1576.36	2234.69	2508.49	3192.01	3586.39	3158.08	12.85
24.TRIPURA	39.66	46.81	53.28	57.56	57.60	66.83	74.77	83.90	87.98	10.47
25.UTTAR PRADESH	-37.11	58.46	112.48	-42.13	83.43	-62.09	-284.47	361.95	496.14	~
26.WEST BENGAL	-359.33	-426.20	72.19	149.29	640.43	1361.28	1319.96	1628.02	838.38	~
TOTAL (state wise)	14563.66	17079.30	21844.67	26345.31	31834.04	38814.56	41338.77	48493.25	53579.31	17.68

Table 4.11

All States : Capital Employed										
(Rs. In Crore)										
STATE / YEAR	1990-91	1991-92	1992-93	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99	CARG (%)
1.ANDHRA PRADESH	6438.47	7455.55	8848.42	11053.34	13383.83	14312.03	12768.65	14517.30	23259.48	17.42
2.ARUNACHAL PRADESH	24.41	26.82	33.89	50.73	52.04	73.52	90.26	83.81	103.15	19.74
3.ASSAM	1983.77	2282.73	2508.94	2676.37	2881.21	3056.98	3202.62	3348.45	3352.90	6.78
4.DELHI (U.T.)	6956.59	9503.16	10910.45	11384.92	9743.63	11775.61	14160.99	14835.54	14612.45	9.72
5.GOA	136.51	178.34	206.62	229.95	335.64	391.60	459.93	573.34	574.40	19.68
6.GUJARAT	6503.91	7325.32	7979.32	8598.76	9824.49	11232.82	12802.85	13294.25	17407.93	13.10
7.HARYANA	439.32	447.01	511.08	496.54	584.52	669.43	731.11	974.34	1061.20	11.65
8.HIMACHAL PRADESH	1030.56	1117.14	1184.99	1307.83	1424.53	1572.67	1716.16	1910.27	2130.04	9.50
9.JAMMU & KASHMIR	401.16	408.76	365.82	302.07	270.59	259.89	291.78	287.42	397.00	-0.13
10.KARNATAKA	5119.67	5718.34	6447.39	7325.42	8384.16	9629.20	13063.06	15913.87	18574.03	17.48
11.KERALA	2823.45	2701.16	2956.74	3414.29	4086.60	4736.17	5716.77	7089.28	9688.71	16.66
12.MADHYA PRADESH	545.81	581.48	709.01	771.80	804.30	975.63	980.45	1122.21	1077.78	8.88
13.MAHARASHTRA	11819.60	13137.17	15891.05	17399.15	17738.89	19427.62	20361.95	25675.36	33021.39	13.70
14.MANIPUR	37.85	112.79	41.07	41.32	41.26	42.62	19.21	18.20	19.33	-8.06
15.MEGHALAYA	324.72	353.40	388.33	413.72	423.51	450.39	454.16	441.74	449.95	4.16
16.MIZORAM	117.31	143.28	179.35	206.53	235.64	267.54	313.72	343.96	386.65	16.08
17.NAGALAND	-36.54	-60.74	-78.75	-99.62	-208.96	-36.14	22.56	22.94	18.57	~
18.ORISSA	2069.97	2394.59	2751.90	2703.36	3187.24	3520.25	5925.45	6289.65	6962.49	16.37
19.PONDICHERY (U.T.)	53.66	118.20	130.97	165.37	181.17	189.13	197.22	236.49	261.50	21.89
20.PUNJAB	5228.46	5452.21	6296.08	7199.56	8533.47	9512.72	9712.06	11169.96	11214.18	10.01
21.RAJASTHAN	4180.33	4770.78	5483.08	6486.19	8036.71	9221.33	10478.65	12383.48	14198.65	16.51
22.SIKKIM	29.95	43.56	48.64	47.89	40.65	41.20	35.53	37.52	33.65	1.47
23.TAMIL NADU	5945.00	6874.42	7335.95	8385.37	10219.50	11964.55	13199.93	14394.52	15169.83	12.42
24.TRIPURA	51.48	63.24	66.04	66.41	58.17	65.90	77.66	88.10	95.44	8.02
25.UTTAR PRADESH	8144.32	8598.72	9406.83	12109.11	14924.72	15643.16	17217.53	18343.98	20683.32	12.36
26.WEST BENGAL	2934.73	3529.02	3716.91	4416.02	4830.60	5908.60	6291.80	7815.29	8552.40	14.30
TOTAL (state wise)	73304.47	83276.45	94320.12	107152.40	120018.11	134904.42	150292.06	171211.27	203306.42	13.60

Table 4.12

All States : Total Revenue Earned (Rs. In Crore)										
STATE / YEAR	1990-91	1991-92	1992-93	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99	CARG (%)
1.ANDHRA PRADESH	4167.65	4914.17	5493.86	6626.44	7674.64	7816.50	10504.59	13332.42	14407.01	16.77
2.ARUNACHAL PRADESH	19.45	18.89	25.07	29.28	31.02	27.35	36.40	21.72	19.29	-0.10
3.ASSAM	541.56	568.03	583.99	625.41	701.71	1051.37	896.29	859.41	950.29	7.28
4.DELHI (U.T.)	1983.56	2440.48	2895.22	3340.93	3554.32	3900.42	4562.64	5834.71	5752.21	14.23
5.GOA	31.50	38.75	55.29	63.19	93.03	98.66	99.77	120.24	114.89	17.56
6.GUJARAT	3676.00	4407.52	4767.60	5459.55	6278.81	7651.82	8934.92	9949.92	11454.35	15.27
7.HARYANA	302.06	434.60	462.69	525.58	599.02	664.60	631.22	620.78	608.00	9.14
8.HIMACHAL PRADESH	361.51	407.91	472.68	529.71	601.52	693.25	815.77	985.23	1096.67	14.88
9.JAMMU & KASHMIR	118.88	100.42	132.28	134.21	145.65	195.38	232.47	311.06	531.76	20.59
10.KARNATAKA	3328.29	3795.24	4202.27	5038.18	6074.17	7092.39	7214.33	8389.50	8892.90	13.07
11.KERALA	1803.21	2012.05	2456.11	2512.16	2939.26	3355.60	3770.51	4785.72	5566.31	15.13
12.MADHYA PRADESH	551.33	680.73	897.38	957.45	930.58	1062.59	1327.85	1277.52	1585.65	14.12
13.MAHARASHTRA	4742.63	5615.87	6728.62	8001.52	9234.69	11079.03	12392.82	13527.65	14939.48	15.42
14.MANIPUR	8.45	10.61	10.90	8.74	13.03	9.68	8.34	7.79	6.57	-3.10
15.MEGHALAYA	52.94	64.07	67.17	85.49	85.90	109.71	120.14	131.16	130.51	11.94
16.MIZORAM	6.97	7.33	10.74	13.07	14.01	14.69	18.59	11.92	11.51	6.47
17.NAGALAND	4.42	6.36	3.62	1.35	1.44	1.36	1.97	1.83	3.57	-2.63
18.ORISSA	1098.97	1370.87	1478.86	1682.53	1920.25	2562.47	3070.75	3409.79	3457.12	15.40
19.PONDICHERY (U.T.)	17.23	115.19	133.24	153.01	174.28	174.69	177.54	163.23	164.83	32.62
20.PUNJAB	1244.67	1477.95	1659.38	2291.23	2802.59	3179.39	3621.47	4196.11	4162.39	16.29
21.RAJASTHAN	1301.81	1806.21	2347.65	2821.11	3372.09	4201.38	4778.45	5610.82	6205.10	21.56
22.SIKKIM	19.69	28.93	26.17	24.71	23.01	33.80	41.16	39.55	41.84	9.88
23.TAMIL NADU	5223.67	6058.21	7264.42	8096.86	9764.41	11477.82	13397.84	15183.81	15772.37	14.81
24.TRIPURA	14.30	16.26	14.93	16.00	12.39	15.08	17.37	17.79	21.25	5.08
25.UTTAR PRADESH	4275.68	5073.34	5988.74	6895.87	7697.35	8844.27	9343.00	10761.25	11861.91	13.60
26.WEST BENGAL	1215.16	1514.98	1768.06	2100.92	2530.77	2894.67	3353.30	3965.06	3799.09	15.31
TOTAL (state wise)	36111.59	42984.97	49946.94	58034.50	67269.94	78207.97	89369.50	103515.99	111556.87	15.14

Table 4.13

All States : Direct Expenses										
(Rs. In Crore)										
STATE / YEAR	1990-91	1991-92	1992-93	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99	CARG (%)
1.ANDHRA PRADESH	3686.57	4309.95	4683.37	5436.72	6075.64	6156.38	9886.24	11174.88	11951.62	15.84
2.ARUNACHAL PRADESH	19.60	17.90	23.82	25.67	23.49	21.53	21.09	19.29	20.25	0.41
3.ASSAM	339.76	415.17	477.91	509.44	560.14	675.17	750.89	888.95	876.09	12.57
4.DELHI (U.T.)	1953.47	2212.25	2658.48	3264.13	3342.74	3755.12	4476.77	5783.03	6230.42	15.60
5.GOA	28.74	32.36	44.46	53.29	65.56	77.63	84.76	100.89	98.75	16.68
6.GUJARAT	2745.53	3333.82	3660.34	4148.24	4753.35	5729.94	6561.18	7491.33	11039.01	19.00
7.HARYANA	264.34	371.54	382.47	423.67	474.61	585.08	525.69	466.27	512.76	8.63
8.HIMACHAL PRADESH	346.43	384.30	435.63	481.40	545.99	616.63	755.02	890.49	1040.20	14.73
9.JAMMU & KASHMIR	104.51	104.50	103.51	119.46	115.44	177.37	168.75	270.05	360.88	16.76
10.KARNATAKA	2508.45	2773.86	3180.15	3879.12	4322.25	5175.23	5877.51	6188.28	6376.70	12.37
11.KERALA	1143.54	1410.27	2003.20	2028.30	2311.60	2536.43	3053.60	3890.18	4433.34	18.46
12.MADHYA PRADESH	506.20	621.74	841.99	879.16	865.34	1041.04	1166.00	1309.32	1406.76	13.63
13.MAHARASHTRA	3989.52	4721.09	5527.35	6331.39	7031.40	8688.08	10036.04	11209.18	12221.11	15.02
14.MANIPUR	10.67	12.11	12.87	13.69	17.83	16.17	14.96	16.61	15.48	4.76
15.MEGHALAYA	55.29	61.61	60.79	80.81	96.96	102.50	123.91	144.73	137.38	12.05
16.MIZORAM	20.37	23.46	28.05	29.91	35.52	43.10	48.75	51.26	58.65	14.13
17.NAGALAND	16.15	16.78	13.27	11.91	10.21	10.90	11.51	11.99	14.76	-1.12
18.ORISSA	920.76	1176.78	1260.76	1481.80	1663.88	2056.41	2811.09	3200.20	3273.93	17.18
19.PONDICHERY (U.T.)	14.08	107.57	127.92	155.05	175.91	184.62	185.48	170.89	172.95	36.82
20.PUNJAB	1236.83	1380.18	1727.66	2221.31	2624.65	2931.80	3363.32	4093.49	4056.64	16.01
21.RAJASTHAN	1039.73	1353.47	1762.61	2109.39	2470.04	3005.60	3394.75	4138.67	4620.93	20.50
22.SIKKIM	14.18	18.94	17.02	18.24	13.15	23.50	25.83	27.60	27.56	8.66
23.TAMIL NADU	4480.78	5094.66	6156.96	6900.47	8323.05	9917.99	11720.88	13137.60	14189.72	15.50
24.TRIPURA	16.73	17.48	17.16	17.47	14.79	16.20	17.96	19.63	21.59	3.24
25.UTTAR PRADESH	2197.38	2518.48	2965.89	3725.02	3899.66	4604.05	4735.16	5298.32	5784.23	12.86
26.WEST BENGAL	1223.12	1471.55	1673.60	1956.21	2361.58	2683.40	3069.51	3655.67	4094.39	16.30
TOTAL (state wise)	28882.73	33961.82	39847.24	46301.27	52194.78	60831.87	72886.65	83648.80	93036.10	15.74

Table 4.14

All States : Contribution										
(Rs. In Crore)										
STATE / YEAR	1990-91	1991-92	1992-93	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99	CARG (%)
1.ANDHRA PRADESH	481.08	604.22	810.48	1189.72	1599.00	1660.12	618.35	2157.55	2455.39	22.60
2.ARUNACHAL PRADESH	-0.15	0.99	1.25	3.61	7.53	5.82	15.31	2.43	-0.96	26.12
3.ASSAM	201.80	152.86	106.08	115.97	141.57	376.20	145.40	-29.54	74.20	-11.76
4.DELHI (U.T.)	30.09	228.23	236.74	76.80	211.58	145.30	85.87	51.68	-478.21	~
5.GOA	2.76	6.39	10.83	9.90	27.47	21.03	15.00	19.36	16.14	24.70
6.GUJARAT	930.47	1073.70	1107.26	1311.31	1525.46	1921.88	2373.74	2458.59	415.34	-9.59
7.HARYANA	37.73	63.07	80.22	101.91	124.41	79.52	105.53	154.52	95.25	12.27
8.HIMACHAL PRADESH	15.08	23.61	37.06	48.31	55.53	76.62	60.75	94.74	56.47	17.94
9.JAMMU & KASHMIR	14.38	-4.09	28.77	14.75	30.21	18.01	63.72	41.02	170.88	36.26
10.KARNATAKA	819.84	1021.38	1022.12	1159.06	1751.92	1917.16	1336.81	2201.22	2516.21	15.05
11.KERALA	659.66	601.78	452.91	483.86	627.66	819.17	716.92	895.54	1132.97	6.99
12.MADHYA PRADESH	45.13	58.99	55.39	78.29	65.24	21.55	161.85	-31.80	178.89	18.79
13.MAHARASHTRA	753.11	894.78	1201.27	1670.13	2203.29	2390.95	2356.78	2318.47	2718.37	17.40
14.MANIPUR	-2.22	-1.50	-1.97	-4.95	-4.79	-6.49	-6.63	-8.82	-8.92	18.99
15.MEGHALAYA	-2.35	2.46	6.38	4.68	-11.06	7.21	-3.77	-13.57	-6.87	14.35
16.MIZORAM	-13.40	-16.13	-17.31	-16.83	-21.50	-28.41	-30.16	-39.34	-47.14	17.03
17.NAGALAND	-11.73	-10.42	-9.65	-10.56	-8.77	-9.54	-9.54	-10.16	-11.19	-0.59
18.ORISSA	178.22	194.09	218.10	200.74	256.37	506.06	259.67	209.59	183.20	0.35
19.PONDICHERY (U.T.)	3.15	7.62	5.32	-2.04	-1.63	-9.93	-7.94	-7.66	-8.12	~
20.PUNJAB	7.84	97.77	-68.29	69.92	177.94	247.59	258.16	102.62	105.75	38.43
21.RAJASTHAN	262.08	452.73	585.04	711.72	902.05	1195.78	1383.70	1472.15	1584.17	25.22
22.SIKKIM	5.51	9.99	9.15	6.47	9.86	10.30	15.34	11.95	14.28	12.64
23.TAMIL NADU	742.89	963.55	1107.46	1196.39	1441.36	1559.83	1676.96	2046.21	1582.65	9.92
24.TRIPURA	-2.43	-1.22	-2.23	-1.47	-2.40	-1.12	-0.60	-1.84	-0.34	-21.80
25.UTTAR PRADESH	2078.30	2554.86	3022.85	3170.85	3797.69	4240.22	4607.84	5462.93	6077.68	14.35
26.WEST BENGAL	-7.96	43.43	94.46	144.70	169.19	211.27	283.79	309.40	-295.29	57.10
TOTAL (state wise)	7228.88	9023.14	10099.69	11733.24	15075.18	17376.10	16482.85	19867.24	18520.80	12.48

Table 4.15

All States : Gross Margin (Rs. In Crore)										
STATE / YEAR	1990-91	1991-92	1992-93	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99	CARG (%)
1.ANDRHA PRADESH	623.84	306.42	583.47	749.95	1010.21	950.15	243.25	1341.36	1599.16	12.49
2.ARUNACHAL PRADESH	1.95	3.82	5.38	4.24	8.04	5.63	15.46	8.32	4.93	12.29
3.ASSAM	30.13	42.47	26.87	22.26	46.72	65.35	42.65	30.43	34.74	1.80
4.DELHI (U.T.)	126.14	828.98	452.20	360.98	523.50	574.36	398.99	228.83	-267.74	~
5.GOA	3.45	4.97	6.08	6.51	16.06	10.45	11.64	13.74	13.68	18.79
6.GUJARAT	550.04	624.99	689.87	794.83	981.93	1332.45	1607.30	1613.07	279.21	-8.13
7.HARYANA	24.70	34.99	28.48	43.28	55.88	42.47	44.80	64.24	46.34	8.18
8.HIMACHAL PRADESH	-0.81	1.02	2.03	4.44	5.68	0.43	1.19	5.04	6.32	~
9.JAMMU & KASHMIR	5.60	-13.52	4.26	-0.75	10.32	-9.00	36.17	15.52	-5.00	~
10.KARNATAKA	416.12	438.50	468.27	636.76	860.98	1056.25	1021.75	1346.10	1456.83	16.96
11.KERALA	220.89	195.92	392.48	481.68	559.11	689.46	692.29	848.06	1043.42	21.42
12.MADHYA PRADESH	19.50	36.17	44.93	55.77	32.91	2.67	11.47	23.17	17.36	-1.44
13.MAHARASHTRA	674.86	909.09	1133.52	1598.41	2128.84	2316.01	2171.90	2204.50	2535.22	17.99
14.MANIPUR	0.09	0.43	-0.02	-2.85	-2.55	-4.79	-4.32	-6.50	-6.27	~
15.MEGHALAYA	-2.86	-0.19	4.83	11.52	-0.86	5.70	-13.70	15.94	16.08	~
16.MIZORAM	-2.04	-3.20	-3.62	-2.34	-3.43	-3.83	-4.35	-3.31	-4.17	9.35
17.NAGALAND	~	~	~	~	~	~	~	~	~	~
18.ORISSA	43.06	66.32	70.42	23.06	-8.25	81.09	146.91	92.61	106.82	12.03
19.PONDICHERY (U.T.)	1.05	4.86	2.07	-7.34	-9.47	-20.86	-22.11	-20.37	-17.15	~
20.PUNJAB	305.26	351.23	257.12	412.72	562.05	208.74	604.42	646.79	649.94	9.91
21.RAJASTHAN	198.62	382.46	500.51	630.24	802.69	1078.41	1246.58	1298.56	1381.33	27.43
22.SIKKIM	2.92	4.43	4.48	6.90	4.11	7.30	8.81	12.75	11.27	18.39
23.TAMIL NADU	563.22	788.66	880.77	997.83	1203.23	1248.66	1320.46	1505.84	212.44	-11.47
24.TRIPURA	2.09	0.45	1.84	1.83	0.84	2.72	3.32	2.79	3.84	7.90
25.UTTAR PRADESH	917.23	1286.69	1477.32	1559.14	2066.79	2172.59	2248.06	2856.29	3339.51	17.53
26.WEST BENGAL	-30.86	-11.52	-21.08	-17.72	-8.45	-15.50	-0.27	4.59	85.99	~
TOTAL (state wise)	4694.19	6284.44	7012.48	8371.35	10846.88	11796.91	11832.67	14148.36	12544.10	13.07

Table 4.16

All States : PBIT										
(Rs. In Crore)										
STATE / YEAR	1990-91	1991-92	1992-93	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99	CARG (%)
1.ANDHRA PRADESH	574.89	305.54	582.76	749.22	1009.30	949.44	242.53	1340.54	1598.55	13.64
2.ARUNACHAL PRADESH	1.34	3.27	5.04	4.22	7.91	4.67	15.35	7.86	4.47	16.25
3.ASSAM	82.07	53.59	19.07	1.84	5.25	70.51	-34.41	-152.92	-144.76	~
4.DELHI (U.T.)	177.44	39.52	508.57	633.13	494.34	299.52	42.28	422.61	-566.91	~
5.GOA	7.68	9.68	13.40	14.32	31.02	18.56	23.76	34.31	30.13	18.63
6.GUJARAT	474.26	526.78	526.54	659.42	580.93	1009.56	1274.07	1184.12	337.73	-4.16
7.HARYANA	35.61	53.14	68.28	95.58	121.96	87.83	106.33	166.57	112.08	15.41
8.HIMACHAL PRADESH	3.77	1.57	19.07	36.67	42.62	59.18	38.58	73.78	31.93	30.61
9.JAMMU & KASHMIR	-16.77	-64.90	-63.31	-68.65	-53.09	-78.91	-49.36	-78.14	-65.39	18.54
10.KARNATAKA	410.95	422.05	383.73	533.65	756.38	914.08	614.74	496.43	1144.84	13.66
11.KERALA	139.30	110.34	300.16	367.20	453.59	557.43	552.13	688.88	844.48	25.27
12.MADHYA PRADESH	27.38	27.11	58.79	43.31	29.75	17.83	36.70	7.37	14.82	-7.39
13.MAHARASHTRA	126.22	148.69	190.59	442.13	527.48	591.82	276.74	238.37	184.50	4.86
14.MANIPUR	-1.89	-1.16	-1.78	-4.83	-4.76	-6.87	-6.38	-8.82	-8.69	21.01
15.MEGHALAYA	1.52	3.31	0.07	1.41	3.42	2.61	3.02	-1.44	-1.00	~
16.MIZORAM	-12.25	-15.31	-15.80	-15.64	-19.03	-26.16	-28.50	-36.77	-43.46	17.15
17.NAGALAND	-10.71	-12.44	-11.35	-9.34	-83.58	-249.01	-18.54	-5.77	-10.61	-0.12
18.ORISSA	114.15	123.21	140.02	121.90	235.65	419.07	78.95	-55.20	-61.38	~
19.PONDICHERY (U.T.)	2.46	10.08	9.10	3.50	3.50	-5.51	-2.50	-7.05	-7.57	~
20.PUNJAB	315.93	364.26	266.66	431.30	575.57	222.66	620.59	665.41	675.28	9.96
21.RAJASTHAN	112.82	281.01	331.28	436.40	500.09	824.25	955.38	963.28	1025.78	31.78
22.SIKKIM	2.80	3.52	2.68	2.92	1.49	4.98	7.93	4.12	3.72	3.62
23.TAMIL NADU	563.22	786.60	877.10	974.96	1193.22	1236.18	1304.92	1499.85	212.44	-11.47
24.TRIPURA	-6.56	-7.41	-6.95	-6.57	-8.65	-7.92	-8.21	-11.07	-9.96	5.36
25.UTTAR PRADESH	597.45	956.69	1114.25	1163.01	1602.88	1563.91	1424.57	2021.95	2431.88	19.18
26.WEST BENGAL	-24.41	-1.17	51.19	161.18	136.76	168.45	225.74	272.35	-325.99	38.26
TOTAL (state wise)	3698.67	4127.57	5369.16	6772.24	8144.00	8648.16	7696.41	9730.62	7406.91	9.07

Table 4.17

All States : Net Profit										
(Rs. In Crore)										
STATE / YEAR	1990-91	1991-92	1992-93	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99	CARG (%)
1.ANDHRA PRADESH	-105.20	-249.78	-208.10	3.81	-14.40	-188.41	-224.47	67.98	163.68	~
2.ARUNACHAL PRADESH	-0.03	1.10	2.00	1.88	7.28	3.85	3.50	-1.05	-1.05	55.96
3.ASSAM	-141.71	-273.47	-221.60	-316.47	-293.39	-154.76	-418.01	-442.21	-600.35	19.78
4.DELHI (U.T.)	-318.15	-342.32	-173.36	-356.78	-234.53	-434.43	-507.98	-386.15	-956.08	14.74
5.GOA	0.69	1.43	2.08	0.29	9.41	-4.08	-4.56	1.76	-1.63	~
6.GUJARAT	134.90	100.79	169.45	153.56	171.99	260.62	282.61	162.43	166.63	2.68
7.HARYANA	9.47	26.52	35.66	39.17	55.16	17.02	31.06	83.71	22.44	11.39
8.HIMACHAL PRADESH	-16.99	-23.74	-5.58	8.52	8.87	26.98	-35.86	74.47	-15.34	-1.27
9.JAMMU & KASHMIR	-28.90	-79.12	-65.61	-90.62	-75.81	-95.78	-69.64	-110.15	-114.34	18.76
10.KARNATAKA	75.55	94.27	-58.66	-53.93	67.84	65.86	-62.12	-751.45	14.54	-18.62
11.KERALA	-169.45	-200.65	-138.78	-77.88	-16.12	-34.98	-196.98	-156.53	-153.91	-1.20
12.MADHYA PRADESH	6.96	2.00	22.85	14.07	8.85	0.57	13.63	-15.11	-22.24	~
13.MAHARASHTRA	123.08	143.43	187.14	406.00	535.83	566.60	254.76	202.32	99.72	-2.60
14.MANIPUR	-2.43	-1.74	-2.38	-4.93	-4.95	-7.60	-6.90	-9.11	-8.94	17.68
15.MEGHALAYA	-3.95	-3.15	-4.39	-2.33	-0.95	-2.81	-2.83	2.09	-3.92	-0.10
16.MIZORAM	-13.93	-17.60	-19.58	-22.15	-27.66	-36.08	-36.07	-47.49	-50.91	17.59
17.NAGALAND	-20.24	-23.74	-23.75	-22.30	-114.39	-246.70	-20.60	-7.60	-12.91	-5.47
18.ORISSA	-2.79	-11.43	-0.58	-70.30	-81.28	70.17	-140.88	-264.01	-303.89	79.74
19.PONDICHERY (U.T.)	1.32	4.52	1.56	-7.23	-7.23	-18.56	-25.19	-17.60	-15.88	~
20.PUNJAB	-74.11	32.06	-111.32	-9.62	59.58	279.97	86.19	34.67	33.43	~
21.RAJASTHAN	-94.09	81.24	72.06	111.69	98.96	241.23	131.53	75.92	34.81	~
22.SIKKIM	0.46	1.02	0.15	-1.00	-8.09	-4.42	-1.08	-0.28	-7.35	~
23.TAMIL NADU	69.90	286.95	250.07	279.40	369.34	229.48	69.73	104.25	-917.03	~
24.TRIPURA	-8.57	-9.78	-10.26	-11.96	-13.48	-13.96	-15.26	-17.53	-13.23	5.58
25.UTTAR PRADESH	-173.72	23.59	134.87	-190.04	83.05	-214.92	-693.85	-249.33	238.02	~
26.WEST BENGAL	-186.51	-193.20	-145.89	-119.99	-142.86	-149.87	-174.75	-180.55	-951.20	22.59
TOTAL (state wise)	-938.44	-630.80	-311.95	-339.14	441.02	154.99	-1764.02	-1846.55	-3376.93	17.36

Table 4.18

All States : Dividends (Rs. In Crore)										
STATE / YEAR	1990-91	1991-92	1992-93	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99	CARG (%)
1.ANDHRA PRADESH	2.41	2.04	2.04	3.90	0.63	0.63	0.41	1.26	1.92	-2.80
2.ARUNACHAL PRADESH	0.01	0.02	~	~	~	~	~	~	~	~
3.ASSAM	0.01	0.85	1.07	0.68	0.02	~	0.32	1.48	1.79	91.25
4.DELHI (U.T.)	46.24	0.24	60.51	67.81	68.29	68.74	68.99	69.65	69.74	5.27
5.GOA	0.03	0.04	0.04	0.16	0.16	0.18	0.24	0.05	0.02	-4.94
6.GUJARAT	6.27	18.31	17.08	13.46	25.58	20.72	16.41	26.86	29.38	21.30
7.HARYANA	1.32	2.53	3.45	1.67	2.64	3.56	3.82	3.81	2.40	7.76
8.HIMACHAL PRADESH	16.52	0.12	0.19	0.02	0.55	0.27	0.35	0.09	0.11	-46.55
9.JAMMU & KASHMIR	~	~	~	~	~	~	~	~	~	~
10.KARNATAKA	4.45	5.93	5.80	4.93	5.65	5.81	6.23	1.57	1.68	-11.46
11.KERALA	1.93	3.39	3.45	4.09	6.18	2.83	5.44	7.98	8.48	20.32
12.MADHYA PRADESH	0.33	2.73	0.53	2.47	2.70	1.06	1.19	1.38	1.06	15.70
13.MAHARASHTRA	0.58	3.31	3.61	3.95	4.05	4.24	4.18	2.17	2.28	18.66
14.MANIPUR	0.01	0.03	0.09	0.02	0.02	0.02	0.06	~	~	~
15.MEGHALAYA	0.01	~	0.13	0.01	0.01	~	1.80	~	0.06	25.10
16.MIZORAM	~	~	~	~	~	~	~	~	~	~
17.NAGALAND	~	~	~	~	~	~	~	~	~	~
18.ORISSA	0.06	~	1.00	~	~	2.03	40.57	0.09	163.34	168.76
19.PONDICHERRY (U.T.)	0.22	0.25	0.10	0.16	0.23	0.30	0.24	0.27	0.30	3.95
20.PUNJAB	1.67	2.04	1.76	6.08	5.06	1.14	1.36	1.09	1.09	-5.19
21.RAJASTHAN	1.56	1.74	1.58	0.31	2.93	7.99	9.78	7.08	4.56	14.35
22.SIKKIM	0.64	0.59	0.32	0.83	0.17	0.77	0.79	0.86	0.45	-4.31
23.TAMIL NADU	11.53	13.64	20.04	15.59	17.74	16.82	18.13	13.25	14.83	3.20
24.TRIPURA	~	~	~	~	~	~	~	~	~	~
25.UTTAR PRADESH	1.10	2.56	2.68	2.69	2.89	2.74	0.87	0.81	1.08	-0.23
26.WEST BENGAL	0.46	0.59	0.44	0.45	0.48	0.53	0.57	0.54	0.55	~
TOTAL (state wise)	97.36	60.95	125.91	129.28	145.98	140.38	181.75	140.29	305.12	15.35

Table 4.19

All States : Surpluses and Reserves										
(Rs. In Crore)										
STATE / YEAR	1990-91	1991-92	1992-93	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99	CARG (%)
1.ANDHRA PRADESH	1155.48	1414.31	1758.11	1478.56	1431.53	2154.68	2526.33	2883.88	1637.29	4.45
2.ARUNACHAL PRADESH	2.91	5.49	7.76	9.95	18.85	24.55	26.01	23.62	23.62	29.92
3.ASSAM	52.61	62.63	69.63	80.78	92.54	110.14	145.54	192.55	201.53	18.28
4.DELHI (U.T.)	1278.88	1512.85	1764.51	1890.90	1842.48	2580.14	2995.66	3632.10	3936.47	15.09
5.GOA	7.74	10.00	13.07	15.78	25.77	32.79	45.41	61.53	61.89	29.68
6.GUJARAT	620.70	787.57	990.92	1233.80	1568.37	1827.43	2141.03	3265.10	3406.39	23.72
7.HARYANA	104.78	129.14	140.38	177.25	268.95	309.26	394.28	422.26	432.69	19.40
8.HIMACHAL PRADESH	62.42	70.67	91.44	98.40	118.75	144.13	174.59	196.77	197.65	15.50
9.JAMMU & KASHMIR	57.62	27.88	28.42	29.14	26.04	25.73	25.78	25.49	25.41	-9.73
10.KARNATAKA	725.13	855.58	852.86	967.98	1073.20	1209.08	1894.62	2128.32	2447.61	16.42
11.KERALA	167.83	164.47	212.22	301.40	389.09	555.32	677.82	778.53	943.34	24.09
12.MADHYA PRADESH	69.14	78.86	105.30	141.00	173.34	258.50	281.44	286.32	276.52	18.92
13.MAHARASHTRA	955.01	1217.28	1308.53	1644.09	2137.17	2570.40	3080.73	4557.96	5546.14	24.59
14.MANIPUR	1.79	6.00	6.14	6.54	7.35	7.17	6.75	6.68	6.40	17.26
15.MEGHALAYA	35.26	3.78	5.36	5.57	5.69	7.56	9.45	8.55	9.45	-15.18
16.MIZORAM	0.57	0.53	0.73	3.76	2.72	3.62	4.01	9.06	4.23	28.47
17.NAGALAND	0.67	0.67	0.67	0.67	0.68	0.68	0.68	0.68	1.30	8.64
18.ORISSA	66.93	66.43	96.24	96.81	137.76	328.10	529.58	671.38	669.29	33.35
19.PONDICHERRY (U.T.)	5.98	32.11	34.65	57.59	58.38	60.38	68.12	71.74	74.92	37.16
20.PUNJAB	120.57	130.67	155.29	190.28	212.44	191.74	221.42	253.81	233.52	8.61
21.RAJASTHAN	150.88	175.72	345.07	254.43	311.61	506.43	659.15	781.50	927.68	25.49
22.SIKKIM	13.27	12.25	12.85	12.97	12.91	15.89	16.44	17.72	19.73	5.08
23.TAMIL NADU	433.35	743.10	1025.57	1288.94	1737.41	2177.95	2596.58	3039.90	2560.23	24.86
24.TRIPURA	14.39	16.75	18.22	19.09	18.86	20.24	22.21	21.52	23.93	6.56
25.UTTAR PRADESH	3018.88	3304.21	3806.88	4330.60	5096.54	5942.32	7184.95	8432.79	10095.52	16.29
26.WEST BENGAL	140.60	182.01	207.54	234.37	283.99	290.71	316.98	640.37	709.11	22.42
TOTAL (state wise)	9263.39	11010.96	13058.36	14570.65	17052.42	21354.94	26045.56	32410.13	34471.86	17.85

Table- 4.20
No. of State PSUs-(All India)

State/UT	Financial	Manufacturing	Promotional	Trade & Service	Utility	Welfare	Total
Andhra Pradesh	2	18	12	4	3	1	40
Arunachal Pradesh							4
Assam	2	22	9	2	3	4	42
Delhi (U.T.)	2		1	1	3	1	8
Goa	1	6	4		1	1	13
Gujarat	5	9	12	4	4	3	37
Haryana	1	7	5	7		2	22
Himachal Pradesh	2	6	4	2	2	1	17
Jammu & Kashmir		7	5	1	1		14
Karnataka	3	41	15	6	9	4	78
Kerala	6	64	16	5	4	7	102
Madhya Pradesh	2	9	5	2			18
Maharashtra	2	15	22	1	4	4	48
Manipur	1	7	2		1		11
Meghalaya	1	6	3	2	2		14
Mizoram	1	2	1	1	2		7
Nagaland	1	2		1			4
Orissa	2	8	11	2	4		27
Pondicherry (U.T.)	1	3	1	1	1	3	10
Punjab	3	3	4	9	2	3	24
Rajasthan	2	9	4	3	4		22
Sikkim	2	2		2		1	7
Tamil Nadu	6	21	11	4	22	3	67
Tripura	1	5	3		1	2	12
Uttar Pradesh	3	19	12	3	5	8	50
West Bengal	1	32	6	2	8		49
Total	53	323	168	65	86	48	747
%age (All India)	7.13	43.47	22.61	8.75	11.57	6.46	

Table- 4.21
TOTAL INVESTMENT- (ALL INDIA)

(In Rs. Crore)

Year/Sector	Financial	Manufacturing	Promotional	Trade & Service	Utility	Welfare	Total
1990-91	16864.43	8524.73	2991.71	816.27	48247.23	285.42	77729.79
1991-92	22279.25	9462.54	3242.61	985.45	54663.13	350.42	90983.40
1992-93	25764.38	10689.26	4082.73	1038.81	60687.70	407.68	102670.56
1993-94	25885.52	12437.01	3850.15	1005.13	68083.45	495.63	111756.89
1994-95	25628.52	14405.33	4167.38	1055.03	77151.16	724.29	123131.71
1995-96	30389.77	15414.17	5354.29	1199.50	83090.35	851.80	136299.88
1996-97	32527.56	15746.81	11009.41	1222.19	90385.56	1042.88	151934.41
1997-98	33441.14	16970.08	14971.45	1478.01	102679.28	1198.58	170738.54
1998-99	31293.77	21219.45	17941.92	2367.38	122884.17	1347.08	197053.77
CARG	8.03	12.07	25.10	14.24	12.40	21.41	12.33

Table- 4.22
NET PROFIT- (ALL INDIA)

(In Rs. Crore)

Year/Sector	Financial	Manufacturing	Promotional	Trade & Service	Utility	Welfare	Total
1990-91	276.10	-423.06	-14.97	1.83	-755.78	-22.54	-938.42
1991-92	144.72	-593.51	-99.54	41.27	-125.83	0.99	-631.90
1992-93	585.68	-614.94	-100.41	21.90	-218.54	12.35	-313.96
1993-94	338.11	-513.43	-66.83	110.02	-215.34	6.44	-341.03
1994-95	602.65	-392.81	6.79	102.74	111.20	3.20	433.77
1995-96	922.27	-855.17	11.36	192.30	-126.69	7.07	151.14
1996-97	705.96	-830.24	37.83	42.44	-1726.89	3.39	-1767.51
1997-98	535.68	-431.39	20.65	127.09	-2101.42	3.88	-1845.51
1998-99	153.12	-597.49	-198.84	85.36	-2824.27	6.25	-3375.87
CARG	-7.10	4.41	38.17	61.66	17.91	-	17.35

Table- 4.23
TOTAL REVENUE EARNED- (ALL INDIA)

(In Rs. Crore)

Year/Sector	Financial	Manufacturing	Promotional	Trade & Service	Utility	Welfare	Total
1990-91	1876.01	6306.68	2284.13	4867.62	20602.46	155.26	36092.16
1991-92	2306.17	7493.63	2503.73	5673.32	24805.59	183.64	42966.08
1992-93	2959.71	8417.54	2626.51	6242.60	29487.03	188.47	49921.86
1993-94	3366.04	9651.20	2481.08	6520.64	35793.00	193.29	58005.25
1994-95	3613.41	11548.11	2838.56	6438.09	42584.84	215.95	67238.96
1995-96	4274.12	11860.11	3308.61	7600.10	50868.68	269.00	78180.62
1996-97	5016.57	12717.46	3450.73	11258.34	56584.78	305.23	89333.11
1997-98	5626.00	15277.65	3555.04	11428.16	67202.24	405.19	103494.28
1998-99	4907.80	15796.31	3752.35	12405.02	74148.75	527.36	111537.59
CARG	12.77	12.16	6.40	12.40	17.36	16.51	15.15

Table- 4.24
NET WORTH- (ALL INDIA)

(In Rs. Crore)

Year/Sector	Financial	Manufacturing	Promotional	Trade & Service	Utility	Welfare	Total
1990-91	4542.24	744.46	1105.55	954.98	7082.97	125.16	14555.36
1991-92	5026.69	417.78	1046.73	408.79	9829.17	340.33	17069.49
1992-93	5564.99	608.32	1066.58	434.51	13765.88	392.19	21832.47
1993-94	6284.97	976.94	1055.27	500.12	17033.07	480.23	26330.6
1994-95	5823.33	957.01	1309.29	639.63	22412.07	670.70	31812.03
1995-96	6918.37	1006.32	2198.51	773.24	27076.34	813.94	38786.72
1996-97	7406.40	681.25	3017.01	759.05	28562.11	889.59	41315.41
1997-98	9032.62	1352.10	4168.23	958.10	31949.08	1020.04	48480.17
1998-99	9863.31	1577.45	6820.58	1012.24	33113.06	1177.92	53564.56
CARG	10.18	9.84	25.54	0.73	21.26	32.34	17.69

Chapter 5

Rate of Return for State Public Sector Undertakings

The State Public Sector Undertakings constitute an important segment of the public enterprise system in India. An attempt has been made in this Chapter to analyse the issue of prescribing benchmark rates of returns for the State PSUs. The actual performance of these enterprises against the suggested yardstick has also been discussed in the present Chapter. In order to achieve the objective set out, the State PSUs have been classified into certain broad categories and investments therein have been specified category-wise. A framework for evaluating their financial performance has been formulated and the financial performance of the State PSUs has been indicated sector-wise in pursuance of such an exercise. The origins of these enterprises and the importance of the rate of return for them have also been discussed in this context.

Significance of Rate of Return

5.2 The State PSUs have become a potent tool in the hands of State Governments to implement the public policy and account for a significant share of State capital outlays. Any public enterprise, to attain a state of maturity, has to pass through three stages of growth. In stage one, it has greater responsibilities towards the fulfillment of political goals than the economic objectives. In stage two, it has to balance the political objectives with the economic objectives. Finally in stage three, it has to overcome the constraints imposed by the socio-political goals and manage its affairs on commercial lines.

5.3 There is a view that the 'public' role of State PSUs is much more important as compared to their 'enterprise' role, and therefore, these enterprises should not bother themselves about the rate of return on their investments. According to this school of thought, the history of these enterprises indicates that most of them have been set up to fulfill the social or welfare roles. But an objective analysis shows that these enterprises need to concern themselves with the rate of return as much as the other economic enterprises, since the objectives outlined while launching them always included their earning a surplus. The successful implementation of the promotional and welfare roles would itself become easy and efficient if these enterprises earn a rate of return regularly so that, in course of time, they stand on their own, expand their activities, reduce their dependence on government and other institutions. In short, they could serve the society to their best only if they are financially profitable.

In fact, it could be argued that no State PSU in the country should be exempted from earning a positive rate of return. However, in saying this it is not intended to suggest that all the State PSUs should earn a uniform rate of return. Of course, due credit has to be given to the nature of the State PSUs.

5.4 It is, therefore, suggested that for all the State PSUs in the country a broad financial goal may have to be evolved along a scale, of which the one end may compel them to keep the net worth intact while the other end would make them increase net worth to its maximum. The enterprises with larger social and political objectives may be asked to keep the net worth intact while the State PSUs with minimal social objectives would have to maximise their net worth rapidly to become self-reliant and growing.

5.5 The classification of State PSUs is an onerous task. Their widely differing nature, lack of commonality in objectives and disparate origins are the major contributory factors to the complexity of the task. Some efforts have been made to classify these enterprises. The State bureau of public enterprises in Andhra Pradesh, Karnataka, Rajasthan, Kerala and Tamil Nadu, classify their enterprises in various categories. The classification of the State PSUs in Andhra Pradesh has undergone changes from departmental basis to the nature of activity basis. In the case of Karnataka and Tamil Nadu, the classification of the State PSUs has been attempted on the central pattern wherein the enterprises have been divided into two major categories, viz., enterprises producing goods and services, and enterprises engaged in trading and marketing.

5.6 In Rajasthan, the State PSUs have been categorised in terms of the forms of organisation. The Kapoor Committee report on the State PSUs (Ministry of Home Affairs, Government of India, New Delhi, 1977) suggested a thirteen-fold activity classification. The academic research on State PSUs has adopted the classification followed by the central Bureau of Public Enterprises.

5.7 Any effort to classify the State PSUs should have in the backdrop the motives or objectives for making such an attempt. The purpose for classifying the State PSUs may range from suggesting the rate of return and the extent of subsidy to understanding their organisation and evolving of appropriate control structures. In each case the approach to the classification matrix will be different. In so far as the rates of return are concerned, it seems appropriate to classify the State PSUs, as

manufacturing, trading and services, financial, promotional, welfare and utility entities.

5.8 For specifying the optimal or the benchmark rates of return for State PSUs, the following parameters need to be taken into consideration:

- i) The rate of return on an average should be similar as in the case of any private sector organisation;
- ii) The rate of return should enable the State PSUs to keep their net worth intact or maximise it as the case may be; and
- iii) Average level of performance of group of enterprises falling under each category.

Manufacturing Enterprises

5.9 It is very difficult to fix the optimal rate of return as the products manufactured by these enterprises cover a wide spectrum of goods from consumer durables to electrical equipment, and engineering goods to consumer products like soap, detergents, textiles. In the private sector, the average rate of return of these industries vary widely as the risks involved in each sub-category of industry is different. For example, electrical industries that tend to be highly profitable are associated with the high risk of their turning out to be loss making if they do not upgrade the technology or keep their market prices competitive. Industries such as cement, sugar and textiles have a low profitability but have less risk and greater possibility of consistent performance. A study of the profitability of manufacturing enterprises in the public sector proves that such expectations are real. There are units with highly profitable potential and there are many more with very low profitability. This is not surprising as many of the State PSUs in the manufacturing sector were originally profit-making industries which became sick and were taken over as sick industries.

5.10 Secondly, some of the State PSUs under the manufacturing category started off with disabilities, as they were located in inappropriate places and were provided with technologies that were outdated. Some were set-up with sizes that are sub-optimal. Furthermore, in this sector, there are a number of enterprises that have not gone into full production and overcome their initial teething problems. Given these variations, it would be improper to suggest rate of return on the basis of observed situations. It appears proper to suggest the optimal rate of return that one sees in the private sector. Normally in various price fixations by the Bureau of Industrial Costs

and Prices, the rate of return is taken as 12 to 15 per cent on the net assets. The rate of return for manufacturing enterprises may therefore be fixed at 12 per cent before payment of interest and taxes. It is worth noting that the central public enterprises as a whole have been able to show rate of return on capital employed of a little over 12 per cent consistently from 1980. During 2000-01, the rate of return on capital employed was around 15 per cent.

Trading & Service Enterprises

5.11 In the State PSUs falling under this category there is a wide range of capital structures. Normally, in the private sector much of the funds required for trading would be obtained as short-term capital from the commercial banks and the equity capital would be kept low. However, there is a tendency in some of the States to provide government funds in the form of equity for such operations. In such conditions, when there are more than the required funds, the profit margin on the working capital would also go to the advantage of the enterprises.

5.12 Generally, enterprises in the private sector engaged in the trading operations act in a manner so as to cover the interest on borrowings, their operational costs plus earn a margin of profit. However, in case of enterprises in the public sector engaged in similar operations, even a small profit margin would tend to increase PBIT due to their low debt-equity ratio. However, the PBIT of such public enterprises would tend to get reduced if they are entrusted with additional responsibilities. It may therefore be reasonable to assume a rate of return of 10 per cent on PBIT of trading and service enterprises.

5.13 For instance, in most of the states, the trading enterprises were made to take up the marketing or support price operations in different commodities on *ad hoc* basis. If these tend to be successful, there would be years of high profitability followed by years of loss position in the trading enterprises. Very limited attempts in the direction of tax planning and profit planning have been made in these enterprises to find out such variations in profitability.

Financial Enterprises

5.14 One would normally suggest that the rate of return should be kept at a level where it is able to cover the interest charges and operational costs and earn at least one per cent on the turnover. If we assume a ratio of 1:4 as long term investment to

borrowing in short term, it would give them the possibility of turnover of four times of the equity and if this turnover is twice in a year, the turnover would be equal to ten times the total investment. One per cent surplus after meeting the expenses including interest on short-term borrowings would give them 10 per cent rate of return. For example, if the equity provided by the government is Rs.100, the company can have the borrowing capacity of Rs.400, Rs.500 as the volume of the business and if the turnover is twice in a year, it would be Rs.1000 and one per cent return on this would be Rs.10. Hence, rate of return for this sector is fixed at 10 per cent on investment. Only the State Industrial Development Corporations (SIDCs), State Financial Corporations (SFCs) and certain other solely financing enterprises have been included in the analysis. In this kind of enterprises, the objective is to attract institutional finances, keeping the investment from the government and long-term borrowing with safe margin. In the SIDCs and SFCs the refinancing is to the extent of five times the owned capital and there is no possibility of turning over the investment within the year. The margin allowed in the refinancing operations is about 3 per cent. The total, an enterprise could earn after the administrative expenses is kept at 50 per cent of the margin, i.e., 1.5 per cent which would make a return of PBIT of 9 per cent.

Promotional Enterprises

5.15 The operations of the enterprises under this category involve some commercial activities. For example, the Fisheries Development Corporations get a margin, given by the difference between the purchase price and sale price of the fish. But these enterprises have to provide higher return to the producer than what is normally allowed in the market while they have to sell the fish at a cheaper price. The Small-Scale Industrial Development Corporations would also have similar constraints in increasing the profitability as the primary objective of these Corporations is to supply raw materials to the small-scale units. It is, therefore, not surprising to find that promotional enterprises have highly varying profitability. The debt-equity ratio in case of these enterprises is generally 1:1. While the return on the debt portion may be taken as 12 per cent, the return on equity may be kept at 4 per cent. The optimal rate of return on PBIT by the promotional enterprises may therefore be taken as 8 per cent, that is an average of the rates of return on the debt and the equity components.

Welfare Enterprises

5.16 Welfare enterprises are essentially executive wings of the government departments and they are expected to earn a profit to provide efficient service to the targeted area or population. It is unfortunate that, in many cases, the costs of the administration are met by the capital provided by the State Governments. The government capital provided to the welfare enterprises forms the basis on which they borrow from the institutions and channel it to the beneficiaries. We may assume that welfare enterprises on an average would get funds in the ratio of 1:1 as debt-equity. Assuming further that these enterprises are not expected to earn any return on equity and need to service the debt at 10 per cent, the benchmark rate of return on PBIT may be fixed at 5 per cent. This would enable the welfare enterprises to keep their net worth intact.

Utility Enterprises

5.17 The utility category of enterprises comprise of the State Road Transport Corporations and the State Electricity Boards. The Venkataraman Committee (1964) on power sector suggested a rate of return of 3 per cent (Profit Before Tax-PBT) on investments in the sector in view of factors like high capital intensity, forward and backward linkages and social purpose to be served by these enterprises. This works out to a 12 per cent (Profit Before Interest and Taxes-PBIT) rate of return in the normal course. The Rajyadhyaksha Committee (1980), also known as the Committee on Power, re-endorsed the point of view of the Venkataraman Committee. As a sequel to economic reforms, the Independent Power Producers' (IPPs) were allowed to earn a rate of return of 16 per cent on investments at a capacity utilisation of 68 per cent that was to go up by half a per cent for every 2 per cent increase beyond the 68 per cent utilisation level. The IPPs were allowed to have a different debt-equity mix, sources of finance, productivity and output benchmarks. They were also given the dispensation of supplying power to relatively economically stronger group of consumers. Thus, the Venkataraman Committee's benchmark of 3 per cent return on PBT or 12 per cent return on PBIT still holds its relevance (being the opportunity cost of funds and providing relief of 4 per cent to these enterprises as against the IPPs to compensate against their social obligations).

5.18 Table-5.1 shows a matrix of optimal rates of return for each category of State PSUs for various parameters.

Table-5.1
Optimal Rates of Return for State PSUs

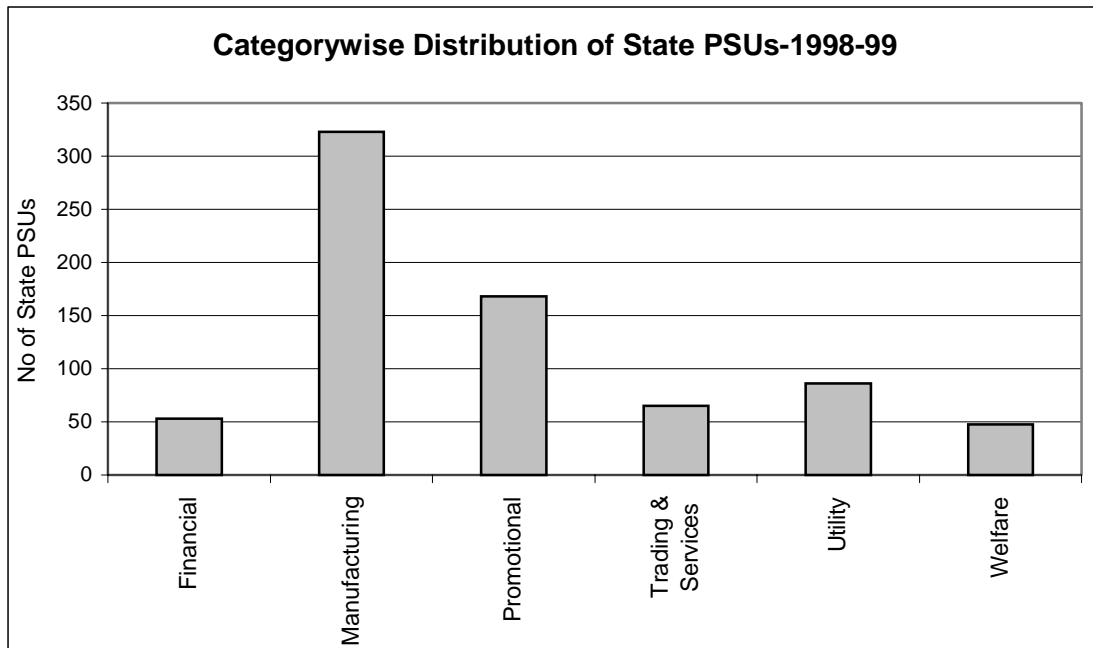
Parameter/Category	Manufacturing	Trading and Services	Financial	Promotional	Welfare	Utility
Debt-Equity Ratio	-	1:4	1:5	1:1	1:1	-
Rate of Interest on Debt	-	-	-	12%	10%	-
Rate of Return on Equity	-	-	-	4%	-	-
Spread of Interest	-	-	3%	-	-	-
Turnover (no. of times)	-	2	6	1	1	-
Operational Expenses	-	-	50%	-	-	-
Minimum Rate of Profit per Turnover	-	1%	3%	-	-	-
PBIT	12%	10%	9%	8%	5%	12%*

*Corresponds to a rate of return of 3 per cent in terms of PBT.

Sectoral Analysis of Rates of Return of State PSUs

5.19 The State PSUs have been divided into six categories viz., manufacturing, trading & services, financial, promotional, welfare and utility enterprises. It may be noted that the State PSUs (data as available and given in table 4.20), comprised 323 manufacturing, 65 trading & services, 53 financial, 168 promotional, 48 welfare and 86 utility enterprises. This makes it clear that about 43 per cent of the State PSUs have been set up to promote the entrepreneurial role of the State to fill in the void arising out of absence of private sector initiatives. Further about 9 per cent of the State PSUs are undertaking the trading operations. About 7 per cent of the enterprises are engaged in financial operations. The promotional and welfare enterprises, numbering 216 constituted about 29 per cent of the total enterprises indicating thereby that the State PSUs have been largely expected to play the role of a catalyst in accelerating the pace of economic development. In other words, the evaluation of the performance needs to be judged not only by profit making yardsticks but also in terms of the fulfillment of non-financial goals, if any, laid down for them. Categorywise distribution of State PSUs is illustrated in the bar diagram (Fig.5.1).

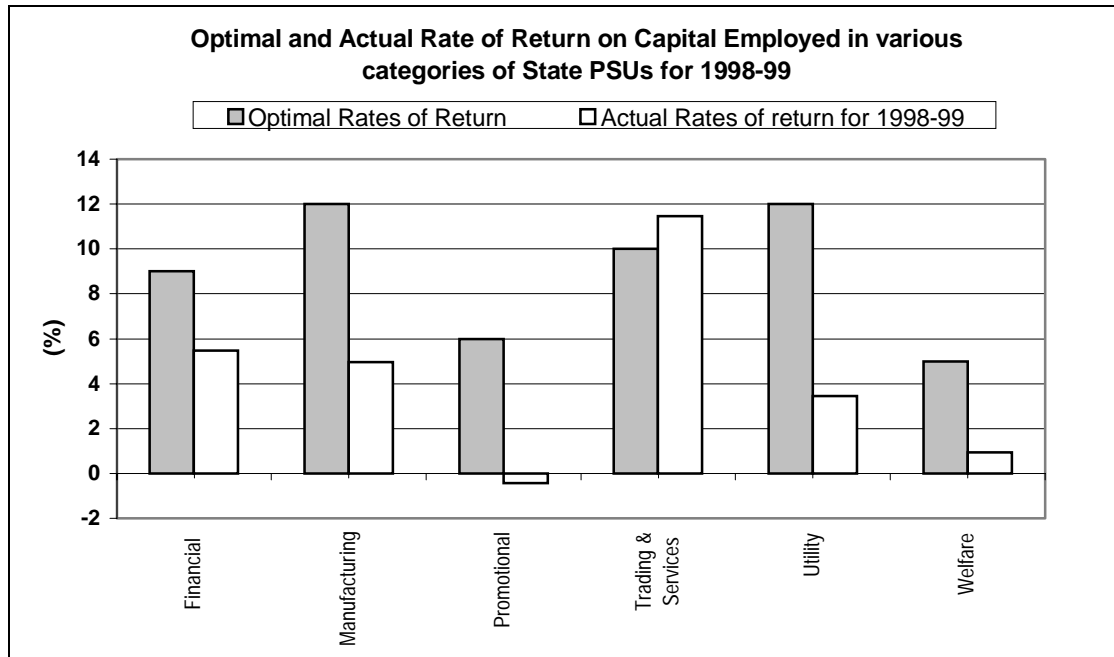
Figure No.5.1



5.20 The pattern of setting up the State PSUs in the various States reveals that some States opted for them to initiate in a very large measure the entrepreneurial activities. Assam, Goa and Rajasthan had 52 per cent, 46 per cent and 41 per cent manufacturing enterprises respectively in their portfolio of the State PSUs. Andhra Pradesh, Goa, Gujarat, Jammu & Kashmir, Maharashtra, Orissa, Pondicherry, Tripura and Uttar Pradesh have around one-third or more than one-third of their enterprises in the categories of promotional and welfare enterprises.

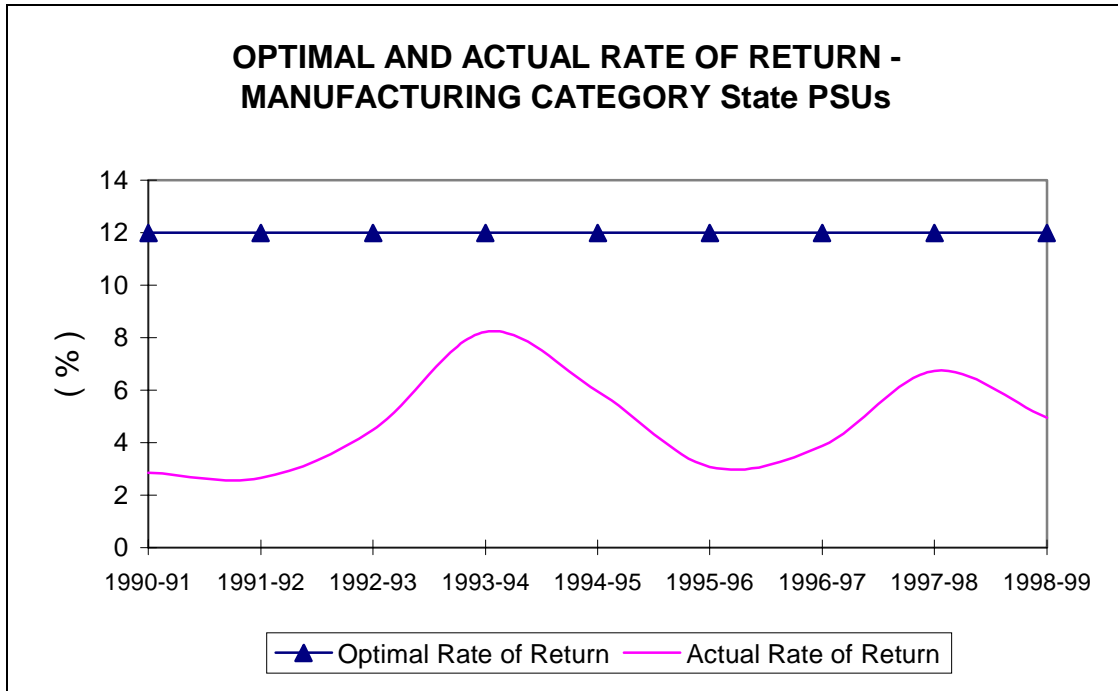
5.21 As noted earlier, all the State PSUs taken together in different years of the study were not able to earn the expected return on investment. Sectorally, the position was not different. Taking all the States together, the rate of return realised by different categories of enterprises is illustrated in Fig.5.2. However, it may be worthwhile to examine in more detail the sectoral performance of the State PSUs with regard to the indicators for the rate of return evolved by us in the previous section of the study.

Figure 5.2



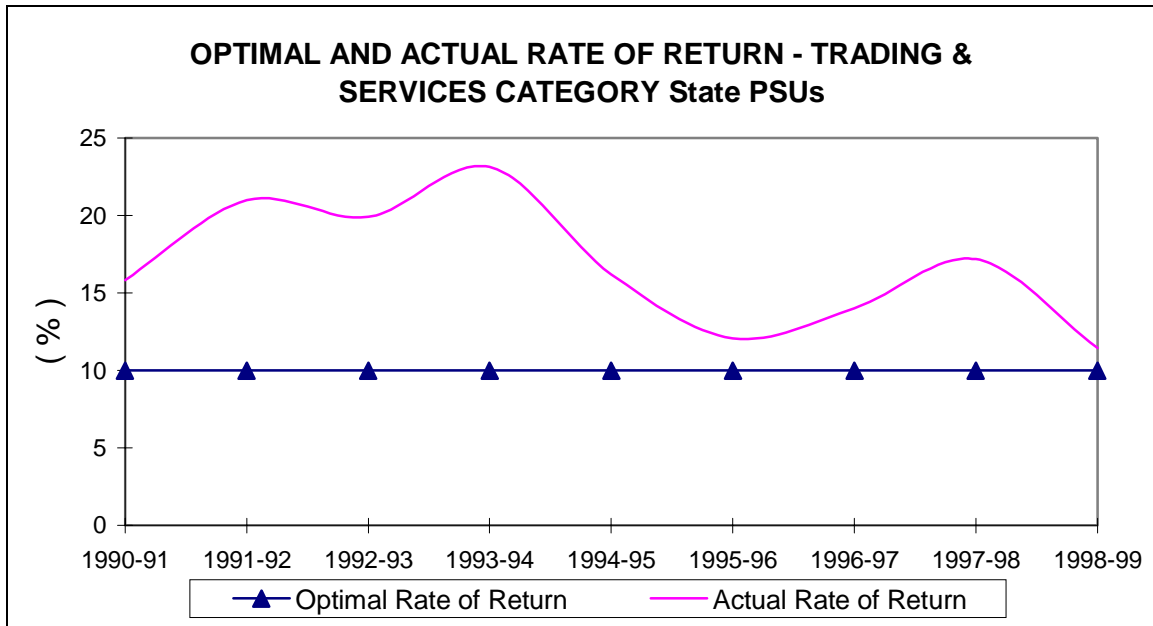
5.22 The benchmark rate of return for the manufacturing State PSUs is 12 per cent per annum on their investment. Table-5.2 shows that Andhra Pradesh, Himachal Pradesh, Jammu & Kashmir, Karnataka, Maharashtra, Manipur, Mizoram, Rajasthan, Tripura, Uttar Pradesh and West Bengal could not achieve this rate of return. This category of enterprises could surpass the benchmark rate of return consistently only in Gujarat and Haryana. Manufacturing enterprises in Assam, Gujarat, Haryana, Karnataka, Meghalaya, Rajasthan, Sikkim and Tamil Nadu earned a positive rate of return throughout the period of the Study. On the other hand, such enterprises in Jammu & Kashmir, Manipur, Tripura and West Bengal (except in 1993-94) earned a negative rate of return throughout the period under consideration. The rate of return yielded by the manufacturing enterprises over the period 1990-91 to 1998-99 is illustrated in Fig.5.3.

Figure No 5.3



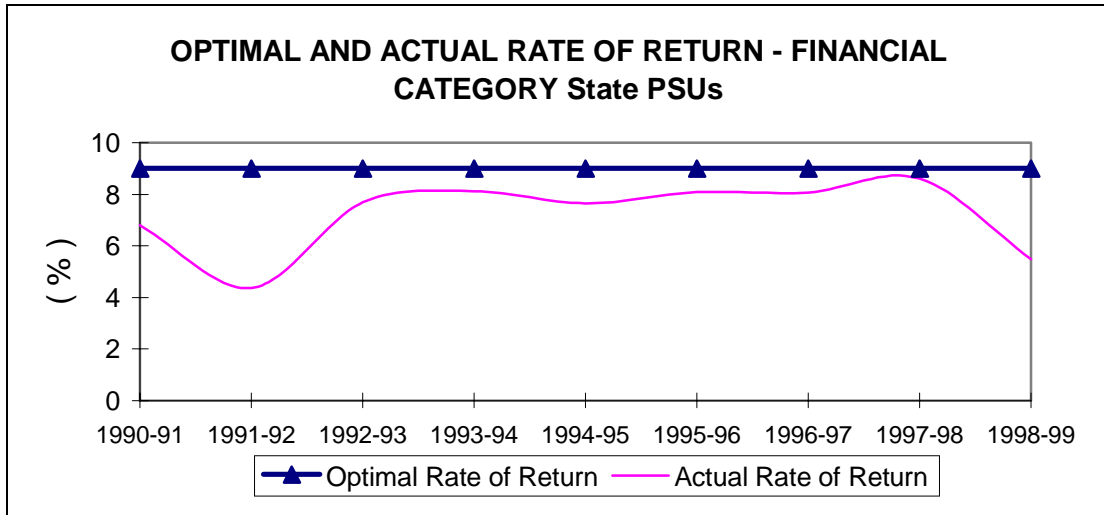
5.23 The enterprises in trading & services category need to earn an optimum rate of return of 10 per cent per annum on their investment. The study of the financial performance of these enterprises as disclosed by Table-5.3 points out that this category of enterprises touched the benchmark in Andhra Pradesh, Delhi, Gujarat, Haryana, Karnataka, Madhya Pradesh, Maharashtra, Pondicherry, Punjab, Sikkim, Tamil Nadu, Uttar Pradesh and West Bengal. Enterprises in the trading and services category in Andhra Pradesh, Gujarat, Haryana, Himachal Pradesh, Karnataka, Kerala, Madhya Pradesh, Maharashtra, Punjab, Rajasthan, Sikkim and Tamil Nadu earned a positive rate of return throughout the period of the study. Some States showed a mixed trend of attaining the benchmark and then relapsing into loss making. In many States, the profits earned by trading and services enterprises exceeded the benchmark of 10 per cent. This points to the possibility of under performing enterprises catching up with the norm of 10 per cent by following the best practices of the relatively more successful public enterprises. However, an increase in turnover and control of costs, among other things, could be the two palliatives which could facilitate the attainment of this 'target' return by the under performing enterprises. The rates of return yielded by the enterprises in the trading and services category are illustrated in Fig. 5.4.

Figure No 5.4



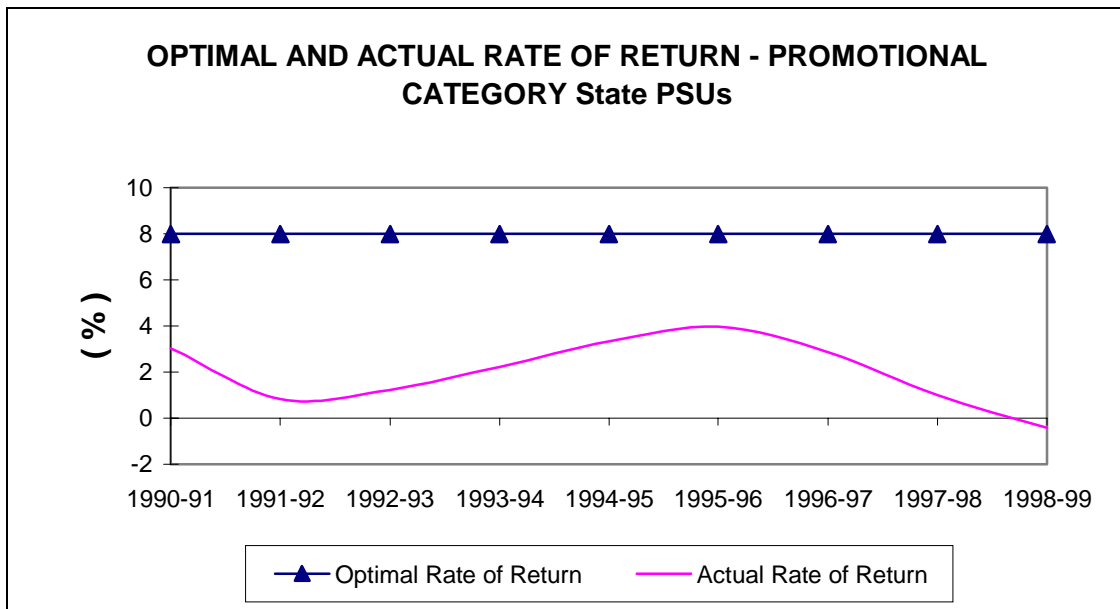
5.24 The financial category of enterprises are expected to earn a rate of return of 9 per cent on their investment. The actual returns earned by them as given in Table-5.4 show that such enterprises in Andhra Pradesh, Delhi, Goa, Haryana, Kerala, Pondicherry, Punjab, Sikkim, Tamil Nadu, Tripura and Uttar Pradesh touched the benchmark rate of return. West Bengal is the only major State where the realized rate of return in financial enterprises has been consistently negative over the Study period. The variation in rates of return across the financial category of enterprises suggests the possibility of under performing enterprises improving their performance to reach the benchmark rate of return. The rates of return yielded by the enterprises in the financial category are illustrated in Fig.5.5.

Figure No 5.5



5.25 The promotional State PSUs are expected to earn a rate of return of 8 per cent per annum. However, in practice as shown in Table-5.5, this category of enterprises could not reach the benchmark in most of the states. The performance of promotional enterprises in Delhi, Goa, Gujarat and Uttar Pradesh was relatively better as the rate of return realized by these enterprises exceeded the benchmark in a number of years. It is suggested that the under performing enterprises in this category may first make their operations profitable and in the second stage should try to reach the optimal rate of return. The rates of return yielded by the enterprises in the promotional category are illustrated in Fig. 5.6.

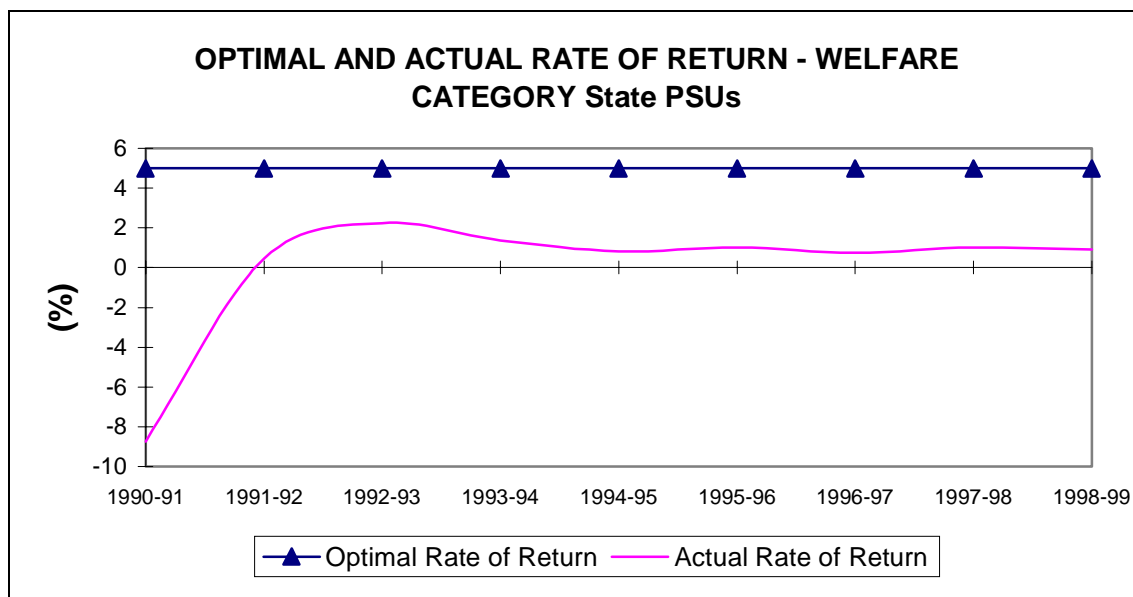
Figure No 5.6



5.26 The welfare enterprises have to perform the public role in greater proportions than the enterprise role. The optimal rate of return on investment for these enterprises is 5 per cent per annum. Table-5.6 shows that the benchmark rate of

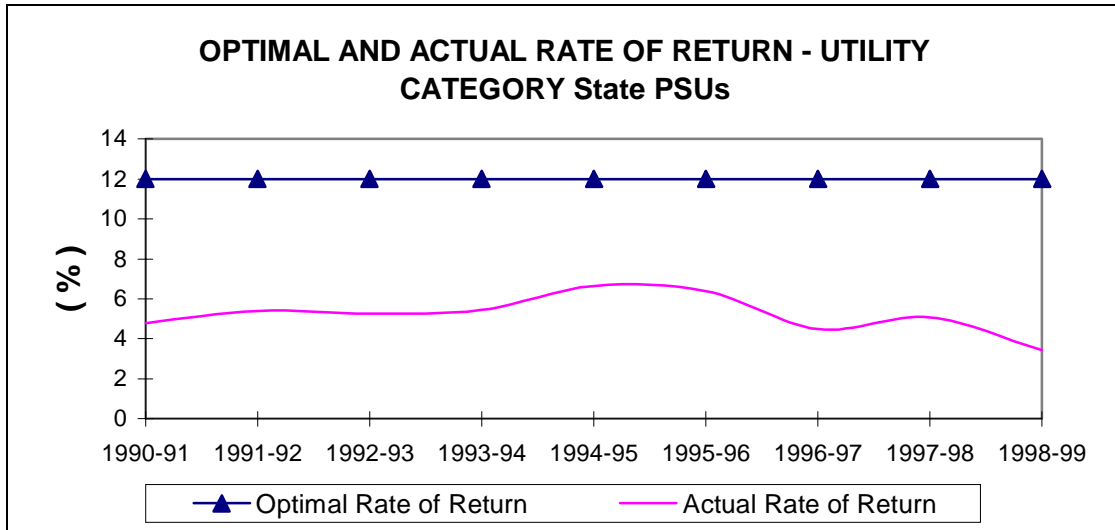
return was not achieved by most of the states. However, Gujarat did exceedingly well followed by Delhi. Pondicherry showed a mixed trend. The rates of return yielded by the welfare category of enterprises over the period 1990-91 to 1998-99 are illustrated in Fig.5.7.

Figure No 5.7



5.27 The utility enterprises should earn a rate of return of 12 per cent. Table-5.7 shows that Andhra Pradesh, Gujarat, Himachal Pradesh, Karnataka, Kerala, Maharashtra, Pondicherry, Punjab, Rajasthan, Tamil Nadu and Uttar Pradesh are the States where Utility enterprises have consistently showed a positive return although the returns have generally been below the benchmark rate. Delhi, Mizoram and Tripura experienced a consistently negative rate of return in case of the Utility enterprises. Other States exhibited a mixed trend. The power sector enterprises within the utility enterprises among other things, need to cut line losses, improve their T&D segment, readjust their labour force, bring their tariffs in line with costs and improve the productivity of the personnel. The road transport corporations need to improve their bus-staff ratio, occupancy ratio, fleet management and estate management practices. The innovative involvement of private sector in the fleet could also improve their earnings. The rates of return yielded by the utility category of enterprises over the period 1990-91 to 1998-99 is illustrated in Fig. 5.8.

Figure No.5.8



Summing up

5.28 The foregoing analysis of the profit-performance of the State PSUs shows that there is every possibility of their turning the corner. In each of the six categories of enterprises there are best, average and low performers. The enterprises in the last two categories need to devise strategies to either rise to the level of the best performing enterprises or such enterprises need to be disinvested.

5.29 The State PSUs, in order to achieve the optimal rate of return and emerge as net profit earners, would have to increase return on investment (ROI). Enterprises would have to initiate action that would help them in improving their margin and turnover. Some suggestions to improve the working of the State PSUs are discussed in Chapter 7.

Table 5.2 State-wise Rate Of Return Of Manufacturing Category PSUs

(Per Cent)

STATE / YEAR	1990-91	1991-92	1992-93	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99
ANDHRA PRADESH	-2.36	-5.62	-2.08	5.90	5.33	-1.16	-0.43	10.74	6.00
ARUNACHAL PRADESH	-	-	-	-	-	-	-	-	-
ASSAM	12.61	11.88	11.21	7.71	4.37	11.86	3.43	14.37	11.80
DELHI (U.T.)	-	-	-	-	-	-	-	-	-
GOA	-4.73	4.20	6.09	4.15	22.73	1.51	-1.39	10.62	-10.88
GUJARAT	17.97	28.45	33.85	32.62	25.85	25.97	34.85	31.86	26.40
HARYANA	26.34	34.12	30.87	26.40	20.71	17.79	24.07	20.70	15.60
HIMACHAL PRADESH	-6.34	-3.87	-1.89	5.38	10.88	9.39	0.46	3.08	0.10
JAMMU & KASHMIR	-10.26	-6.58	-16.60	-10.56	-11.13	-16.22	-16.14	-21.55	-5.53
KARNATAKA	5.89	9.38	7.25	10.47	9.42	10.86	4.15	2.58	2.81
KERALA	29.83	29.29	-126.95	-34.58	-8.80	0.23	-2.39	-2.98	1.41
MADHYA PRADESH	18.23	18.37	25.86	12.69	6.95	0.60	4.94	-3.40	-3.48
MAHARASHTRA	-2.16	-5.76	-4.91	0.59	3.21	2.39	0.76	-4.66	-5.34
MANIPUR	-3.16	-1.15	-7.17	-9.97	-8.85	-18.14	-18.53	-19.76	-15.90
MEGHALAYA	5.41	12.27	4.09	5.45	14.24	16.96	18.71	6.63	5.12
MIZORAM	0.00	0.38	3.12	3.85	4.97	9.23	5.14	5.68	3.28
NAGALAND	-	-	-	-	-	-	-	-	-
ORISSA	-5.37	6.21	4.99	-1.46	7.74	22.64	15.68	13.55	-0.80
PONDICHERRY (U.T.)	18.51	13.34	10.05	0.58	-1.13	-13.44	-14.98	-17.90	-15.23
PUNJAB	14.47	9.76	2.42	5.92	16.69	-13.53	-14.44	-5.43	-5.43
RAJASTHAN	2.27	4.35	3.00	5.68	4.07	4.73	5.14	3.68	3.89
SIKKIM	12.75	8.53	6.89	8.94	2.38	4.84	8.26	9.52	8.45
TAMIL NADU	19.98	20.67	21.91	24.23	13.21	13.23	10.46	8.11	8.07
TRIPURA	-15.98	-15.80	-12.26	-10.29	-12.95	-7.99	-8.38	-10.14	-9.36
UTTAR PRADESH	0.49	-3.29	-3.11	-0.63	2.05	-8.09	-12.78	6.04	3.23
WEST BENGAL	-8.03	-10.58	-7.68	3.89	-11.57	-3.01	-4.61	-6.21	-13.26
ALL INDIA	2.85	2.65	4.48	8.23	5.95	3.07	3.87	6.73	4.95

Table 5.3 State-wise Rate Of Return OF T & S Category PSUs

(Per Cent)

STATE / YEAR	1990-91	1991-92	1992-93	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99
ANDHRA PRADESH	13.96	19.08	11.87	9.96	13.90	19.04	10.92	7.49	3.47
ARUNACHAL PRADESH	-	-	-	-	-	-	-	-	-
ASSAM	-0.89	1.04	0.00	-2.03	1.06	2.19	1.40	-0.99	1.93
DELHI (U.T.)	8.13	-0.14	1.48	0.27	0.29	5.28	30.11	30.53	22.54
GOA	-	-	-	-	-	-	-	-	-
GUJARAT	11.37	11.82	8.84	13.06	13.77	13.40	20.41	9.91	0.73
HARYANA	9.78	14.38	18.75	20.81	23.29	11.43	14.07	21.80	10.33
HIMACHAL PRADESH	2.35	7.43	6.81	6.42	9.64	8.70	9.17	10.78	6.20
JAMMU & KASHMIR	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
KARNATAKA	12.33	13.91	41.64	30.26	23.31	27.77	25.85	14.56	7.57
KERALA	3.07	1.13	7.67	7.08	8.75	7.17	8.22	7.83	6.24
MADHYA PRADESH	19.36	14.07	14.72	22.04	18.02	9.33	21.40	6.10	14.21
MAHARASHTRA	10.30	9.82	1.12	4.37	1.61	15.29	26.25	24.28	20.26
MANIPUR	-	-	-	-	-	-	-	-	-
MEGHALAYA	-4.18	-4.88	-2.96	-1.40	-0.51	-1.20	-5.39	-3.47	-1.00
MIZORAM	0.00	0.00	0.00	0.89	1.05	0.00	0.00	0.00	0.00
NAGALAND	-40.55	-40.53	-45.45	-45.39	-42.55	-42.80	-31.15	-15.58	-22.51
ORISSA	-0.05	0.00	-0.05	0.58	3.81	4.73	6.27	7.37	6.05
PONDICHERY (U.T.)	11.36	12.37	1.50	2.64	15.49	11.93	11.31	-1.64	-39.66
PUNJAB	18.91	29.50	22.50	25.06	13.61	10.91	16.47	16.07	16.06
RAJASTHAN	3.08	5.18	4.80	4.80	4.54	7.96	8.36	6.71	6.77
SIKKIM	68.29	79.42	49.66	33.87	29.55	44.93	41.67	34.09	34.09
TAMIL NADU	38.39	52.01	335.20	197.12	141.65	78.46	8.79	94.59	5.79
TRIPURA	-	-	-	-	-	-	-	-	-
UTTAR PRADESH	-5.52	-6.59	-25.44	-7.10	6.82	25.60	4.43	10.47	28.92
WEST BENGAL	36.57	16.24	-12.58	-3.12	2.82	14.02	19.08	1.51	1.51
ALL INDIA	15.84	20.98	19.91	23.12	16.21	12.07	14.01	17.18	11.47

Table 5.4 State-wise Rate Of Return Of Financial Category PSUs

(Per Cent)

STATE / YEAR	1990-91	1991-92	1992-93	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99
ANDHRA PRADESH	7.00	7.46	9.31	11.37	12.30	9.43	10.57	9.77	10.61
ARUNACHAL PRADESH	-	-	-	-	-	-	-	-	-
ASSAM	1.07	-0.79	-7.04	-5.51	-2.39	-1.36	-2.05	-5.63	-1.90
DELHI (U.T.)	12.63	4.52	12.18	14.52	15.88	12.88	12.38	15.51	10.30
GOA	0.00	0.00	0.00	18.46	4.71	14.57	16.28	8.77	3.00
GUJARAT	3.58	3.72	4.67	4.59	1.21	5.28	4.94	4.31	2.12
HARYANA	5.14	6.23	7.56	8.82	14.29	11.43	10.92	9.23	8.72
HIMACHAL PRADESH	-0.95	0.55	0.15	0.05	0.29	0.22	0.18	0.07	-1.11
JAMMU & KASHMIR	-	-	-	-	-	-	-	-	-
KARNATAKA	3.02	3.29	3.54	2.44	3.38	4.03	4.30	3.86	5.21
KERALA	7.74	8.67	16.96	19.21	15.54	26.22	13.34	10.68	12.62
MADHYA PRADESH	0.00	0.00	0.00	0.00	-0.01	0.02	0.02	0.02	0.02
MAHARASHTRA	0.20	1.02	0.74	0.75	0.68	0.67	-2.09	-0.09	-1.78
MANIPUR	5.00	1.14	7.07	-2.32	-2.70	-3.35	-62.42	-	-188.33
MEGHALAYA	0.78	0.05	0.24	0.25	0.60	2.37	2.06	1.95	0.17
MIZORAM	4.80	3.83	4.44	7.54	5.08	4.55	5.22	3.34	-0.29
NAGALAND	-6.15	-6.90	-4.71	-5.14	-5.75	-6.13	-1.48	-3.40	-1.74
ORISSA	0.42	2.02	3.80	-7.48	-14.72	4.59	-0.49	-11.97	-10.51
PONDICHERRY (U.T.)	2.83	2.84	3.73	5.93	7.93	10.12	12.55	12.78	10.96
PUNJAB	5.79	9.32	11.30	14.19	15.73	11.40	15.53	19.23	19.97
RAJASTHAN	1.12	2.05	-1.08	0.01	0.22	1.97	0.29	-0.13	-0.01
SIKKIM	1.32	1.01	0.76	1.55	1.15	9.47	40.77	5.54	5.40
TAMIL NADU	5.03	5.49	5.77	5.78	5.92	7.98	9.10	9.33	0.27
TRIPURA	2.29	0.73	7.64	8.36	16.82	32.41	88.24	5.45	9.58
UTTAR PRADESH	7.59	8.36	8.81	9.32	11.09	12.77	11.20	10.63	8.64
WEST BENGAL	-3.25	-3.91	-3.37	-4.76	-2.36	-1.38	-3.88	-0.01	-0.14
ALL INDIA	6.80	4.37	7.70	8.13	7.65	8.09	8.08	8.62	5.48

Table 5.5 State-wise Rate Of Return Of Promotional Category PSUs

(Per Cent)

STATE / YEAR	1990-91	1991-92	1992-93	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99
ANDHRA PRADESH	2.47	-0.17	1.13	1.82	-0.40	1.23	-1.36	0.22	-0.69
ARUNACHAL PRADESH	-	-	-	-	-	-	-	-	-
ASSAM	4.96	6.86	6.71	34.09	3.42	16.35	-6.48	-24.89	-25.10
DELHI (U.T.)	73.72	51.79	59.51	31.80	28.27	21.91	20.94	17.82	15.11
GOA	7.49	7.75	9.12	9.62	16.60	13.60	13.66	12.91	13.04
GUJARAT	6.05	0.40	4.68	6.27	8.62	11.90	12.50	8.88	8.69
HARYANA	0.53	1.11	1.42	-120.21	-16.12	-8.02	3.23	1.86	-0.07
HIMACHAL PRADESH	-5.77	-0.34	7.08	12.87	13.68	5.65	4.43	10.76	12.62
JAMMU & KASHMIR	0.89	-15.24	-11.26	-18.91	-14.27	-25.93	-1.74	-13.13	-10.60
KARNATAKA	0.94	0.95	1.73	2.46	4.66	3.88	0.76	0.58	0.37
KERALA	-65.57	-118.67	-302.12	2344.90	-66.19	-52.93	-24.03	-185.87	22.10
MADHYA PRADESH	3.38	3.24	4.41	2.82	2.73	2.54	2.71	3.43	1.71
MAHARASHTRA	0.25	1.52	1.08	0.80	2.01	2.84	-1.85	-1.15	-2.65
MANIPUR	-28.68	-44.44	-87.50	-87.69	-35.82	-62.30	-8.47	-122.50	-104.80
MEGHALAYA	-12.15	-19.23	-19.76	-10.91	-11.24	-12.70	-13.67	-16.47	-19.17
MIZORAM	-91.67	-92.31	-94.12	-161.90	-40.48	-44.74	-51.14	-48.57	-26.67
NAGALAND	-	-	-	-	-	-	-	-	-
ORISSA	3.91	-8.82	-2.50	7.50	6.75	5.70	8.90	6.16	2.01
PONDICHERRY (U.T.)	-6.40	-43.75	-34.52	-34.83	-30.35	-164.29	-65.88	-146.91	-6.32
PUNJAB	1.91	3.90	1.01	1.03	1.88	1.00	0.91	-0.07	-0.07
RAJASTHAN	2.19	3.13	3.71	2.50	0.88	4.26	30.16	4.56	2.76
SIKKIM	-	-	-	-	-	-	-	-	-
TAMIL NADU	-0.84	0.75	7.86	7.25	2.36	-1.03	4.25	0.90	2.99
TRIPURA	0.37	-0.54	-1.36	1.63	-3.63	-3.44	1.78	-5.40	-9.12
UTTAR PRADESH	13.92	8.58	6.42	8.85	10.03	11.02	12.16	8.72	5.41
WEST BENGAL	3.28	3.76	2.87	2.56	-0.20	0.90	-0.30	0.93	-0.03
ALL INDIA	3.03	0.81	1.21	2.22	3.31	3.95	2.87	0.98	-0.43

Table 5.6 State-wise Rate Of Return Of Welfare Category PSUs

(Per Cent)

STATE / YEAR	1990-91	1991-92	1992-93	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99
ANDHRA PRADESH	-	-5.58	-6.26	-6.38	-5.51	-1.43	-0.76	-0.13	0.14
ARUNACHAL PRADESH	-	-	-	-	-	-	-	-	-
ASSAM	-2.12	-2.09	-2.46	-5.44	-6.20	-7.25	-6.86	-7.19	-6.83
DELHI (U.T.)	10.70	11.85	13.95	14.01	0.65	7.58	7.70	1.74	0.91
GOA	0.00	0.00	2.27	1.92	3.28	0.11	0.10	0.08	0.08
GUJARAT	24.07	23.32	26.92	22.08	21.83	60.92	39.73	26.59	21.94
HARYANA	1.50	-0.71	-1.51	-2.40	-2.80	0.34	0.35	0.51	0.51
HIMACHAL PRADESH	0.61	-1.57	0.36	-0.14	0.72	1.19	-0.35	0.08	0.08
JAMMU & KASHMIR	-	-	-	-	-	-	-	-	-
KARNATAKA	-1.53	-1.63	-0.52	-1.27	-0.68	-0.34	0.90	1.18	1.15
KERALA	-0.98	-2.18	3.58	2.90	1.49	1.11	-0.70	2.53	2.28
MADHYA PRADESH	-	-	-	-	-	-	-	-	-
MAHARASHTRA	-1.39	-1.75	1.09	0.63	-0.02	0.01	-0.29	0.12	-0.36
MANIPUR	-	-	-	-	-	-	-	-	-
MEGHALAYA	-	-	-	-	-	-	-	-	-
MIZORAM	-	-	-	-	-	-	-	-	-
NAGALAND	-	-	-	-	-	-	-	-	-
ORISSA	-	-	-	-	-	-	-	-	-
PONDICHERRY (U.T.)	34.00	18.18	5.61	4.86	-55.97	6.31	-4.96	-15.73	12.14
PUNJAB	-0.17	0.26	-0.10	0.46	0.50	0.82	0.74	1.06	1.06
RAJASTHAN	-	-	-	-	-	-	-	-	-
SIKKIM	0.00	0.00	0.00	0.00	0.00	0.00	-6.60	-2.03	-2.03
TAMIL NADU	0.91	8.18	9.60	3.78	1.61	1.18	0.56	0.09	0.64
TRIPURA	11.22	4.17	2.19	0.34	0.00	0.00	0.00	0.00	0.00
UTTAR PRADESH	1.92	1.87	2.80	2.03	1.00	2.13	1.92	2.28	2.04
WEST BENGAL	-	-	-	-	-	-	-	-	-
ALL INDIA	-8.74	0.46	2.24	1.38	0.82	1.02	0.74	1.03	0.93

Table 5.7 State-wise Rate Of Return Of Utility Category PSUs

(Per Cent)

STATE / YEAR	1990-91	1991-92	1992-93	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99
ANDHRA PRADESH	16.08	7.88	10.16	6.77	8.37	10.15	1.76	9.02	7.22
ARUNACHAL PRADESH	-	-	-	-	-	-	-	-	-
ASSAM	3.93	2.01	0.83	-0.29	0.18	2.07	-1.10	-5.09	-5.03
DELHI (U.T.)	-23.76	-13.80	-22.53	-14.14	-20.09	-26.88	-24.62	-19.66	-23.71
GOA	14.05	8.49	5.47	-3.12	-20.24	-25.59	-25.31	7.62	7.62
GUJARAT	7.89	7.61	6.04	7.66	6.32	9.24	10.52	9.75	0.10
HARYANA	-	-	-	-	-	-	-	-	-
HIMACHAL PRADESH	1.09	0.18	2.03	3.13	2.99	4.02	2.57	4.28	1.82
JAMMU & KASHMIR	-341.37	-1446.84	-240.39	87.58	74.07	80.17	59.26	50.80	37.86
KARNATAKA	10.55	8.73	6.70	8.53	11.10	11.93	6.19	3.96	9.83
KERALA	3.07	1.13	7.67	7.08	8.75	7.17	8.22	7.83	6.24
MADHYA PRADESH	-	-	-	-	-	-	-	-	-
MAHARASHTRA	1.36	1.31	1.44	3.06	3.50	3.52	2.18	1.59	2.26
MANIPUR	-	-	-	-	-	-	-	-	-
MEGHALAYA	-0.02	-0.09	-0.26	0.00	-0.11	-0.64	-0.70	-0.90	-0.58
MIZORAM	-14.18	-13.79	-11.19	-9.97	-10.02	-11.81	-10.73	-12.20	-12.59
NAGALAND	-	-	-	-	-	-	-	-	-
ORISSA	9.18	7.41	6.10	8.14	12.92	13.42	0.55	-0.44	-0.36
PONDICHERRY (U.T.)	-	-	-	81.00	10.79	11.33	9.11	2.30	0.28
PUNJAB	4.92	4.70	2.84	3.40	5.02	0.44	5.23	4.48	4.48
RAJASTHAN	3.17	7.27	8.54	8.65	8.26	11.50	11.02	10.46	9.28
SIKKIM	-	-	-	-	-	-	-	-	-
TAMIL NADU	8.89	11.13	11.70	11.38	13.00	10.65	10.39	11.37	0.58
TRIPURA	-40.50	-41.04	-45.25	-49.80	-57.19	-58.24	-58.34	-67.39	-50.91
UTTAR PRADESH	8.12	13.93	14.96	10.67	11.49	10.75	8.98	11.66	12.91
WEST BENGAL	-0.21	1.20	2.73	4.14	4.77	3.59	4.90	4.80	-3.27
ALL INDIA	4.79	5.39	5.25	5.45	6.64	6.39	4.49	5.07	3.44

Chapter 6

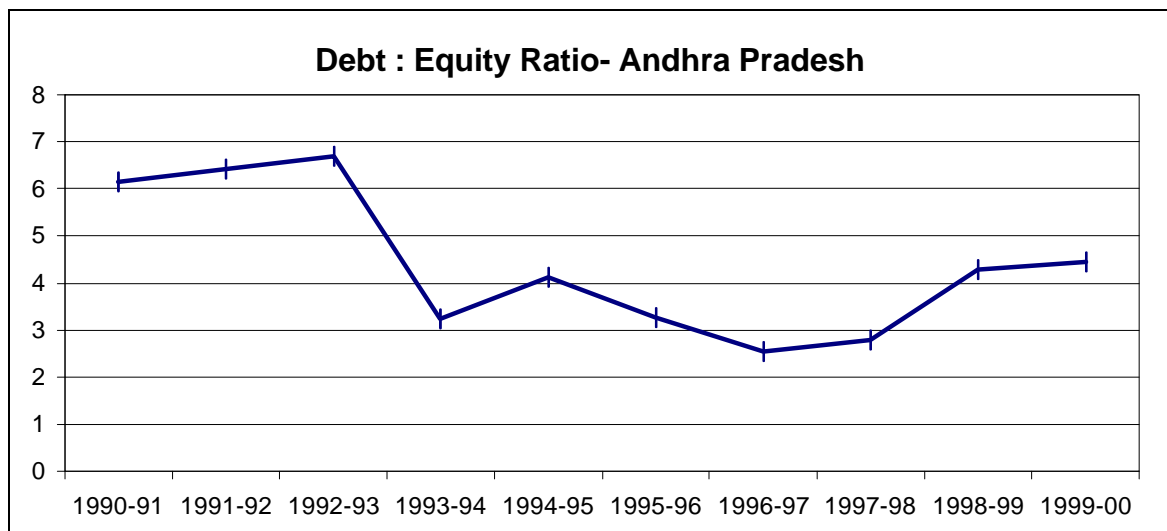
Performance of State PSUs : A brief review

The state-wise performance of PSUs in States/UTs, which furnished information to the Study Group, is discussed briefly in the following paragraphs. Statewise aggregate tables and ratios are given at the end of this Chapter. Tables giving information on PSUs arranged categorywise for the same set of States/UTs is given in part III of Vol. II of the Report.

Andhra Pradesh

6.2 The PSUs constitute an important segment of the economy of Andhra Pradesh. The State Government has furnished information in respect of 40 enterprises having total investment of Rs.28475.28 crore in 1999-00. The total investment comprised of Rs.5242.49 crore of Equity and Rs.23232.79 crore of Debt. State equity has increased at a compound rate of 23.60 per cent per annum during the 1990s, with the result that the share of state equity in total equity increased from 76 per cent in 1990-91 to 83 per cent in 1999-00. However, the share of state debt in total debt has fallen from 40 per cent to 23 per cent over the corresponding period. There has been a significant improvement in the debt-equity ratio of these enterprises during 1990's, from 6.15 in 1990-91 to 4.43 in 1999-00 as shown in Fig.6.1.

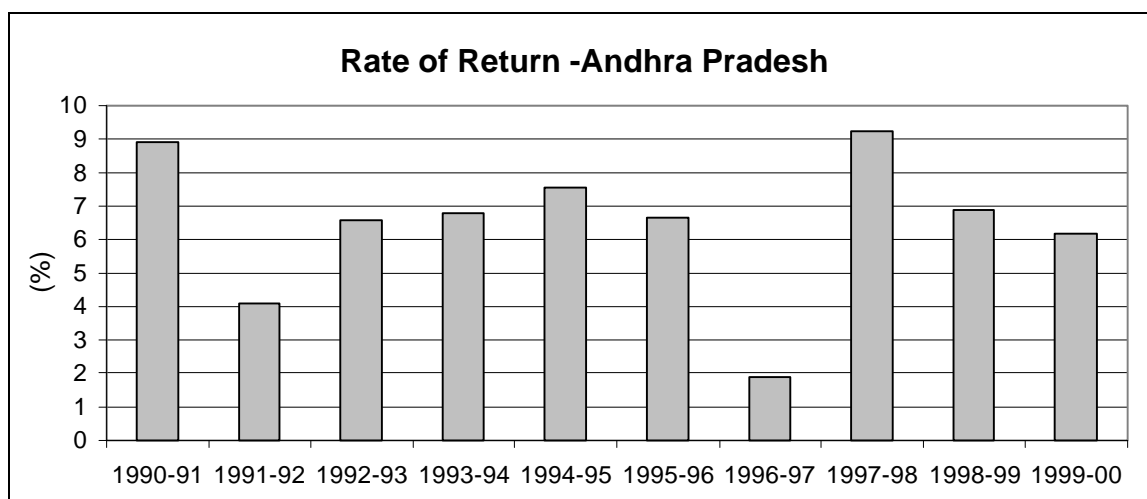
Figure No 6.1



6.3 Total revenue earned by these enterprises amounted to Rs.22775.42 crore while their accumulated losses were Rs.1689.37 crore in 1999-00. Accumulated losses as a percentage of capital employed have not shown any consistent trend and

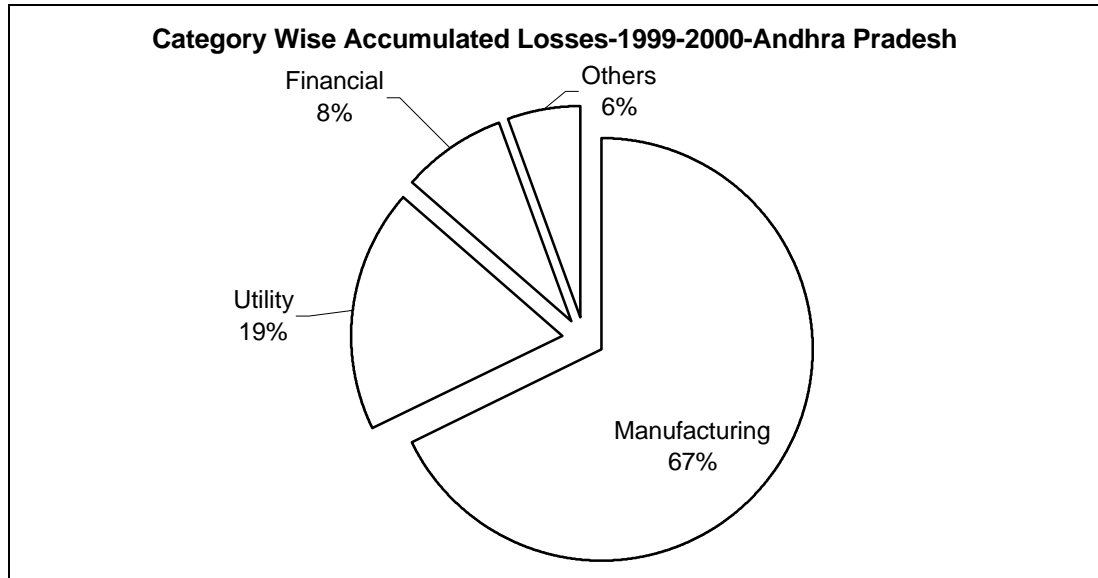
were 6 per cent in 1999-00. Similarly, there has been no clear trend in the rate of return earned by these enterprises. After reaching a peak of 9.23 per cent in 1997-98, the rate of return yielded by these enterprises has declined to 6.2 per cent in 1999-00 as can be seen in Fig.6.2. Six of the 40 enterprises have been consistent net profit makers while seven enterprises have been consistent loss makers.

Figure No 6.2



6.4 The State enterprises operate in production / manufacturing (18), promotional / development (12), trading / marketing (4), service utility (3), financial services (2) and welfare (1) sectors. In 1999-00 the bulk of the investment in public enterprises was in the utilities (65 per cent) and manufacturing (28 per cent). However, manufacturing enterprises accounted for around 68 per cent of the accumulated losses while for utilities the corresponding figure was 18.5 per cent. Category-wise accumulated losses of PSUs in 1999-00 is shown in Fig.6.3. During 1990-91 to 1993-94 dividends were given only by financial enterprises. Since 1994-95, dividends have been declared by manufacturing enterprises only, with one enterprise from trading and services category giving dividends in 1999-00.

Figure No 6.3



Arunachal Pradesh

6.5 The State Government has furnished information in respect of 4 enterprises having total investment of Rs.50.26 crore in 1997-98. The total investment comprised of Rs.9.22 crore of equity and Rs.41.04 crore of debt. The share of state equity in total equity has remained around 97 per cent. The debt-equity ratio of these enterprises has fluctuated between 4.2 and 5.2 during the 1990s.

6.6 Total revenue earned by these enterprises amounted to Rs.21.72 crore while their accumulated losses were Rs.20.46 crore in 1997-98. The net profits recorded by these enterprises were positive excepting in 1990-91 and 1997-98.

Assam

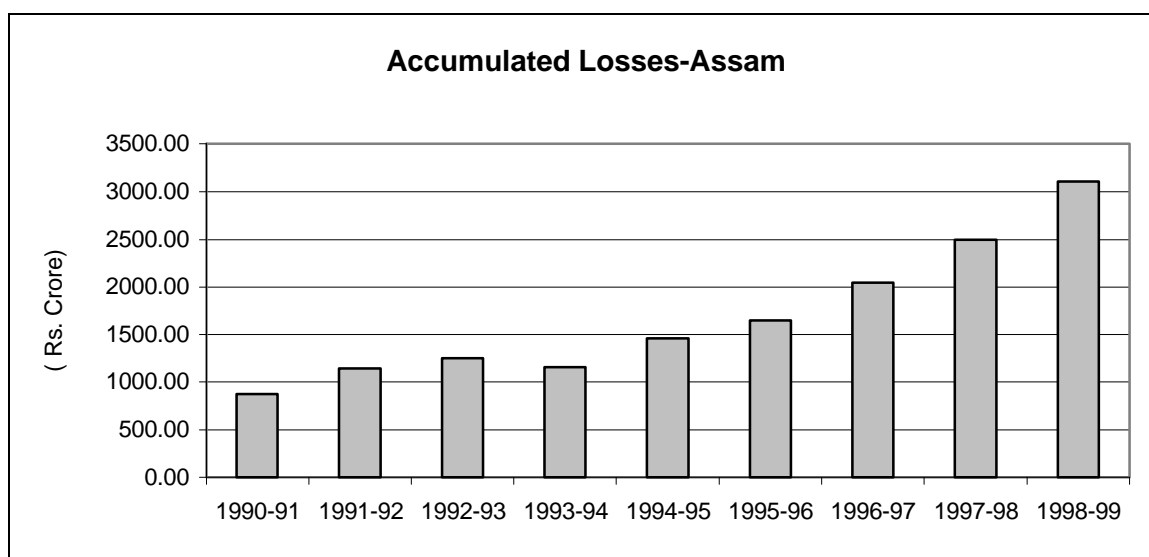
6.7 Besides being the largest State in the North-East, Assam also has the largest number of PSUs in that region of the country. PSUs in Assam were established to exploit its natural resources, provide employment, and take up welfare-oriented activities.

6.8 The State Government has provided information in respect of 42 enterprises. Total investment in these enterprises increased at 6.14 per cent per annum during 1990s to reach Rs.3680.19 crore in 1998-99. Total investment in 1998-99 consisted of Rs.1756.65 crore of equity and Rs.1923.54 crore of debt implying a Debt: Equity ratio of 1.1. State equity accounted for as much as 99 per cent of total equity in these

enterprises. The Debt: Equity ratio has moved within a narrow range during 1991-92 to 1998-99.

6.9 Total revenue earned by these enterprises amounted to Rs.950.29 crore while their accumulated losses were Rs.3110.02 crore in 1998-99. The accumulated losses have increased at compound annual growth rate of 17.19 per cent during 1990s to reach Rs.3110.02 crore in 1998-99 which is among the highest in the country. The sustained increase in accumulated losses is illustrated in Fig.6.4. Accumulated losses as a percentage of capital employed have increased to reach 92.76 per cent in 1998-99. In contrast, the Net worth of these enterprises was (-) Rs.1231.18 crore in 1998-99. Moreover, the net profits of these enterprises have been negative throughout the period under study and touched a low of almost (-) Rs.600 crore in 1998-99, fourth from the bottom in the country. The rate of return yielded by these enterprises turned negative in 1996-97 and was (-) 4.32 per cent in 1998-99. Two enterprises have been consistent net profit makers while six enterprises have been consistent loss makers.

Figure No 6.4



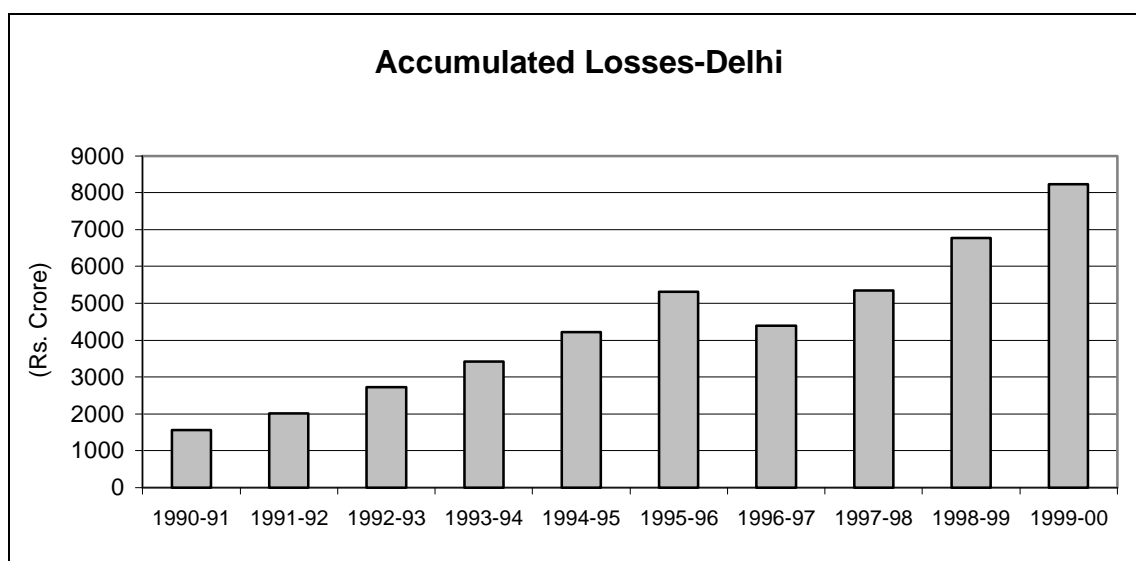
6.10 The State enterprises operate in production / manufacturing (22), promotional / development (9), trading / marketing (2), service utility (3), financial services (2) and welfare (4) sectors. In 1998-99 the bulk of the investment in public enterprises was in the utilities (83 per cent). Manufacturing and financial enterprises accounted for around 6 per cent each in total investment. However, utilities accounted for 88 per cent of the accumulated losses while the corresponding figures for manufacturing and financial enterprises were 5 and 4 per cent respectively.

NCT of Delhi

6.11 Govt. of NCT of Delhi has provided information in respect of 8 enterprises. These enterprises had investment of Rs.26252.79 crore in 1999-00 comprising of Rs.11252.58 crore of equity and Rs.15000.21 crore of debt implying a Debt: Equity ratio of 1.33. The share of State equity in total equity has increased over the 1990s to reach 75 per cent in 1999-00. There has not been much change in the share of State debt in total debt. The Debt: Equity ratio has also not shown much change and remains at a low level.

6.12 Total revenue earned by these enterprises amounted to Rs.6096.04 crore while their accumulated losses were Rs.8231.59 crore in 1999-00. The accumulated losses have increased at a compound annual growth rate of 20.26 per cent and are among the highest in the country. Accumulated losses, as a percentage of capital employed, have increased from 22.5 per cent in 1990-91 to 54.58 per cent in 1999-00. Accumulated losses as a percentage of net worth have increased from 80.79 per cent to 170.53 per cent over the corresponding period. The sustained increase in accumulated losses of PSUs is shown in Fig.6.5.

Figure No 6.5



6.13 Net profits have been negative throughout the period under consideration and touched (-) Rs.1127.96 crore in 1999-00. Net profits as a percentage of total equity were (-) 10.02 per cent in 1999-00. The rate of return yielded by these enterprises turned negative in 1998-99 and was (-) 4.65 per cent in 1999-00. Three enterprises have been consistent net profit makers. A similar number of enterprises made

consistent losses. Delhi Financial Corporation (excepting 1991-92) & Delhi Tourism & Transport Development Corporation have been consistent in declaring dividends.

6.14 The PSUs operate in promotional / development (1), trading / marketing (1), service utility (3), financial services (2) and welfare (1) sectors. In 1999-00 the bulk of the investment in public enterprises was in the utilities (67 per cent) and financial enterprises (33 per cent). However, the entire accumulated losses were on account of the operations of the utilities. The financial enterprises have been making substantial net profits but these are counter balanced by the huge losses of the Utilities. Moreover, the net profits of financial enterprises have also been on the decline.

Goa

6.15 The State Government has furnished information in respect of 13 enterprises having total investment of Rs.594.11crore in 1997-98. The total investment comprised of Rs.312.99 crore of Equity and Rs.281.12 crore of Debt. State equity has increased at a compound rate of around 18 per cent per annum during the 1990s. The share of State equity in total equity increased till 1993-94 and since then declined to reach 61 per cent in 1997-98. The share of State debt in total debt has remained at a low level. The debt-equity ratio of these enterprises has remained below one throughout the period of the study.

6.16 Total revenue earned by these enterprises amounted to Rs.120.24 crore while their accumulated losses were Rs.49 crore in 1997-98. Accumulated losses as a percentage of capital employed have not shown any consistent trend and were 8.5 per cent in 1997-98. Similarly, there has been no clear trend in the rate of return earned by these enterprises. After reaching a peak of 9.24 per cent in 1994-95, the rate of return yielded by these enterprises has declined to almost 6 per cent in 1997-98. Four of the 13 enterprises have been consistent net profit makers.

6.17 The State enterprises operate in sectors such as production / manufacturing (6), promotional / development (4), service utility (1), financial services (1) and welfare (1) sectors. In 1997-98 the bulk of the investment in public enterprises was in the welfare (46 per cent) and promotional enterprises (39 per cent). However, manufacturing enterprises accounted for 28 per cent of the accumulated losses while for utilities the corresponding figure was 43 per cent. Welfare enterprises accounted for another 29 per cent of the accumulated losses. During 1990-91 to 1994-95

dividends were given only by promotional enterprises. Since 1994-95, dividends have also been declared by the manufacturing enterprises.

Gujarat

6.18 The PSUs in Gujarat were perceived as catalysts for economic development for achievement of specified socio-economic objectives. Some of the PSUs were set up to ensure regular supply of goods and services, provide public goods, encourage sectoral development, take over sick units and promote entrepreneurship.

6.19 The State Government has provided information in respect of 37 enterprises. However, figures pertaining to the Sardar Sarovar Narmada Nigam have been excluded from analysis as the project is still under implementation and its inclusion would have distorted the overall picture of the state public enterprises in Gujarat. Thirty-six enterprises had total investment of Rs.11506.78 crore in 1997-98, indicating a compound annual growth of 8.42 per cent during the 1990s. The total investment comprises of equity of Rs.1391.88 crore and debt of Rs.10114.90 crore. State equity continues to dominate the equity capital of public enterprises although there has been a small decline in its importance during the 1990s. State equity constituted 87 per cent of total equity capital of public enterprises in 1997-98. There has been a similar decline in the share of State debt in total debt of State PSUs. The debt : equity ratio has declined from 12.99 in 1990-91 to 7.27 in 1997-98. However, it continues to be high.

6.20 Total revenue earned by these enterprises amounted to Rs.9949.92 crore while their accumulated losses were Rs.943.48 crore in 1997-98. Accumulated losses as a percentage of capital employed have fluctuated within a narrow range of 5.8 to 7.1 per cent. The rate of return yielded by these enterprises has not exhibited any clear trend and was 8.91 per cent in 1997-98. Dividends yielded by these enterprises have also been fluctuating and reached a peak of Rs.26.86 crore in 1997-98. Seven enterprises have been consistent net profit makers while five have been consistent loss makers.

6.21 The PSUs operate in production / manufacturing (9), promotional / development (12), trading / marketing (4), service utility (3), financial services (5) and welfare (3) sectors. In 1997-98 the bulk of the investment in public enterprises was in the utilities (64 per cent) and financial (28 per cent) sector. Manufacturing enterprises accounted for only 3 per cent of total investment in public enterprises.

Utilities accounted for 73 per cent of the accumulated losses while promotional and manufacturing enterprises accounted for 17 per cent and 9 per cent respectively of accumulated losses in 1997-98. There are three enterprises that have given out dividends consistently during the period under consideration. Dividends have been given out primarily by the financial and manufacturing enterprises.

Haryana

6.22 The State Government has provided information in respect of 22 enterprises. Information in respect of the State Electricity Board has not been furnished. Moreover, Haryana Roadways is a Departmental Undertaking and hence does not figure in the list of State PSUs. Investment in these enterprises amounted to Rs.927.19 crore in 1998-99 comprising Rs.225.69 crore of equity and Rs.701.50 crore of debt implying a Debt: Equity ratio of 3.11. The State Government is the dominant equity holder in these PSUs, accounting for 84 per cent of total equity in 1998-99. The share of State debt in total debt has shown a steep decline, from 37 per cent in 1990-91 to 6 per cent in 1998-99. The Debt: Equity ratio has remained within a narrow range.

6.23 Total revenue earned by these 22 enterprises amounted to Rs.608.00 crore while their accumulated losses were Rs.167.07 crore in 1998-99. Accumulated losses as a percentage of capital employed as well as net worth have declined over the decade. The rate of return yielded by these enterprises was 10.56 per cent in 1998-99. Three enterprises have been consistent net profit makers while one enterprise has been making consistent losses. Two enterprises have declared dividends throughout the period under study.

6.24 The PSUs operate in production / manufacturing (7), promotional / development (5), trading / marketing (7), financial services (1) and welfare (2) sectors. Financial and manufacturing enterprises dominate the scene, accounting for 44 per cent and 33 per cent respectively of total investment. Promotional enterprises, however, account for 63 per cent of accumulated losses while having only 6 per cent of total investment. Manufacturing and financial enterprises account for 20 and 9 per cent respectively of accumulated losses.

Himachal Pradesh

6.25 The State Government has furnished information in respect of 17 enterprises having total investment of Rs.2468.26 crore in 1998-99. The total investment

comprised of Rs.583.17 crore of Equity and Rs.1885.08 crore of Debt. State equity has increased at a compound rate of 21.05 per cent per annum during the 1990s, with the result that the share of State equity in total equity increased from 77 per cent in 1990-91 to 91 per cent in 1998-99. However, the share of State debt in total debt has fallen from 48 per cent to 28 per cent over the corresponding period. There has been a significant improvement in the debt-equity ratio of these enterprises during 1990's, from 6.23 in 1990-91 to 3.23 in 1998-99.

6.26 Total revenue earned by these enterprises amounted to Rs.1096.67 crore while their accumulated losses were Rs.214.45 crore in 1998-99. Accumulated losses as a percentage of capital employed have been around 10 to 11 per cent. The rate of return yielded by these enterprises reached a peak of 3.86 per cent in 1997-98. One enterprise has been consistent net profit maker while two enterprises have been consistent loss makers.

6.27 The State enterprises operate in production / manufacturing (6), promotional / development (4), trading / marketing (2), service utility (2), financial services (2) and welfare (1) sectors. In 1998-99 the bulk of the investment in public enterprises was in the utilities (79 per cent). Manufacturing and financial enterprises accounted for 10 per cent and 8 per cent of investment respectively. However, manufacturing enterprises accounted for 17 per cent of the accumulated losses while for utilities the corresponding figure was 70 per cent. Dividends were given only by financial and trade/services enterprises.

Jammu & Kashmir

6.28 The State Government has furnished information in respect of 14 enterprises having total investment of Rs.641.72 crore in 1998-99. The total investment comprised of Rs.209.97 crore of Equity and Rs.431.75 crore of Debt. State equity has increased at a relatively low rate of 4.23 per cent per annum during the 1990s. State equity dominated total equity. The share of State debt in total debt has also increased from 69 per cent in 1990-91 to 87 per cent in 1998-99. Total debt increased at a much faster rate of 19.73 per cent per annum compared to the corresponding growth rate of 3.78 per cent of total equity. As a result there has been a deterioration in the debt-equity ratio of these enterprises during 1990's, from 0.66 in 1990-91 to 2.06 in 1998-99.

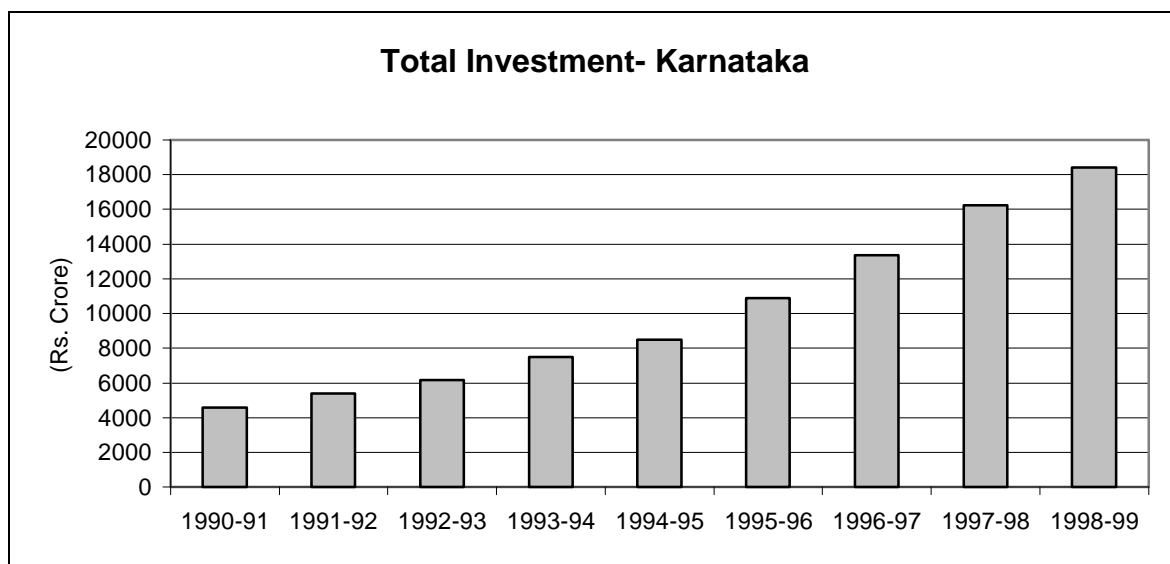
6.29 Total revenue earned by these enterprises amounted to Rs.531.76 crore while their accumulated losses were Rs.842.79 crore in 1998-99. Accumulated losses increased at a compound annual growth rate of 26.03 per cent over the period 1990-91 to 1998-99. Net profits of these enterprises have been consistently negative. The rate of return yielded by these enterprises has also been consistently negative. One enterprise has been consistent net profit maker while six enterprises have been consistent loss makers.

6.30 The PSUs operate in production / manufacturing (7), promotional / development (5), trading / marketing (1) and service utility (1) sectors. In 1998-99 the bulk of the investment in public enterprises was in the utilities (38 per cent) and manufacturing (47 per cent) sectors. However, manufacturing enterprises accounted for 32 per cent of the accumulated losses while for utilities the corresponding figure was 37 per cent. No dividend was paid by any of the State PSUs during the period of the study.

Karnataka

6.31 The Government of Karnataka has provided information in respect of 78 enterprises. Total investment in these PSUs increased from Rs. 4565.58 crore in 1990-91 to Rs.18392.66 crore in 1998-99. The sustained increase in total investment in PSUs in the State is illustrated in Fig.6.6. Total investment in 1998-99 comprised of Rs.4274.54 crore of equity and Rs.14118.13 crore of debt implying a Debt: Equity ratio of 3.30. State equity has dominated the equity holding of these PSUs throughout the 1990s and accounted for 96 per cent of total equity in 1998-99. However, the share of State debt in total debt has declined and amounted to 34 per cent in 1998-99. Debt: Equity ratio has showed a slight decline during the 1990s.

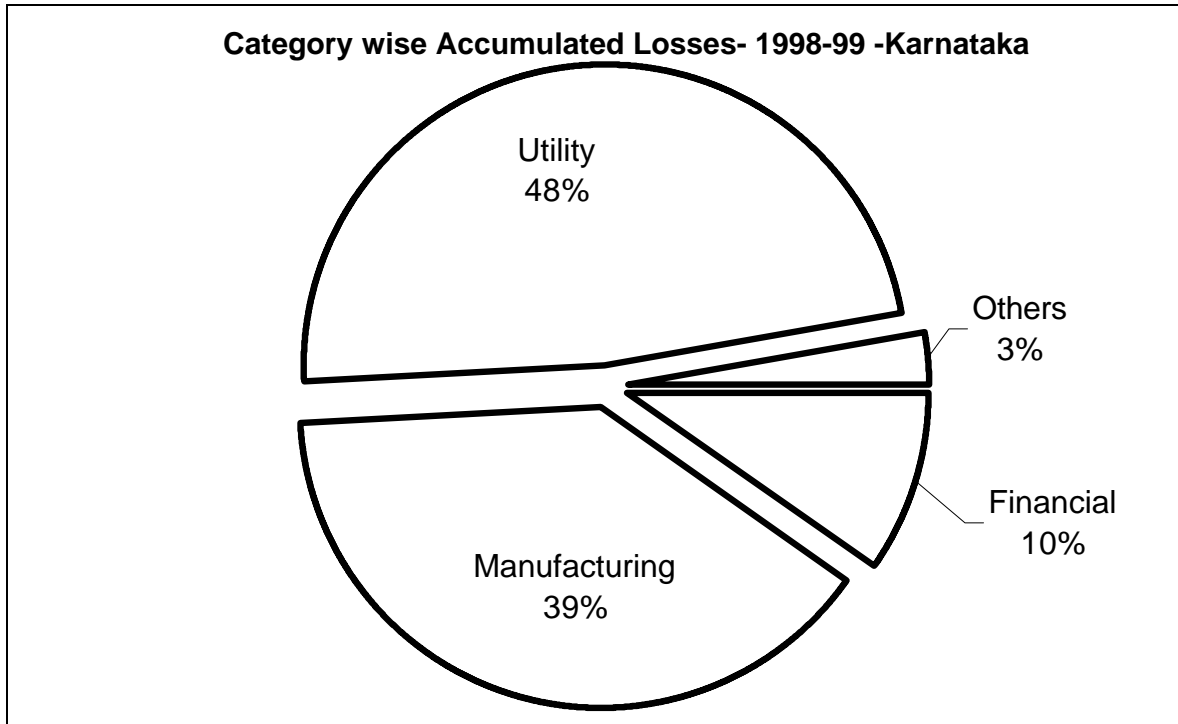
Figure No 6.6



6.32 Total revenue earned by these enterprises amounted to Rs.8892.90 crore while their accumulated losses were Rs.1451.08 crore in 1998-99. Accumulated losses increased at a rate of 10.68 per cent per annum over the period under study. Accumulated losses as a percentage of capital employed declined from 12.58 per cent in 1990-91 to 7.81 per cent in 1998-99 and as percentage of net worth also fell from 57.77 per cent to 31.82 per cent over the same period. There has been no clear trend in the rate of return yielded by these PSUs. Net profits by these PSUs have also been fluctuating during the period under study. Nine enterprises have been consistent net profit makers while seven enterprises have been consistent loss makers. Only 3 enterprises have paid dividends consistently during the period of the study.

6.33 The state enterprises operate in production / manufacturing (41), promotional / development (15), trading / marketing (6), service utility (9), financial services (3) and welfare (4) sectors. In 1998-99 the bulk of the investment in public enterprises was in the utilities (47 per cent), promotional (23 per cent), financial (17 per cent) and manufacturing (12 per cent) sectors. However, utilities accounted for 48 per cent of the accumulated losses while the corresponding figures for manufacturing and financial enterprises were 39 and 10 per cent respectively. Dividends have generally been paid by financial enterprises. Category-wise accumulated losses in PSUs in the State is shown in Fig.6.7.

Figure No 6.7



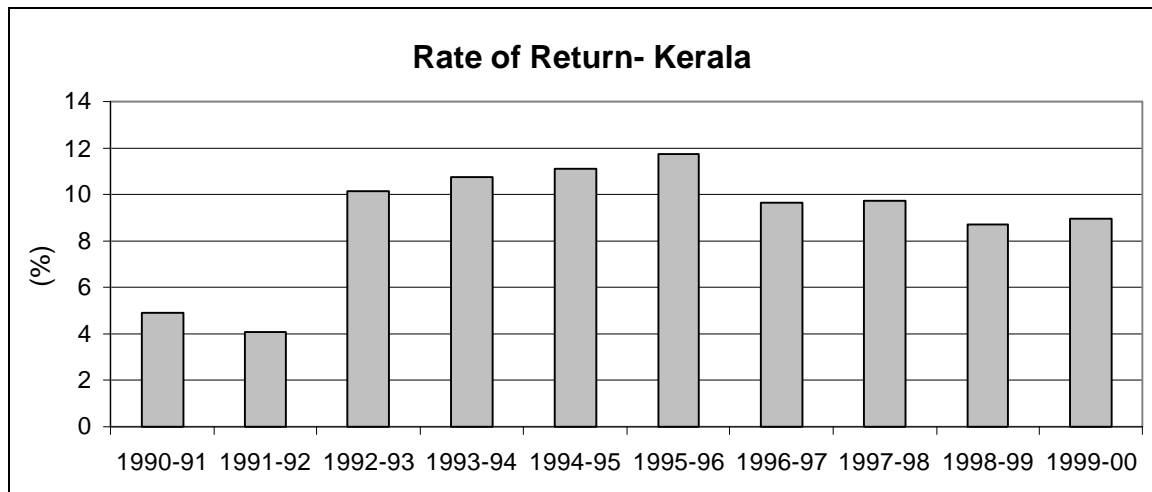
Kerala

6.34 The State has the largest number of public sector enterprises in the country. The Government of Kerala has provided information in respect of 102 such enterprises having total investment of Rs.13804.48 crore in 1999-00. The total investment comprises of Rs.4568.72 crore of equity and Rs.9235.76 crore of debt. State equity has dominated the equity capital of these enterprises, amounting to as much as 96 per cent of total equity in 1999-00. The share of State debt in total debt has however shown a decline. The debt : equity ratio has fluctuated within a narrow range of 1.85 to 2.75 during the 1990's.

6.35 Total revenue earned by these enterprises amounted to Rs.6629.29 crore while their accumulated losses were Rs.2672.31 crore in 1999-00. Accumulated losses as a percentage of capital employed reached a peak of 39.83 per cent in 1992-93. This ratio has been declining since then and attained a value of 23.92 per cent in 1999-00. The rate of return yielded by these enterprises increased till 1995-96, attaining the peak figure of 11.77 per cent in that year. It was 8.94 per cent in 1999-00. Rate of return yielded by these PSUs is shown in Fig.6.8. Net profits by these enterprises have been consistently negative and amounted to (-) Rs.153.52 crore in 1999-00. Fourteen enterprises have been consistent net profit makers over

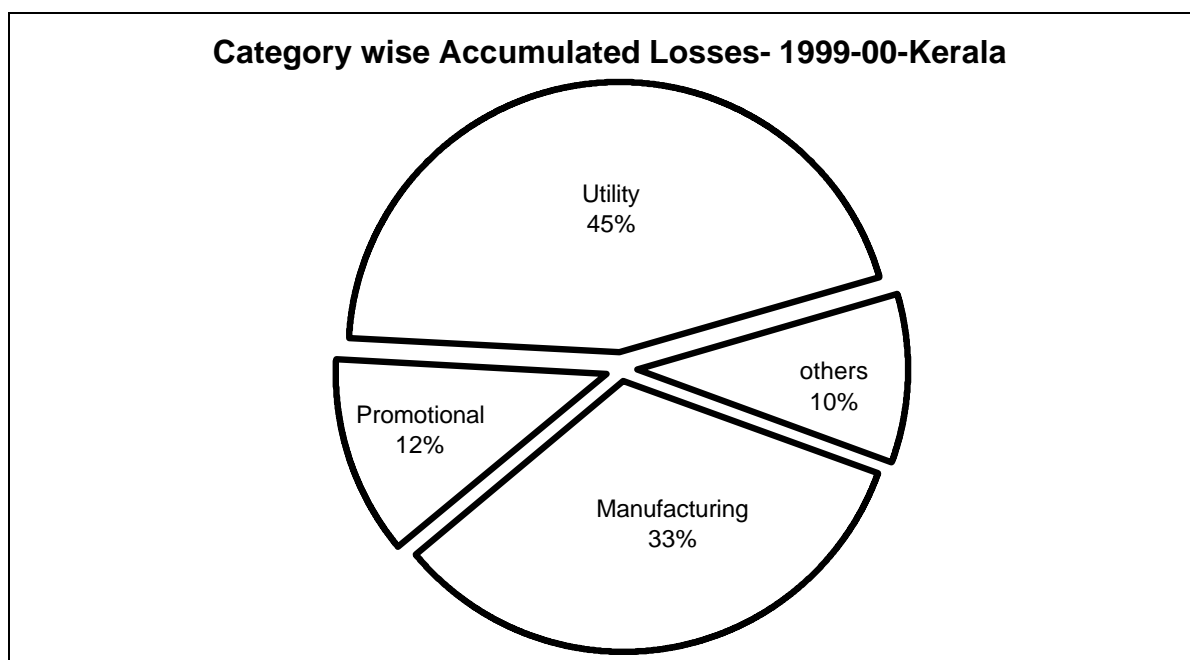
the period of the study. In contrast, twenty enterprises have been consistent loss makers.

Figure No 6.8



6.36 The State enterprises operate in production / manufacturing (64), promotional / development (16), trading / marketing (5), service utility (4), financial services (6) and welfare (7) sectors. In 1999-00 the bulk of the investment in public enterprises was in the utilities (59 per cent) and manufacturing (19 per cent) enterprises. However, utilities accounted for 45 per cent of the accumulated losses while for manufacturing, promotional and trading and services enterprises the corresponding figures were 34,12 and 9 per cent respectively. Categorywise accumulated losses are illustrated in Fig.6.9.

Figure No 6.9



Madhya Pradesh

6.37 The State Government has provided information in respect of only 18 enterprises that exclude the State Electricity Board and the State Road Transport Corporation. These eighteen enterprises had total investment of Rs.936.06 crore in 1998-99 comprising of Rs. 217.77 crore of equity and Rs.718.29 crore of debt. The share of State equity in total equity was 78 per cent in 1998-99 while the share of State debt in total debt was 23 per cent. There has been a slight increase in debt : equity ratio over the 1990s, from 2.97 in 1990-91 to 3.30 in 1998-99.

6.38 Total revenue earned by these enterprises amounted to Rs.1585.65 crore while their accumulated losses were Rs.117.29 crore in 1998-99. Accumulated losses have increased at a compound annual rate of growth of 34.78 per cent during the 1990s and constituted 35.2 per cent of the Net worth in 1998-99. The rate of return yielded by these enterprises reached a peak of 8.29 per cent in 1992-93 and has declined since then to reach 1.38 per cent in 1998-99. Only two enterprises have been consistently making net profits. Of these two, MP State Warehousing Corporation has also been declaring dividends throughout the period under study.

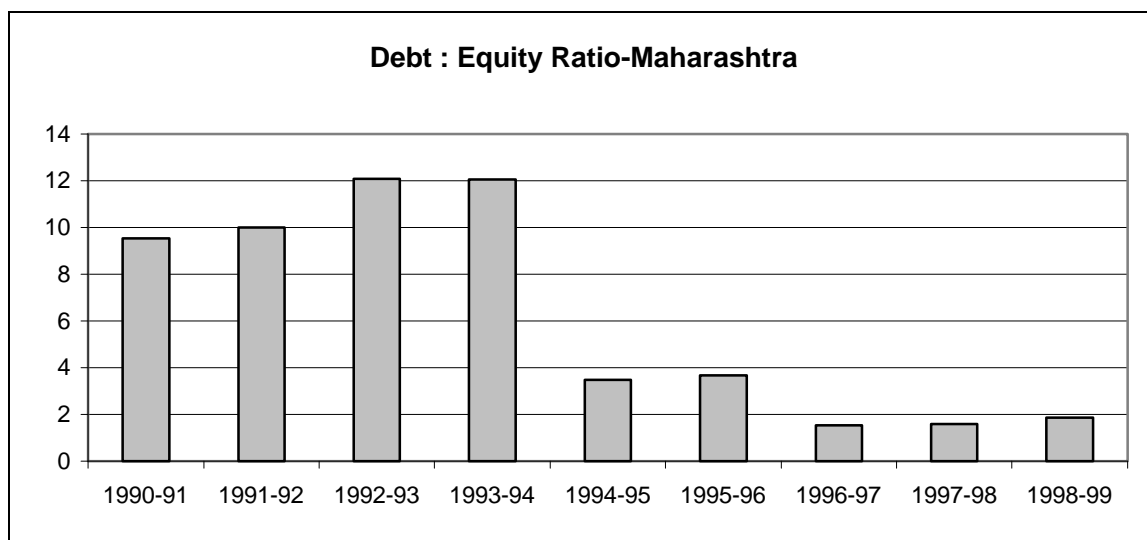
6.39 The PSUs operate in production / manufacturing (9), promotional / development (5), trading / marketing (2) and financial services (2) sectors. As information in respect of the State Electricity Board and State Road Transport Corporation has not been provided, there are no enterprises under the utility category. Financial enterprises accounted for nearly 50 per cent of total investment in 1998-99 while Manufacturing (25.7per cent), Promotional (13.5 per cent) and Trading and Services (11.3 per cent) accounted for the balance. Accumulated losses were mainly due to the Financial (48 per cent) and Manufacturing (48 per cent) enterprises.

Maharashtra

6.40 The Government of Maharashtra has provided information in respect of 48 PSUs. The total Investment in these 48 PSUs amounted to Rs. 22607.36 crore in 1998-99 as against Rs. 6450.09 crore in 1990-91, indicating a compound annual rate of growth of 16.97 per cent. The total Investment in 1998-99 comprised of Rs. 7855.43 crore of Equity and Rs. 14751.93 crore of Debt. The State Equity has improved from Rs 563.36 crore in 1990-91 to Rs.7814.13 crore in 1998-99. The State Government is, thus, a dominant equity holder in these PSUs with its equity

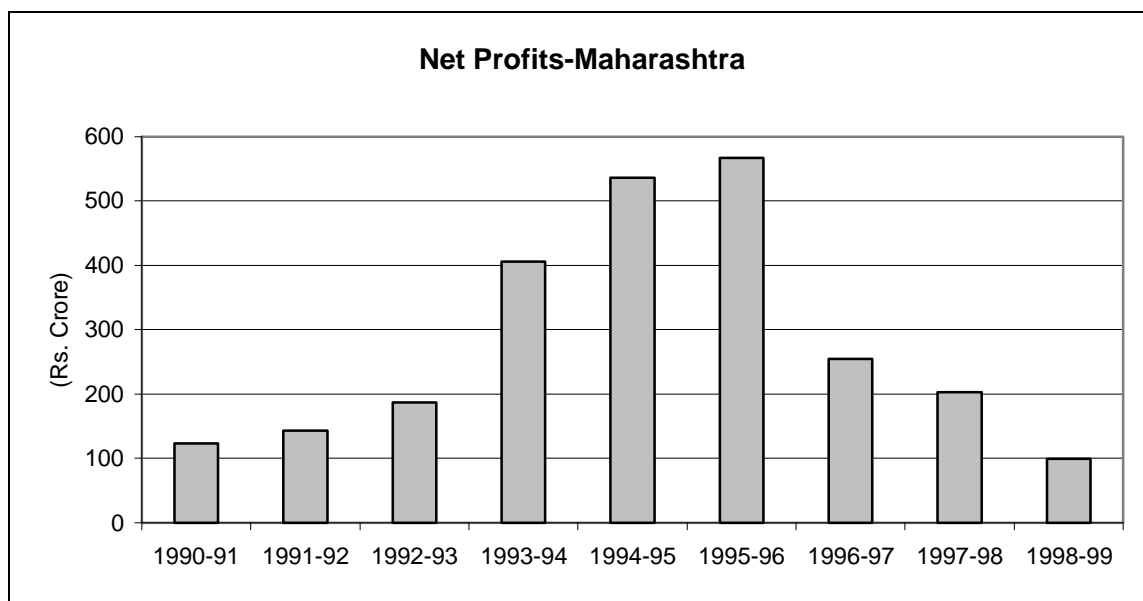
holding varying from 92 per cent to 99 per cent of total equity during the 1990s. However, the share of State's debt in the total debt has gone down from 76 per cent in 1990-91 to 50 per cent in 1998-99. There has been a substantial improvement in the Debt : Equity ratio of these enterprises, from 9.54 in 1990-91 to 1.88 in 1998-99 as shown in Fig.6.10.

Figure No 6.10



6.41 The combined net worth of these PSUs was Rs. 18306.30 crore in 1998-99 as against Rs. 6051.66 crore in 1990-91. The accumulated losses have also grown, from Rs.402.67 crore in 1990-91 to Rs.908.94 crore in 1998-99. Combined net profits of these 48 enterprises have remained positive during the 1990s. However, since 1996-97 the net profits, although positive, have shown a declining trend as shown in Fig.6.11. Similarly the rate of return has also shown a declining trend after peaking at 3.05 in 1995-96. Also, the dividends paid attained a high of Rs. 4.24 crore in 1995-96 and amounted to Rs. 2.28 crore in 1998-99. Of these 48 enterprises, 7 were found to be consistently earning profits and 8 were found to be incurring losses continuously during the 1990s.

Figure No 6.11



6.42 The State enterprises operate in production / manufacturing (15), promotional / development (22), trading / marketing (1), service utility (4), financial services (2) and welfare (4) sectors. Bulk of the investment in 1998-99 was in the utilities (46.3 per cent) and promotional enterprises (45 per cent). Utilities accounted for 57 per cent of the accumulated losses followed by manufacturing (31 per cent) and promotional enterprises (10.7 per cent). During the last two years of the study dividends have been given by enterprises belonging to the trading and manufacturing categories only.

Manipur

6.43 As per the information made available by the Government of Manipur in respect of 11 PSUs, the total Investment in these PSUs amounted to Rs.141.83 crore in 1998-99. The total Investment includes Rs.111.69 crore of Equity and Rs.30.14 crore of Debt implying a comfortable Debt: Equity ratio of 0.27 in 1998-99. The State Government is the dominant equity holder in these PSUs, with its equity holding varying from 84 per cent to 95 per cent during the period under study. The share of State's Debt in the total debt has gone up from 16 per cent in 1990-91 to 28 per cent in 1998-99.

6.44 Aggregate net profits of these eleven enterprises have remained negative throughout the 1990s. The rate of return has also been negative throughout the years.

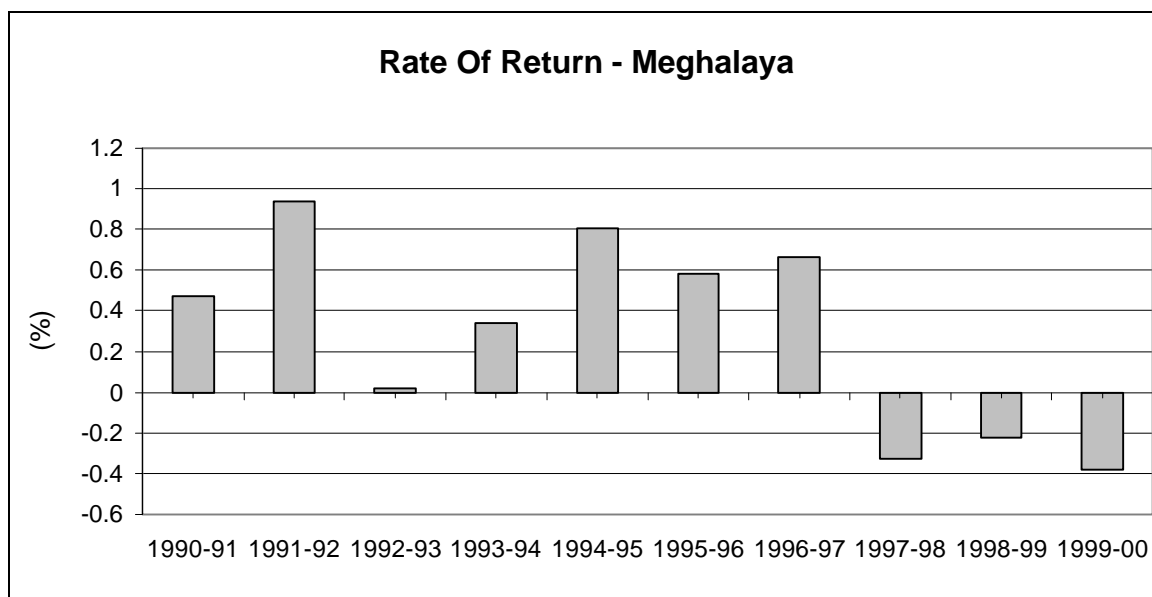
6.45 The State enterprises operate in production/ manufacturing (7), promotional/ development (2), service utility (1) and financial services (1) sectors. Out of the observed 11 enterprises, none was found to be consistently earning profits while 3 were found to be incurring losses continuously. The Manufacturing sector, with 56.5 per cent of total investment in 1998-99, is the dominant sector followed by the Utility (20.9 per cent), Financial (17.8 per cent) and Promotional sector (4.8 per cent). A major portion of the accumulated losses is accounted for by the utility sector although its share in the total accumulated losses has come down from 57.30 per cent in 1990-91 to 40.6 per cent in 1998-99.

Meghalaya

6.46 As per the information made available by the Government of Meghalaya in respect of 14 PSUs, the total Investment in these PSUs stood at Rs. 473.95 crore in 1999-00, increasing at an annual growth rate of 3.74 per cent during the 1990's. The total Investment includes Rs. 83.85 crore of Equity and Rs. 390.10 crore of Debt, indicating a high Debt : Equity ratio of 4.65 in 1999-00. The Debt: Equity ratio has only declined slightly, from 5.79 in 1990-91 to 4.65 in 1999-00. The State Government is the dominant equity holder in these PSUs with its equity holding varying from 98 per cent to 99 per cent of total equity during the 1990s. The share of State's Debt in the total debt has gone up from 31 per cent in 1990-91 to 47 per cent in 1999-00.

6.47 The combined net worth of these PSUs was Rs. 458.98 crore in 1999-00 as against Rs. 312.05 crore in 1990-91. The accumulated losses have increased sharply and amounted to Rs. 348.05 crore in 1999-00, representing 76 per cent of the net worth and 74 per cent of the capital employed. The rate of return was positive from 1990-91 to 1996-97 and has become negative since 1997-98. It stood at (-) 0.38 in 1999-00. Rate of return yielded by these PSUs is shown in Fig.6.12. The combined net profits of these PSUs have declined from (-) Rs. 3.95 crore in 1990-91 to (-) Rs. 7.64 crore in 1999-00. Out of the 14 enterprises considered, one was found to be consistently earning profits and 5 were found to be incurring losses continuously during the 1990s.

Figure No 6.12



6.48 The PSUs operate in production / manufacturing (6), promotional / development (3), trading / marketing (2), service utility (2) and financial services (1) sectors. The Utilities dominate the public sector scenario, accounting for 72.4 per cent of total investment in State PSUs in 1999-00 followed by Manufacturing (12.73 per cent), Financial (9.31 per cent), Trading and Services (2.89 per cent) and Promotional enterprises (2.7 per cent). The utility sector accounted for 81.7 per cent of accumulated losses and also earned 73 per cent of the total revenues in 1999-00. The Manufacturing sector is the sole dividend provider for the State.

Mizoram

6.49 The State Government has furnished information in respect of 7 enterprises having total investment of Rs.38.02 crore in 1999-00. The total investment comprised of Rs.17.19 crore of Equity and Rs.20.83 crore of Debt. State equity accounted for almost the entire equity base of these enterprises. In contrast, State debt constitutes a very small percentage of the total debt contracted by these enterprises. There has been some improvement in the debt-equity ratio of these enterprises during 1990's, from 1.75 in 1990-91 to 1.21 in 1999-00.

6.50 Total revenue earned by these enterprises amounted to Rs.14.18 crore while their accumulated losses were Rs.30.90 crore in 1999-00. Accumulated losses as a percentage of capital employed has shown a slight increase over the period of the study. Net profits and rate of return yielded by these enterprises have been consistently negative. Four enterprises have been consistent loss makers.

6.51 The State enterprises operate in production / manufacturing (2), promotional / development (1), trading / marketing (1), service utility (2) and financial services (1) sectors. In 1999-00 the bulk of the investment in public enterprises was in the financial (56 per cent) and utilities (30 per cent) sectors. However, manufacturing enterprises accounted for 32 per cent of the accumulated losses while for utilities the corresponding figure was 21 per cent. Financial enterprises accounted for 32 per cent of accumulated losses.

Nagaland

6.52 As per the information made available by the Government of Nagaland in respect of 4 PSUs, the total Investment in these PSUs stood at Rs. 200.94 crore in 1998-99. The total Investment includes Rs. 158.44 crore of Equity and Rs. 42.50 crore of Debt indicating a Debt : Equity ratio of 0.27 in 1998-99. The Debt : Equity ratio has declined during the 1990s. The State Government's equity holding in the total equity has also declined in these PSUs during the period under study.

6.53 The combined Net Worth of these PSUs has improved to (-) Rs. 18.27 crore in 1998-99 from (-) Rs. 118.22 crore in 1990-91. Accumulated losses were Rs.178.60 crore in the year 1998-99. The combined net profits were negative throughout the 1990s though losses seem to be coming down in absolute terms. The combined revenues of these enterprises were Rs.3.57 crore in 1998-99 as compared to the combined direct expenses of Rs. 14.76 crore for the same year.

6.54 The state enterprises operate in production/ manufacturing (2), financial (1) and trading/ marketing (1) sectors. Out of the 4 enterprises observed, none is found to be earning profits consistently. The manufacturing sector accounted for 77 per cent of total investment in 1998-99 while the financial and trading and services sectors accounted for 18 and 5 per cent of total investment respectively.

Orissa

6.55 The Government of Orissa has provided information in respect of 27 PSUs. The total Investment in these PSUs stood at Rs. 7653.15 crore in 1999-00 as against Rs. 2272.15 crore in 1990-91 indicating a growth rate of 14.45 per cent during the 1990s. The total Investment in 1999-00 includes Rs.1698.72 crore of Equity and Rs.5954.44 crore of Debt implying a Debt : Equity ratio of 3.51 in 1999-00. Although

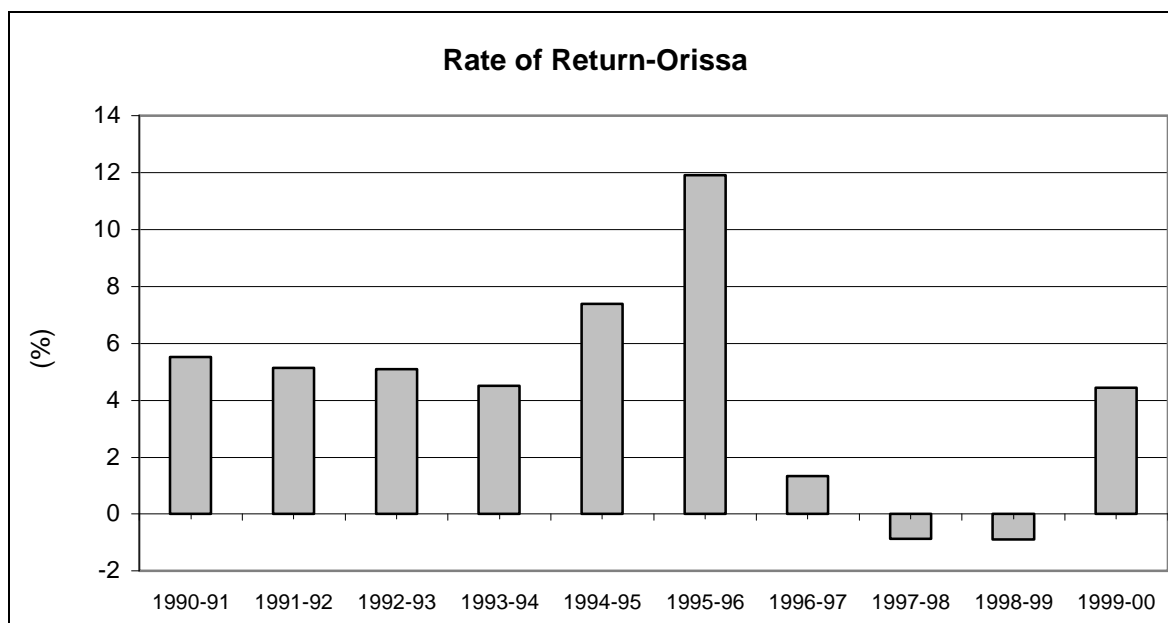
the State Government's equity holding has declined in the 1990s, it is still a dominant equity holder in these PSUs with an equity holding of 81 per cent in 1999-00. On the other hand, the share of State's debt in the total debt has gone up from 30 per cent in 1990-91 to 36 per cent in 1999-00.

6.56 The combined net worth of all these PSUs was Rs. 252.34 crore in 1999-00 as against Rs. 890.83 crore in 1990-91. The accumulated losses of these enterprises have also grown sharply at 32.36 per cent per annum in the 1990s. Accumulated losses of Rs. 1930.21 crore in the year 1999-00 are more than seven times the Net Worth. Combined net profits have been in the negative except for the year 1995-96. The rate of return has been positive except for the last two years. Out of the 27 enterprises observed, 3 were found to be incurring losses continuously during the 1990s. Accumulated losses and rates of return yielded by these PSUs are shown in Figures 6.13 and 6.14.

Figure No 6.13



Figure No 6.14



6.57 The PSUs operate in production/manufacturing (8), promotional/development (11), trading/marketing (2), service utility (4), and financial services(2) sectors. The Utility sector, with 81 per cent of investment concentration during 1999-00, dominated the State PSUs followed by the financial (9.3 per cent), manufacturing (4.20 per cent) and promotional enterprises (4.4 per cent). While share of the Utility sector in total investment has gone up in the 1990s, the same has generally declined in case of the other sectors. The Utility sector accounted for 71 per cent of the total accumulated losses, 61 per cent of the total revenues earned and 55 per cent of the direct expenses of all the PSUs in the year 1999-00.

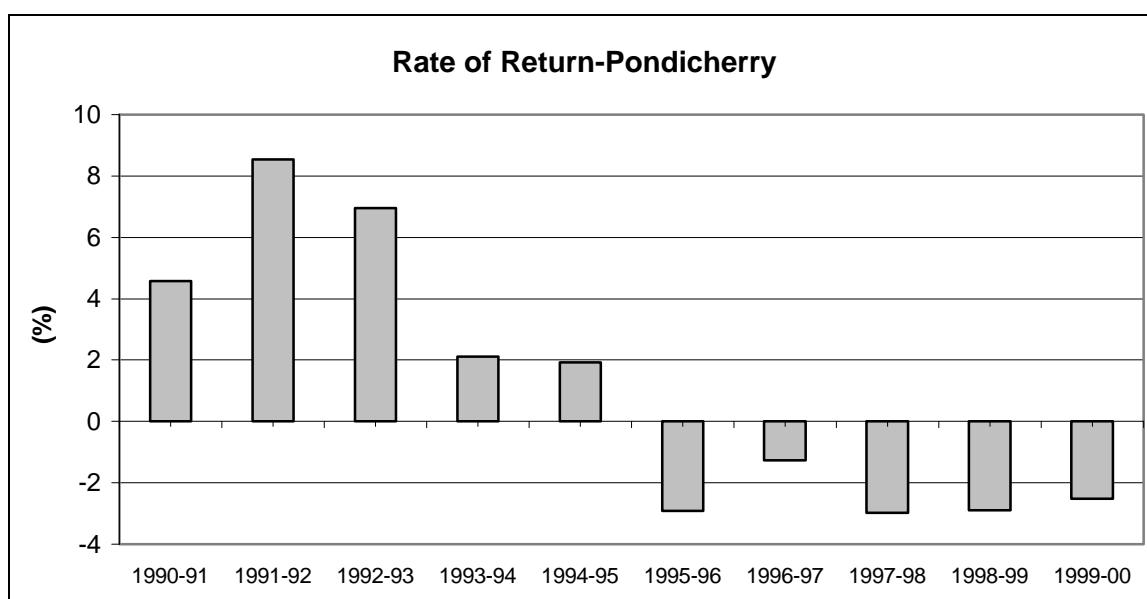
Pondicherry

6.58 The Union Territory has furnished information in respect of 10 PSUs. As per the information made available, the total investment in these PSUs stood at Rs. 389.03 crore in 1999-00 as against Rs. 48.31 crore in 1990-91 indicating an annual growth rate of 26.08 per cent during the 1990s. The total Investment includes Rs. 348.79 crore of Equity and Rs. 40.24 crore of Debt implying a Debt: Equity ratio of 0.12 in 1999-00. The Debt: Equity ratio has declined steadily from 0.92 in 1990-91. The share of State Government's equity in the total equity has gone up from 66 per cent in 1990-91 to 98 per cent in 1999-00.

6.59 The combined net worth of these PSUs was Rs. 269.20 crore in 1999-00 as against Rs. 30.32 crore in 1990-91. However, the accumulated losses have also

increased sharply during the 1990s and are estimated at Rs. 136.63 crore in 1999-00 as against Rs. 0.19 crore in 1990-91. The accumulated losses as a percentage of net worth have gone up to 50.75 per cent in 1999-00 from 0.63 per cent in 1990-91. These 10 PSUs recorded combined net profits in the first three years of the decade but since 1993-94 have been reporting net losses. Similarly the rate of return, which was positive up to 1994-95, has turned negative since 1995-96 as brought out in Fig.6.15. Out of the 10 enterprises observed, 4 were found to be consistently earning profits and 2 were found to be incurring losses continuously during the 1990s.

Figure No 6.15



6.60 The PSUs operate in production/ manufacturing (3), promotional/ developmental (1), trading/ marketing (1), financial (1), utility (1) and welfare (3) sectors. The manufacturing sector, with 43 per cent of total investment in 1999-00, is the dominant sector followed by the Utility (34 per cent), Financial (10.3 per cent), Promotional (3.6 per cent) and the Trading and Services sector (1.85 per cent). Dividends are provided by the manufacturing enterprises only. A major portion of the accumulated losses are also accounted for by the manufacturing sector.

Punjab

6.61 As per the information made available by the Government of Punjab in respect of 24 PSUs, the total Investment in these PSUs amounted to Rs.11064.19 crore in 1997-98 as against Rs. 5493.29 crore in 1990-91 implying annual growth of 10.52 per cent during the 1990s. The total Investment includes Rs. 3838.37 crore of Equity and Rs. 7225.82 crore of Debt implying a comfortable Debt: Equity ratio of

1.88 in 1997-98. The State Government is the dominant equity holder in these PSUs, with its equity holding varying from 72 per cent to 94 per cent during the 1990s. However, the share of State's Debt in the total debt has gone down from 78 per cent in 1990-91 to 55 per cent in 1997-98.

6.62 The combined net worth of these PSUs was Rs. 3786.76 crore in 1997-98 as against Rs. 429.57 crore in 1990-91. The accumulated losses have also gone up from Rs.562.52 in 1990-91 to Rs.727.77 crore in the year 1997-98. The accumulated losses as a percentage of net worth have improved steadily from 130.95 per cent in 1990-91 to 19.22 per cent in 1997-98.

6.63 Net profits of these 24 enterprises have remained positive from 1994-95 onwards. The rate of return has been positive throughout the years under consideration. Out of the observed 24 enterprises, 8 were found to be consistently earning profits and one was found to be incurring losses continuously during the 1990s.

6.64 The State enterprises operate in production/ manufacturing (3), promotional/ development (4), trading/ marketing (9), service utility (2), financial services (3) and welfare (3) sectors. The Utility sector, with 76 per cent of total investment in 1997-98, is the dominant sector followed by the financial (14.9 per cent), trading and services (4.6 per cent), and the promotional (2.8 per cent) sectors. Dividends are contributed by the financial, manufacturing and the promotional sectors. A major portion of the accumulated losses is accounted for by the utility sector although its share in the total accumulated losses has come down from 92.55 per cent in 1990-91 to 76.25 per cent in 1997-98. The Utility sector also accounts for 88 per cent of the total net worth, 82 per cent of the total capital employed, 76 per cent of the revenues earned and 82.5 per cent of the direct expenses incurred by all 24 PSUs in the year 1997-98.

Rajasthan

6.65 The State of Rajasthan was formed subsequent to the amalgamation of a number of princely States of Rajputana that owned and managed several public units that were acquired at the time of its formation. The main objectives of the PSUs included facilitation of rapid economic growth, earning a reasonable rate of return, creation of employment opportunities and development of small-scale and ancillary

industries. The PSUs are expected to be run on commercial basis so as to contribute to the State resources for a quicker development.

6.66 These enterprises operate in different sectors of the economy. More than half of these enterprises are engaged in manufacturing activities like Sugar, chemicals etc. Some are engaged in activities like Tourism, Warehousing, provision of agricultural inputs, Housing, Road Transport, Electricity etc. Some others function as financial institutions for industrial development.

6.67 The public sector units under the purview of the State Bureau of Public Enterprises (BPE) do not include 13 Cooperative Enterprises (separated from BPE in 1996), Rajasthan Rajya Van Vikas Ltd. and Rajasthan Government Salt Works, Pachpadra that are lying closed since 1991-92 and 1992-93, respectively.

6.68 Government of Rajasthan has provided information in respect of 22 PSUs. The total Investment in these PSUs stood at Rs. 11565.82 crore in 1999-00 as against Rs. 3148.76 crore in 1990-91, indicating an annual growth rate of 15.55 per cent during the 1990s. The total Investment includes Rs. 2371.11 crore of Equity and Rs. 9194.71 crore of Debt implying a Debt: Equity ratio of 3.88 in 1999-00. The State Government's equity holding has increased in the 1990s to 95 per cent in 1999-00 and it is thus the dominant equity holder in these PSUs. On the other hand, the share of State's debt in the total debt has gone down from 47 per cent in 1990-91 to 20 per cent in 1999-00.

6.69 The combined net worth of all these PSUs increased to Rs 3135.02 crore in 1999-00 as against (-) Rs. 233.34 crore in 1990-91. The accumulated losses have however declined in the 1990s as shown in Fig.6.16. The accumulated losses for the year 1999-00 are placed at Rs. 260.81 crore as against Rs. 746.59 crore at the start of the decade. The combined net profit of all the PSUs has remained positive throughout the decade except for the year 1990-91. In 1999-00 the combined net profits stood at Rs. 352.52 crore as against (-) Rs. 94.09 crore in the year 1990-91. The rate of return has been positive throughout the 1990s as shown in Fig.6.17. Out of the observed 22 enterprises, 6 were found to be consistently earning profits and one was found to be incurring losses continuously during the 1990s.

Figure No 6.16

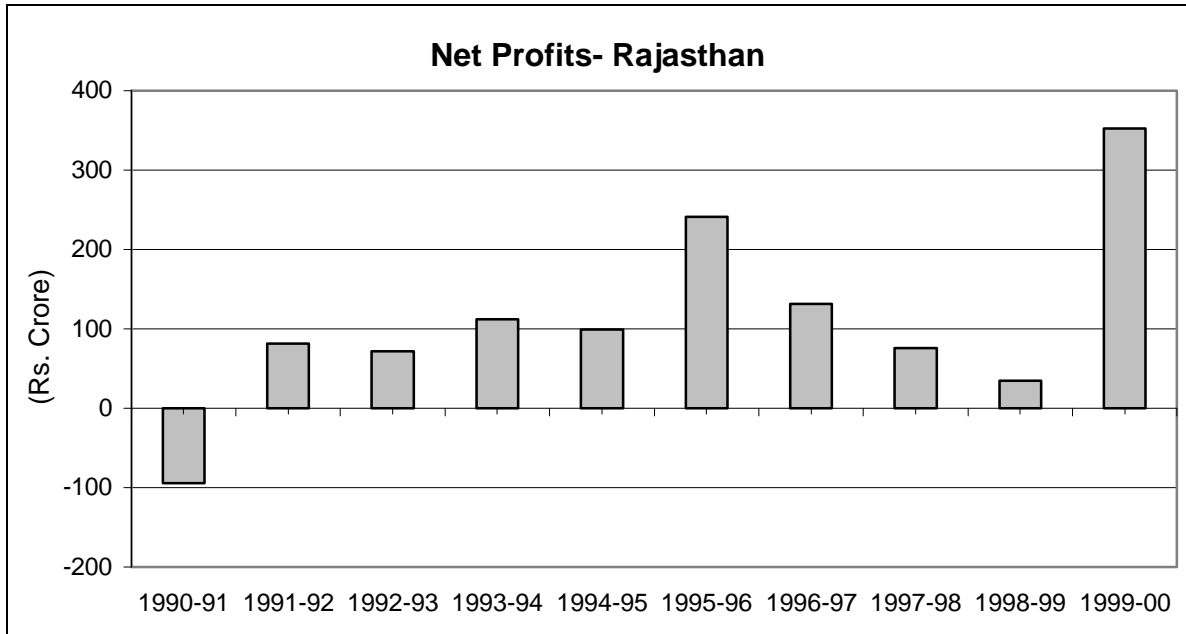
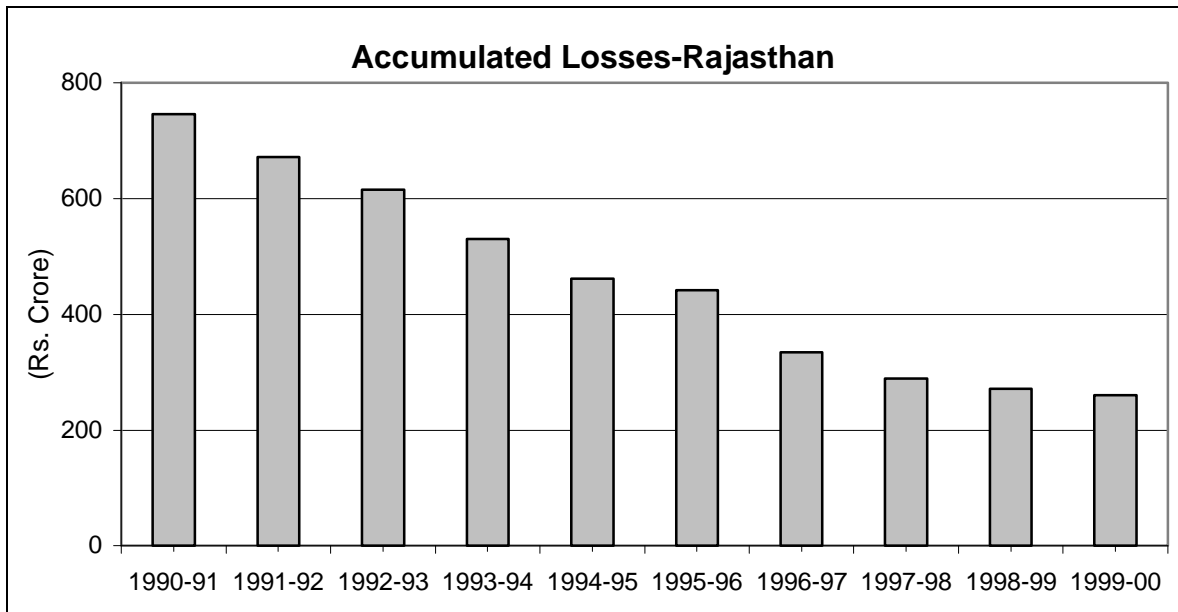


Figure No 6.17



6.70 The State enterprises operate in production/ manufacturing (9), promotional/ development (4), trading/ marketing (3), service utility (4) and financial services (2) sectors. The Utility sector, with a share of 75 per cent in total investment in 1999-00 is the dominant sector followed by the financial (17.26 per cent), manufacturing (6.1 per cent), promotional (1.3 per cent) and trading & services (0.65 per cent). The Utility sector accounted for 50 per cent of the total accumulated losses, 75 per cent of the combined net worth, 83 per cent of the total revenues earned and 80 per cent of the direct expenses of all the PSUs in the year 1999-00.

Sikkim

6.71 The State Government has furnished information in respect of 7 enterprises having total investment of Rs.90.20 crore in 1997-98. The total investment comprised of Rs.31.32 crore of Equity and Rs.58.88 crore of Debt. State equity has increased at a compound rate of 15.37 per cent per annum during the 1990s, with the result that the share of state equity in total equity increased from 70 per cent in 1990-91 to 80 per cent in 1997-98. However, total debt decreased from Rs.74.48 crore to Rs.58.88 crore over the corresponding period. As a result there has been a significant improvement in the debt-equity ratio of these enterprises during 1990's, from 5.71 in 1990-91 to 1.88 in 1997-98.

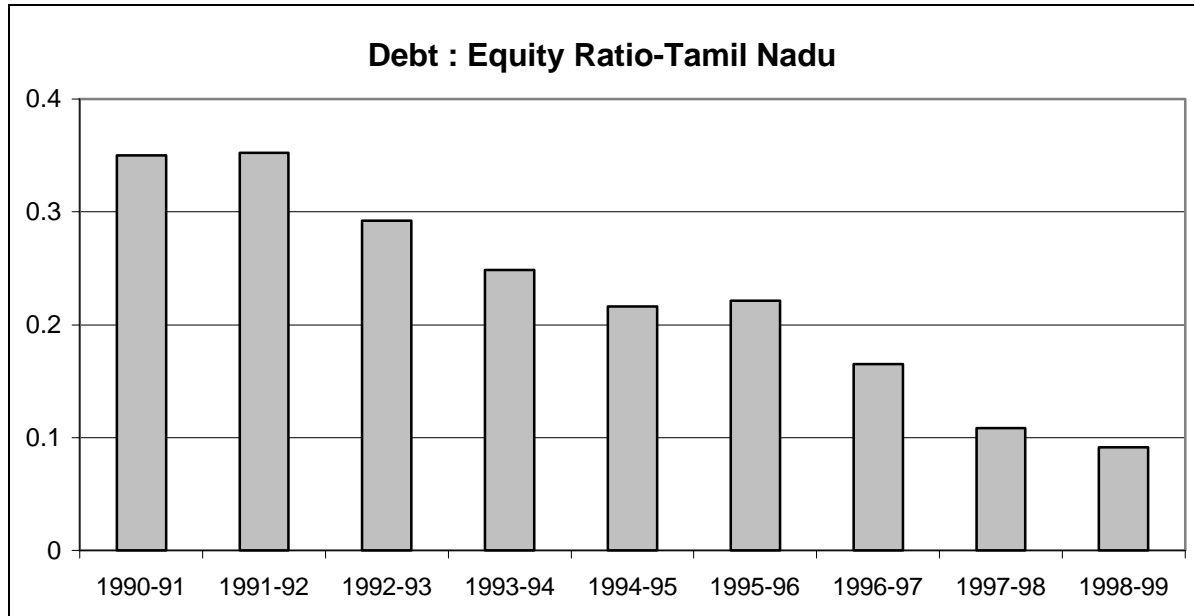
6.72 Total revenue earned by these enterprises amounted to Rs.39.55 crore while their accumulated losses were Rs.29.32 crore in 1997-98. Two of the 7 enterprises have been consistent net profit makers.

6.73 The PSUs operate in production / manufacturing (2), trading / marketing (2), financial services (2) and welfare (1) sectors. In 1997-98 the bulk of the investment in public enterprises was in the financial (77 per cent) and manufacturing (15 per cent) sectors. However, manufacturing enterprises accounted for 21 per cent of the accumulated losses while for financial enterprises the corresponding figure was 77 per cent. Dividends have been declared by enterprises belonging to the manufacturing and trading/services categories.

Tamil Nadu

6.74 As per the information made available by the Government of Tamil Nadu in respect of 67 PSUs, the total Investment in these PSUs amounted to Rs.12170.20 crore in 1998-99 as against Rs. 4742.60 crore in 1990-91 indicating an annual growth rate of 12.50 per cent. The total Investment includes Rs. 2449.74 crore of Equity and Rs. 9720.46 crore of Debt implying a Debt: Equity ratio of 3.97 in 1998-99. The State Government is the dominant equity holder in these PSUs with its equity holding varying from 84 per cent to 95 per cent during the 1990s. However, the share of State's Debt in the total debt has gone down from 35 per cent in 1990-91 to 9 per cent in 1998-99. There has been a steep improvement of Debt: Equity ratio during the period under study, from 9.00 in 1990-91 to 3.97 in 1998-99 as shown in Fig.6.18.

Figure No 6.18



6.75 The combined net worth of all these PSUs was Rs. 3158.08 crore in 1998-99 as against Rs. 1200.47 crore in 1990-91. The accumulated losses have also grown from Rs.318.06 crore in 1990-91 to Rs.1985.57 crore in 1998-99. Net profits of these 67 enterprises have remained positive during all the years except for 1998-99 (as shown in Fig.6.19) because of the fact that Tamil Nadu State Electricity Board posted a net loss of Rs 514.63 crore in 1998-99 as compared to substantial net profits in earlier years. The rate of return has been above 9 per cent throughout the decade except in 1998-99(as shown in Fig.6.20) when it declined to 1.40 per cent. The dividends paid attained a high of Rs. 20.04 crore in 1992-93 and amounted to Rs. 14.83 crore in 1998-99 as against Rs.11.53 crore in 1990-91. Out of the 67 enterprises observed, 5 were found to be consistently earning profits and 7 were found to be incurring losses continuously during the 1990s.

Figure No 6.19

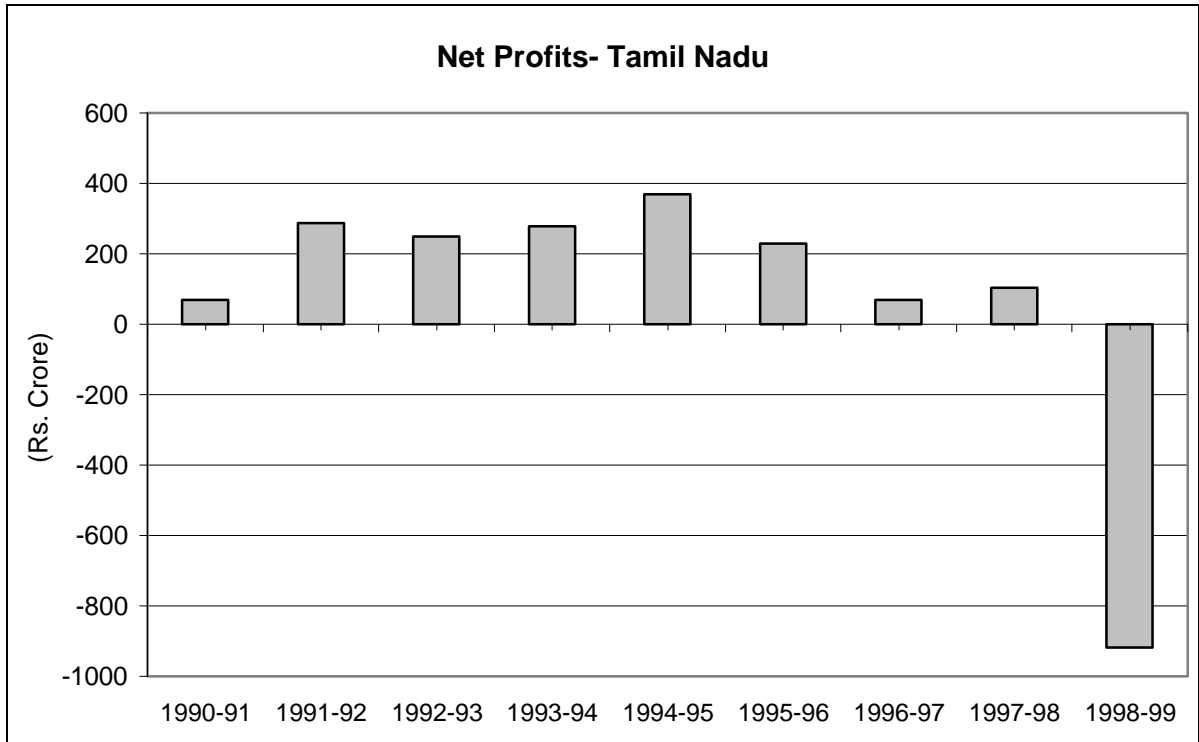
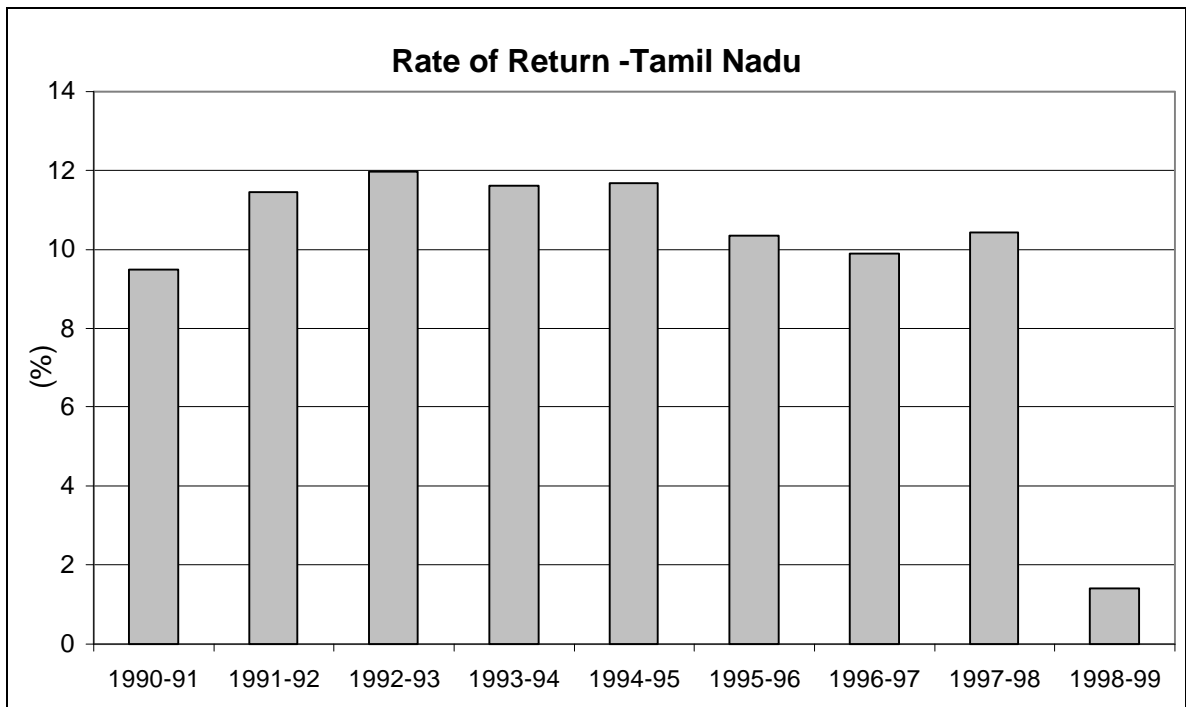


Figure No 6.20



6.76 The State enterprises operate in production/ manufacturing (21), promotional/ development (11), trading/ marketing (4), service utility (22), financial (6) and welfare (3) sectors. The Utility sector, with 54 per cent of total investment in 1999-00, is the dominant sector followed by the financial (28.25 per cent), manufacturing (8.47 per cent), trading and services (6.24 per cent), promotional (2.10 per cent), and the

welfare sector (0.93 per cent). A major share, 75 per cent, of the accumulated losses is accounted for by the utility sector which also earned 57 per cent of the total revenues. The utility sector also accounted for 72 per cent of the total net worth of these PSUs in 1998-99. The Manufacturing sector has around 11 per cent of accumulated losses while the financial sector accounts for another 6.6 per cent.

Tripura

6.77 The State Government has furnished information in respect of 12 enterprises having total investment of Rs.117.53 crore in 1998-99. The total investment comprised of Rs.62.73 crore of Equity and Rs.54.80 crore of Debt. The share of state equity in total equity increased from 85 per cent in 1990-91 to 90 per cent in 1998-99. The debt-equity ratio has been quite comfortable.

6.78 Total revenue earned by these enterprises amounted to Rs.21.25 crore while their accumulated losses were Rs.170.07 crore in 1998-99. Net profits and the rate of return recorded by these enterprises has been negative throughout the period of the study.

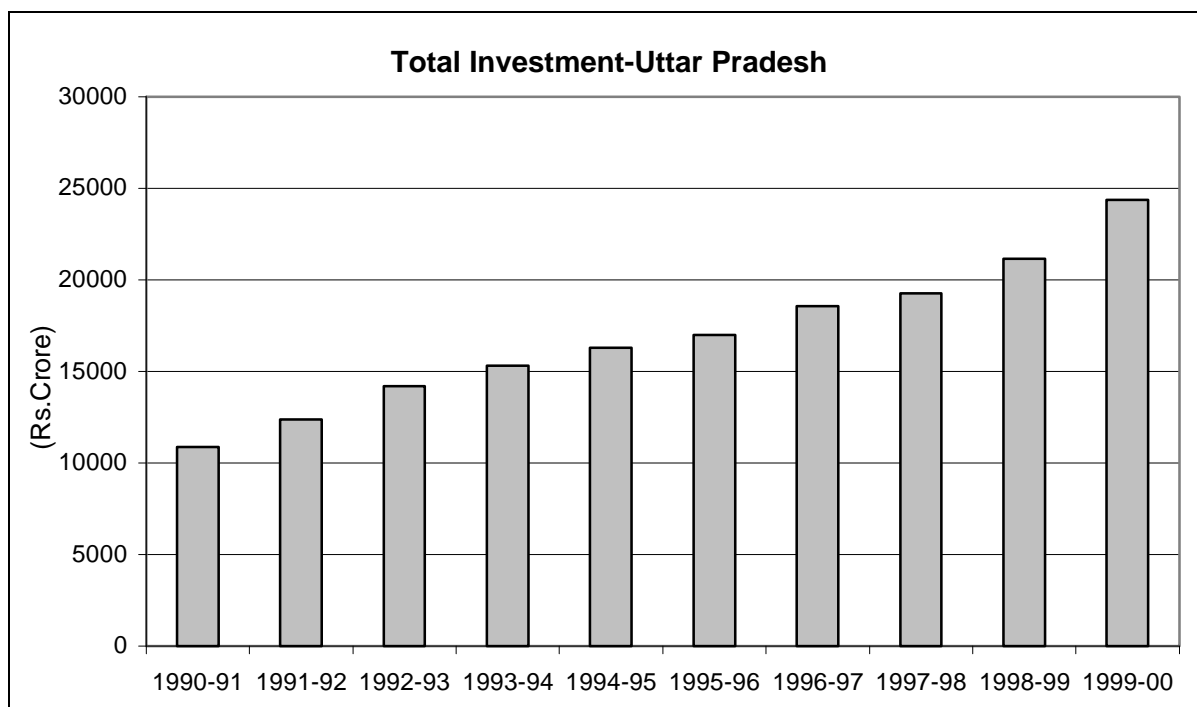
6.79 The State enterprises operate in production / manufacturing (5), promotional / development (3), service utility (1), financial services (1) and welfare (2) sectors. In 1998-99 the largest amount of investment in public enterprises was in the manufacturing (34 per cent) category. Utilities (21 per cent), promotional (16 per cent), welfare (17 per cent) and financial enterprises (11 per cent) accounted for the balance of investment in State PSUs. However, manufacturing enterprises accounted for 44 per cent of the accumulated losses while for utilities the corresponding figure was 48 per cent. No dividend was paid by the State PSUs during the period of the study.

Uttar Pradesh

6.80 As per the information made available by the Government of Uttar Pradesh in respect of 50 PSUs, the total Investment in these PSUs stood at Rs. 24363.61 crore in 1999-00 as against Rs.10867.98 crore in 1990-91(as shown in Fig.6.21) indicating an annual growth rate of 9.38 per cent. The total Investment includes Rs. 2821.96 crore of Equity and Rs. 21541.65 crore of Debt implying a high Debt: Equity ratio of 7.63 in 1999-00. The State Government is the dominant equity holder in these PSUs

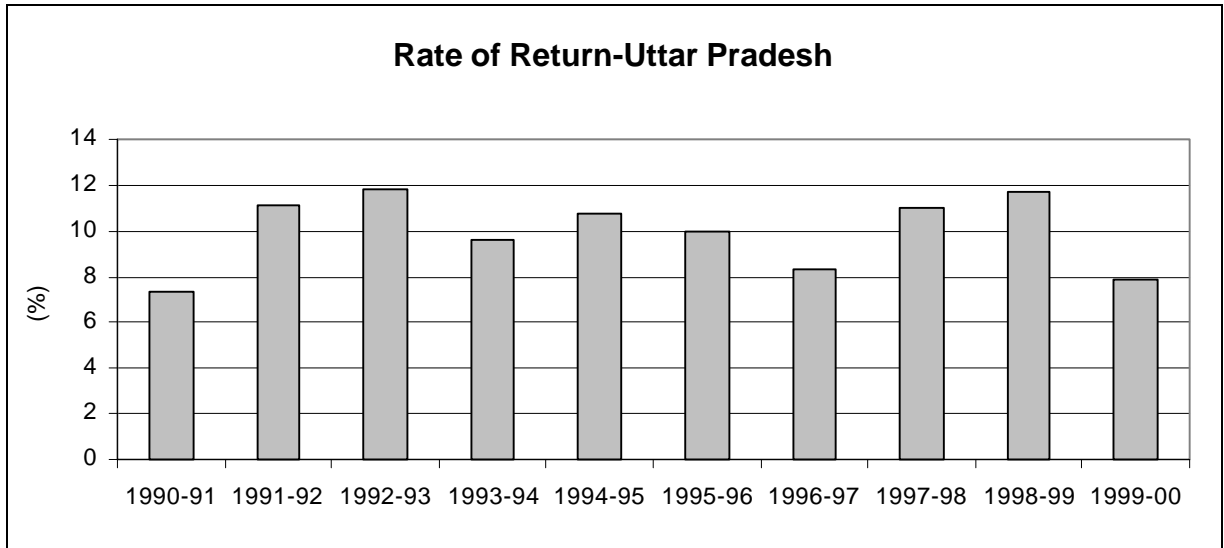
with its equity holding of 94 per cent in 1999-00. The share of State's Debt in the total debt has gone up from 62 per cent in 1990-91 to 65 per cent in 1999-00.

Figure No 6.21



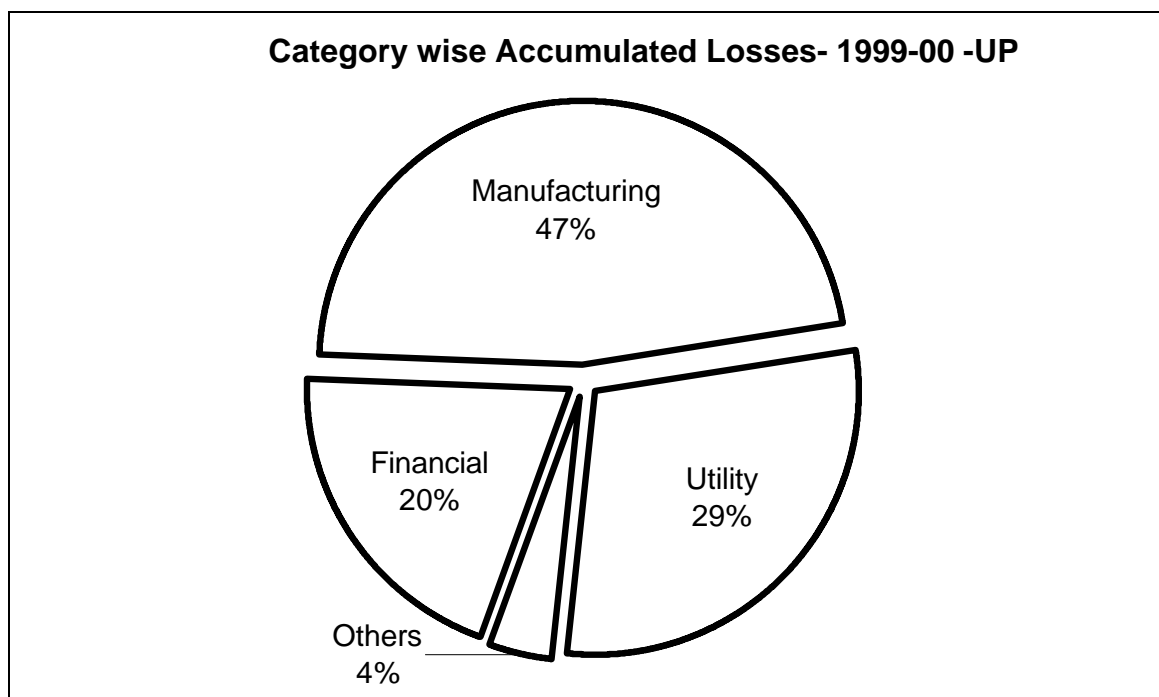
6.81 The combined net worth of these PSUs was Rs. 1091.71 crore in 1999-00 as against. (-) Rs 37.11 crore in 1990-91. Although the Net Worth of these PSU has improved, the accumulated losses have also grown sharply at 6.90 per cent per annum in the 1990s. For the year 1999-00 accumulated losses are estimated to be Rs. 3109.79 crore as against Rs.1705.21 crore in 1990-91. Accumulated losses of Rs. 3109.79 crore in 1999-00 are approximately three times the Net worth of these PSUs. In the year 1999-00 the combined net loss of the PSUs stood at Rs. 424.69 crore. The rate of return has been positive throughout the 1990s as shown in Fig.6.22. Out of the 50 enterprises observed, 4 were found to be consistently earning profits and 5 were found to be incurring losses continuously during the 1990s.

Figure No 6.22



6.82 The PSUs operate in production/ manufacturing (19), promotional/ development (12), trading/ marketing (3), service utility (5), financial (3) and welfare (8) sectors. The Utility sector, with 80 per cent of total investment in 1999-00, is the dominant sector followed by the financial (9.4 per cent), manufacturing (7.83 per cent), promotional (1.24 per cent), welfare (1.06 per cent) and trading & services (0.19 per cent). The Utility sector accounted for 29 per cent of the total accumulated losses, 70 per cent of the total revenues earned and 64 per cent of the direct expenses of all the PSUs in the year 1999-00. Manufacturing sector accounted for 47 per cent of the accumulated losses in 1999-00. Categorywise accumulated losses in 1999-00 are shown in Fig.6.23.

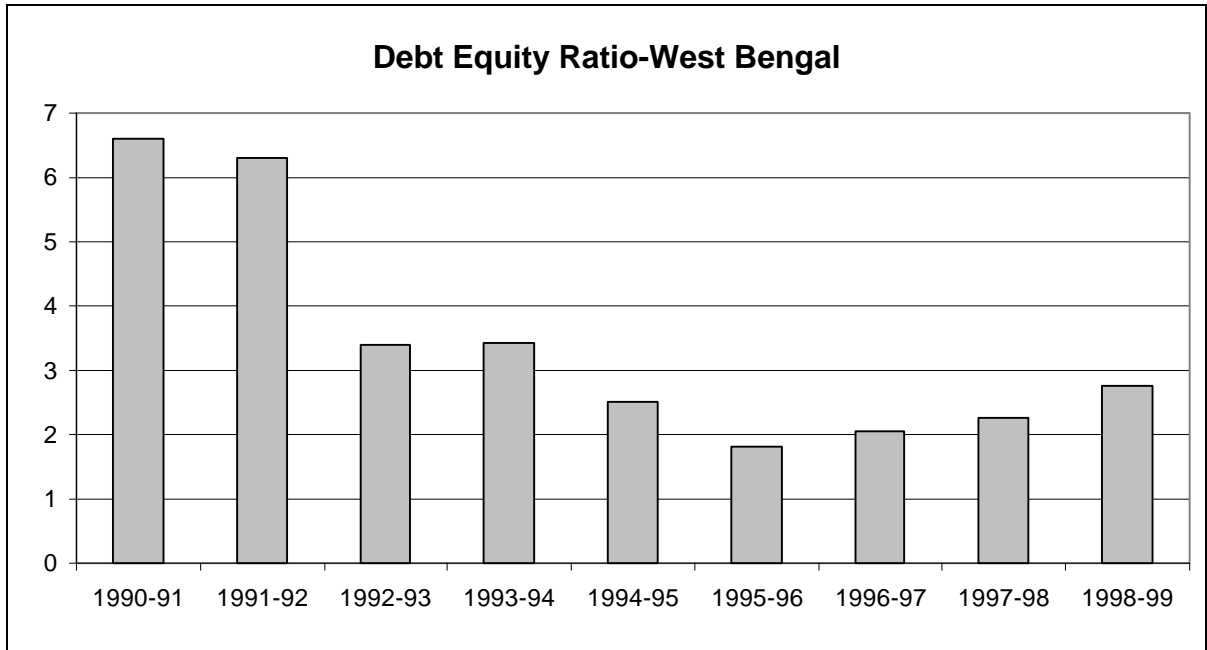
Figure No 6.23



West Bengal

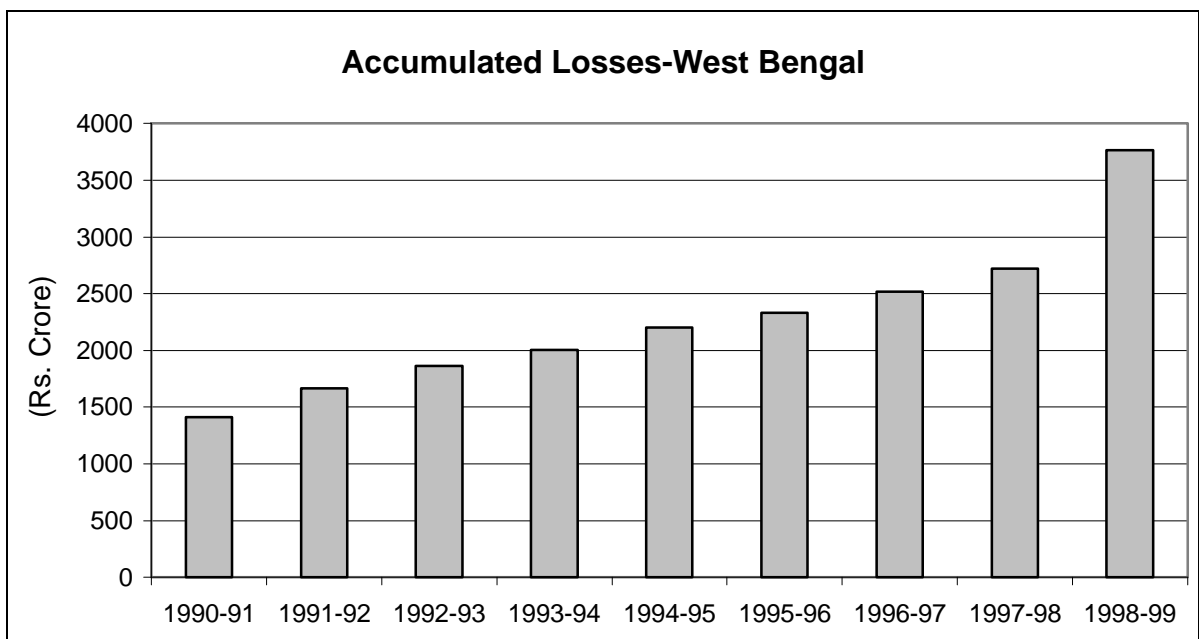
6.83 The State Government has furnished information in respect of 49 enterprises having total investment of Rs.11202.74 crore in 1998-99. The total investment comprised of Rs.2983.05 crore of Equity and Rs.8219.70 crore of Debt. State equity has increased at a compound rate of 20.83 per cent per annum during the 1990s. The share of State equity in total equity increased further, from 97 per cent in 1990-91 to 99 per cent in 1998-99. The share of State debt in total debt has also increased from 40 per cent to 66 per cent over the corresponding period. There has been a significant improvement in the debt-equity ratio of these enterprises during 1990's, from 6.60 in 1990-91 to 2.76 in 1999-00 as shown in Fig.6.24.

Figure No 6.24



6.84 Total revenue earned by these enterprises amounted to Rs.3799.09 crore while their accumulated losses were Rs.3763.60 crore in 1998-99. Accumulated losses have increased at a compound rate of 13.05 per cent per annum during 1990s as can be seen in Fig. 6.25. Combined profits of these PSUs have been in negative throughout the period under study. 24 enterprises have been consistent loss makers while only one enterprise has been consistent net-profit maker.

Figure No 6.25



6.85 The State enterprises operate in production / manufacturing (32), promotional / development (6), trading / marketing (2), service utility (8) and financial services (1) sectors. In 1998-99 the bulk of the investment in public enterprises was in the utilities (76 per cent) and manufacturing (19 per cent). However, manufacturing enterprises accounted for 40 per cent of the accumulated losses while for utilities the corresponding figure was 57 per cent. Dividends have been given by enterprises belonging to the manufacturing and trade and services category only.

Table 6.1
ANDHRA PRADESH

Rs. In Crore

Year	State Equity	Other Equity	Total Equity	State Debt	Other Debt	Total Debt	Total Investment	Surpluses & Reserves	Accumulated losses	Net worth	Capital Employed	Total Revenue Earned	Direct Expense	contribution	Gross Margin	Profit Before Int.& Taxes	Net Profit	Dividend
1990-91	643.01	208.52	851.53	2088.82	3145.42	5234.24	6085.76	1155.48	802.42	1204.21	6438.47	4167.65	3686.57	481.08	623.84	574.89	-105.20	2.41
1991-92	690.30	257.29	947.59	2292.59	3790.22	6082.81	7030.40	1414.31	988.86	1372.69	7455.55	4914.17	4309.95	604.22	306.42	305.54	-249.78	2.04
1992-93	773.37	314.01	1087.38	2725.14	4551.61	7276.75	8364.13	1758.11	1273.85	1571.58	8848.42	5493.86	4683.37	810.49	583.47	582.76	-208.10	2.04
1993-94	1942.60	526.31	2468.91	2608.71	5409.26	8017.98	10486.89	1478.56	912.75	3034.70	11053.34	6626.44	5436.72	1189.72	749.95	749.22	3.81	3.90
1994-95	1958.07	525.28	2483.35	3047.25	7220.51	10267.76	12751.11	1431.53	798.15	3116.04	13383.83	7674.64	6075.64	1599.00	1010.21	1009.30	-14.40	0.63
1995-96	2568.62	540.99	3109.60	2446.93	7698.04	10144.98	13254.58	2154.68	1097.26	4167.00	14312.03	7816.50	6156.38	1660.12	950.15	949.44	-188.41	0.63
1996-97	2609.76	718.69	3328.44	3803.65	4629.37	8433.02	11761.47	2526.33	1519.06	4335.73	12768.65	10504.59	9886.24	618.35	243.25	242.53	-224.47	0.41
1997-98	2671.23	806.05	3477.29	4882.35	4814.40	9696.75	13174.04	2883.88	1540.66	4820.52	14517.30	13332.42	11174.88	2157.54	1341.36	1340.54	67.98	1.26
1998-99	3566.55	878.56	4445.11	2979.40	16036.98	19016.38	23461.49	1637.29	1713.56	4367.97	23259.48	14407.01	11951.62	2455.39	1599.16	1598.55	163.68	1.92
1999-00	4328.54	913.95	5242.49	5343.99	17888.80	23232.79	28475.28	1385.96	1689.37	4939.08	28171.17	22775.42	19829.54	2945.88	1737.17	1736.38	32.40	1.91
CARG	23.60	17.84	22.38	11.00	21.30	18.01	18.70	2.04	8.62	16.98	17.82	20.77	20.56	22.30	12.05	13.07	~	-2.55

RATIOS

	State Equity to Total Equity	State Debt to Total Debt	Total Debt to Total Equity	PBIT as % of Sales	Net Profit as % of Sales	Accumulated losses as % of Capital	Net worth as % of Investment	Sales as % of Investment	Contribution as % of Sales	Gross Margin as % of Sales	Net Profit as % of Total Equity	Sales as % of Capital Employed	Surplus and Reserves as % of Capital	Accumulated losses as % of Net Worth	PBIT as % of Capital Employed	Net Profit as % of Capital Epml,
1990-91	0.76	0.40	6.15	13.79	-2.52	12.46	19.79	68.48	11.54	14.97	-12.35	64.73	17.95	66.63	8.93	-1.63
1991-92	0.73	0.38	6.42	6.22	-5.08	13.26	19.53	69.90	12.30	6.24	-26.36	65.91	18.97	72.04	4.10	-3.35
1992-93	0.71	0.37	6.69	10.61	-3.79	14.40	18.79	65.68	14.75	10.62	-19.14	62.09	19.87	81.06	6.59	-2.35
1993-94	0.79	0.33	3.25	11.31	0.06	8.26	28.94	63.19	17.95	11.32	0.15	59.95	13.38	30.08	6.78	0.03
1994-95	0.79	0.30	4.13	13.15	-0.19	5.96	24.44	60.19	20.83	13.16	-0.58	57.34	10.70	25.61	7.54	-0.11
1995-96	0.83	0.24	3.26	12.15	-2.41	7.67	31.44	58.97	21.24	12.16	-6.06	54.61	15.06	26.33	6.63	-1.32
1996-97	0.78	0.45	2.53	2.31	-2.14	11.90	36.86	89.31	5.89	2.32	-6.74	82.27	19.79	35.04	1.90	-1.76
1997-98	0.77	0.50	2.79	10.05	0.51	10.61	36.59	101.20	16.18	10.06	1.95	91.84	19.87	31.96	9.23	0.47
1998-99	0.80	0.16	4.28	11.10	1.14	7.37	18.62	61.41	17.04	11.10	3.68	61.94	7.04	39.23	6.87	0.70
1999-00	0.83	0.23	4.43	7.62	0.14	6.00	17.35	79.98	12.93	7.63	0.62	80.85	4.92	34.20	6.16	0.12

Table 6.2
ARUNACHAL PRADESH

Rs. In Crore

Year	State Equity	Other Equity	Total Equity	State Debt	Other Debt	Total Debt	Total Investment	Surpluses & Reserves	Accumulated losses	Net worth	Capital Employed	Total Revenue Earned	Direct Expense	contribution	Gross Margin	Profit Before Int.& Taxes	Net Profit	Dividend
1990-91	5.50	0.16	5.66	5.15	19.43	24.58	30.24	2.91	10.75	7.78	24.41	19.45	19.60	-0.15	1.95	1.34	-0.03	0.01
1991-92	5.74	0.17	5.91	6.18	20.18	26.36	32.27	5.49	11.76	9.84	26.82	18.89	17.90	0.99	3.82	3.27	1.10	0.02
1992-93	6.13	0.17	6.30	7.13	25.66	32.79	39.09	7.76	11.90	12.18	33.89	25.07	23.82	1.25	5.38	5.04	2.00	0.00
1993-94	6.64	0.18	6.82	7.13	24.33	31.46	38.28	9.95	12.10	14.72	50.73	29.28	25.67	3.61	4.24	4.22	1.88	0.00
1994-95	7.71	0.19	7.90	7.13	32.70	39.83	47.73	18.85	14.49	22.03	52.04	31.02	23.49	7.53	8.04	7.91	7.28	0.00
1995-96	8.34	0.21	8.55	7.14	29.06	36.20	44.75	24.55	15.63	27.86	73.52	27.35	21.53	5.82	5.63	4.67	3.85	0.00
1996-97	8.64	0.24	8.88	7.27	36.23	43.50	52.38	26.01	14.40	23.37	90.26	36.40	21.09	15.31	15.46	15.35	3.50	0.00
1997-98	8.97	0.25	9.22	7.27	33.77	41.04	50.26	23.62	20.46	13.05	83.81	21.72	19.29	2.43	8.32	7.86	-1.05	0.00
CARG	7.24	6.58	7.22	5.05	8.22	7.60	7.53	34.87	9.63	7.67	19.27	1.59	-0.23	~	23.03	28.75	66.18	~

RATIOS

	State Equity to Total Equity	State Debt to Total Debt	Total Debt to Total Equity	PBIT as % of Sales	Net Profit as % of Sales	Accumulated losses as % of Capital	Net worth as % of Investment	Sales as % of Investment	Contribution as % of Sales	Gross Margin as % of Sales	Net Profit as % of Total Equity	Sales as % of Capital Employed	Surplus and Reserves as % of Capital	Accumulated losses as % of Net Worth	PBIT as % of Capital Employed	Net Profit as % of Capital Epml,
1990-91	0.97	0.21	4.34	6.89	-0.15	44.04	25.73	64.32	-0.77	10.03	-0.53	79.68	11.92	138.17	5.49	-0.12
1991-92	0.97	0.23	4.46	17.31	5.82	43.85	30.49	58.54	5.24	20.22	18.61	70.43	20.47	119.51	12.19	4.10
1992-93	0.97	0.22	5.20	20.10	7.98	35.11	31.16	64.13	4.99	21.46	31.75	73.97	22.90	97.70	14.87	5.90
1993-94	0.97	0.23	4.61	14.41	6.42	23.85	38.45	76.49	12.33	14.48	27.57	57.72	19.61	82.20	8.32	3.71
1994-95	0.98	0.18	5.04	25.50	23.47	27.84	46.16	64.99	24.27	25.92	92.15	59.61	36.22	65.77	15.20	13.99
1995-96	0.98	0.20	4.23	17.07	14.08	21.26	62.26	61.12	21.28	20.59	45.03	37.20	33.39	56.10	6.35	5.24
1996-97	0.97	0.17	4.90	42.17	9.62	15.95	44.62	69.49	42.06	42.47	39.41	40.33	28.82	61.62	17.01	3.88
1997-98	0.97	0.18	4.45	36.19	-4.83	24.41	25.96	43.22	11.19	38.31	-11.39	25.92	28.18	156.78	9.38	-1.25

Table 6.3
ASSAM

Rs. In Crore

Year	State Equity	Other Equity	Total Equity	State Debt	Other Debt	Total Debt	Total Investment	Surpluses & Reserves	Accumulated losses	Net worth	Capital Employed	Total Revenue Earned	Direct Expense	contribution	Gross Margin	Profit Before Int.& Taxes	Net Profit	Dividend
1990-91	148.11	13.62	161.74	1284.44	837.87	2122.31	2284.05	52.61	874.53	-558.38	1983.77	541.56	339.76	201.80	30.13	82.07	-141.71	0.01
1991-92	981.64	15.64	997.29	736.04	866.03	1602.07	2599.36	62.63	1140.21	35.02	2282.73	568.03	415.17	152.86	42.47	53.59	-273.47	0.85
1992-93	1164.31	16.92	1181.24	730.19	941.80	1671.99	2853.23	69.63	1247.59	3.00	2508.94	583.99	477.91	106.08	26.87	19.07	-221.60	1.07
1993-94	1178.62	18.30	1196.93	960.50	920.72	1881.22	3078.15	80.78	1157.18	0.48	2676.37	625.41	509.44	115.97	22.26	1.84	-316.47	0.68
1994-95	1182.39	22.77	1205.17	1127.01	969.40	2096.41	3301.58	92.54	1461.93	-167.82	2881.21	701.71	560.14	141.57	46.72	5.25	-293.39	0.02
1995-96	1189.55	24.00	1213.56	1329.76	968.48	2298.24	3511.80	110.14	1646.72	-327.78	3056.98	1051.37	675.17	376.20	65.35	70.51	-154.76	0.00
1996-97	1176.07	25.46	1201.54	1474.88	956.00	2430.88	3632.42	145.54	2044.55	-714.45	3202.62	896.29	750.89	145.40	42.65	-34.41	-418.01	0.32
1997-98	1179.44	26.00	1205.45	1615.84	956.35	2572.19	3777.64	192.55	2493.02	-1070.74	3348.45	859.41	888.95	-29.54	30.43	-152.92	-442.21	1.48
1998-99	1730.32	26.32	1756.65	958.27	965.27	1923.54	3680.19	201.53	3110.02	-1231.18	3352.90	950.29	876.09	74.20	34.74	-144.76	-600.35	1.79
CARG	35.97	8.58	34.74	-3.60	1.79	-1.22	6.14	18.28	17.19	10.39	6.78	7.28	12.57	-11.76	1.80	~	19.78	91.25

RATIOS

	State Equity to Total Equity	State Debt to Total Debt	Total Debt to Total Equity	PBIT as % of Sales	Net Profit as % of Sales	Accumulated losses as % of Capital	Net worth as % of Investment	Sales as % of Investment	Contribution as % of Sales	Gross Margin as % of Sales	Net Profit as % of Total Equity	Sales as % of Capital Employed	Surplus and Reserves as % of Capital	Accumulated losses as % of Net Worth	PBIT as % of Capital Employed	Net Profit as % of Capital Epml,
1990-91	0.92	0.61	13.12	15.15	-26.17	44.08	-24.45	23.71	37.26	5.56	-87.62	27.30	2.65	-156.62	4.14	-7.14
1991-92	0.98	0.46	1.61	9.43	-48.14	49.95	1.35	21.85	26.91	7.48	-27.42	24.88	2.74	3255.88	2.35	-11.98
1992-93	0.99	0.44	1.42	3.27	-37.95	49.73	0.11	20.47	18.16	4.60	-18.76	23.28	2.78	41586.33	0.76	-8.83
1993-94	0.98	0.51	1.57	0.29	-50.60	43.24	0.02	20.32	18.54	3.56	-26.44	23.37	3.02	241079.17	0.07	-11.82
1994-95	0.98	0.54	1.74	0.75	-41.81	50.74	-5.08	21.25	20.18	6.66	-24.34	24.35	3.21	-871.13	0.18	-10.18
1995-96	0.98	0.58	1.89	6.71	-14.72	53.87	-9.33	29.94	35.78	6.22	-12.75	34.39	3.60	-502.39	2.31	-5.06
1996-97	0.98	0.61	2.02	-3.84	-46.64	63.84	-19.67	24.67	16.22	4.76	-34.79	27.99	4.54	-286.17	-1.07	-13.05
1997-98	0.98	0.63	2.13	-17.79	-51.46	74.45	-28.34	22.75	-3.44	3.54	-36.68	25.67	5.75	-232.83	-4.57	-13.21
1998-99	0.99	0.50	1.10	-15.23	-63.18	92.76	-33.45	25.82	7.81	3.66	-34.18	28.34	6.01	-252.60	-4.32	-17.91

Table 6.4
DELHI (U.T.)

Rs. In Crore

Year	State Equity	Other Equity	Total Equity	State Debt	Other Debt	Total Debt	Total Investment	Surpluses & Reserves	Accumulated losses	Net worth	Capital Employed	Total Revenue Earned	Direct Expense	contribution	Gross Margin	Profit Before Int.& Taxes	Net Profit	Dividend
1990-91	3420.50	2445.42	5865.92	4094.33	3410.11	7504.44	13370.36	1278.88	1565.07	1937.29	6956.59	1983.56	1953.47	30.09	126.14	177.44	-318.15	46.24
1991-92	3773.22	4509.27	8282.49	6203.08	4103.68	10306.76	18589.26	1512.85	2016.12	1959.59	9503.16	2440.48	2212.25	228.23	828.98	39.52	-342.32	0.24
1992-93	4277.34	5319.57	9596.91	7184.61	4250.03	11434.64	21031.55	1764.51	2726.29	2104.46	10910.45	2895.22	2658.48	236.74	452.20	508.57	-173.36	60.51
1993-94	4717.59	4808.23	9525.82	6499.82	4596.60	11096.42	20622.24	1890.90	3413.70	2833.95	11384.92	3340.93	3264.13	76.80	360.98	633.13	-356.78	67.81
1994-95	5261.25	3859.86	9121.11	5823.36	5305.83	11129.19	20250.30	1842.48	4225.50	4632.94	9743.63	3554.32	3342.74	211.58	523.50	494.34	-234.53	68.29
1995-96	5714.28	4996.47	10710.75	7284.53	5466.20	12750.73	23461.48	2580.14	5319.00	5785.23	11775.61	3900.42	3755.12	145.30	574.36	299.52	-434.43	68.74
1996-97	6324.54	5076.61	11401.15	8120.31	4757.15	12877.46	24278.61	2995.66	4394.87	4249.94	14160.99	4562.64	4476.77	85.87	398.99	42.28	-507.98	68.99
1997-98	7033.62	4424.75	11458.37	8076.44	5625.10	13701.54	25159.91	3632.10	5343.31	4917.24	14835.54	5834.71	5783.03	51.68	228.83	422.61	-386.15	69.65
1998-99	7729.04	3141.57	10870.61	7568.95	6783.05	14352.00	25222.61	3936.47	6766.61	5123.19	14612.45	5752.21	6230.42	-478.21	-267.74	-566.91	-956.08	69.74
1999-00	8466.48	2786.10	11252.58	8288.10	6712.11	15000.21	26252.79	3972.37	8231.59	4827.03	15082.60	6096.04	6653.53	-557.49	-346.84	-701.06	-1127.96	69.74
CARG	10.59	1.46	7.51	8.15	7.81	8.00	7.79	13.42	20.26	10.68	8.98	13.29	14.59	~	~	~	15.10	4.67

RATIOS

	State Equity to Total Equity	State Debt to Total Debt	Total Debt to Total Equity	PBIT as % of Sales	Net Profit as % of Sales	Accumulated losses as % of Capital	Net worth as % of Investment	Sales as % of Investment	Contribution as % of Sales	Gross Margin as % of Sales	Net Profit as % of Total Equity	Sales as % of Capital Employed	Surplus and Reserves as % of Capital	Accumulated losses as % of Net Worth	PBIT as % of Capital Employed	Net Profit as % of Capital Epml,
1990-91	0.58	0.55	1.28	8.95	-16.04	22.50	14.49	14.84	1.52	6.36	-5.42	28.51	18.38	80.79	2.55	-4.57
1991-92	0.46	0.60	1.24	1.62	-14.03	21.22	10.54	13.13	9.35	33.97	-4.13	25.68	15.92	102.88	0.42	-3.60
1992-93	0.45	0.63	1.19	17.57	-5.99	24.99	10.01	13.77	8.18	15.62	-1.81	26.54	16.17	129.55	4.66	-1.59
1993-94	0.50	0.59	1.16	18.95	-10.68	29.98	13.74	16.20	2.30	10.80	-3.75	29.35	16.61	120.46	5.56	-3.13
1994-95	0.58	0.52	1.22	13.91	-6.60	43.37	22.88	17.55	5.95	14.73	-2.57	36.48	18.91	91.21	5.07	-2.41
1995-96	0.53	0.57	1.19	7.68	-11.14	45.17	24.66	16.62	3.73	14.73	-4.06	33.12	21.91	91.94	2.54	-3.69
1996-97	0.55	0.63	1.13	0.93	-11.13	31.04	17.50	18.79	1.88	8.74	-4.46	32.22	21.15	103.41	0.30	-3.59
1997-98	0.61	0.59	1.20	7.24	-6.62	36.02	19.54	23.19	0.89	3.92	-3.37	39.33	24.48	108.66	2.85	-2.60
1998-99	0.71	0.53	1.32	-9.86	-16.62	46.31	20.31	22.81	-8.31	-4.65	-8.80	39.37	26.94	132.08	-3.88	-6.54
1999-00	0.75	0.55	1.33	-11.50	-18.50	54.58	18.39	23.22	-9.15	-5.69	-10.02	40.42	26.34	170.53	-4.65	-7.48

Table 6.5

GOA

Rs. In Crore

Year	State Equity	Other Equity	Total Equity	State Debt	Other Debt	Total Debt	Total Investment	Surpluses & Reserves	Accumulated losses	Net worth	Capital Employed	Total Revenue Earned	Direct Expense	contribution	Gross Margin	Profit Before Int.& Taxes	Net Profit	Dividend
1990-91	59.34	15.43	74.76	1.83	63.02	64.85	139.61	7.74	8.40	62.57	136.51	31.50	28.74	2.76	3.45	7.68	0.69	0.03
1991-92	88.59	16.40	104.99	2.02	71.44	73.46	178.45	10.00	11.88	89.84	178.34	38.75	32.36	6.39	4.97	9.68	1.43	0.04
1992-93	97.67	16.90	114.57	2.80	85.96	88.76	203.32	13.07	11.18	110.18	206.62	55.29	44.46	10.83	6.08	13.40	2.08	0.04
1993-94	122.27	16.90	139.17	2.13	105.35	107.48	246.64	15.78	14.51	126.20	229.95	63.19	53.29	9.90	6.51	14.32	0.29	0.16
1994-95	136.64	80.31	216.95	4.23	107.06	111.29	328.24	25.77	11.19	233.57	335.64	93.03	65.56	27.47	16.06	31.02	9.41	0.16
1995-96	154.05	93.77	247.82	8.41	144.42	152.83	400.65	32.79	19.40	278.03	391.60	98.66	77.63	21.03	10.45	18.56	-4.08	0.18
1996-97	176.45	107.22	283.67	10.84	181.34	192.18	475.84	45.41	35.72	312.36	459.93	99.77	84.76	15.01	11.64	23.76	-4.56	0.24
1997-98	192.32	120.67	312.99	17.73	263.39	281.12	594.11	61.53	49.00	355.67	573.34	120.24	100.89	19.35	13.74	34.31	1.76	0.05
CARG	18.29	34.15	22.70	38.32	22.67	23.31	22.98	34.47	28.65	28.18	22.75	21.09	19.65	32.08	21.83	23.84	14.31	7.57

RATIOS

	State Equity to Total Equity	State Debt to Total Debt	Total Debt to Total Equity	PBIT as % of Sales	Net Profit as % of Sales	Accumulated losses as % of Capital	Net worth as % of Investment	Sales as % of Investment	Contribution as % of Sales	Gross Margin as % of Sales	Net Profit as % of Total Equity	Sales as % of Capital Employed	Surplus and Reserves as % of Capital	Accumulated losses as % of Net Worth	PBIT as % of Capital Employed	Net Profit as % of Capital Epml,
1990-91	0.79	0.03	0.87	24.38	2.19	6.15	44.82	22.56	8.76	10.95	0.92	23.08	5.67	13.42	5.63	0.51
1991-92	0.84	0.03	0.70	24.98	3.69	6.66	50.34	21.71	16.49	12.83	1.36	21.73	5.61	13.22	5.43	0.80
1992-93	0.85	0.03	0.77	24.24	3.76	5.41	54.19	27.19	19.59	11.00	1.82	26.76	6.33	10.15	6.49	1.01
1993-94	0.88	0.02	0.77	22.66	0.46	6.31	51.17	25.62	15.67	10.30	0.21	27.48	6.86	11.50	6.23	0.13
1994-95	0.63	0.04	0.51	33.34	10.12	3.33	71.16	28.34	29.53	17.26	4.34	27.72	7.68	4.79	9.24	2.80
1995-96	0.62	0.06	0.62	18.81	-4.14	4.95	69.39	24.62	21.32	10.59	-1.65	25.19	8.37	6.98	4.74	-1.04
1996-97	0.62	0.06	0.68	23.81	-4.57	7.77	65.64	20.97	15.04	11.67	-1.61	21.69	9.87	11.44	5.17	-0.99
1997-98	0.61	0.06	0.90	28.53	1.46	8.55	59.87	20.24	16.09	11.43	0.56	20.97	10.73	13.78	5.98	0.31

Table 6.6
GUJARAT

Rs. In Crore

Year	State Equity	Other Equity	Total Equity	State Debt	Other Debt	Total Debt	Total Investment	Surpluses & Reserves	Accumulated losses	Net worth	Capital Employed	Total Revenue Earned	Direct Expense	contribution	Gross Margin	Profit Before Int.& Taxes	Net Profit	Dividend
1990-91	432.48	34.57	467.05	3024.29	3044.39	6068.68	6535.73	620.70	444.54	961.14	6503.91	3676.00	2745.53	930.47	550.04	474.26	134.90	6.27
1991-92	460.51	34.87	495.38	3408.75	3302.58	6711.33	7206.71	787.57	480.40	1161.21	7325.32	4407.52	3333.82	1073.70	624.99	526.78	100.79	18.31
1992-93	523.13	37.10	560.23	3386.89	3782.30	7169.19	7729.42	990.92	498.83	1430.11	7979.32	4767.60	3660.34	1107.26	689.87	526.54	169.45	17.08
1993-94	554.21	38.67	592.88	3324.02	4243.82	7567.84	8160.72	1233.80	549.95	1702.14	8598.76	5459.55	4148.24	1311.31	794.83	659.42	153.56	13.46
1994-95	644.08	43.92	688.00	3630.98	4782.30	8413.28	9101.28	1568.37	640.07	2103.13	9824.49	6278.81	4753.35	1525.46	981.93	580.93	171.99	25.58
1995-96	1079.60	154.56	1234.16	3561.73	5359.81	8921.54	10155.70	1827.43	666.98	2518.22	11232.82	7651.82	5729.94	1921.88	1332.45	1009.56	260.62	20.72
1996-97	1160.66	155.32	1315.98	3673.65	6117.75	9791.40	11107.38	2141.03	739.99	3120.00	12802.85	8934.92	6561.18	2373.74	1607.30	1274.07	282.61	16.41
1997-98	1209.26	182.62	1391.88	3997.58	6117.32	10114.90	11506.78	3265.10	943.48	4170.63	13294.25	9949.92	7491.33	2458.59	1613.07	1184.12	162.43	26.86
CARG	15.82	26.84	16.88	4.07	10.48	7.57	8.42	26.77	11.35	23.33	10.75	15.29	15.42	14.89	16.61	13.96	2.69	23.10

RATIOS

	State Equity to Total Equity	State Debt to Total Debt	Total Debt to Total Equity	PBIT as % of Sales	Net Profit as % of Sales	Accumulated losses as % of Capital	Net worth as % of Investment	Sales as % of Investment	Contribution as % of Sales	Gross Margin as % of Sales	Net Profit as % of Total Equity	Sales as % of Capital Employed	Surplus and Reserves as % of Capital	Accumulated losses as % of Net Worth	PBIT as % of Capital Employed	Net Profit as % of Capital Epml,
1990-91	0.93	0.50	12.99	12.90	3.67	6.83	14.71	56.24	25.31	14.96	28.88	56.52	9.54	46.25	7.29	2.07
1991-92	0.93	0.51	13.55	11.95	2.29	6.56	16.11	61.16	24.36	14.18	20.35	60.17	10.75	41.37	7.19	1.38
1992-93	0.93	0.47	12.80	11.04	3.55	6.25	18.50	61.68	23.22	14.47	30.25	59.75	12.42	34.88	6.60	2.12
1993-94	0.93	0.44	12.76	12.08	2.81	6.40	20.86	66.90	24.02	14.56	25.90	63.49	14.35	32.31	7.67	1.79
1994-95	0.94	0.43	12.23	9.25	2.74	6.52	23.11	68.99	24.30	15.64	25.00	63.91	15.96	30.43	5.91	1.75
1995-96	0.87	0.40	7.23	13.19	3.41	5.94	24.80	75.35	25.12	17.41	21.12	68.12	16.27	26.49	8.99	2.32
1996-97	0.88	0.38	7.44	14.26	3.16	5.78	28.09	80.44	26.57	17.99	21.48	69.79	16.72	23.72	9.95	2.21
1997-98	0.87	0.40	7.27	11.90	1.63	7.10	36.24	86.47	24.71	16.21	11.67	74.84	24.56	22.62	8.91	1.22

Table 6.7
HARYANA

Rs. In Crore

Year	State Equity	Other Equity	Total Equity	State Debt	Other Debt	Total Debt	Total Investment	Surpluses & Reserves	Accumulated losses	Net worth	Capital Employed	Total Revenue Earned	Direct Expense	contribution	Gross Margin	Profit Before Int.&Taxes	Net Profit	Dividend
1990-91	90.33	22.49	112.82	120.55	203.68	324.23	437.05	104.78	85.76	93.30	439.32	302.06	264.34	37.72	24.70	35.61	9.47	1.32
1991-92	95.96	23.54	119.50	123.11	204.83	327.95	447.45	129.14	87.24	125.00	447.01	434.60	371.54	63.06	34.99	53.14	26.52	2.53
1992-93	106.19	25.05	131.24	121.79	224.45	346.24	477.48	140.38	89.38	167.45	511.08	462.69	382.47	80.22	28.48	68.28	35.66	3.45
1993-94	116.12	27.29	143.41	44.98	278.57	323.55	466.96	177.25	98.90	227.46	496.54	525.58	423.67	101.91	43.28	95.58	39.17	1.67
1994-95	129.61	29.97	159.58	44.44	312.34	356.78	516.36	268.95	112.91	256.47	584.52	599.02	474.61	124.41	55.88	121.96	55.16	2.64
1995-96	152.98	31.53	184.51	37.89	379.34	417.23	601.74	309.26	122.97	334.22	669.43	664.60	585.08	79.52	42.47	87.83	17.02	3.56
1996-97	165.41	32.61	198.01	44.94	423.91	468.85	666.86	394.28	139.99	388.79	731.11	631.22	525.69	105.53	44.80	106.33	31.06	3.82
1997-98	178.76	34.50	213.26	42.06	534.28	576.34	789.60	422.26	156.38	472.00	974.34	620.78	466.27	154.51	64.24	166.57	83.71	3.81
1998-99	190.02	35.67	225.69	42.63	658.87	701.50	927.19	432.69	167.07	500.02	1061.20	608.00	512.76	95.24	46.34	112.08	22.44	2.40
CARG	9.74	5.93	9.05	-12.19	15.81	10.13	9.86	19.40	8.69	23.35	11.65	9.14	8.63	12.27	8.18	15.41	11.39	7.76

RATIOS

	State Equity to Total Equity	State Debt to Total Debt	Total Debt to Total Equity	PBIT as % of Sales	Net Profit as % of Sales	Accumulated losses as % of Capital	Net worth as % of Investment	Sales as % of Investment	Contribution as % of Sales	Gross Margin as % of Sales	Net Profit as % of Total Equity	Sales as % of Capital Employed	Surplus and Reserves as % of Capital	Accumulated losses as % of Net Worth	PBIT as % of Capital Employed	Net Profit as % of Capital Epml,
1990-91	0.80	0.37	2.87	11.79	3.14	19.52	21.35	69.11	12.49	8.18	8.39	68.76	23.85	91.92	8.11	2.16
1991-92	0.80	0.38	2.74	12.23	6.10	19.52	27.94	97.13	14.51	8.05	22.19	97.22	28.89	69.79	11.89	5.93
1992-93	0.81	0.35	2.64	14.76	7.71	17.49	35.07	96.90	17.34	6.16	27.17	90.53	27.47	53.38	13.36	6.98
1993-94	0.81	0.14	2.26	18.19	7.45	19.92	48.71	112.55	19.39	8.23	27.31	105.85	35.70	43.48	19.25	7.89
1994-95	0.81	0.12	2.24	20.36	9.21	19.32	49.67	116.01	20.77	9.33	34.57	102.48	46.01	44.02	20.86	9.44
1995-96	0.83	0.09	2.26	13.22	2.56	18.37	55.54	110.45	11.97	6.39	9.22	99.28	46.20	36.79	13.12	2.54
1996-97	0.84	0.10	2.37	16.85	4.92	19.15	58.30	94.66	16.72	7.10	15.69	86.34	53.93	36.01	14.54	4.25
1997-98	0.84	0.07	2.70	26.83	13.48	16.05	59.78	78.62	24.89	10.35	39.25	63.71	43.34	33.13	17.10	8.59
1998-99	0.84	0.06	3.11	18.43	3.69	15.74	53.93	65.57	15.66	7.62	9.94	57.29	40.77	33.41	10.56	2.11

Table 6.8
HIMACHAL PRADESH

Rs. In Crore

Year	State Equity	Other Equity	Total Equity	State Debt	Other Debt	Total Debt	Total Investment	Surpluses & Reserves	Accumulated losses	Net worth	Capital Employed	Total Revenue Earned	Direct Expense	contribution	Gross Margin	Profit Before Int.& Taxes	Net Profit	Dividend
1990-91	115.33	35.03	150.36	449.22	488.12	937.34	1087.70	62.42	107.80	726.16	1030.56	361.51	346.43	15.08	-0.81	3.77	-16.99	16.52
1991-92	130.46	33.45	163.91	486.18	535.63	1021.82	1185.73	70.67	129.23	794.46	1117.14	407.91	384.30	23.61	1.02	1.57	-23.74	0.12
1992-93	145.38	34.18	179.56	499.96	553.54	1053.50	1233.06	91.44	104.50	829.19	1184.99	472.68	435.63	37.05	2.03	19.07	-5.58	0.19
1993-94	184.33	38.86	223.20	542.02	574.85	1116.87	1340.07	98.40	149.41	937.01	1307.83	529.71	481.40	48.31	4.44	36.67	8.52	0.02
1994-95	437.66	49.06	486.72	345.96	765.58	1111.54	1598.26	118.75	160.91	1204.78	1424.53	601.52	545.99	55.53	5.68	42.62	8.87	0.55
1995-96	452.15	50.46	502.60	371.83	864.81	1236.64	1739.24	144.13	170.48	1369.92	1572.67	693.25	616.63	76.62	0.43	59.18	26.98	0.27
1996-97	466.14	51.12	517.25	412.29	1018.62	1430.91	1948.16	174.59	192.78	1577.77	1716.16	815.77	755.02	60.75	1.19	38.58	-35.86	0.35
1997-98	478.77	51.60	530.37	475.92	1178.64	1654.56	2184.93	196.77	214.20	1782.56	1910.27	985.23	890.49	94.74	5.04	73.78	74.47	0.09
1998-99	531.57	51.60	583.17	524.74	1360.35	1885.08	2468.26	197.65	214.45	1983.83	2130.04	1096.67	1040.20	56.47	6.32	31.93	-15.34	0.11
CARG	21.05	4.96	18.46	1.96	13.67	9.13	10.79	15.50	8.98	13.39	9.50	14.88	14.73	17.94	~	30.61	-1.27	-46.55

RATIOS

	State Equity to Total Equity	State Debt to Total Debt	Total Debt to Total Equity	PBIT as % of Sales	Net Profit as % of Sales	Accumulated losses as % of Capital	Net worth as % of Investment	Sales as % of Investment	Contribution as % of Sales	Gross Margin as % of Sales	Net Profit as % of Total Equity	Sales as % of Capital Employed	Surplus and Reserves as % of Capital	Accumulated losses as % of Net Worth	PBIT as % of Capital Employed	Net Profit as % of Capital Empl,
1990-91	0.77	0.48	6.23	1.04	-4.70	10.46	66.76	33.24	4.17	-0.22	-11.30	35.08	6.06	14.85	0.37	-1.65
1991-92	0.80	0.48	6.23	0.38	-5.82	11.57	67.00	34.40	5.79	0.25	-14.48	36.51	6.33	16.27	0.14	-2.13
1992-93	0.81	0.47	5.87	4.03	-1.18	8.82	67.25	38.33	7.84	0.43	-3.11	39.89	7.72	12.60	1.61	-0.47
1993-94	0.83	0.49	5.00	6.92	1.61	11.42	69.92	39.53	9.12	0.84	3.82	40.50	7.52	15.95	2.80	0.65
1994-95	0.90	0.31	2.28	7.09	1.47	11.30	75.38	37.64	9.23	0.94	1.82	42.23	8.34	13.36	2.99	0.62
1995-96	0.90	0.30	2.46	8.54	3.89	10.84	78.77	39.86	11.05	0.06	5.37	44.08	9.16	12.44	3.76	1.72
1996-97	0.90	0.29	2.77	4.73	-4.40	11.23	80.99	41.87	7.45	0.15	-6.93	47.53	10.17	12.22	2.25	-2.09
1997-98	0.90	0.29	3.12	7.49	7.56	11.21	81.58	45.09	9.62	0.51	14.04	51.58	10.30	12.02	3.86	3.90
1998-99	0.91	0.28	3.23	2.91	-1.40	10.07	80.37	44.43	5.15	0.58	-2.63	51.49	9.28	10.81	1.50	-0.72

Table 6.9
JAMMU & KASHMIR

Rs. In Crore

Year	State Equity	Other Equity	Total Equity	State Debt	Other Debt	Total Debt	Total Investment	Surpluses & Reserves	Accumulated losses	Net worth	Capital Employed	Total Revenue Earned	Direct Expense	contribution	Gross Margin	Profit Before Int.& Taxes	Net Profit	Dividend
1990-91	136.27	19.76	156.03	70.84	31.37	102.21	258.24	57.62	132.39	85.52	401.16	118.88	104.51	14.37	5.60	-16.77	-28.90	0.00
1991-92	143.29	14.87	158.16	82.73	38.64	121.36	279.52	27.88	178.14	22.47	408.76	100.42	104.50	-4.08	-13.52	-64.90	-79.12	0.00
1992-93	149.35	18.74	168.09	104.37	35.02	139.39	307.48	28.42	253.34	-38.63	365.82	132.28	103.51	28.77	4.26	-63.31	-65.61	0.00
1993-94	149.97	18.74	168.71	135.94	33.13	169.08	337.78	29.14	345.68	-116.75	302.07	134.21	119.46	14.75	-0.75	-68.65	-90.62	0.00
1994-95	156.31	18.74	175.05	167.12	40.32	207.44	382.49	26.04	425.19	-185.27	270.59	145.65	115.44	30.21	10.32	-53.09	-75.81	0.00
1995-96	162.41	18.74	181.15	205.18	56.09	261.27	442.42	25.73	535.24	-278.18	259.89	195.38	177.37	18.01	-9.00	-78.91	-95.78	0.00
1996-97	172.92	20.14	193.06	252.10	51.88	303.98	497.04	25.78	618.75	-341.04	291.78	232.47	168.75	63.72	36.17	-49.36	-69.64	0.00
1997-98	184.07	20.14	204.21	321.89	63.48	385.37	589.58	25.49	732.56	-426.54	287.42	311.06	270.05	41.01	15.52	-78.14	-110.15	0.00
1998-99	189.83	20.14	209.97	374.78	56.97	431.75	641.72	25.41	842.79	-520.78	397.00	531.76	360.88	170.88	-5.00	-65.39	-114.34	0.00
CARG	4.23	0.24	3.78	23.15	7.74	19.73	12.05	-9.73	26.03	#NUM!	-0.13	20.59	16.76	36.27	~	18.54	18.76	~

RATIOS

	State Equity to Total Equity	State Debt to Total Debt	Total Debt to Total Equity	PBIT as % of Sales	Net Profit as % of Sales	Accumulated losses as % of Capital	Net worth as % of Investment	Sales as % of Investment	Contribution as % of Sales	Gross Margin as % of Sales	Net Profit as % of Total Equity	Sales as % of Capital Employed	Surplus and Reserves as % of Capital	Accumulated losses as % of Net Worth	PBIT as % of Capital Employed	Net Profit as % of Capital Epml,
1990-91	0.87	0.69	0.66	-14.11	-24.31	33.00	33.12	46.03	12.09	4.71	-18.52	29.63	14.36	154.81	-4.18	-7.20
1991-92	0.91	0.68	0.77	-64.63	-78.79	43.58	8.04	35.93	-4.06	-13.46	-50.03	24.57	6.82	792.79	-15.88	-19.36
1992-93	0.89	0.75	0.83	-47.86	-49.60	69.25	-12.56	43.02	21.75	3.22	-39.03	36.16	7.77	-655.81	-17.31	-17.94
1993-94	0.89	0.80	1.00	-51.15	-67.52	114.44	-34.56	39.73	10.99	-0.56	-53.71	44.43	9.65	-296.09	-22.73	-30.00
1994-95	0.89	0.81	1.19	-36.45	-52.05	157.13	-48.44	38.08	20.74	7.09	-43.31	53.83	9.62	-229.50	-19.62	-28.02
1995-96	0.90	0.79	1.44	-40.39	-49.02	205.95	-62.88	44.16	9.22	-4.61	-52.87	75.18	9.90	-192.41	-30.36	-36.85
1996-97	0.90	0.83	1.57	-21.23	-29.96	212.06	-68.61	46.77	27.41	15.56	-36.07	79.67	8.84	-181.43	-16.92	-23.87
1997-98	0.90	0.84	1.89	-25.12	-35.41	254.87	-72.35	52.76	13.18	4.99	-53.94	108.22	8.87	-171.74	-27.19	-38.32
1998-99	0.90	0.87	2.06	-12.30	-21.50	212.29	-81.15	82.86	32.13	-0.94	-54.46	133.94	6.40	-161.83	-16.47	-28.80

Table 6.10
KARNATAKA

Rs. In Crore

Year	State Equity	Other Equity	Total Equity	State Debt	Other Debt	Total Debt	Total Investment	Surpluses & Reserves	Accumulated losses	Net worth	Capital Employed	Total Revenue Earned	Direct Expense	contribution	Gross Margin	Profit Before Int.& Taxes	Net Profit	Dividend
1990-91	740.20	138.35	878.54	1574.33	2112.71	3687.04	4565.58	725.13	644.28	1115.29	5119.67	3328.29	2508.45	819.84	416.12	410.95	75.55	4.45
1991-92	1067.13	145.08	1212.21	1564.37	2621.77	4186.14	5398.35	855.58	681.32	1225.96	5718.34	3795.24	2773.86	1021.38	438.50	422.05	94.27	5.93
1992-93	1237.85	151.00	1388.85	1876.82	2900.88	4777.70	6166.54	852.86	717.91	1341.74	6447.39	4202.27	3180.15	1022.12	468.27	383.73	-58.66	5.80
1993-94	1582.45	185.63	1768.08	2095.54	3641.65	5737.19	7505.27	967.98	903.61	1755.88	7325.42	5038.18	3879.12	1159.06	636.76	533.65	-53.93	4.93
1994-95	1787.50	195.40	1982.90	2057.47	4463.95	6521.42	8504.33	1073.20	918.88	1886.11	8384.16	6074.17	4322.25	1751.92	860.98	756.38	67.84	5.65
1995-96	2869.05	202.74	3071.80	2397.11	5397.74	7794.85	10866.65	1209.08	1033.02	2852.18	9629.20	7092.39	5175.23	1917.16	1056.25	914.08	65.86	5.81
1996-97	3334.18	171.27	3505.45	3194.35	6653.33	9847.67	13353.12	1894.62	1193.22	3594.06	13063.06	7214.33	5877.51	1336.82	1021.75	614.74	-62.12	6.23
1997-98	3662.17	171.83	3833.99	4173.70	8216.52	12390.21	16224.20	2128.32	1187.20	4093.17	15913.87	8389.50	6188.28	2201.22	1346.10	496.43	-751.45	1.57
1998-99	4100.68	173.86	4274.54	4768.13	9350.00	14118.13	18392.66	2447.61	1451.08	4560.25	18574.03	8892.90	6376.70	2516.20	1456.83	1144.84	14.54	1.68
CARG	23.86	2.90	21.87	14.86	20.43	18.27	19.03	16.42	10.68	19.25	17.48	13.07	12.37	15.05	16.96	13.66	-18.62	-11.46

RATIOS

	State Equity to Total Equity	State Debt to Total Debt	Total Debt to Total Equity	PBIT as % of Sales	Net Profit as % of Sales	Accumulated losses as % of Capital	Net worth as % of Investment	Sales as % of Investment	Contribution as % of Sales	Gross Margin as % of Sales	Net Profit as % of Total Equity	Sales as % of Capital Employed	Surplus and Reserves as % of Capital	Accumulated losses as % of Net Worth	PBIT as % of Capital Employed	Net Profit as % of Capital Epml,
1990-91	0.84	0.43	4.20	12.35	2.27	12.58	24.43	72.90	24.63	12.50	8.60	65.01	14.16	57.77	8.03	1.48
1991-92	0.88	0.37	3.45	11.12	2.48	11.91	22.71	70.30	26.91	11.55	7.78	66.37	14.96	55.57	7.38	1.65
1992-93	0.89	0.39	3.44	9.13	-1.40	11.13	21.76	68.15	24.32	11.14	-4.22	65.18	13.23	53.51	5.95	-0.91
1993-94	0.90	0.37	3.24	10.59	-1.07	12.34	23.40	67.13	23.01	12.64	-3.05	68.78	13.21	51.46	7.28	-0.74
1994-95	0.90	0.32	3.29	12.45	1.12	10.96	22.18	71.42	28.84	14.17	3.42	72.45	12.80	48.72	9.02	0.81
1995-96	0.93	0.31	2.54	12.89	0.93	10.73	26.25	65.27	27.03	14.89	2.14	73.66	12.56	36.22	9.49	0.68
1996-97	0.95	0.32	2.81	8.52	-0.86	9.13	26.92	54.03	18.53	14.16	-1.77	55.23	14.50	33.20	4.71	-0.48
1997-98	0.96	0.34	3.23	5.92	-8.96	7.46	25.23	51.71	26.24	16.05	-19.60	52.72	13.37	29.00	3.12	-4.72
1998-99	0.96	0.34	3.30	12.87	0.16	7.81	24.79	48.35	28.29	16.38	0.34	47.88	13.18	31.82	6.16	0.08

Table 6.11
KERALA

Rs. In Crore

Year	State Equity	Other Equity	Total Equity	State Debt	Other Debt	Total Debt	Total Investment	Surpluses & Reserves	Accumulated losses	Net worth	Capital Employed	Total Revenue Earned	Direct Expense	contribution	Gross Margin	Profit Before Int.& Taxes	Net Profit	Dividend
1990-91	1124.90	82.36	1207.26	754.30	1589.52	2343.81	3551.07	167.83	904.54	500.47	2823.45	1803.21	1143.54	659.67	220.89	139.30	-169.45	1.93
1991-92	1234.11	72.73	1306.84	927.07	1824.28	2751.36	4058.20	164.47	1009.74	388.38	2701.16	2012.05	1410.27	601.78	195.92	110.34	-200.65	3.39
1992-93	1320.25	71.28	1391.53	1015.04	1987.85	3002.89	4394.41	212.22	1177.56	334.78	2956.74	2456.11	2003.20	452.91	392.48	300.16	-138.78	3.45
1993-94	1430.80	73.82	1504.62	1287.90	2122.78	3410.68	4915.30	301.40	1274.61	417.73	3414.29	2512.16	2028.30	483.86	481.68	367.20	-77.88	4.09
1994-95	1554.81	112.41	1667.22	1469.39	2378.85	3848.24	5515.46	389.09	1326.27	611.68	4086.60	2939.26	2311.60	627.66	559.11	453.59	-16.12	6.18
1995-96	1734.26	129.54	1863.80	1736.38	2767.27	4503.64	6367.44	555.32	1508.80	795.64	4736.17	3355.60	2536.43	819.17	689.46	557.43	-34.98	2.83
1996-97	2043.24	130.48	2173.72	1962.87	3487.14	5450.01	7623.73	677.82	1789.92	916.65	5716.77	3770.51	3053.60	716.91	692.29	552.13	-196.98	5.44
1997-98	2355.40	140.71	2496.12	2373.86	4517.35	6891.21	9387.33	778.53	2012.08	1031.12	7089.28	4785.72	3890.18	895.54	848.06	688.88	-156.53	7.98
1998-99	4076.79	155.44	4232.23	1754.36	6131.81	7886.17	12118.39	943.34	2337.65	2717.23	9688.71	5566.31	4433.34	1132.97	1043.42	844.48	-153.91	8.48
1999-00	4397.16	171.56	4568.72	1836.80	7398.96	9235.76	13804.48	1131.80	2672.31	2885.32	11171.48	6629.29	5279.96	1349.33	1226.00	998.32	-153.52	6.75
CARG	16.35	8.50	15.94	10.39	18.63	16.46	16.28	23.62	12.79	21.49	16.51	15.56	18.53	8.28	20.98	24.46	-1.09	14.93

RATIOS

	State Equity to Total Equity	State Debt to Total Debt	Total Debt to Total Equity	PBIT as % of Sales	Net Profit as % of Sales	Accumulated losses as % of Capital	Net worth as % of Investment	Sales as % of Investment	Contribution as % of Sales	Gross Margin as % of Sales	Net Profit as % of Total Equity	Sales as % of Capital Employed	Surplus and Reserves as % of Capital	Accumulated losses as % of Net Worth	PBIT as % of Capital Employed	Net Profit as % of Capital Epml,
1990-91	0.93	0.32	1.94	7.73	-9.40	32.04	14.09	50.78	36.58	12.25	-14.04	63.87	5.94	180.74	4.93	-6.00
1991-92	0.94	0.34	2.11	5.48	-9.97	37.38	9.57	49.58	29.91	9.74	-15.35	74.49	6.09	259.99	4.08	-7.43
1992-93	0.95	0.34	2.16	12.22	-5.65	39.83	7.62	55.89	18.44	15.98	-9.97	83.07	7.18	351.74	10.15	-4.69
1993-94	0.95	0.38	2.27	14.62	-3.10	37.33	8.50	51.11	19.26	19.17	-5.18	73.58	8.83	305.13	10.75	-2.28
1994-95	0.93	0.38	2.31	15.43	-0.55	32.45	11.09	53.29	21.35	19.02	-0.97	71.92	9.52	216.82	11.10	-0.39
1995-96	0.93	0.39	2.42	16.61	-1.04	31.86	12.50	52.70	24.41	20.55	-1.88	70.85	11.73	189.63	11.77	-0.74
1996-97	0.94	0.36	2.51	14.64	-5.22	31.31	12.02	49.46	19.01	18.36	-9.06	65.96	11.86	195.27	9.66	-3.45
1997-98	0.94	0.34	2.76	14.39	-3.27	28.38	10.98	50.98	18.71	17.72	-6.27	67.51	10.98	195.14	9.72	-2.21
1998-99	0.96	0.22	1.86	15.17	-2.77	24.13	22.42	45.93	20.35	18.75	-3.64	57.45	9.74	86.03	8.72	-1.59
1999-00	0.96	0.20	2.02	15.06	-2.32	23.92	20.90	48.02	20.35	18.49	-3.36	59.34	10.13	92.62	8.94	-1.37

**Table 6.12
MADHYA PRADESH**

Rs. In Crore

Year	State Equity	Other Equity	Total Equity	State Debt	Other Debt	Total Debt	Total Investment	Surpluses & Reserves	Accumulated losses	Net worth	Capital Employed	Total Revenue Earned	Direct Expense	contribution	Gross Margin	Profit Before Int.& Taxes	Net Profit	Dividend
1990-91	96.31	34.58	130.89	84.59	303.52	388.11	519.00	69.14	10.77	175.47	545.81	551.33	506.20	45.13	19.50	27.38	6.96	0.33
1991-92	108.67	36.69	145.36	100.68	319.11	419.79	565.15	78.86	21.17	174.60	581.48	680.73	621.74	58.99	36.17	27.11	2.00	2.73
1992-93	130.60	35.63	166.23	119.04	388.75	507.79	674.02	105.30	32.71	251.92	709.01	897.38	841.99	55.39	44.93	58.79	22.85	0.53
1993-94	136.60	36.25	172.85	132.17	388.19	520.36	693.21	141.00	47.08	266.00	771.80	957.45	879.16	78.29	55.77	43.31	14.07	2.47
1994-95	145.90	39.87	185.76	140.83	396.41	537.24	723.00	173.34	47.04	278.09	804.30	930.58	865.34	65.24	32.91	29.75	8.85	2.70
1995-96	153.39	46.52	199.90	159.65	499.74	659.39	859.29	258.50	89.37	294.75	975.63	1062.59	1041.04	21.55	2.67	17.83	0.57	1.06
1996-97	164.46	47.32	211.77	185.22	457.84	643.06	854.83	281.44	109.42	323.87	980.45	1327.85	1166.00	161.85	11.47	36.70	13.63	1.19
1997-98	166.75	47.42	214.16	168.05	567.52	735.57	949.73	286.32	105.06	343.55	1122.21	1277.52	1309.32	-31.80	23.17	7.37	-15.11	1.38
1998-99	170.39	47.39	217.77	164.25	554.04	718.29	936.06	276.52	117.29	333.18	1077.78	1585.65	1406.76	178.89	17.36	14.82	-22.24	1.06
CARG	7.39	4.02	6.57	8.65	7.81	8.00	7.65	18.92	34.78	8.35	8.88	14.12	13.63	18.79	-1.44	-7.39	~	15.70

RATIOS

	State Equity to Total Equity	State Debt to Total Debt	Total Debt to Total Equity	PBIT as % of Sales	Net Profit as % of Sales	Accumulated losses as % of Capital	Net worth as % of Investment	Sales as % of Investment	Contribution as % of Sales	Gross Margin as % of Sales	Net Profit as % of Total Equity	Sales as % of Capital Employed	Surplus and Reserves as % of Capital	Accumulated losses as % of Net Worth	PBIT as % of Capital Employed	Net Profit as % of Capital Epml,
1990-91	0.74	0.22	2.97	4.97	1.26	1.97	33.81	106.23	8.19	3.54	5.32	101.01	12.67	6.14	5.02	1.28
1991-92	0.75	0.24	2.89	3.98	0.29	3.64	30.89	120.45	8.67	5.31	1.38	117.07	13.56	12.12	4.66	0.34
1992-93	0.79	0.23	3.05	6.55	2.55	4.61	37.38	133.14	6.17	5.01	13.75	126.57	14.85	12.98	8.29	3.22
1993-94	0.79	0.25	3.01	4.52	1.47	6.10	38.37	138.12	8.18	5.82	8.14	124.05	18.27	17.70	5.61	1.82
1994-95	0.79	0.26	2.89	3.20	0.95	5.85	38.46	128.71	7.01	3.54	4.76	115.70	21.55	16.92	3.70	1.10
1995-96	0.77	0.24	3.30	1.68	0.05	9.16	34.30	123.66	2.03	0.25	0.29	108.91	26.50	30.32	1.83	0.06
1996-97	0.78	0.29	3.04	2.76	1.03	11.16	37.89	155.33	12.19	0.86	6.44	135.43	28.71	33.79	3.74	1.39
1997-98	0.78	0.23	3.43	0.58	-1.18	9.36	36.17	134.51	-2.49	1.81	-7.06	113.84	25.51	30.58	0.66	-1.35
1998-99	0.78	0.23	3.30	0.93	-1.40	10.88	35.59	169.40	11.28	1.09	-10.21	147.12	25.66	35.20	1.38	-2.06

Table 6.13
MAHARASHTRA

Rs. In Crore

Year	State Equity	Other Equity	Total Equity	State Debt	Other Debt	Total Debt	Total Investment	Surpluses & Reserves	Accumulated losses	Net worth	Capital Employed	Total Revenue Earned	Direct Expense	contribution	Gross Margin	Profit Before Int.& Taxes	Net Profit	Dividend
1990-91	563.36	48.84	612.20	4421.23	1416.66	5837.89	6450.09	955.01	402.67	6051.66	11819.60	4742.63	3989.52	753.11	674.86	126.22	123.08	0.58
1991-92	589.24	46.27	635.51	4876.73	1477.29	6354.02	6989.53	1217.28	449.26	6750.33	13137.17	5615.87	4721.09	894.78	909.09	148.69	143.43	3.31
1992-93	619.66	47.89	667.55	5448.89	2626.93	8075.82	8743.37	1308.53	200.11	7807.82	15891.05	6728.62	5527.35	1201.27	1133.52	190.59	187.14	3.61
1993-94	658.22	42.11	700.33	5976.49	2480.18	8456.67	9157.00	1644.09	210.99	8859.69	17399.15	8001.52	6331.39	1670.13	1598.41	442.13	406.00	3.95
1994-95	2167.18	42.11	2209.29	5202.48	2480.59	7683.07	9892.36	2137.17	202.78	10050.67	17738.89	9234.69	7031.40	2203.29	2128.84	527.48	535.83	4.05
1995-96	2203.10	41.81	2244.91	5642.42	2636.22	8278.64	10523.54	2570.40	233.25	11156.41	19427.62	11079.03	8688.08	2390.95	2316.01	591.82	566.60	4.24
1996-97	5604.78	52.30	5657.08	5568.18	3084.59	8652.77	14309.85	3080.73	427.39	11670.10	20361.95	12392.82	10036.04	2356.78	2171.90	276.74	254.76	4.18
1997-98	7372.45	41.30	7413.75	6068.08	5681.31	11749.39	19163.14	4557.96	634.51	13899.62	25675.36	13527.65	11209.18	2318.47	2204.50	238.37	202.32	2.17
1998-99	7814.13	41.30	7855.43	7338.64	7413.29	14751.93	22607.36	5546.14	908.94	18306.30	33021.39	14939.48	12221.11	2718.37	2535.22	184.50	99.72	2.28
CARG	38.92	-2.07	37.57	6.54	22.98	12.29	16.97	24.59	10.71	14.84	13.70	15.42	15.02	17.40	17.99	4.86	-2.60	18.66

RATIOS

	State Equity to Total Equity	State Debt to Total Debt	Total Debt to Total Equity	PBIT as % of Sales	Net Profit as % of Sales	Accumulated losses as % of Capital	Net worth as % of Investment	Sales as % of Investment	Contribution as % of Sales	Gross Margin as % of Sales	Net Profit as % of Total Equity	Sales as % of Capital Employed	Surplus and Reserves as % of Capital	Accumulated losses as % of Net Worth	PBIT as % of Capital Employed	Net Profit as % of Capital Epml
1990-91	0.92	0.76	9.54	2.66	2.60	3.41	93.82	73.53	15.88	14.23	20.10	40.13	8.08	6.65	1.07	1.04
1991-92	0.93	0.77	10.00	2.65	2.55	3.42	96.58	80.35	15.93	16.19	22.57	42.75	9.27	6.66	1.13	1.09
1992-93	0.93	0.67	12.10	2.83	2.78	1.26	89.30	76.96	17.85	16.85	28.03	42.34	8.23	2.56	1.20	1.18
1993-94	0.94	0.71	12.08	5.53	5.07	1.21	96.75	87.38	20.87	19.98	57.97	45.99	9.45	2.38	2.54	2.33
1994-95	0.98	0.68	3.48	5.71	5.80	1.14	101.60	93.35	23.86	23.05	24.25	52.06	12.05	2.02	2.97	3.02
1995-96	0.98	0.68	3.69	5.34	5.11	1.20	106.01	105.28	21.58	20.90	25.24	57.03	13.23	2.09	3.05	2.92
1996-97	0.99	0.64	1.53	2.23	2.06	2.10	81.55	86.60	19.02	17.53	4.50	60.86	15.13	3.66	1.36	1.25
1997-98	0.99	0.52	1.58	1.76	1.50	2.47	72.53	70.59	17.14	16.30	2.73	52.69	17.75	4.56	0.93	0.79
1998-99	0.99	0.50	1.88	1.23	0.67	2.75	80.97	66.08	18.20	16.97	1.27	45.24	16.80	4.97	0.56	0.30

Table 6.14
MANIPUR

Rs. In Crore

Year	State Equity	Other Equity	Total Equity	State Debt	Other Debt	Total Debt	Total Investment	Surpluses & Reserves	Accumulated losses	Net worth	Capital Employed	Total Revenue Earned	Direct Expense	contribution	Gross Margin	Profit Before Int.& Taxes	Net Profit	Dividend
1990-91	31.26	5.98	37.25	2.42	12.38	14.80	52.05	1.79	29.15	8.84	37.85	8.45	10.67	-2.22	0.09	-1.89	-2.43	0.01
1991-92	36.59	6.28	42.86	2.74	13.25	15.99	58.85	6.00	34.35	0.07	112.79	10.61	12.11	-1.50	0.43	-1.16	-1.74	0.03
1992-93	39.62	6.47	46.09	3.86	14.23	18.08	64.17	6.14	37.21	14.57	41.07	10.90	12.87	-1.97	-0.02	-1.78	-2.38	0.09
1993-94	92.22	6.46	98.68	4.48	14.73	19.21	117.89	6.54	46.64	58.57	41.32	8.74	13.69	-4.95	-2.85	-4.83	-4.93	0.02
1994-95	94.75	6.47	101.22	5.03	15.89	20.91	122.13	7.35	55.96	52.27	41.26	13.03	17.83	-4.80	-2.55	-4.76	-4.95	0.02
1995-96	97.20	6.47	103.67	6.32	17.33	23.65	127.32	7.17	68.06	43.17	42.62	9.68	16.17	-6.49	-4.79	-6.87	-7.60	0.02
1996-97	98.32	5.59	103.90	7.39	18.23	25.62	129.53	6.75	72.30	36.94	19.21	8.34	14.96	-6.62	-4.32	-6.38	-6.90	0.06
1997-98	101.70	5.59	107.29	7.86	20.23	28.09	135.38	6.68	79.06	34.91	18.20	7.79	16.61	-8.82	-6.50	-8.82	-9.11	0.00
1998-99	106.10	5.59	111.69	8.50	21.64	30.14	141.83	6.40	84.34	33.75	19.33	6.57	15.48	-8.91	-6.27	-8.69	-8.94	0.00
CARG	16.50	-0.84	14.71	17.00	7.23	9.30	13.35	17.26	14.20	18.23	-8.06	-3.10	4.76	18.97	~	21.01	17.68	~

RATIOS

	State Equity to Total Equity	State Debt to Total Debt	Total Debt to Total Equity	PBIT as % of Sales	Net Profit as % of Sales	Accumulated losses as % of Capital	Net worth as % of Investment	Sales as % of Investment	Contribution as % of Sales	Gross Margin as % of Sales	Net Profit as % of Total Equity	Sales as % of Capital Employed	Surplus and Reserves as % of Capital	Accumulated losses as % of Net Worth	PBIT as % of Capital Employed	Net Profit as % of Capital Epml,
1990-91	0.84	0.16	0.40	-22.37	-28.76	77.01	16.98	16.23	-26.27	1.07	-6.52	22.32	4.73	329.75	-4.99	-6.42
1991-92	0.85	0.17	0.37	-10.93	-16.40	30.45	0.12	18.03	-14.14	4.05	-4.06	9.41	5.32	49071.43	-1.03	-1.54
1992-93	0.86	0.21	0.39	-16.33	-21.83	90.60	22.71	16.99	-18.07	-0.18	-5.16	26.54	14.95	255.39	-4.33	-5.79
1993-94	0.93	0.23	0.19	-55.26	-56.41	112.88	49.68	7.41	-56.64	-32.61	-5.00	21.15	15.83	79.63	-11.69	-11.93
1994-95	0.94	0.24	0.21	-36.53	-37.99	135.63	42.80	10.67	-36.84	-19.57	-4.89	31.58	17.81	107.06	-11.54	-12.00
1995-96	0.94	0.27	0.23	-70.97	-78.51	159.69	33.91	7.60	-67.05	-49.48	-7.33	22.71	16.82	157.66	-16.12	-17.83
1996-97	0.95	0.29	0.25	-76.50	-82.73	376.37	28.52	6.44	-79.38	-51.80	-6.64	43.41	35.14	195.72	-33.21	-35.92
1997-98	0.95	0.28	0.26	-113.22	-116.94	434.40	25.79	5.75	-113.22	-83.44	-8.49	42.80	36.70	226.47	-48.46	-50.05
1998-99	0.95	0.28	0.27	-132.27	-136.07	436.32	23.80	4.63	-135.62	-95.43	-8.00	33.99	33.11	249.90	-44.96	-46.25

Table 6.15

MEGHALAYA

Rs. In Crore

Year	State Equity	Other Equity	Total Equity	State Debt	Other Debt	Total Debt	Total Investment	Surpluses & Reserves	Accumulated losses	Net worth	Capital Employed	Total Revenue Earned	Direct Expense	contribution	Gross Margin	Profit Before Int.& Taxes	Net Profit	Dividend
1990-91	49.47	0.71	50.18	89.00	201.51	290.51	340.69	35.26	116.64	312.05	324.72	52.94	55.29	-2.35	-2.86	1.52	-3.95	0.01
1991-92	53.15	0.86	54.01	112.48	213.46	325.94	379.95	3.78	128.91	348.38	353.40	64.07	61.61	2.46	-0.19	3.31	-3.15	0.00
1992-93	58.23	1.01	59.24	118.85	220.41	339.26	398.50	5.36	142.08	378.13	388.33	67.17	60.79	6.38	4.83	0.07	-4.39	0.13
1993-94	65.13	1.01	66.14	116.04	224.40	340.44	406.58	5.57	149.38	406.75	413.72	85.49	80.81	4.68	11.52	1.41	-2.33	0.01
1994-95	71.27	1.18	72.45	120.28	219.46	339.74	412.19	5.69	167.91	422.95	423.51	85.90	96.96	-11.06	-0.86	3.42	-0.95	0.01
1995-96	75.75	1.18	76.93	137.29	217.06	354.35	431.28	7.56	184.78	450.94	450.39	109.71	102.50	7.21	5.70	2.61	-2.81	0.00
1996-97	77.25	1.18	78.43	144.30	214.79	359.09	437.52	9.45	225.08	453.94	454.16	120.14	123.91	-3.77	-13.70	3.02	-2.83	1.80
1997-98	78.24	1.43	79.67	151.31	219.56	370.87	450.54	8.55	275.22	437.01	441.74	131.16	144.73	-13.57	15.94	-1.44	2.09	0.00
1998-99	80.72	1.43	82.15	169.32	199.89	369.21	451.36	9.45	303.76	440.93	449.95	130.51	137.38	-6.87	16.08	-1.00	-3.92	0.06
1999-00	82.42	1.43	83.85	182.68	207.42	390.10	473.95	11.69	348.05	458.98	471.12	147.03	155.38	-8.35	16.41	-1.80	-7.64	1.38
CARG	5.84	8.09	5.87	8.32	0.32	3.33	3.74	-11.54	12.92	4.38	4.22	12.02	12.17	15.13	~	~	7.61	72.89

RATIOS

	State Equity to Total Equity	State Debt to Total Debt	Total Debt to Total Equity	PBIT as % of Sales	Net Profit as % of Sales	Accumulated losses as % of Capital	Net worth as % of Investment	Sales as % of Investment	Contribution as % of Sales	Gross Margin as % of Sales	Net Profit as % of Total Equity	Sales as % of Capital Employed	Surplus and Reserves as % of Capital	Accumulated losses as % of Net Worth	PBIT as % of Capital Employed	Net Profit as % of Capital Epml,
1990-91	0.99	0.31	5.79	2.87	-7.46	35.92	91.59	15.54	-4.44	-5.40	-7.87	16.30	10.86	37.38	0.47	-1.22
1991-92	0.98	0.35	6.03	5.17	-4.92	36.48	91.69	16.86	3.84	-0.30	-5.83	18.13	1.07	37.00	0.94	-0.89
1992-93	0.98	0.35	5.73	0.10	-6.54	36.59	94.89	16.86	9.50	7.19	-7.41	17.30	1.38	37.57	0.02	-1.13
1993-94	0.98	0.34	5.15	1.65	-2.73	36.11	100.04	21.03	5.47	13.48	-3.52	20.66	1.35	36.73	0.34	-0.56
1994-95	0.98	0.35	4.69	3.98	-1.11	39.65	102.61	20.84	-12.88	-1.00	-1.31	20.28	1.34	39.70	0.81	-0.22
1995-96	0.98	0.39	4.61	2.38	-2.56	41.03	104.56	25.44	6.57	5.20	-3.65	24.36	1.68	40.98	0.58	-0.62
1996-97	0.98	0.40	4.58	2.51	-2.36	49.56	103.75	27.46	-3.14	-11.40	-3.61	26.45	2.08	49.58	0.66	-0.62
1997-98	0.98	0.41	4.66	-1.10	1.59	62.30	97.00	29.11	-10.35	12.15	2.62	29.69	1.94	62.98	-0.33	0.47
1998-99	0.98	0.46	4.49	-0.77	-3.00	67.51	97.69	28.91	-5.26	12.32	-4.77	29.01	2.10	68.89	-0.22	-0.87
1999-00	0.98	0.47	4.65	-1.22	-5.20	73.88	96.84	31.02	-5.68	11.16	-9.11	31.21	2.48	75.83	-0.38	-1.62

Table 6.16

MIZORAM

Rs. In Crore

Year	State Equity	Other Equity	Total Equity	State Debt	Other Debt	Total Debt	Total Investment	Surpluses & Reserves	Accumulated losses	Net worth	Capital Employed	Total Revenue Earned	Direct Expense	contribution	Gross Margin	Profit Before Int.& Taxes	Net Profit	Dividend
1990-91	7.90	0.30	8.20	0.25	14.11	14.36	22.56	0.57	5.86	13.84	117.31	6.97	20.37	-13.40	-2.04	-12.25	-13.93	0.00
1991-92	6.71	0.00	6.71	0.25	14.20	14.45	21.16	0.53	7.41	15.29	143.28	7.33	23.46	-16.13	-3.20	-15.31	-17.60	0.00
1992-93	7.31	0.70	8.01	1.75	13.55	15.30	23.31	0.73	10.16	17.03	179.35	10.74	28.05	-17.31	-3.62	-15.80	-19.58	0.00
1993-94	7.81	0.66	8.47	1.00	12.93	13.93	22.40	3.76	10.57	21.28	206.53	13.07	29.91	-16.84	-2.34	-15.64	-22.15	0.00
1994-95	8.26	0.00	8.26	0.25	13.78	14.03	22.29	2.72	13.32	22.22	235.64	14.01	35.52	-21.51	-3.43	-19.03	-27.66	0.00
1995-96	8.33	0.00	8.33	0.25	14.58	14.83	23.16	3.62	16.34	23.23	267.54	14.69	43.10	-28.41	-3.83	-26.16	-36.08	0.00
1996-97	8.66	0.00	8.66	0.25	15.09	15.34	24.00	4.01	18.56	23.82	313.72	18.59	48.75	-30.16	-4.35	-28.50	-36.07	0.00
1997-98	15.43	0.05	15.48	0.25	16.21	16.46	31.95	9.06	23.66	28.59	343.96	11.92	51.26	-39.34	-3.31	-36.77	-47.49	0.00
1998-99	16.52	0.05	16.57	1.93	18.37	20.30	36.87	4.23	28.62	28.42	386.65	11.51	58.65	-47.14	-4.17	-43.46	-50.91	0.00
1999-00	17.14	0.05	17.19	0.25	20.58	20.83	38.02	3.66	30.90	24.68	428.73	14.18	75.78	-61.60	-4.27	-57.52	-74.08	0.00
CARG	8.99	-18.05	8.57	0.00	4.28	4.22	5.97	22.95	20.29	6.64	15.49	8.21	15.72	18.47	8.55	18.75	20.40	~

RATIOS

	State Equity to Total Equity	State Debt to Total Debt	Total Debt to Total Equity	PBIT as % of Sales	Net Profit as % of Sales	Accumulated losses as % of Capital	Net worth as % of Investment	Sales as % of Investment	Contribution as % of Sales	Gross Margin as % of Sales	Net Profit as % of Total Equity	Sales as % of Capital Employed	Surplus and Reserves as % of Capital	Accumulated losses as % of Net Worth	PBIT as % of Capital Employed	Net Profit as % of Capital Epml,
1990-91	0.96	0.02	1.75	-175.75	-199.86	5.00	61.35	30.90	-192.25	-29.27	-169.88	5.94	0.49	42.34	-10.44	-11.87
1991-92	1.00	0.02	2.15	-208.87	-240.11	5.17	72.26	34.64	-220.05	-43.66	-262.30	5.12	0.37	48.46	-10.69	-12.28
1992-93	0.91	0.11	1.91	-147.11	-182.31	5.66	73.06	46.07	-161.17	-33.71	-244.44	5.99	0.41	59.66	-8.81	-10.92
1993-94	0.92	0.07	1.64	-119.66	-169.47	5.12	95.00	58.35	-128.84	-17.90	-261.51	6.33	1.82	49.67	-7.57	-10.72
1994-95	1.00	0.02	1.70	-135.83	-197.43	5.65	99.69	62.85	-153.53	-24.48	-334.87	5.95	1.15	59.95	-8.08	-11.74
1995-96	1.00	0.02	1.78	-178.08	-245.61	6.11	100.30	63.43	-193.40	-26.07	-433.13	5.49	1.35	70.34	-9.78	-13.49
1996-97	1.00	0.02	1.77	-153.31	-194.03	5.92	99.25	77.46	-162.24	-23.40	-416.51	5.93	1.28	77.92	-9.08	-11.50
1997-98	1.00	0.02	1.06	-308.47	-398.41	6.88	89.48	37.31	-330.03	-27.77	-306.78	3.47	2.63	82.76	-10.69	-13.81
1998-99	1.00	0.10	1.23	-377.58	-442.31	7.40	77.08	31.22	-409.56	-36.23	-307.24	2.98	1.09	100.70	-11.24	-13.17
1999-00	1.00	0.01	1.21	-405.64	-522.43	7.21	64.91	37.30	-434.41	-30.11	-430.95	3.31	0.85	125.20	-13.42	-17.28

Table 6.17
NAGALAND

Rs. In Crore

Year	State Equity	Other Equity	Total Equity	State Debt	Other Debt	Total Debt	Total Investment	Surpluses & Reserves	Accumulated losses	Net worth	Capital Employed	Total Revenue Earned	Direct Expense	contribution	Gross Margin	Profit Before Int.& Taxes	Net Profit	Dividend
1990-91	21.34	47.67	69.01	1.82	138.33	140.14	209.15	0.67	187.75	-118.22	-36.54	4.42	16.15	-11.73	0.00	-10.71	-20.24	0.00
1991-92	22.14	47.67	69.81	1.96	148.40	150.36	220.17	0.67	213.26	-142.83	-60.74	6.36	16.78	-10.42	0.00	-12.44	-23.74	0.00
1992-93	24.62	47.67	72.29	2.10	163.51	165.61	237.91	0.67	238.72	-166.32	-78.75	3.62	13.27	-9.65	0.00	-11.35	-23.75	0.00
1993-94	25.56	47.67	73.23	2.25	174.81	177.06	250.29	0.67	262.81	-188.80	-99.62	1.35	11.91	-10.56	0.00	-9.34	-22.30	0.00
1994-95	23.27	47.67	70.94	2.39	281.91	284.31	355.25	0.68	379.01	-299.61	-208.96	1.44	10.21	-8.77	0.00	-83.58	-114.39	0.00
1995-96	28.26	47.67	75.94	2.54	19.52	22.06	98.00	0.68	134.30	-56.87	-36.14	1.36	10.90	-9.54	0.00	-249.01	-246.70	0.00
1996-97	29.84	120.05	149.90	2.68	27.73	30.40	180.30	0.68	155.87	-4.42	22.56	1.97	11.51	-9.54	0.00	-18.54	-20.60	0.00
1997-98	32.20	123.56	155.77	2.82	31.11	33.93	189.70	0.68	164.56	-7.52	22.94	1.83	11.99	-10.16	0.00	-5.77	-7.60	0.00
1998-99	34.82	123.61	158.44	2.97	39.54	42.50	200.94	1.30	178.60	-18.27	18.57	3.57	14.76	-11.19	0.00	-10.61	-12.91	0.00
CARG	6.31	12.65	10.95	6.31	-14.49	-13.86	-0.50	8.64	-0.62	-20.82	#NUM!	-2.63	-1.12	-0.59	~	-0.12	-5.47	~

RATIOS

	State Equity to Total Equity	State Debt to Total Debt	Total Debt to Total Equity	PBIT as % of Sales	Net Profit as % of Sales	Accumulated losses as % of Capital	Net worth as % of Investment	Sales as % of Investment	Contribution as % of Sales	Gross Margin as % of Sales	Net Profit as % of Total Equity	Sales as % of Capital Employed	Surplus and Reserves as % of Capital	Accumulated losses as % of Net Worth	PBIT as % of Capital Employed	Net Profit as % of Capital Epml,
1990-91	0.31	0.01	2.03	-242.31	-457.92	-513.82	-56.52	2.11	-265.38	0.00	-29.33	-12.10	-1.83	-158.81	29.31	55.39
1991-92	0.32	0.01	2.15	-195.60	-373.27	-351.10	-64.87	2.89	-163.84	0.00	-34.01	-10.47	-1.10	-149.31	20.48	39.08
1992-93	0.34	0.01	2.29	-313.54	-656.08	-303.14	-69.91	1.52	-266.57	0.00	-32.85	-4.60	-0.85	-143.53	14.41	30.16
1993-94	0.35	0.01	2.42	-691.85	-1651.85	-263.81	-75.43	0.54	-782.22	0.00	-30.45	-1.36	-0.67	-139.20	9.38	22.39
1994-95	0.33	0.01	4.01	-5804.17	-7943.75	-181.38	-84.34	0.41	-609.03	0.00	-161.25	-0.69	-0.33	-126.50	40.00	54.74
1995-96	0.37	0.12	0.29	-18309.56	-18139.71	-371.61	-58.03	1.39	-701.47	0.00	-324.86	-3.76	-1.88	-236.15	689.01	682.62
1996-97	0.20	0.09	0.20	-941.12	-1045.69	690.91	-2.45	1.09	-484.26	0.00	-13.74	8.73	3.01	-3526.47	-82.18	-91.31
1997-98	0.21	0.08	0.22	-315.30	-415.30	717.35	-3.96	0.96	-555.19	0.00	-4.88	7.98	2.96	-2188.30	-25.15	-33.13
1998-99	0.22	0.07	0.27	-297.20	-361.62	961.77	-9.09	1.78	-313.45	0.00	-8.15	19.22	7.00	-977.56	-57.14	-69.52

Table 6.18
ORISSA

Rs. In Crore

Year	State Equity	Other Equity	Total Equity	State Debt	Other Debt	Total Debt	Total Investment	Surpluses & Reserves	Accumulated losses	Net worth	Capital Employed	Total Revenue Earned	Direct Expense	contribution	Gross Margin	Profit Before Int.& Taxes	Net Profit	Dividend
1990-91	433.11	31.70	464.81	545.01	1262.33	1807.34	2272.15	66.93	154.77	890.83	2069.97	1098.97	920.76	178.21	43.06	114.15	-2.79	0.06
1991-92	583.67	36.75	620.42	584.90	1377.68	1962.58	2583.00	66.43	197.73	1044.17	2394.59	1370.87	1176.78	194.09	66.32	123.21	-11.43	0.00
1992-93	708.71	56.77	765.48	677.07	1311.48	1988.54	2754.02	96.24	285.12	1298.83	2751.90	1478.86	1260.76	218.10	70.42	140.02	-0.58	1.00
1993-94	833.25	39.56	872.81	490.79	1685.41	2176.19	3049.00	96.81	349.08	1166.89	2703.36	1682.53	1481.80	200.73	23.06	121.90	-70.30	0.00
1994-95	745.87	56.81	802.68	619.51	1900.65	2520.17	3322.85	137.76	445.26	1098.54	3187.24	1920.25	1663.88	256.37	-8.25	235.65	-81.28	0.00
1995-96	753.18	42.27	795.45	517.53	2151.71	2669.24	3464.69	328.10	475.29	1243.99	3520.25	2562.47	2056.41	506.06	81.09	419.07	70.17	2.03
1996-97	1424.85	42.27	1467.12	1709.69	2604.88	4314.57	5781.70	529.58	789.72	1260.56	5925.45	3070.75	2811.09	259.66	146.91	78.95	-140.88	40.57
1997-98	1464.14	43.03	1507.17	1857.90	2904.76	4762.67	6269.84	671.38	1211.77	1083.62	6289.65	3409.79	3200.20	209.59	92.61	-55.20	-264.01	0.09
1998-99	1338.82	283.34	1622.16	2024.92	3147.60	5172.52	6794.68	669.29	1712.22	798.70	6962.49	3457.12	3273.93	183.19	106.82	-61.38	-303.89	163.34
1999-00	1376.36	322.36	1698.72	2152.06	3802.37	5954.44	7653.15	706.43	1930.21	252.34	6590.49	3636.29	3076.97	559.32	94.44	292.94	-22.74	81.72
CARG	13.71	29.40	15.49	16.49	13.03	14.17	14.45	29.93	32.36	-13.08	13.73	14.22	14.35	13.55	9.12	11.04	26.25	122.97

RATIOS

	State Equity to Total Equity	State Debt to Total Debt	Total Debt to Total Equity	PBIT as % of Sales	Net Profit as % of Sales	Accumulated losses as % of Capital	Net worth as % of Investment	Sales as % of Investment	Contribution as % of Sales	Gross Margin as % of Sales	Net Profit as % of Total Equity	Sales as % of Capital Employed	Surplus and Reserves as % of Capital	Accumulated losses as % of Net Worth	PBIT as % of Capital Employed	Net Profit as % of Capital Epml,
1990-91	0.93	0.30	3.89	10.39	-0.25	7.48	39.21	48.37	16.22	3.92	-0.60	53.09	3.23	17.37	5.51	-0.13
1991-92	0.94	0.30	3.16	8.99	-0.83	8.26	40.42	53.07	14.16	4.84	-1.84	57.25	2.77	18.94	5.15	-0.48
1992-93	0.93	0.34	2.60	9.47	-0.04	10.36	47.16	53.70	14.75	4.76	-0.08	53.74	3.50	21.95	5.09	-0.02
1993-94	0.95	0.23	2.49	7.25	-4.18	12.91	38.27	55.18	11.93	1.37	-8.05	62.24	3.58	29.92	4.51	-2.60
1994-95	0.93	0.25	3.14	12.27	-4.23	13.97	33.06	57.79	13.35	-0.43	-10.13	60.25	4.32	40.53	7.39	-2.55
1995-96	0.95	0.19	3.36	16.35	2.74	13.50	35.90	73.96	19.75	3.16	8.82	72.79	9.32	38.21	11.90	1.99
1996-97	0.97	0.40	2.94	2.57	-4.59	13.33	21.80	53.11	8.46	4.78	-9.60	51.82	8.94	62.65	1.33	-2.38
1997-98	0.97	0.39	3.16	-1.62	-7.74	19.27	17.28	54.38	6.15	2.72	-17.52	54.21	10.67	111.83	-0.88	-4.20
1998-99	0.83	0.39	3.19	-1.78	-8.79	24.59	11.75	50.88	5.30	3.09	-18.73	49.65	9.61	214.38	-0.88	-4.36
1999-00	0.81	0.36	3.51	8.06	-0.63	29.29	3.30	47.51	15.38	2.60	-1.34	55.17	10.72	764.92	4.44	-0.35

Table 6.19
PONDICHERRY (U.T.)

Rs. In Crore

Year	State Equity	Other Equity	Total Equity	State Debt	Other Debt	Total Debt	Total Investment	Surpluses & Reserves	Accumulated losses	Net worth	Capital Employed	Total Revenue Earned	Direct Expense	contribution	Gross Margin	Profit Before Int.& Taxes	Net Profit	Dividend
1990-91	16.56	8.59	25.15	0.00	23.16	23.16	48.31	5.98	0.19	30.32	53.66	17.23	14.08	3.15	1.05	2.46	1.32	0.22
1991-92	37.25	8.59	45.84	0.00	42.57	42.57	88.41	32.11	0.76	76.56	118.20	115.19	107.57	7.62	4.86	10.08	4.52	0.25
1992-93	44.43	8.59	53.02	0.00	47.05	47.05	100.07	34.65	1.42	85.87	130.97	133.24	127.92	5.32	2.07	9.10	1.56	0.10
1993-94	52.70	8.59	61.29	0.00	54.79	54.79	116.08	57.59	4.77	87.18	165.37	153.01	155.05	-2.04	-7.34	3.50	-7.23	0.16
1994-95	80.38	8.59	88.97	0.90	52.52	53.42	142.39	58.38	15.86	105.39	181.17	174.28	175.91	-1.63	-9.47	3.50	-7.23	0.23
1995-96	109.74	8.59	118.33	13.84	43.98	57.82	176.15	60.38	40.67	112.47	189.13	174.69	184.62	-9.93	-20.86	-5.51	-18.56	0.30
1996-97	141.81	8.59	150.40	22.24	41.30	63.54	213.94	68.12	73.13	123.82	197.22	177.54	185.48	-7.94	-22.11	-2.50	-25.19	0.24
1997-98	220.93	8.59	229.52	20.54	23.38	43.92	273.44	71.74	96.30	182.37	236.49	163.23	170.89	-7.66	-20.37	-7.05	-17.60	0.27
1998-99	271.73	8.59	280.32	22.55	22.67	45.22	325.54	74.92	117.01	215.38	261.50	164.83	172.95	-8.12	-17.15	-7.57	-15.88	0.30
1999-00	340.20	8.59	348.79	26.22	14.02	40.24	389.03	74.68	136.63	269.20	302.42	167.70	178.11	-10.41	-19.84	-7.63	-18.22	0.20
CARG	39.91	0.00	33.93	#DIV/0!	-5.42	6.33	26.08	32.38	107.69	27.46	21.18	28.77	32.57	~	~	~	~	-1.05

RATIOS

	State Equity to Total Equity	State Debt to Total Debt	Total Debt to Total Equity	PBIT as % of Sales	Net Profit as % of Sales	Accumulated losses as % of Capital	Net worth as % of Investment	Sales as % of Investment	Contribution as % of Sales	Gross Margin as % of Sales	Net Profit as % of Total Equity	Sales as % of Capital Employed	Surplus and Reserves as % of Capital	Accumulated losses as % of Net Worth	PBIT as % of Capital Employed	Net Profit as % of Capital Epml,
1990-91	0.66	0.00	0.92	14.28	7.66	0.35	62.76	35.67	18.28	6.09	5.25	32.11	11.14	0.63	4.58	2.46
1991-92	0.81	0.00	0.93	8.75	3.92	0.64	86.60	130.29	6.62	4.22	9.86	97.45	27.17	0.99	8.53	3.82
1992-93	0.84	0.00	0.89	6.83	1.17	1.08	85.81	133.15	3.99	1.55	2.94	101.73	26.46	1.65	6.95	1.19
1993-94	0.86	0.00	0.89	2.29	-4.73	2.88	75.10	131.81	-1.33	-4.80	-11.80	92.53	34.82	5.47	2.12	-4.37
1994-95	0.90	0.02	0.60	2.01	-4.15	8.75	74.02	122.40	-0.94	-5.43	-8.13	96.20	32.22	15.05	1.93	-3.99
1995-96	0.93	0.24	0.49	-3.15	-10.62	21.50	63.85	99.17	-5.68	-11.94	-15.68	92.37	31.93	36.16	-2.91	-9.81
1996-97	0.94	0.35	0.42	-1.41	-14.19	37.08	57.88	82.99	-4.47	-12.45	-16.75	90.02	34.54	59.06	-1.27	-12.77
1997-98	0.96	0.47	0.19	-4.32	-10.78	40.72	66.69	59.69	-4.69	-12.48	-7.67	69.02	30.34	52.80	-2.98	-7.44
1998-99	0.97	0.50	0.16	-4.59	-9.63	44.75	66.16	50.63	-4.93	-10.40	-5.66	63.03	28.65	54.33	-2.89	-6.07
1999-00	0.98	0.65	0.12	-4.55	-10.86	45.18	69.20	43.11	-6.21	-11.83	-5.22	55.45	24.69	50.75	-2.52	-6.02

Table 6.20

PUNJAB

Rs. In Crore

Year	State Equity	Other Equity	Total Equity	State Debt	Other Debt	Total Debt	Total Investment	Surpluses & Reserves	Accumulated losses	Net worth	Capital Employed	Total Revenue Earned	Direct Expense	contribution	Gross Margin	Profit Before Int.& Taxes	Net Profit	Dividend
1990-91	297.39	113.55	410.94	3970.57	1111.78	5082.35	5493.29	120.57	562.52	429.57	5228.46	1244.67	1236.83	7.84	305.26	315.93	-74.11	1.67
1991-92	1935.69	128.36	2064.05	2821.31	1197.30	4018.61	6082.65	130.67	579.37	495.03	5452.21	1477.95	1380.18	97.77	351.23	364.26	32.06	2.04
1992-93	1928.12	158.77	2086.89	3311.14	1312.92	4624.06	6710.95	155.29	718.88	2036.09	6296.08	1659.38	1727.66	-68.28	257.12	266.66	-111.32	1.76
1993-94	1935.66	205.56	2141.22	3751.34	1445.18	5196.52	7337.74	190.28	848.88	2130.26	7199.56	2291.23	2221.31	69.92	412.72	431.30	-9.62	6.08
1994-95	1954.90	296.82	2251.72	4343.10	1543.04	5886.14	8137.86	212.44	872.40	2381.13	8533.47	2802.59	2624.65	177.94	562.05	575.57	59.58	5.06
1995-96	1968.00	435.78	2403.78	4758.28	1898.84	6657.11	9060.89	191.74	772.00	2593.36	9512.72	3179.39	2931.80	247.59	208.74	222.66	279.97	1.14
1996-97	3165.37	530.58	3695.95	3794.96	2335.54	6130.50	9826.45	221.42	715.37	3704.12	9712.06	3621.47	3363.32	258.15	604.42	620.59	86.19	1.36
1997-98	3191.60	646.77	3838.37	3945.84	3279.98	7225.82	11064.19	253.81	727.77	3786.76	11169.96	4196.11	4093.49	102.62	646.79	665.41	34.67	1.09
CARG	40.36	28.21	37.60	-0.09	16.71	5.16	10.52	11.22	3.75	36.47	11.45	18.96	18.65	44.40	11.32	11.23	~	-5.91

RATIOS

	State Equity to Total Equity	State Debt to Total Debt	Total Debt to Total Equity	PBIT as % of Sales	Net Profit as % of Sales	Accumulated losses as % of Capital	Net worth as % of Investment	Sales as % of Investment	Contribution as % of Sales	Gross Margin as % of Sales	Net Profit as % of Total Equity	Sales as % of Capital Employed	Surplus and Reserves as % of Capital	Accumulated losses as % of Net Worth	PBIT as % of Capital Employed	Net Profit as % of Capital EpmI,
1990-91	0.72	0.78	12.37	25.38	-5.95	10.76	7.82	22.66	0.63	24.53	-18.03	23.81	2.31	130.95	6.04	-1.42
1991-92	0.94	0.70	1.95	24.65	2.17	10.63	8.14	24.30	6.62	23.76	1.55	27.11	2.40	117.04	6.68	0.59
1992-93	0.92	0.72	2.22	16.07	-6.71	11.42	30.34	24.73	-4.11	15.49	-5.33	26.36	2.47	35.31	4.24	-1.77
1993-94	0.90	0.72	2.43	18.82	-0.42	11.79	29.03	31.23	3.05	18.01	-0.45	31.82	2.64	39.85	5.99	-0.13
1994-95	0.87	0.74	2.61	20.54	2.13	10.22	29.26	34.44	6.35	20.05	2.65	32.84	2.49	36.64	6.74	0.70
1995-96	0.82	0.71	2.77	7.00	8.81	8.12	28.62	35.09	7.79	6.57	11.65	33.42	2.02	29.77	2.34	2.94
1996-97	0.86	0.62	1.66	17.14	2.38	7.37	37.70	36.85	7.13	16.69	2.33	37.29	2.28	19.31	6.39	0.89
1997-98	0.83	0.55	1.88	15.86	0.83	6.52	34.23	37.93	2.45	15.41	0.90	37.57	2.27	19.22	5.96	0.31

Table 6.21

RAJASTHAN

Rs. In Crore

Year	State Equity	Other Equity	Total Equity	State Debt	Other Debt	Total Debt	Total Investment	Surpluses & Reserves	Accumulated losses	Net worth	Capital Employed	Total Revenue Earned	Direct Expense	contribution	Gross Margin	Profit Before Int.& Taxes	Net Profit	Dividend
1990-91	281.96	80.30	362.26	1310.75	1475.75	2786.51	3148.76	150.88	746.59	-233.44	4180.33	1301.81	1039.73	262.08	198.62	112.82	-94.09	1.56
1991-92	927.11	85.49	1012.60	925.82	1655.97	2581.78	3594.38	175.72	671.80	516.51	4770.78	1806.21	1353.47	452.74	382.46	281.01	81.24	1.74
1992-93	966.29	92.27	1058.56	1248.39	1927.92	3176.31	4234.87	345.07	615.70	787.92	5483.08	2347.65	1762.61	585.04	500.51	331.28	72.06	1.58
1993-94	1012.93	104.60	1117.53	1612.40	2286.78	3899.18	5016.72	254.43	530.12	841.94	6486.19	2821.11	2109.39	711.72	630.24	436.40	111.69	0.31
1994-95	1017.07	111.79	1128.87	1885.07	3103.13	4988.20	6117.07	311.61	461.16	979.33	8036.71	3372.09	2470.04	902.05	802.69	500.09	98.96	2.93
1995-96	1353.81	121.55	1475.36	1967.70	3268.03	5235.73	6711.09	506.43	442.01	1539.77	9221.33	4201.38	3005.60	1195.78	1078.41	824.25	241.23	7.99
1996-97	1505.30	134.72	1640.02	1932.79	3976.47	5909.26	7549.28	659.15	334.07	1965.10	10478.65	4778.45	3394.75	1383.70	1246.58	955.38	131.53	9.78
1997-98	2224.60	151.71	2376.32	1390.37	5220.79	6611.16	8987.48	781.50	289.28	2868.54	12383.48	5610.82	4138.67	1472.15	1298.56	963.28	75.92	7.08
1998-99	2230.17	148.89	2379.06	1689.46	6110.31	7799.77	10178.83	927.68	271.34	3035.39	14198.65	6205.10	4620.93	1584.17	1381.33	1025.78	34.81	4.56
1999-00	2241.22	129.89	2371.11	1877.25	7317.46	9194.71	11565.82	1024.74	260.81	3135.02	16827.93	7442.01	5226.01	2216.00	1954.11	1552.05	352.52	4.81
CARG	25.90	5.49	23.21	4.07	19.47	14.18	15.55	23.72	-11.03	-233.46	16.74	21.37	19.65	26.77	28.92	33.81	~	13.33

RATIOS

	State Equity to Total Equity	State Debt to Total Debt	Total Debt to Total Equity	PBIT as % of Sales	Net Profit as % of Sales	Accumulated losses as % of Capital	Net worth as % of Investment	Sales as % of Investment	Contribution as % of Sales	Gross Margin as % of Sales	Net Profit as % of Total Equity	Sales as % of Capital Employed	Surplus and Reserves as % of Capital	Accumulated losses as % of Net Worth	PBIT as % of Capital Employed	Net Profit as % of Capital Epml,
1990-91	0.78	0.47	7.69	8.67	-7.23	17.86	-7.41	41.34	20.13	15.26	-25.97	31.14	3.61	-319.82	2.70	-2.25
1991-92	0.92	0.36	2.55	15.56	4.50	14.08	14.37	50.25	25.07	21.17	8.02	37.86	3.68	130.07	5.89	1.70
1992-93	0.91	0.39	3.00	14.11	3.07	11.23	18.61	55.44	24.92	21.32	6.81	42.82	6.29	78.14	6.04	1.31
1993-94	0.91	0.41	3.49	15.47	3.96	8.17	16.78	56.23	25.23	22.34	9.99	43.49	3.92	62.96	6.73	1.72
1994-95	0.90	0.38	4.42	14.83	2.93	5.74	16.01	55.13	26.75	23.80	8.77	41.96	3.88	47.09	6.22	1.23
1995-96	0.92	0.38	3.55	19.62	5.74	4.79	22.94	62.60	28.46	25.67	16.35	45.56	5.49	28.71	8.94	2.62
1996-97	0.92	0.33	3.60	19.99	2.75	3.19	26.03	63.30	28.96	26.09	8.02	45.60	6.29	17.00	9.12	1.26
1997-98	0.94	0.21	2.78	17.17	1.35	2.34	31.92	62.43	26.24	23.14	3.19	45.31	6.31	10.08	7.78	0.61
1998-99	0.94	0.22	3.28	16.53	0.56	1.91	29.82	60.96	25.53	22.26	1.46	43.70	6.53	8.94	7.22	0.25
1999-00	0.95	0.20	3.88	20.86	4.74	1.55	27.11	64.34	29.78	26.26	14.87	44.22	6.09	8.32	9.22	2.09

Table 6.22

SIKKIM

Rs. In Crore

Year	State Equity	Other Equity	Total Equity	State Debt	Other Debt	Total Debt	Total Investment	Surpluses & Reserves	Accumulated losses	Net worth	Capital Employed	Total Revenue Earned	Direct Expense	conrtbution	Gross Margin	Profit Before Int.&Taxes	Net Profit	Dividend
1990-91	9.17	3.88	13.05	65.71	8.77	74.48	87.53	13.27	3.05	23.70	29.95	19.69	14.18	5.51	2.92	2.80	0.46	0.64
1991-92	12.27	3.88	16.15	40.89	10.90	51.79	67.94	12.25	3.87	23.22	43.56	28.93	18.94	9.99	4.43	3.52	1.02	0.59
1992-93	14.15	3.88	18.03	47.16	10.79	57.95	75.98	12.85	4.87	23.68	48.64	26.17	17.02	9.15	4.48	2.68	0.15	0.32
1993-94	16.47	3.88	20.35	39.47	10.76	50.23	70.58	12.97	8.96	20.95	47.89	24.71	18.24	6.47	6.90	2.92	-1.00	0.83
1994-95	16.97	3.88	20.85	42.46	11.76	54.22	75.07	12.91	17.24	13.25	40.65	23.01	13.15	9.86	4.11	1.49	-8.09	0.17
1995-96	20.52	6.38	26.90	55.35	8.86	64.21	91.11	15.89	23.50	16.49	41.20	33.80	23.50	10.30	7.30	4.98	-4.42	0.77
1996-97	22.66	6.38	29.04	52.26	3.82	56.08	85.12	16.44	26.85	15.47	35.53	41.16	25.83	15.33	8.81	7.93	-1.08	0.79
1997-98	24.94	6.38	31.32	53.89	4.99	58.88	90.20	17.72	29.32	16.86	37.52	39.55	27.60	11.95	12.75	4.12	-0.28	0.86
CARG	15.37	7.36	13.32	-2.79	-7.74	-3.30	0.43	4.22	38.17	-4.75	3.27	10.48	9.98	11.69	23.44	5.67	-	4.31

RATIOS

	State Equity to Total Equity	State Debt to Total Debt	Total Debt to Total Equity	PBIT as % of Sales	Net Profit as % of Sales	Accumulated losses as % of Capital	Net worth as % of Investment	Sales as % of Investment	Contribution as % of Sales	Gross Margin as % of Sales	Net Profit as % of Total Equity	Sales as % of Capital Employed	Surplus and Reserves as % of Capital	Accumulated losses as % of Net Worth	PBIT as % of Capital Employed	Net Profit as % of Capital Epml,
1990-91	0.70	0.88	5.71	14.22	2.34	10.18	27.08	22.50	27.98	14.83	3.52	65.74	44.31	12.87	9.35	1.54
1991-92	0.76	0.79	3.21	12.17	3.53	8.88	34.18	42.58	34.53	15.31	6.32	66.41	28.12	16.67	8.08	2.34
1992-93	0.78	0.81	3.21	10.24	0.57	10.01	31.17	34.44	34.96	17.12	0.83	53.80	26.42	20.57	5.51	0.31
1993-94	0.81	0.79	2.47	11.82	-4.05	18.71	29.68	35.01	26.18	27.92	-4.91	51.60	27.08	42.77	6.10	-2.09
1994-95	0.81	0.78	2.60	6.48	-35.16	42.41	17.65	30.65	42.85	17.86	-38.80	56.61	31.76	130.11	3.67	-19.90
1995-96	0.76	0.86	2.39	14.73	-13.08	57.04	18.10	37.10	30.47	21.60	-16.43	82.04	38.57	142.51	12.09	-10.73
1996-97	0.78	0.93	1.93	19.27	-2.62	75.57	18.17	48.36	37.24	21.40	-3.72	115.85	46.27	173.56	22.32	-3.04
1997-98	0.80	0.92	1.88	10.42	-0.71	78.14	18.69	43.85	30.21	32.24	-0.89	105.41	47.23	173.90	10.98	-0.75

Table 6.23
TAMIL NADU

Rs. In Crore

Year	State Equity	Other Equity	Total Equity	State Debt	Other Debt	Total Debt	Total Investment	Surpluses & Reserves	Accumulated losses	Net worth	Capital Employed	Total Revenue Earned	Direct Expense	contribution	Gross Margin	Profit Before Int.& Taxes	Net Profit	Dividend
1990-91	396.54	77.81	474.35	1494.63	2773.62	4268.25	4742.60	433.35	318.06	1200.47	5945.00	5223.67	4480.78	742.89	563.22	563.22	69.90	11.53
1991-92	421.52	80.64	502.16	1731.01	3185.82	4916.83	5418.99	743.10	354.65	914.44	6874.42	6058.21	5094.66	963.55	788.66	786.60	286.95	13.64
1992-93	455.92	81.05	536.97	1471.58	3558.95	5030.53	5567.50	1025.57	388.65	1205.14	7335.95	7264.42	6156.96	1107.46	880.77	877.10	250.07	20.04
1993-94	702.72	82.77	785.49	1395.31	4215.99	5611.30	6396.79	1288.94	404.85	1576.36	8385.37	8096.86	6900.47	1196.39	997.83	974.96	279.40	15.59
1994-95	958.14	82.96	1041.10	1490.70	5401.54	6892.24	7933.34	1737.41	488.23	2234.69	10219.50	9764.41	8323.05	1441.36	1203.23	1193.22	369.34	17.74
1995-96	998.39	66.25	1064.64	1717.96	6047.83	7765.79	8830.43	2177.95	773.30	2508.49	11964.55	11477.82	9917.99	1559.83	1248.66	1236.18	229.48	16.82
1996-97	1599.67	83.25	1682.92	1322.10	6699.86	8021.96	9704.88	2596.58	1066.66	3192.01	13199.93	13397.84	11720.88	1676.96	1320.46	1304.92	69.73	18.13
1997-98	1873.77	91.11	1964.88	954.50	7819.19	8773.69	10738.57	3039.90	1372.40	3586.39	14394.52	15183.81	13137.60	2046.21	1505.84	1499.85	104.25	13.25
1998-99	2339.16	110.58	2449.74	889.56	8830.90	9720.46	12170.20	2560.23	1985.57	3158.08	15169.83	15772.37	14189.72	1582.65	212.44	212.44	-917.03	14.83
CARG	24.84	4.49	22.78	-6.28	15.58	10.84	12.50	24.86	25.73	12.85	12.42	14.81	15.50	9.92	-11.47	-11.47	-	3.20

RATIOS

	State Equity to Total Equity	State Debt to Total Debt	Total Debt to Total Equity	PBIT as % of Sales	Net Profit as % of Sales	Accumulated losses as % of Capital	Net worth as % of Investment	Sales as % of Investment	Contribution as % of Sales	Gross Margin as % of Sales	Net Profit as % of Total Equity	Sales as % of Capital Employed	Surplus and Reserves as % of Capital	Accumulated losses as % of Net Worth	PBIT as % of Capital Employed	Net Profit as % of Capital Epml,
1990-91	0.84	0.35	9.00	10.78	1.34	5.35	25.31	110.14	14.22	10.78	14.74	87.87	7.29	26.49	9.47	1.18
1991-92	0.84	0.35	9.79	12.98	4.74	5.16	16.87	111.80	15.90	13.02	57.14	88.13	10.81	38.78	11.44	4.17
1992-93	0.85	0.29	9.37	12.07	3.44	5.30	21.65	130.48	15.24	12.12	46.57	99.02	13.98	32.25	11.96	3.41
1993-94	0.89	0.25	7.14	12.04	3.45	4.83	24.64	126.58	14.78	12.32	35.57	96.56	15.37	25.68	11.63	3.33
1994-95	0.92	0.22	6.62	12.22	3.78	4.78	28.17	123.08	14.76	12.32	35.48	95.55	17.00	21.85	11.68	3.61
1995-96	0.94	0.22	7.29	10.77	2.00	6.46	28.41	129.98	13.59	10.88	21.55	95.93	18.20	30.83	10.33	1.92
1996-97	0.95	0.16	4.77	9.74	0.52	8.08	32.89	138.05	12.52	9.86	4.14	101.50	19.67	33.42	9.89	0.53
1997-98	0.95	0.11	4.47	9.88	0.69	9.53	33.40	141.40	13.48	9.92	5.31	105.48	21.12	38.27	10.42	0.72
1998-99	0.95	0.09	3.97	1.35	-5.81	13.09	25.95	129.60	10.03	1.35	-37.43	103.97	16.88	62.87	1.40	-6.05

Table 6.24

TRIPURA

Rs. In Crore

Year	State Equity	Other Equity	Total Equity	State Debt	Other Debt	Total Debt	Total Investment	Surpluses & Reserves	Accumulated losses	Net worth	Capital Employed	Total Revenue Earned	Direct Expense	contribution	Gross Margin	Profit Before Int.& Taxes	Net Profit	Dividend
1990-91	29.86	5.26	35.11	20.17	23.02	43.20	78.31	14.39	61.83	39.66	51.48	14.30	16.73	-2.43	2.09	-6.56	-8.57	0.00
1991-92	35.47	6.26	41.72	20.41	25.28	45.69	87.41	16.75	74.82	46.81	63.24	16.26	17.48	-1.22	0.45	-7.41	-9.78	0.00
1992-93	38.92	6.33	45.25	23.45	27.25	50.70	95.95	18.22	86.66	53.28	66.04	14.93	17.16	-2.23	1.84	-6.95	-10.26	0.00
1993-94	40.39	6.43	46.82	26.75	27.86	54.61	101.43	19.09	99.32	57.56	66.41	16.00	17.47	-1.47	1.83	-6.57	-11.96	0.00
1994-95	42.76	6.43	49.18	29.68	26.19	55.87	105.05	18.86	108.69	57.60	58.17	12.39	14.79	-2.40	0.84	-8.65	-13.48	0.00
1995-96	50.12	6.60	56.71	34.96	28.11	63.07	119.78	20.24	122.52	66.83	65.90	15.08	16.20	-1.12	2.72	-7.92	-13.96	0.00
1996-97	52.48	6.49	58.97	40.46	31.09	71.55	130.52	22.21	139.23	74.77	77.66	17.37	17.96	-0.59	3.32	-8.21	-15.26	0.00
1997-98	55.50	6.54	62.03	46.17	35.62	81.79	143.82	21.52	157.87	83.90	88.10	17.79	19.63	-1.84	2.79	-11.07	-17.53	0.00
1998-99	56.15	6.58	62.73	15.29	39.51	54.80	117.53	23.93	170.07	87.98	95.44	21.25	21.59	-0.34	3.84	-9.96	-13.23	0.00
CARG	8.21	2.84	7.52	-3.40	6.99	3.02	5.21	6.56	13.48	10.47	8.02	5.08	3.24	-21.80	7.90	5.36	5.58	~

RATIOS

	State Equity to Total Equity	State Debt to Total Debt	Total Debt to Total Equity	PBIT as % of Sales	Net Profit as % of Sales	Accumulated losses as % of Capital	Net worth as % of Investment	Sales as % of Investment	Contribution as % of Sales	Gross Margin as % of Sales	Net Profit as % of Total Equity	Sales as % of Capital Employed	Surplus and Reserves as % of Capital	Accumulated losses as % of Net Worth	PBIT as % of Capital Employed	Net Profit as % of Capital Epml,
1990-91	0.85	0.47	1.23	-45.87	-59.93	120.10	50.64	18.26	-16.99	14.62	-24.41	27.78	27.95	155.90	-12.74	-16.65
1991-92	0.85	0.45	1.10	-45.57	-60.15	118.31	53.55	18.60	-7.50	2.77	-23.44	25.71	26.49	159.84	-11.72	-15.46
1992-93	0.86	0.46	1.12	-46.55	-68.72	131.22	55.53	15.56	-14.94	12.32	-22.67	22.61	27.59	162.65	-10.52	-15.54
1993-94	0.86	0.49	1.17	-41.06	-74.75	149.56	56.75	15.77	-9.19	11.44	-25.54	24.09	28.75	172.55	-9.89	-18.01
1994-95	0.87	0.53	1.14	-69.81	-108.80	186.85	54.83	11.79	-19.37	6.78	-27.41	21.30	32.42	188.70	-14.87	-23.17
1995-96	0.88	0.55	1.11	-52.52	-92.57	185.92	55.79	12.59	-7.43	18.04	-24.62	22.88	30.71	183.33	-12.02	-21.18
1996-97	0.89	0.57	1.21	-47.27	-87.85	179.28	57.29	13.31	-3.40	19.11	-25.88	22.37	28.60	186.21	-10.57	-19.65
1997-98	0.89	0.56	1.32	-62.23	-98.54	179.19	58.34	12.37	-10.34	15.68	-28.26	20.19	24.43	188.16	-12.57	-19.90
1998-99	0.90	0.28	0.87	-46.87	-62.26	178.20	74.86	18.08	-1.60	18.07	-21.09	22.27	25.07	193.31	-10.44	-13.86

Table 6.25
UTTAR PRADESH

Rs. In Crore

Year	State Equity	Other Equity	Total Equity	State Debt	Other Debt	Total Debt	Total Investment	Surpluses & Reserves	Accumulated losses	Net worth	Capital Employed	Total Revenue Earned	Direct Expense	contribution	Gross Margin	Profit Before Int.& Taxes	Net Profit	Dividend
1990-91	1343.77	115.19	1458.96	5786.67	3622.34	9409.02	10867.98	3018.88	1705.21	-37.11	8144.32	4275.68	2197.38	2078.30	917.23	597.45	-173.72	1.10
1991-92	1427.08	121.41	1548.49	6911.62	3924.05	10835.67	12384.16	3304.21	1716.70	58.46	8598.72	5073.34	2518.48	2554.86	1286.69	956.69	23.59	2.56
1992-93	1538.90	154.79	1693.69	8085.75	4420.02	12505.77	14199.46	3806.88	1802.85	112.48	9406.83	5988.74	2965.89	3022.85	1477.32	1114.25	134.87	2.68
1993-94	1675.45	138.00	1813.45	8878.57	4617.27	13495.84	15309.30	4330.60	2094.20	-42.13	12109.11	6895.87	3725.02	3170.85	1559.14	1163.01	-190.04	2.69
1994-95	1699.91	141.98	1841.90	9645.49	4824.20	14469.69	16311.59	5096.54	2125.92	83.43	14924.72	7697.35	3899.66	3797.69	2066.79	1602.88	83.05	2.89
1995-96	1740.96	142.74	1883.70	10303.81	4803.39	15107.20	16990.90	5942.32	2365.15	-62.09	15643.16	8844.27	4604.05	4240.22	2172.59	1563.91	-214.92	2.74
1996-97	1761.34	146.09	1907.43	11385.74	5284.94	16670.68	18578.11	7184.95	2861.30	-284.47	17217.53	9343.00	4735.16	4607.84	2248.06	1424.57	-693.85	0.87
1997-98	1720.68	157.74	1878.42	12395.01	4992.67	17387.68	19266.10	8432.79	2526.13	361.95	18343.98	10761.25	5298.32	5462.93	2856.29	2021.95	-249.33	0.81
1998-99	1756.81	165.15	1921.96	13563.08	5661.60	19224.68	21146.64	10095.52	2889.06	496.14	20683.32	11861.91	5784.23	6077.68	3339.51	2431.88	238.02	1.08
1999-00	2645.92	176.04	2821.96	13945.33	7596.32	21541.65	24363.61	10957.14	3109.79	1091.71	23725.98	11020.44	5244.80	5775.64	2731.29	1874.78	-424.69	1.65
CARG	7.82	4.83	7.61	10.27	8.58	9.64	9.38	15.40	6.90	-245.61	12.62	11.09	10.15	12.03	12.89	13.55	10.44	4.61

RATIOS

	State Equity to Total Equity	State Debt to Total Debt	Total Debt to Total Equity	PBIT as % of Sales	Net Profit as % of Sales	Accumulated losses as % of Capital	Net worth as % of Investment	Sales as % of Investment	Contribution as % of Sales	Gross Margin as % of Sales	Net Profit as % of Total Equity	Sales as % of Capital Employed	Surplus and Reserves as % of Capital	Accumulated losses as % of Net Worth	PBIT as % of Capital Employed	Net Profit as % of Capital Epml,
1990-91	0.92	0.62	6.45	13.97	-4.06	20.94	-0.34	39.34	48.61	21.45	-11.91	52.50	37.07	-4595.01	7.34	-2.13
1991-92	0.92	0.64	7.00	18.86	0.46	19.96	0.47	40.97	50.36	25.36	1.52	59.00	38.43	2936.54	11.13	0.27
1992-93	0.91	0.65	7.38	18.61	2.25	19.17	0.79	42.18	50.48	24.67	7.96	63.66	40.47	1602.82	11.85	1.43
1993-94	0.92	0.66	7.44	16.87	-2.76	17.29	-0.28	45.04	45.98	22.61	-10.48	56.95	35.76	-4970.80	9.60	-1.57
1994-95	0.92	0.67	7.86	20.82	1.08	14.24	0.51	47.19	49.34	26.85	4.51	51.57	34.15	2548.15	10.74	0.56
1995-96	0.92	0.68	8.02	17.68	-2.43	15.12	-0.37	52.05	47.94	24.56	-11.41	56.54	37.99	-3809.23	10.00	-1.37
1996-97	0.92	0.68	8.74	15.25	-7.43	16.62	-1.53	50.29	49.32	24.06	-36.38	54.26	41.73	-1005.84	8.27	-4.03
1997-98	0.92	0.71	9.26	18.79	-2.32	13.77	1.88	55.86	50.76	26.54	-13.27	58.66	45.97	697.92	11.02	-1.36
1998-99	0.91	0.71	10.00	20.50	2.01	13.97	2.35	56.09	51.24	28.15	12.38	57.35	48.81	582.31	11.76	1.15
1999-00	0.94	0.65	7.63	17.01	-3.85	13.11	4.48	45.23	52.41	24.78	-15.05	46.45	46.18	284.85	7.90	-1.79

Table 6.26

WEST BENGAL

Rs. In Crore

Year	State Equity	Other Equity	Total Equity	State Debt	Other Debt	Total Debt	Total Investment	Surpluses & Reserves	Accumulated losses	Net worth	Capital Employed	Total Revenue Earned	Direct Expense	contribution	Gross Margin	Profit Before Int.& Taxes	Net Profit	Dividend
1990-91	651.70	16.96	668.66	1766.36	2647.15	4413.50	5082.16	140.60	1410.22	-359.33	2934.73	1215.16	1223.12	-7.96	-30.86	-24.41	-186.51	0.46
1991-92	732.53	17.11	749.64	1923.07	2795.54	4718.61	5468.25	182.01	1666.50	-426.20	3529.02	1514.98	1471.55	43.43	-11.52	-1.17	-193.20	0.59
1992-93	1353.41	17.11	1370.52	1567.81	3091.53	4659.33	6029.85	207.54	1863.80	72.19	3716.91	1768.06	1673.60	94.46	-21.08	51.19	-145.89	0.44
1993-94	1463.74	17.11	1480.85	1758.63	3312.39	5071.02	6551.86	234.37	2001.43	149.29	4416.02	2100.92	1956.21	144.71	-17.72	161.18	-119.99	0.45
1994-95	2040.08	17.27	2057.36	1862.20	3290.32	5152.52	7209.88	283.99	2203.09	640.43	4830.60	2530.77	2361.58	169.19	-8.45	136.76	-142.86	0.48
1995-96	2827.15	19.39	2846.54	2105.72	3038.29	5144.00	7990.54	290.71	2332.30	1361.28	5908.60	2894.67	2683.40	211.27	-15.50	168.45	-149.87	0.53
1996-97	2864.34	21.02	2885.36	2856.49	3041.88	5898.37	8783.73	316.98	2520.28	1319.96	6291.80	3353.30	3069.51	283.79	-0.27	225.74	-174.75	0.57
1997-98	2916.75	21.12	2937.87	3794.73	2863.74	6658.47	9596.34	640.37	2719.37	1628.02	7815.29	3965.06	3655.67	309.39	4.59	272.35	-180.55	0.54
1998-99	2961.83	21.21	2983.05	5414.33	2805.37	8219.70	11202.74	709.11	3763.60	838.38	8552.40	3799.09	4094.39	-295.30	85.99	-325.99	-951.20	0.55
CARG	20.83	2.83	20.55	15.03	0.73	8.08	10.38	22.42	13.05	~	14.30	15.31	16.30	57.10	~	38.26	22.59	2.26

RATIOS

	State Equity to Total Equity	State Debt to Total Debt	Total Debt to Total Equity	PBIT as % of Sales	Net Profit as % of Sales	Accumulated losses as % of Capital	Net worth as % of Investment	Sales as % of Investment	Contribution as % of Sales	Gross Margin as % of Sales	Net Profit as % of Total Equity	Sales as % of Capital Employed	Surplus and Reserves as % of Capital	Accumulated losses as % of Net Worth	PBIT as % of Capital Employed	Net Profit as % of Capital Epml,
1990-91	0.97	0.40	6.60	-2.01	-15.35	48.05	-7.07	23.91	-0.66	-2.54	-27.89	41.41	4.79	-392.46	-0.83	-6.36
1991-92	0.98	0.41	6.29	-0.08	-12.75	47.22	-7.79	27.71	2.87	-0.76	-25.77	42.93	5.16	-391.01	-0.03	-5.47
1992-93	0.99	0.34	3.40	2.90	-8.25	50.14	1.20	29.32	5.34	-1.19	-10.64	47.57	5.58	2581.80	1.38	-3.93
1993-94	0.99	0.35	3.42	7.67	-5.71	45.32	2.28	32.07	6.89	-0.84	-8.10	47.57	5.31	1340.63	3.65	-2.72
1994-95	0.99	0.36	2.50	5.40	-5.64	45.61	8.88	35.10	6.69	-0.33	-6.94	52.39	5.88	344.00	2.83	-2.96
1995-96	0.99	0.41	1.81	5.82	-5.18	39.47	17.04	36.23	7.30	-0.54	-5.26	48.99	4.92	171.33	2.85	-2.54
1996-97	0.99	0.48	2.04	6.73	-5.21	40.06	15.03	38.18	8.46	-0.01	-6.06	53.30	5.04	190.94	3.59	-2.78
1997-98	0.99	0.57	2.27	6.87	-4.55	34.80	16.97	41.32	7.80	0.12	-6.15	50.73	8.19	167.04	3.48	-2.31
1998-99	0.99	0.66	2.76	-8.58	-25.04	44.01	7.48	33.91	-7.77	2.26	-31.89	44.42	8.29	448.91	-3.81	-11.12

Chapter 7

Concluding Observations

Public Sector Undertakings were set up in the States as an integral part of our developmental plans and industrial policy. This policy framework also envisaged that these PSUs would generate further surpluses and would yield some minimum rate of return on the investment made in them. However, over the years and in most cases, they have been found to be earning low or negative returns. Accumulated losses are on the rise. Productivity of labour as well as capital is low and fresh infusion of technology and capital requires funds that are not easily available. Support from the budget is less and less possible and whatever meager amount is given from this source will further stretch the already difficult fiscal situation. At the same time, the PSUs are overmanned and downsizing of manpower is opposed by labour and the existing archaic labour legislation makes it further difficult. Under these circumstances, it has become necessary to carry out reforms of the public sector at a pace which is faster than has been witnessed in the past in order to check the ongoing drain of resources through these enterprises and before it reaches a point of no return.

7.2 There are significant differences among States in the levels of social and economic advancement, institutional structures, administrative capabilities, geographical attributes etc. These imply that standard solutions cannot be prescribed for all the States and the public enterprise reform process will have to be designed and calibrated according to the specific needs of each State. The shape and pace of the public enterprise reform programme will thus differ significantly from State to State. There may not be a standard procedure and pattern for reforms and States should be independent to follow the path thought to be best suited to the local conditions. In this context, the States may keep in view the criteria followed by the Disinvestment Commission also i.e. public purpose served by the PSU and whether it is necessary to retain it or in other words, whether disinvestment in it will be detrimental to the public purpose. It is also to be seen that in the post-reform era the State is expected to promote growth by acting as a catalyst and a facilitator and not get directly involved in provision of goods and services. Each public sector enterprise could be ranked as high or low on three parameters in a matrix format viz., public purpose, profitability and mobilisation of financial resources. In case the enterprise is high on all the three parameters (HHH), it could be retained in the public enterprise portfolio. If the public enterprise is low on all the three parameters (LLL), then it could be divested from such portfolio. The enterprises falling in the remaining categories could be restructured (eg. HLL, HLH, LLH). The application of this matrix approach would generally suggest the withdrawal of the State from manufacturing and trading & services

PSUs. The matrix would clearly suggest the retention of welfare and promotional State PSUs and restructuring of financial and utility State PSUs. In the case of promotional State PSUs, the manufacturing part will have to be divested and the purely promotional part of activity will have to be retained.

7.3 The entire disinvestment exercise in each State could be handed over to an independent Disinvestment Commission set up through a State legislation. Such a law should specify the enterprises to be privatised, the methods of valuation to be adopted, the enterprise-specific calendar for disinvestment and the method of reporting to the State Legislature. The Disinvestment Commission may comprise of economists, engineers, lawyers, accountants, public enterprise managers and labour experts.

7.4 There are a number of issues relating to reforms in the State-level public enterprises that need to be thoroughly discussed while formulating a policy framework and implementation schedule for the process.

7.5 One of the most important issues pertaining to reforms in the State PSUs is the form it is going to take place i.e. whether it is winding up of a unit, partial disinvestment in favour of a strategic investor, disinvestment to the extent of 51 per cent or more or complete transfer of ownership to a private party. There may be yet another alternative where restructuring of a PSU is the requirement. Restructuring can also be a step preceding the disinvestment process so that marginal additions of capital can enable higher price realisation on sale of equity. The State Governments may also like to explore disinvestments in favour of managers and employees. The management lease and capital market routes may also have to be explored keeping in view the nature and operations of the enterprise under consideration.

7.6 On the other side, resorting to restructuring may lead to further drain of resources. As per the amended Sick Industrial Companies (Special Provisions) Act, 1993, PSUs with 100 per cent net worth erosion are to be registered with BIFR. It is generally observed that there is a substantial delay in formulating a revival package once this reference is made to BIFR and the process of approving a package itself extends to more than one year and in some cases to two or three years. There was a suggestion from one of the State Governments that as soon as the PSU is referred to BIFR, the State Government should go ahead and dispose off the unit. Otherwise, there is further drain on resources. There is a tendency to keep postponing privatisation/disinvestment in the hope of turning around the enterprise that leads to a drain on resources of the State. It may be noted here that the National Company Law Tribunal has replaced the BIFR as the matters related to closure are not confined only to closure or turnaround, but also cover within their scope

issues concerning bankruptcy. It will be therefore desirable to refer all such cases to the Disinvestment Commission to be setup by each State which could look into all the related issues of closure and divestment as discussed earlier.

7.7 Even after a unit is closed down, there are protracted delays in disposal of the assets that sometimes can prove costly. In Haryana, it was noticed that Haryana Tanneries Ltd. was put up for sale thirteen times and the highest offer was Rs. 1.60 crore in 1996 when it was rejected by the State Government. The same enterprise was sold in 1999 for Rs. 1.65 crore indicating costly delays that could have been avoided. Therefore, there is a need for proper assessment of these implications before a strategy is adopted. Once it is decided that restructuring is to be undertaken, the issues relating to the extent of restructuring required as well as the appropriate mix of the aspects to be covered viz capital, technology, labour and management also need to be addressed.

7.8 Another important issue is the need for running public sector enterprises on sound commercial principles where decision-making is governed by the objective of securing maximum returns and is not affected by political interference. This necessitates granting autonomy to the enterprises. However, there are a few enterprises that have been set up with social and welfare objectives where, according to one view, economic returns and profitability may not be a consideration. Such welfare corporations have been given corporate form of organisation so that they are able to avail institutional finance to supplement the resources provided by the Government. It has been the experience in many States that after availing the institutional finance in the early years of incorporation, these companies have been unable to sustain themselves on their own and have not been able to make timely repayments of loans availed by them. As a result, they become ineligible for further financial assistance, and budgetary support from the Government is mainly used up to meet administrative expenses thereby nullifying the very objective of their setting up. Such experiences advocate the need for running these PSUs also on commercial basis, failing which they should be reconverted into departmental enterprises.

7.9 Any suggestion pertaining to the reforms of State PSUs, including disinvestment and possible privatization, cannot ignore its implications for the employment scenario. It is generally noticed that the State PSUs are overmanned and have been providing more jobs than are optimally needed. Adopting the latest technology would mean reduction in manpower employed. Any Voluntary Retirement Scheme (VRS) / retrenchment scheme requires funds that are generally scarce. In this context, setting up of a State Renewal Fund by all State Governments may be useful. Some State Governments have taken steps in this direction. Clearly there is a need to set up State Renewal Funds in each

State, the funding of which should come from the disinvestment/restructuring fund created out of the proceeds of the sale of State PSUs.

7.10 A major hurdle faced by the State Governments in carrying out reforms relating to public enterprises is the opposition from labour. One view is that a review of the archaic labour laws and procedures laid thereunder is long overdue and there is need for these laws to be substantially overhauled to enable speedy rationalisation of labour by these units. However, another view advocates caution and asks for a more holistic approach to the issue to prevent the emergence of serious imbalances like large-scale unemployment without adequate support system in the form of social security and insurance resulting in widespread labour unrest. A unified National Policy in this regard may therefore be useful. There is a need to set up Social Safety Net in each State going in for privatisation of State PSUs. The Social Safety Net is decidedly a better proposition than the VRS as the former encompasses retraining, redeployment and employment insurance. The Social Safety Net acts as a cover to prevent social tensions. The World Bank has appreciated the experience of Andhra Pradesh regarding the setting-up of the Social Safety Net. This scheme covers all the employees eligible for VRS for retraining and redeployment.

7.11 Some State Governments have highlighted the fact that the officers taking initiatives in reforming the public enterprises have had personal blemishes being cast upon them. It is, therefore, essential to create an atmosphere where the CEOs and other officials involved in decision-making are not subject to victimisation so that they can carry out their work in the interest of the enterprise. Setting up a Pre-investigation Board as recommended by the Disinvestment Commission, could provide an effective way to counter this problem. Such a Board could approve the blueprint of disinvestment as well as undertake a concurrent audit of disinvestment operations. It may be composed of experts drawn from professional fields.

7.12 A related issue is the granting of a stake in the ownership of a company to the employees. It is possible that the Management and the Employees are better motivated if they have a financial stake in the PSU they are working in. Therefore, the operation of an employee stock option scheme may be explored in the State PSUs. In some cases, it may be even made compulsory that all regular employees should hold a share in the equity of the PSU. Selling of shares to the employees can also bring about a better employer-employee relationship and improve productivity. The Sixth Plan observed that "Workers participation in Management should become an integral part of the Industrial system to serve as an effective instrument of modern management. It should be made a vehicle for transforming the attitudes of both employers and workers for establishment of a cooperative culture which may help in building a strong self-confident and self-reliant

country with a suitable industrial base.” However, it may also lead to a tussle between management and employees for more powers once ownership is given to the latter group. It may be stated that the concept of employee stock ownership scheme could be practised generally in enterprises showing a secular trend in profitability.

7.13 Some structural reforms would be necessary to streamline the working of the State PSUs. The State Governments may take steps to set up nodal agencies to co-ordinate the work of State PSUs. More autonomy would have to be provided to these enterprises to achieve results that, in the final run, would lead to redefining the relationship between the State Governments and State PSUs. The introduction of Memorandum of Understanding (MOU) between the State Governments and State PSUs, on the pattern of the Central Government public enterprises, could provide a basis to bring about this strategic reform. The professionalisation of the cadres of the State PSUs is another vital requirement to enable these enterprises to make a break with their past. The debate about professionalisation is mainly focused on the desirability of having technologists or persons on deputation from Government manning these enterprises. A proper approach to professionalisation, however, would be to determine the job requirements of various functionaries in a State PSU and provide the means to have suitable persons recruited, whether from within the government or outside. The selected personnel need to be given sufficiently long tenures to enable them to implement sound managerial practices. In a similar vein, the appraisal of investment options need to be done by an objective agency which could evaluate the costs and benefits flowing from establishing a State PSU before a proposal to set up the same is approved.

7.14 The success of any scheme to improve the working and the financial results of the State PSUs would depend, to a large extent, on the information-flow emanating from their income statements and balance sheets. The preparation of these financial statements is obligatory in terms of statutory as well as strategic requirements. Our study, on the contrary, points out that the State PSUs have shown scant respect to the finalization of accounts. The reasons for the non-finalisation of the reports ranged from non-completion of (i) book of accounts, (ii) preparation of financial statements and (iii) statutory audit, to the delays in the appointment of the statutory auditors by the accountant general and the adoption of the finalised accounts by the annual meetings. Efforts by a number of States to rectify the problem have not met with much success. Lack of professional staff in the accounting and finance departments of these PSUs has emerged as a major limitation in this regard.

7.15 There is a requirement of a fixed minimum tenure for the Managing Director/CEO of these units to provide stability in the management and decision-making apart from

bringing in accountability of these officials. Frequent transfers reduce the sense of involvement of the CEOs with the enterprises and they are not accountable for their action after they move out from an enterprise. Another major feature of manpower in PSUs is lack of professionalisation and adequate training. It would be useful to bring in more professional management especially at the higher echelons of an enterprise. Composition of the Board of Directors needs a review especially since functional directors are virtually absent. The Board and the CEOs need to be regularly provided with reliable information for which the timely completion of audit is necessary. In general, pendency of audit has been observed to be high in State PSUs. A check on preventing such delays in audit could be provided by the installation of effective internal audit systems that are, at present, conspicuous by their absence in State PSUs.

7.16 The introduction of corporate governance systems can provide a shot in the arm to State PSUs as it could pave the way for improved managerial and control systems. An important pre-requisite for the observance of good corporate governance is strengthening of the managerial cadres of the State PSUs at the middle level. The interference of the State Governments in the day-to-day functioning of these enterprises is a chronic bottleneck constraining the performance of the State PSUs. The introduction of a system of Memorandum of Understanding (MOU), referred to in para 7.13 above, could go a long way in removing this bottleneck.

7.17 The Disinvestment Commission for the Central PSUs has stressed the need for utilising the proceeds of disinvestment in national interest and has cautioned against their use for covering budgetary deficits. It has recommended a delinking of disinvestment decisions from budgetary considerations. In this context, the Commission has recommended the constitution of a Disinvestment Fund (1st and 2nd Reports) to which all proceeds of disinvestments are to be credited. The Fund can be utilised partially for restructuring PSUs that can become viable, partially for VRS/rationalisation of labour/social safety net and the rest could be used for investment in social sectors like education, health, water supply etc. The recommendations of the Disinvestment Commission can serve as valuable guidelines for State Governments in respect of restructuring of State PSUs. It may be pointed out in this context that there is also a view that the proceeds of disinvestment may be used to retire the existing debt of those PSUs which can be made viable, as this would reduce their interest burden and help them in turning around through reduced costs.

7.18 A number of international institutions are extending technical and financial assistance to the States for their disinvestment programmes. However, the need to reflect local realities in the disinvestment process implies that the technical models being

suggested by the international consultants in this context must be suitably modified before being implemented.

7.19 States will immensely benefit from an exchange of the disinvestment experiences of each other. There is need for a central nodal unit in the country that can document the experiences of various States in the area of public enterprise reforms and provide an appropriate forum for exchange of ideas among them. The nodal unit can also undertake the task of updating the database on the State PSUs that has been developed by the Study Group, as mentioned in Chapter 3. The nodal unit could be located either in the Planning Commission or the Ministry of Disinvestment and the technical back-up could be provided by the Institute of Public Enterprise, Hyderabad. The nodal unit could (i) keep itself in touch with the State Bureaus of Public Enterprises/relevant agencies, (ii) undertake a performance survey of State PSUs, particularly regarding their financial and operational aspects, on an annual basis and (iii) document success stories concerning reforms in State PSUs which could be replicated in similar situations by other States.

7.20 It was observed by the Study Group that while many States would like to restructure or privatise the State PSUs, they could not do so as they lacked the technical expertise required for the same. This is particularly true of the North-Eastern States. There is a need for a mechanism that could facilitate States' access to technical literature and expertise in the area of public sector enterprise reforms. The nodal unit, which the Study Group is suggesting to be set up, may take up this task also.

7.21 Faced with severe fiscal constraint, many States in recent years have been resorting to borrowing funds through their State PSUs on the strength of State Guarantees. This practice is neither in the interest of individual State PSUs nor in the interest of the State Governments. There is an urgent need to curb it.

7.22 Many State PSUs are fulfilling social obligations entrusted to them by State Governments. However, they are not being adequately compensated for these responsibilities. This tends to affect the financial viability of these enterprises. Besides, it also makes the system less transparent. Hence it is essential that State PSUs be adequately compensated for carrying out social obligations and this compensation should be provided through explicit budgetary provisions.

ANNEXURE- I

**No.10/1/99-FR
Planning Commission
(FR Division)**

Yojana Bhavan,
Sansad Marg,
New Delhi-
110001.

Dated : May 31, 1999.

Office Memorandum

Subject : Setting up of a Study Group on Disinvestment in the State PSUs and Corporations.

It has been decided to constitute a Study Group on Disinvestment in the State PSUs and Corporations with the following composition :

- | | |
|--|----------|
| (i) Dr.N.J.Kurian
Adviser (FR)
Planning Commission. | Chairman |
| (ii) Prof. R.K.Mishra
Dean,
Institute of Public Enterprises,
Osmania University Campus,
Hyderabad-500 007. | Member |
| (iii) Shri J.S.Kochher
Deputy Adviser (FR)
Planning Commission. | Convenor |

2. The terms of reference of the Study Group shall be as under :

- (i) To examine the suitability of the existing data base formats and update the data base on the investment made, cumulative and year-wise in the State PSUs and Corporations including State Electricity Boards and State Road Transport Corporations.
- (ii) To study the performance pattern and management practices in these enterprises in terms of financial indicators on the basis of the latest available data.

- (iii) To study the reforms undertaken in these enterprises by respective State Governments including disinvestment in favour of private sector, employees or other members of the general public.

3. During the course of the Study, members of the Study Group will be required to travel to various State capitals and other important cities where State PSUs are located. Expenses towards TA/DA of the official members shall be met by the Planning Commission. In addition, expenses towards travel and other allowances as per government rules for Prof.R.K.Mishra as a non-official member shall also be paid by the Planning Commission.

4. The Study Group may submit there interim findings by mid-October, 1999 and final report by mid-December, 1999.

Sd/-
(Arvind Kumar)
Director (Admn.)

To

The Chairman &
All members of the Study Group.

Copy for information to :

1. PS to Deputy Chairman, Planning Commission.
2. PS to Secretary, Planning Commission.
3. PS to Principal Adviser (PC), Planning Commission.
4. Director(Finance), Planning Commission.
5. Under Secretary (Admn. III), Planning Commission.

ANNEXURE-II

QUESTIONNAIRE-Study of Disinvestment in State PSUs

NAME OF PSU :

(in Rs.Crore)

Indicators	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>	<u>1993-94</u>	<u>1994-95</u>	<u>1995-96</u>	<u>1996-97</u>	<u>1997-98</u>	<u>1998-99</u>
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A. Capital Structure/Profitability

- 1 Total Equity
of which
 - (i) State
 - (ii) Others (Please specify)
- 2 Total debt
of which
 - (i) State
 - (ii) Others (Please specify)
- 3 Total Investment (1+2)
- 4 Surpluses and Reserves
- 5 Accumulated losses
- 6 Net worth
- 7 Capital employed
- 8 Total revenue earned
- 9 Direct expenses
- 10 Contribution (8-9)
- 11 Gross Margin
- 12 Profit before interest & taxes
- 13 Net profit
- 14 Dividends, if any
- 15 Capacity utilisation

B. Restructuring related information

16 Whether referred to BIFR?

17 Whether internal restructuring (including financial restructuring) undertaken?

18 Whether any privatisation/disinvestment proposed or undertaken?

19 What modality of privatisation/disinvestment adopted?

20 Whether any valuation of assets undertaken?

21 Whether any valuation of equity carried out?

22 What is the total employee strength?

(i) Managerial

(ii) Non-Managerial

23 Whether any VRS formulated?

24 Number of managerial and non-managerial staff accepting VRS and total expenses incurred/ likely to be incurred?

25 If not privatised /disinvested what improvements proposed to be taken for an efficient & effective functioning of the enterprise.