CHAPTER-4

PROFILE OF CENTRAL PUBLIC SECTOR ENTERPRISES

In 1947, when the country became independent there were various socio-economic problems confronting the country which needed to be dealt with in a planned and systematic manner. India at that time was an agrarian economy with a weak industrial base, low level of savings, inadequate investments and lack of infrastructure facilities. There existed considerable inequalities in income and levels of employment, glaring regional imbalances in economic development and lack of trained manpower. As such, State’s intervention in all the sectors of the economy was inevitable since private sector neither had necessary resources, the managerial and scientific skill, nor the will to undertake risks associated with large long-gestation investments. Among the imperatives before the Government were the removal of poverty, equitable distribution of income, generation of employment opportunities, removal of regional imbalances, accelerated growth of agricultural and industrial production, better utilization of natural resources and a wider ownership of economic manpower to prevent its concentration in a few hands. Given the type and range of problems faced by the country on the economic, social and strategic fronts, it became a pragmatic compulsion to use the public sector as an instrument for self-reliant economic growth.

The dominant consideration for the continued large investments in public sector enterprises was to accelerate the growth of core sectors of economy; to serve the equipment needs of strategically important sectors like Railways, Telecommunications, Nuclear Power, Defence etc. and to provide a springboard for the economy to achieve a significant degree of self-sufficiency in the critical sectors. The rationale for setting up public enterprises was to ensure easier availability of vital articles of mass consumption, to introduce check on prices of important products, help promote emerging areas like tourism, etc. A large number of enterprises were created out of "Sick Units" taken over from the private sector inter alia, to protect the interest of workers. A number of public enterprises were created to operate in national and international trade, consultancy, contract and construction services, inland and overseas communications, etc. The overall profits of public sector enterprises in India is, thus, a heterogeneous conglomeration of basic and infrastructure industries, industries producing consumer goods, industries engaged in trade and services etc.
Objectives of Public Sector

The objectives of setting up of public enterprises, was inter-alia to:

- ensure the rapid economic development and industrialization of the country and create the necessary infrastructure for economic development
- promote redistribution of income and wealth;
- create employment opportunities;
- promote balanced regional development;
- assist the development of small scale and ancillary industries; and
- promote import substitutions, save and earn foreign exchange for the economy.

Product Profile

Central public sector enterprises offer a wide range of products and services which include manufacturing of steel; manufacturing of heavy machinery, machine tools, instruments, heavy machine building equipment, heavy electrical equipment for thermal and hydel stations, transportation equipment, telecommunication equipment, ships, sub-marines, fertilizers, drugs and pharmaceuticals, petrochemicals, operation of air, sea, river and road transport, national and international trade, consultancy, contract and construction services, inland and overseas telecommunication services, financial services cement, textile, mining of coal and minerals, extraction and refining of crude oil, a few consumer items such as newsprint, paper and contraceptives, hotel and tourist services, etc.

Policy on Public Sector

The Industrial Policy Resolution of 1956 has been the guiding factor, which gave the public sector a strategic role in the economy. Massive investments have been made over the past five decades to build the public sector. Many of these enterprises successfully expanded production, opened up new areas of technology and built up a reserve of technical competence in a number of areas. Nevertheless, after the initial concentration of public sector investment in key infrastructure areas, public enterprises began to spread into all areas of the economy including non-infrastructure and non-core areas.
Government of India announced on 24th July 1991 the ‘Statement on Industrial Policy’ which inter-alia included Statement on Public Sector Policy. The statement contains the following decisions:

“Portfolio of public sector investments will be reviewed with a view to focus the public sector on strategic, high-tech and essential infrastructure. Whereas some reservation for the public sector is being retained, there would be no bar for area of exclusivity to be opened up to the private sector selectively. Similarly, the public sector will also be allowed entry in areas not reserved for it”.

Boards of public sector companies have been made more professional and given greater powers. There is a greater thrust on performance improvement through the Memorandum of Understanding (MOU) System through which managements would be granted greater autonomy with accountability. Technical expertise on the part of the Government would be upgraded to make the MOU negotiations and implementation more effective. To facilitate a full discussion on performance of CPSEs, the MOU signed between Government and the public enterprises would be placed in Parliament. While focusing on major management issues, this would also help place matters on day-to-day operations of public enterprises in their correct perspective”.

The Memorandum of Understanding (MoU), as applicable to public sector enterprises, is a negotiated document between the government and the management of the enterprise specifying plainly the objectives of the agreement and the obligations of both the parties. MoU is aimed at providing greater autonomy to public sector enterprises vis-à-vis the control of the government. The main purpose of the MoU system is to ensure a level playing field to the public sector enterprises vis-à-vis the private corporate sector. The ‘management’ of the enterprise is, nevertheless, made accountable to the government through promise for performance or ‘performance contract’. The government, nevertheless, continues to have control over these enterprises through setting targets in the beginning of the year and by ‘performance evaluation’ at the end of the year. Performance evaluation is done based on the comparison between the actual achievements and the annual targets agreed upon between the government and the CPSE. The targets constitute of both financial and non-financial parameters with different weights assigned to the different parameters.
The MoU system that was started with four CPSEs signing MoU in the year 1986-87 increased its coverage to 202 CPSEs in the year 2009-10. The MoU ratings of CPSEs has improved over the years. During 2009-10, as high a 50 percent of CPSEs evaluated had a MoU rating of ‘Excellent’. As many as 21 percent of CPSEs had a MoU rating of ‘Very Good’. Out of the remaining CPSEs 14 percent each were rated as ‘Good’ and ‘Fair’ and only one CPSE was rated as ‘Poor’. (Source: PUBLIC ENTERPRISES SURVEY 2009-2010, Vol. – 1)

Further, the policy environment within which public enterprises operate, as well as their management structure, has more to do with their performance, relative to private enterprises, than the ownership of their assets. Therefore, by granting greater autonomy to the managers of public enterprises and thereby also making them more accountable (i.e. by making the PSEs sign a Memorandum of Understanding with the Government, also known as Cold Privatization) one could enhance the productivity of the public enterprises.

The liberalization effort has succeeded in relaxing financial constraint faced by the Indian firms. The small and young firms in the sample experienced a significant increase in financial constraint in the post liberalization period. A plausible explanation for such adverse result can be attributed to the progressive reduction in government intervention in resource allocation (Saumitra N. Bhaduri 2005).

Indian economic policy during those days was strongly influenced by the colonial experience which had crushed Indian industry and exhausted resources. Under the leadership of Pandit Nehru, the country chose to move towards the socialist pattern of society which envisioned an economy where the principal means of production are under social ownership and control. Thus was adopted the model of mixed economy which combined the features of both the capitalist market economy and the socialist economy for achieving higher economic progress. It was in this context that a critical responsibility was entrusted to the public sector of spurring planned industrialization across various sectors of the economy. This was reflected in the Industrial Policy Resolutions of 1948 and 1956. The key objectives in setting up Public Sector Enterprises (PSEs) in India were self-reliance, generation of employment and equitable development across the country.

Of Late, however, the PSEs have been the subject of sharp and wide-ranging criticism from various quarters for a variety of factors attributed to them such as inefficiency,
non-performance, inability to innovate, wasting the taxpayer’s money and so on. Such arguments at times stretch to the extent of questioning the very existence of the PSEs. The PSEs were denigrated from apostle of being “modern temples of Indian industry” to an eyesore on the Indian economic horizon. In the end, privatization or disinvestment of PSEs was considered a panacea for all the ills afflicting the PSEs. What could have been worse for the morale of the public sector that even the government, the owner, was willing to throw its ‘baby with bath water’. However, such misnomers need to be viewed as un-substantiated and need to be quashed. It would be, therefore, necessary to put the issues regarding PSEs’ performance in the right perspective.

**Building the Nation**

Post-independence, when the PSEs were set up, those were the times of extreme deprivation. Ours was a predominantly agrarian and labour-intensive economy characterized by scarce availability of capital, low levels of industrial activity, undeveloped financial markets and a general paucity of wealth and resources. Thus came into being the public enterprises which would act as the instruments of development, job creation, reducing social and economic disparities, develop the needed momentum for rapid industrialization while carrying out activities not considered possible or desirable by private entrepreneurs. These Public Sector Enterprises (PSEs) were established at a crucial time in India’s history with a number of objectives, guided in large part by the principles of socialism and national interest. On their part, the PSEs very promptly and effectively filled the prevalent vacuum in economic and social sphere and moved forward rapidly to act as agents of growth and change in the country. The public sector helped in building strong economic foundations and a diversified industrial base in post-independence India. PSEs grew up to occupy commanding heights in the Indian economy and still continue to contribute greatly to the growth of India’s economy. This can be judged from the fact that there are seven Indian Companies in the Global Fortune 500 list for 2009. Out of these seven companies, four are CPSEs, one is a PSE Bank and only two are private corporate. It is a matter of great pride that the top ranking company today is a PSE and that too in a liberalized scenario when most of the areas are open to private investment.
It is noteworthy and highly ironical, though, that the grave economic crisis being faced all across the world at present has its genesis in unbridled capitalism. And whenever a problem has arisen in the so-called “free markets”, it is the state which is expected to bail out the privately owned capitalistic entities with the funds provided by the taxpayer.

The CPSEs performance and their role in nation building and sustainable growth momentum notwithstanding there is indeed scope for better management and further improvement in performance of PSEs.

Efficient financial management contributes significantly not only to the profitability but also to the creation of a balance between procurement and utilization of funds. Hence, the need for a better financial management in the PSUs has been felt at the highest level in our country.

The financial objectives of PSUs have to be high returns on investment, budgeting and controlling expenditure, cost control and cost reduction and more effective management of funds.

While there were only 5 Central Public Sector Enterprises (CPSEs) with a total investment of 29 crore on the eve of the First Five Year Plan, there were 249 CPSEs (excluding 7 Insurance Companies) as on 31st March, 2010 with a total investment of 579920 crore.

The aggregate turnover of all the CPSEs decreased by 2.87 percent, while the GDP growth of 11.8 per cent in the year 2009-10. The decline in turnover was mainly on account of reduction in sale of refined petroleum (74,150 crore), steel (4,536 crore), fertilizer (2,516 crore) and telecom sectors (1,495 crore). The aggregate turnover of CPSEs declined from 1271529 crore in 2008-09 to 1235060 crore in 2009-10 or by 36469 crore. There were however, some industries, which showed increase in turnover during this period, such as, coal, heavy engineering, transportation, power generation, trading & marketing and consumer goods. Profits & losses of the different CPSEs did not necessarily correspond to increase or decrease in turnover, as several factors came into play like however higher input costs, lower/higher prices, of goods and services increase in wages and salaries and exchange rate fluctuations etc.
Financial Ratio of CPEs:
The financial ratios of CPSEs over the years from the Table 4.1 revealed that in comparison to 2008-09, however, while the profitability ratios in terms of ‘net profit to capital employed’ and ‘net profit to net worth’ has shown a decline, ‘net profit to turnover’ and ‘dividend payout’ have increased in 2009-10. The ratio of ‘sales to capital employed’, however, came down in 2009-10 over the previous year (2008-09).

Operating performance of CPEs:
Macro view of the performance of CPSEs during the last eleven years is shown in Table 4.2. The profit of all CPSEs was Rs.86324 crore during 2010-11. The dividend declared by the profit making CPSEs was at Rs.35681 crore in the year 2010-11. The CPSEs total turnover was Rs.14,73,319 crore in the year 2010-11 as Compared to Rs.12,35,060 crore in the year 2009-10. And No of operating enterprises were also increased to 220 in the year 2010-11 compared to 217 in the year 09-10.

Aggregate balance sheet of Central Public Sector Enterprises in India (2001-02 to 2009-10):
The table 4.3 provides information on ‘sources of funds’ and ‘application of funds’, is known as balance sheet in CPSEs with the aggregate values during the last three years. There was further improvement in 2009-10 as the funds available to CPSEs went up to Rs.1411440 crore in the year 2009-10 from the earlier levels of Rs.1279726 crore in the year 2008-09 and Rs.1122297 crore in the year 2007-08. While ‘reserves and surplus’ showed an increase of 12.95 per cent and went up to Rs.605648 crore in the year 2009-10 from the earlier levels of Rs.535841 crore in the year 2008-09 and Rs.485577 crore in the year 2007-08. ‘long term loans’ increased by 15.67 per cent during 2009-10 over the year 2008-09 and went up to Rs.607284 crore in the year 2009-10 from the earlier levels of Rs.551975 crore in the year 2008-09 and Rs.454577 in the year 2007-08.
In terms of ‘application of funds’, there was a growth of 14.19 per cent in ‘gross block’ and an increase of 11.94 per cent in ‘net current assets’ in the year 2009-10 over the year 2008-09. ‘Capital-Work-in Progress’ has had the highest increase of 22.17 percent under ‘application of funds’ followed by ‘Net Block’ 17.38 percent.
Financial Investments (of CPSEs), Deferred Revenue Expenditure and Deferred Tax Assets declined in the year 2009-10 in comparison to the previous year by 10.98, 4.46
and 12.49 percent respectively. During the year 2009-10, the accumulated loss of loss making CPSEs increased by the 5.51 percent in comparison to the previous year. There has, however, been very little change during the three years in terms of the shares of each of the broad categories under ‘application of funds’ (Table-4.3).

**Contribution of Public Sector Enterprises to Central Exchequer on Actual Basis in India:**

CPSEs contribute to the Central Exchequer by way of dividend payment, interest on government loans and payment of taxes & duties. There was, a significant decline in the total contribution of CPSEs to the Central Exchequer during the year, which was increased to Rs.1,51,543 crore in the year 2010-11 from Rs.1,39,830 crore in the year 2009-10 and it was Rs.1,51,728 in the year 2008-09. This was primarily due to increased in contribution towards ‘customs duty’ and ‘excise duty’ that came from Rs.6903 crore and Rs.52642 crore in the year 2009-10 to Rs.8705 crore and Rs.63261 crore in the year 2010-11. There was also a decline in corporate tax, dividend tax and sales tax during the year as compared to the previous year. There was, however, an increase in contribution from Other duties & Taxes (Table 4.4).

**Foreign Exchange Earning of Central Public Sector Enterprises (CPSEs):**

Table - 4.5 revealed that the Foreign Exchange earnings of Central Public Enterprises (CPEs) were Rs.77744.80 crore during the year 2009-10. Foreign exchange earning comprises Exports of goods on FOB basis Rs.75034.17 crore (95.61 percent), Royalty, know-how, professional & consultancy fee Rs.1309.21 crore (1.68 percent), Interest and Dividend Rs.162.13 crore (0.21 percent) and Other Income Rs.1239.29 crore (1.59 percent). Export of goods on FOB basis and interest and dividend were increased during the 2009-10 over the year 2008-09 and Royalty, know-how, professional and consultancy and other income were decreased during the year 2009-10 over the year 2008-09.

**Aggregated Profit and Loss Account of Central Public Sector Enterprises:**

Table - 4.6 disclose that the profit of profit making CPSEs stood at Rs.1,08,435 crore in the 2009-10 compared to Rs.98,488 crore in the year 2008-09. The loss of loss making CPSEs, on the other hand, stood at Rs.15842 crore in the year 2009-10 against Rs.14621 crore in the year 2008-09. At the aggregate level, the overall net
profit of all CPSEs (aggregate net profit aggregate net loss) stood at Rs.92,593 crore in the year 2009-10 compared to Rs.83867 crore during the year 2008-09. This was followed by 23.59 per cent growth in mining, 21.90 percent growth in electricity and 8.98 per cent growth in manufacturing sector. The services sector, on the other hand, recorded a loss of Rs.2906 crore during the year 2009-10 as against a profit of Rs.2316 crore in the year 2008-09. Cognate group-wise, CPSEs belonging to minerals & metals 14.39 percent, fertilizers 106.45 percent, chemicals & pharmaceuticals 19.84 percent, consumer goods 576.64 percent, trading & marketing 57.80 percent, transportation services 10.38 percent, tourist services 66.48 percent and telecommunication services 586.31 percent recorded significant decline in their profits during the year 2009-10.

**Sector-wise Pattern of Investments/Gross Block in Central Public Sector Enterprises in India:**

From the table 4.7 it is clear that Financial investment (equity plus long term loans) in all 249 CPSEs as on 31.3.2010 stood at Rs.11,29,942 crore compared to Rs.978167 crore in the previous year showing an increase by growth of 12.93 percent. In terms of share in total investment, the manufacturing sector CPSEs claimed the highest share in financial investment with 27.11 percent as on 31.3.2010. This was followed by electricity sector 25.02 percent, service sector 24.54 percent and mining sector 22.76 percent, agriculture sector 0.01 percent and under construction enterprises 0.56 percent. (see Table 4.7)

**Sector/Cognate Group-wise Turnover of Central Public Sector Enterprises (CPSEs):**

The turnover of CPSEs (at the aggregate level) decreased by 2.87 percent in the year 2009-10 over the year 2008-09. This was also much in contrast with 15.98 percent growth in turnover achieved in the year 2008-09. Turnover of both manufacturing (-7.79 percent) and mining (-0.68 percent), in particular, declined significantly, during the year. Electricity, however, continued to show a robust growth in turnover (16.98 percent) during the year over a growth 14.84 percent in 2008-09. (see Table 4.8) The services sector also continued to keep up the growth momentum at 8.35 growths in turnover.
Cognate Group-wise Trend of Net Profit/Loss of Public Sector Enterprises in India:

The Table 4.9 revealed that the profit of profit making CPSEs stood at Rs.1,08,435 crore in the year 2009-10 compared to Rs.98,488 crore in the year 2008-09. The loss of loss making CPSEs, on the other hand, stood at Rs.15842 crore in the year 2009-10 against Rs.14621 crore in the year 2008-09. At the aggregate level, the overall net profit of all CPSEs aggregate net profit stood at Rs.92,593 crore in the year 2009-10 compared to Rs.83867 crore during the year 2008-09.

In terms of growth in profits over the previous year, the best results were achieved by the ‘agriculture’ sector. This was followed by 23.59 per cent growth in mining, 21.90 percent growth in electricity and 8.98 per cent growth in manufacturing sector. The services sector, on the other hand, recorded a loss of Rs.2906 crore during 2009-10 as against a profit of Rs.2316 crore in the year 2008-09. Cognate group-wise, CPSEs belonging to minerals & metals 14.39 percent, fertilizers 106.45 percent, chemicals & pharmaceuticals 19.84 percent, consumer goods 576.64 percent, trading & marketing 57.80 percent, transportation services 10.38 percent, tourist services 66.48 percent and telecommunication services 586.31 percent recorded significant decline in their profits during the year 2009-10.

Internal Resources Generated by Central Public Sector Enterprises in India

From the Table – 4.10 the data clarifies that during the year 2008-09 158 CPEs generated Rs.1,10,859.92 crore gross internal resources (100 percent), comprising of depreciation Rs.34405.10 crore (31.03 percent), DRE written off Rs.7427.36 crore (6.70 percent), Rs.69027.46 crore (62.27 percent).

Number of Employees and Average Annual Emoluments of Central Public Sector Enterprises in India:

From the Table – 4.11 it was evident that during 2008-09 there were 15.35 lakh employees working in the total CPSEs with Rs 5,39,150 average annual per capita emoluments.
Market Capitalization of CPSEs Stocks

There were 46 CPSEs listed on the stock exchanges of India as on 31.03.2010; 3 CPSEs were, however, not being traded during 2009-10. Bongaigaon Refinery Ltd merged with Indian Oil Corporation Ltd. during the year. Oil India Ltd. and NHPC Ltd. were listed during the year 2009-10. There are stocks of 43 CPSEs, which were being traded on the stock exchanges of India as on 31.3.2010. The total market capitalization of the 41 CPSEs based on stock prices on Mumbai Stock Exchange as on 31.03.2009 stood at 813530 crore. Market capitalization of the 43 CPSEs as on 31.03.2010 (including OIL, NHPC and HFI), on the other hand, stood at 1426212 crore. There was, therefore, an increase in market capitalization of CPSEs on the Mumbai Stock Exchange by 75.31 percent with 612682 crore as on 31.03.2010. During this period, the market capitalization of Mumbai Stock Exchange increased by 99.79 percent and Sensex increased by 80.54 percent. Market Capitalization (M_Cap) of all listed CPSEs as a percentage of BSE M_Cap, therefore, decreased from 26.36 percent as on 31.03.2009 to 23.13 percent as on 31.3.2010. A table showing closing price of listed CPSEs on Mumbai Stock Exchange as on 31.3.2009 and 31.3.2010.

SOURCE: PUBLIC ENTERPRISES SURVEY 2009-2010, Vol. – 1

Board for Reconstruction of Public Sector Enterprises (BRPSE)

The Government established the Board for Reconstruction of Public Sector Enterprises (BRPSE) in December, 2004 to advise the Government, interalia on measures to restructure/revive, both industrial and non-industrial CPSEs. The Board comprises of Chairman in the rank of Minister of State, three non-official Members and three official Members including Secretary, Department of Expenditure, Secretary, Department of Disinvestment and Secretary, Department of Public Enterprises (DPE). In addition, Chairman, Public Enterprises Selection Board, Chairman, Standing Conference on Public Enterprises and Chairman, Oil and Natural Gas Corporation Limited are permanent invitees to the meetings of BRPSE. Secretaries to the Government of the Administrative Ministry/Department concerned with the CPSE taken up for consideration by the Board are Special Invitees. There is a full-time Secretary for BRPSE in the rank of Additional Secretary to the Government of India. The Board is located in the Department of Public Enterprises (DPE). DPE provides necessary secretarial assistance to the Board. The concerned Administrative Ministries/ Departments are required to send proposals of their CPSEs identified as
‘sick’ for consideration of BRPSE. Other loss making CPSEs may be considered by
the Board either suo moto or upon reference by the administrative Ministry, if it is of
the opinion that revival/restructuring is necessary for checking its incipient sickness
(incurring loss for two consecutive years) and making the CPSE profitable. The Board
is expected to make its recommendations within 2 months of the date of receipt of the
complete proposal from the Administrative Ministry/Department. As per the
definition of sick CPSEs given above and the performance evaluation of CPSEs for
2008-09 and previous years, 73 CPSEs were referable to
BRPSE. Up to September, 2010, cases of 67 sick CPSEs have been referred to
BRPSE; out of which, the Board has made recommendations in respect of 62 cases. In
addition, the Board has also recommended to the Government to accord “in principle”
approval for rescinding of its earlier decision to close the units of Fertilizers
Corporation of India (FCIL) and Hindustan Fertilizers Corporation Ltd. (HFCL) and
to explore various options for their revival. Out of these 62 cases, the Government has
approved 40 revival proposals of CPSEs and winding up of two enterprises namely
Bharat Ophthalmic Glass Limited and Bharat Yantra Nigam Ltd. as on 30.9.2010
envisioning a total expenditure of 23612.45 crore including 3289.64 crore as cash
assistance and 20322.81 crore as non-cash assistance. The enterprise wise details of
cash and non-cash assistance in respect of approved proposals are given in.

Delegation of Enhanced Financial Powers to CPSEs
In a competitive environment, the Government reviewed the powers delegated to the
Board of Directors of Navratna, Miniratna and other profit making CPSEs, and
substantially enhanced the delegated powers in August 2005. The Government,
furthermore, introduced the Maharatna scheme in December, 2009 with the objective
to delegate enhanced powers to the Boards of identified large sized Navratna CPSEs
so as to facilitate expansion of their operations, both in domestic as well as in global
markets.

Maharatna Scheme
The Maharatna CPSEs, in addition to having Navratna powers, have been delegated
additional powers in areas of investment in joint ventures/subsidiaries and of human
resources development. Accordingly, the Board of Maharatna CPSEs can decide to
invest 5000 crore in one project (compared to 1,000 crore for Navartna CPSEs) and
create below Board level posts upto E-9 level (compared to E-6 for Navratna CPSEs) without any approval from the higher authority.

Until May, 2010, the Government had conferred Maharatna status to 5 CPSEs namely, (i) Indian Oil Corporation Limited, (ii) NTPC Limited, (iii) Oil & Natural Gas Corporation Limited and (iv) Steel Authority of India Limited. (v) Coal Indian Ltd.

**Miniratna scheme**

In order to make the promising profit making CPSEs more efficient and competitive, the Government decided in October 1997 to grant enhanced autonomy and delegation of financial powers to CPSEs subject to certain eligibility conditions. These CPSEs, known as Miniratnadas, belong to two categories, that is, Category- I and Category-II.

**Organisational Structure of CPSEs**

The Department of Public Enterprises (DPE) formulates policy guidelines on the Board structure of CPSEs and advises on the shape and size of organizational structure of these enterprises. The Central Public Sector Enterprises (CPSEs) have been categorized in four Schedules, namely, ‘A’, ‘B’, ‘C’ and ‘D’ based on various quantitative, qualitative and other factors. The quantitative factors considered are: (a) investment, (b) capital employed, (c) net sales, (d) profit before tax, (e) number of employees, (f) number of units and (g) value added per employee. The qualitative factors considered are: (a) national importance, (b) complexities of problems, (c) level of technology, (d) prospects for expansion (e) diversification of activities and of competition from other sectors, etc. Amongst ‘the other factors’ considered are strategic importance of the corporation to the national economy etc. Out of 249 CPSEs, as on 31.10.2010, there were 60 Schedule ‘A’ CPSEs, 70 Schedule ‘B’ CPSEs, 45 Schedule ‘C’ CPSEs and 5 Schedule ‘D’ CPSEs. The remaining CPSEs belonged to the uncategorized’ class CPSEs belonging to different schedules.

All numerical data for the above section has been adapted from the respective public enterprises survey as shown below to analyze the CPSEs profile.
References:

1) PUBLIC ENTERPRISES SURVEY 2000-01
2) PUBLIC ENTERPRISES SURVEY 2001-02
3) PUBLIC ENTERPRISES SURVEY 2002-03
4) PUBLIC ENTERPRISES SURVEY 2003-04
5) PUBLIC ENTERPRISES SURVEY 2004-05
6) PUBLIC ENTERPRISES SURVEY 2005-06
7) PUBLIC ENTERPRISES SURVEY 2006-07
8) PUBLIC ENTERPRISES SURVEY 2007-08
9) PUBLIC ENTERPRISES SURVEY 2008-09
10) PUBLIC ENTERPRISES SURVEY 2009-10