

## CHAPTER I

# Financial Performance of Central Public Sector Enterprises

## 1.1 Introduction

This Report presents the financial performance of Government Companies, Statutory Corporations and Government controlled other Companies. The term Central Government Public Sector Enterprises (CPSEs) encompasses the Union Government owned companies set up under the Companies Act, 2013 and Statutory Corporations set up under the statutes enacted by the Parliament.

A Government Company is defined in Section 2(45) of the Companies Act, 2013 as a company in which not less than 51 *per cent* of the paid-up share capital is held by Central Government, or by any State Government or Governments, or partly by the Central Government and partly by one or more State Governments, and includes a company which is a subsidiary of a Government Company.

### Government Company

Any company in which not less than 51 *per cent* of paid-up share capital is held by Central Government or by one or more State Governments or partly by Central Government and partly by State Government(s) and includes subsidiary of a Government company.

Besides, any other company<sup>1</sup> owned or controlled, directly or indirectly, by the Central Government, or by any State Government or Governments, or partly by the Central Government and partly by one or more State Governments are referred to in this Report as Government controlled other Companies.

Department of Public Enterprises (DPE) stated (December 2018) in the Survey published by DPE, that, CPSEs meant those Government companies, besides Statutory Corporations, wherein more than 50 *per cent* of the share in equity is held by the Central Government. The subsidiaries of these companies, if registered in India, are also categorized as CPSEs. It does not cover departmentally run public enterprises, banking

<sup>1</sup> *Companies (Removal of Difficulties) Seventh Order, 2014 issued by Ministry of Corporate Affairs vide Gazette Notification dated 4 September 2014*

institutions and insurance companies. In view of difference in definition adopted by the Comptroller & Auditor General of India (CAG) and DPE, there may be difference in number of companies considered as CPSEs by CAG and by DPE.

### **1.1.1 Mandate**

Audit of Government companies and Government controlled other companies is conducted by the CAG under the provisions of Section 143(5) to 143(7) of the Companies Act, 2013 read with Section 19 of the CAG's (Duties, Powers and Conditions of Service) Act, 1971 and the Regulations made there under. Under the Companies Act, 2013, the CAG appoints the Chartered Accountants as Statutory Auditors for companies and gives directions on the manner in which the accounts are to be audited. In addition, CAG has right to conduct a supplementary audit. The statutes governing some Statutory Corporations require their accounts to be audited only by CAG.

The Acts governing Reserve Bank of India, Export-Import Bank of India, National Bank for Agricultural and Rural Development and National Housing Bank contain provisions whereby the Central Government can appoint the CAG, at any time, as the auditor to examine and report upon the accounts of these institutions. No such appointment was made till 2017-18.

### **1.1.2 What this Report contains**

This Report gives an overall picture of the financial performance of Central Government companies and Corporations as revealed from their accounts.

Impact of revision of accounts as well as significant comments issued as a result of supplementary audit of the financial statements of the CPSEs conducted by the CAG for the year 2017-18 (or of earlier years which were finalised during the current year) is given in this Report. This Report also contains the impact of comments issued by the CAG on the financial statements of the Statutory Corporations where CAG is the sole auditor.

This Report also gives an overall picture of the status of the adherence of CPSEs to the guidelines issued by the Securities and Exchange Board of India (SEBI), DPE and compliance with provisions of Companies Act, 2013 on Corporate Governance, and guidelines issued by DPE on Corporate Social Responsibility, analysis of Memorandum of Understanding (MoU) between Central Government and CPSEs, disinvestment in CPSEs of CPSEs, expenditure on research and development by CPSEs and the impact of implementation of Indian Accounting Standards (Ind-AS) on the financial statements of CPSEs.

### 1.1.3 Number of CPSEs and Government Controlled other Companies

As on 31 March 2018, there were 644 CPSEs under the audit jurisdiction of the CAG. These include 450 Government Companies, 06 Statutory Corporations<sup>2</sup> and 188 Government Controlled other Companies. Of these, financial performance of 585 CPSEs is covered in this report and the nature of these CPSEs is indicated in Table 1.1:

<b>Government Companies</b>	<b>450</b>
<b>Statutory Corporations</b>	<b>6</b>
<b>Government Controlled other Companies</b>	<b>188</b>
<b>Total CPSEs</b>	<b>644</b>

**Table 1.1: Coverage and nature of CPSEs covered in this report**

Nature of the CPSEs	Total number	Number of CPSEs covered in the Report				Number of CPSEs not covered in the Report
		Accounts up to 2017-18	Accounts up to		Total	
			2016-17	2015-16		
Government Companies	450	385	24	5	414	36
Statutory Corporations	6	6	0	0	6	0
Total Companies/ Corporations	456	391	24	5	420	36
Government Controlled other Companies	188	155	9	1	165	23
<b>Total</b>	<b>644</b>	<b>546</b>	<b>33</b>	<b>6</b>	<b>585</b>	<b>59</b>

The details of Government companies/Government controlled other Companies which came under/went out from the purview of CAG's audit during 2017-18 are given in **Appendix-I**.

This Report does not include 59 CPSEs (including 23 Government Controlled other Companies) whose accounts were in arrears for three years or more or were defunct/under liquidation or first accounts were not received or were not due. These CPSEs are identified by two asterisks (\*\*) in **Appendix-II A & Appendix-II B**.

<sup>2</sup> Airports Authority of India (AAI), Central Warehousing Corporation (CWC), Damodar Valley Corporation (DVC), Food Corporation of India (FCI), Inland Waterways Authority of India (IWAI) and National Highways Authority of India (NHAI).

<b>Summary of financial performance of CPSEs covered in this Report (Government Companies and Statutory Corporations)</b>	
<b>Number of CPSEs</b>	<b>456</b>
<b>CPSEs covered</b>	<b>420</b>
<b>Paid up capital (420 CPSEs)<sup>3</sup></b>	<b>₹ 4,92,572 crore</b>
<b>Long term Loans (420 CPSEs)</b>	<b>₹ 13,35,640 crore</b>
<b>Market capitalisation (47 listed traded Government Companies)</b>	<b>₹ 14,42,216 crore</b>
<b>Net profit (231 CPSEs)</b>	<b>₹ 1,66,197 crore</b>
<b>Net loss (158 CPSEs)</b>	<b>₹ 41,420 crore</b>
<b>Zero Profit/Loss (31 CPSEs)<sup>4</sup></b>	
<b>Dividend declared (101 CPSEs)</b>	<b>₹ 70,562 crore</b>
<b>Total Assets (420 CPSEs)</b>	<b>₹ 46,01,008 crore</b>
<b>Value of production (420 CPSEs)</b>	<b>₹ 19,25,676 crore</b>
<b>Net worth (420 CPSEs)</b>	<b>₹ 15,98,160 crore</b>

## 1.2 Investment in Government Companies and Corporations

The amount of investment in equity and loans in 420<sup>5</sup> Government Companies and Corporations as at the end of 31 March 2018 is given in Table 1.2:

<sup>3</sup> The corpus/capital of IWAI, set up as per IWAI Act, 1985 for the regulation and development of inland waterways for purposes of shipping and navigation and for matters connected therewith or incidental thereto, includes IWAI Fund which inter-alia contains grants and loans given by Central Government and all fees and charges received by the Authority. This fund is inter-alia applied for meeting expenses of the Authority in the discharges of its functions including salary related expenditure of officials. An amount of ₹ 998.30 crore was lying in IWAI Fund as on 31 March 2018. This amount has not been considered as paid up capital/equity.

<sup>4</sup> Out of 420, there were 29 CPSEs which earned no profit or incurred no loss during 2017-18 since either operations were not started or losses/net expenses were adjusted with Fund or Project Cost. In case of IWAI, net loss of ₹ 197.92 crore was adjusted with IWAI Fund whereas in case of NHAI set up as per NHAI Act, 1988 for the development, maintenance and management of national highways and for matter connected therewith or incidental thereto, net loss of ₹ 392.26 crore was adjusted with its Fixed Assets. Hence, IWAI and NHAI have also been considered as no profit no loss CPSEs besides 29 CPSEs.

<sup>5</sup> 456 CPSEs – 36 CPSEs whose accounts were in arrears for three years or more or were defunct/under liquidation or first accounts were not received or were not due.

**Table 1.2: Equity investment and loans in Government Companies and Corporations****(₹ in crore)**

Sources of investment	As on 31 March 2018			As on 31 March 2017		
	Equity	Long Term Loans	Total	Equity	Long Term Loans	Total
1. Central Government	357064	88479	445543	322026	82501	404527
2. Central Government Companies/ Corporations	55354	28483	83837	49062	25294	74356
3. State Governments/ State Government Companies/Corporations	29424	16327	45751	26547	11411	37958
4. Financial Institutions and Others	50730	1202351	1253081	33802	1081951	1115753
<b>Total</b>	<b>492572</b>	<b>1335640</b>	<b>1828212</b>	<b>431437</b>	<b>1201157</b>	<b>1632594</b>
Percentage of investment of Central Government to Total investment	72.49	6.62	24.37	74.64	6.87	24.78

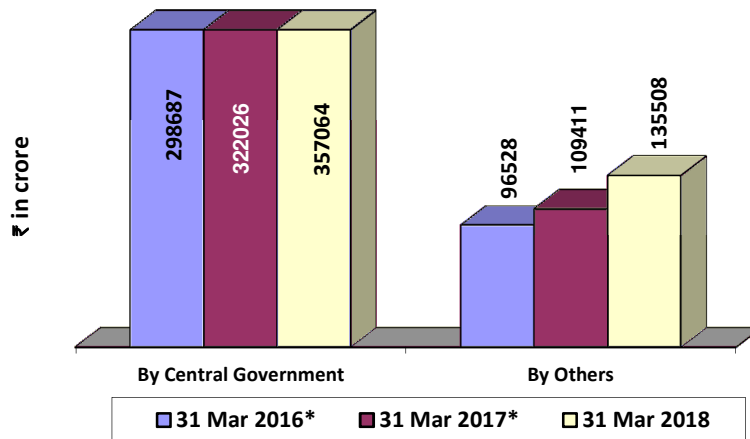
**1.2.1 Investment in equity**

During 2017-18, the total investment at face value of equity in the 420 CPSEs covered in this Report registered a net increase of ₹ 61,135 crore. The equity of holding of Central Government at face value in CPSEs increased by ₹ 35,038 crore<sup>6</sup>. The increase of ₹35,038 crore was the net result of issue of shares having face value of ₹ 37,472 crore in 47 CPSEs and disinvestment of shares having face value of ₹ 2,434 crore in 27 CPSEs. Out of the new equity investment of ₹ 37,472 crore by Central Government during the year 2017-18, new investment of ₹ 8,139 crore was in the form of issue of bonus shares and conversion of loan into equity not involving cash inflow to the concerned CPSE and new investment of ₹ 273 crore was the net result of issue of bonus shares, buy back of shares, offer for sale (OFS) and initial public offer (IPO). Review in audit of the purpose of additional investment of equity of ₹ 29,060 crore involving cash flow in CPSEs indicated that this investment was for meeting capital items of expenditure in 32 CPSEs.

Investment in equity by Central Government and others during the three years ended 31 March 2018 in Government Companies and Corporations is depicted in Chart I.

<sup>6</sup> The provisional figures of 29 CPSEs including Air India Limited (AIL) have been included in this audit report on the basis of figures from their last audited accounts as the accounts for the year 2017-18 were not received before cut off date i.e. 30 September 2018 for preparation of the report. Hence, equity infusion of ₹1,937 crore by Central Government in AIL during 2017-18 has not been included in total equity infusion of ₹37,472 crore.

**Chart I: Investment in Equity in Government Companies and Corporations**



\* Previous years' figures updated during 2017-18 as accounts of that year were received

Details of significant investments (investment of more than ₹ 2,000 crore) made by the Central Government during 2017-18 in the paid up capital of the CPSEs is given in Table 1.3:

**Table 1.3: Significant investments made by the Central Government**

		(₹ in crore)
Name of the CPSE	Name of the Ministry	Amount
<b>Statutory Corporation</b>		
National Highways Authority of India	Road Transport and Highways	24185
<b>Government Companies</b>		
Hindustan Cables Limited <sup>7</sup>	Heavy Industries And Public Enterprises	4447
Indian Oil Corporation Limited <sup>8</sup>	Petroleum & Natural Gas	2749

## 1.2.2 Loans given to Government Companies and Corporations

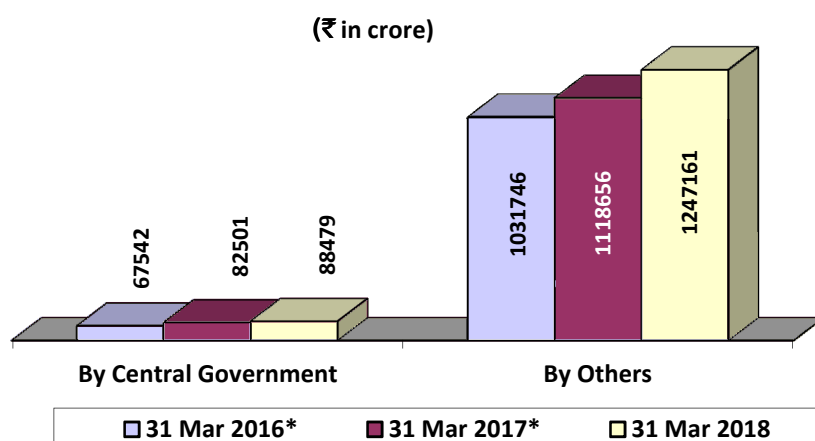
### 1.2.2.1 Computation of long term loans outstanding as on 31 March 2018

The total long term loans outstanding in 420 CPSEs from all sources as on 31 March 2018 was ₹13,35,640 crore. During 2017-18, the long term loans of Government Companies and Corporations registered an increase of ₹ 1,34,483 crore. Out of the total loans of CPSEs as on 31 March 2018, loans from Central Government was ₹ 88,479 crore. 17 CPSEs made default in payment of loans from Central Government amounting to ₹ 3,477 crore. Year wise details of outstanding long term loans of Government Companies and Corporations is depicted in Chart II.

<sup>7</sup> Conversion of loan

<sup>8</sup> Issue of Bonus shares

Chart II: Long term loans outstanding in Government Companies and Corporations



\*Previous years' figures updated during 2017-18 when accounts of that year were received

Out of 420 CPSEs, there were 248 CPSEs (including one Statutory Corporation i.e. Central Warehousing Corporation) as on 31 March 2018 which did not have any long term loans.

#### 1.2.2.2 Adequacy of assets to meet loan liabilities

Ratio of total debt to total assets is one of the methods used to determine whether a company can stay solvent. To be considered solvent, the value of an entity's assets must be greater than the sum of its loans/debts. The coverage of long term loans by value of total assets in 172 CPSEs which had outstanding loans as on 31 March 2018 is given in Table 1.4.

Table 1.4: Coverage of long term loans with total assets

	Positive Coverage				Negative Coverage			
	No. of CPSEs	Long Term Loans	Assets	Percentage of Assets to Loans	No. of CPSEs	Long Term Loans	Assets	Percentage of Assets to Loans
		(₹ in crore)				(₹ in crore)		
Statutory Corporations	5	154404	635313	411.46				
Listed Companies	38	765967	2101735	274.39	1	238	91	38.24
Unlisted Companies	114	411155	989661	240.70	14	3877	1024	26.41
<b>Total</b>	<b>157</b>	<b>1331526</b>	<b>3726709</b>		<b>15</b>	<b>4115</b>	<b>1115</b>	

Out of the 172 CPSEs, in respect of 15 CPSEs (**Appendix-III**) the value of total assets was lower than the loans outstanding.

### 1.2.2.3 Interest Coverage

Interest coverage ratio (ICR) is used to determine the ability of a company to pay interest on outstanding debt and is calculated by dividing a company's earnings before interest and taxes (EBIT) by interest expenses of the same period. The lower the ratio, the lesser is the ability of the company to pay interest on debt. An interest coverage ratio below one indicated that the company was not generating sufficient revenues to meet its expenses on interest. The details of positive and negative interest coverage ratio of CPSEs which had outstanding loans during the period from 2015-16 to 2017-18 are given in Table 1.5.

**Table 1.5: Interest Coverage Ratio**

Year	Interest (₹ in crore)	Earnings before interest and tax (EBIT) (₹ in crore)	No. of CPSEs	No. of CPSEs having interest coverage ratio equal to or more than 1	No. of CPSEs having interest coverage ratio less than 1
<b>Statutory Corporations</b>					
2015-16	11421.23	13746.39	4	2	2
2016-17	10162.66	13388.46	5	2	3
2017-18	11833.26	14812.69	5	2	3
<b>Listed Government Companies</b>					
2015-16	55864.28	131511.6	38	28	10
2016-17	60935.43	159564.8	38	28	10
2017-18	63844.46	179678.4	39	29	10
<b>Unlisted Government Companies</b>					
2015-16	14239.61	24475.41	129	58	71
2016-17	16362.45	30413.05	123	61	62
2017-18	21073.92	22636.98	128	59	69

It was observed that the number of CPSEs with interest coverage ratio equal to or more than one increased marginally in case of listed Government Companies during 2017-18, compared to the previous year. In respect of 9<sup>9</sup> CPSEs, the interest payable on loans was higher than the value of their total assets as on 31 March 2018 which indicates a high risk of insolvency in these companies.

<sup>9</sup> Andaman Fisheries Limited, Andaman & Nicobar Islands Forest and Plantation Development Corporation Limited, Bharat Gold Mines Limited, Hindustan Photofilms (Manufacturing) Company Limited, Hindustan Vegetable Oils Corporation Limited, National Bicycle Corporation of India Limited, STCL Limited, TCIL Bina Toll Road Limited, TCIL LTR Limited.



#### 1.2.2.4 Age Wise Analysis of Interest Outstanding on Central Government Loans

As on 31 March 2018, interest amounting to ₹ 3881.44 crore was outstanding on the long term loans of 18 CPSEs provided by Central Government. The age wise analysis of interest outstanding on Central Government Loans in CPSEs is depicted in Table 1.6.

**Table 1.6: Interest outstanding on Central Government Loans**

**(₹ in crore)**

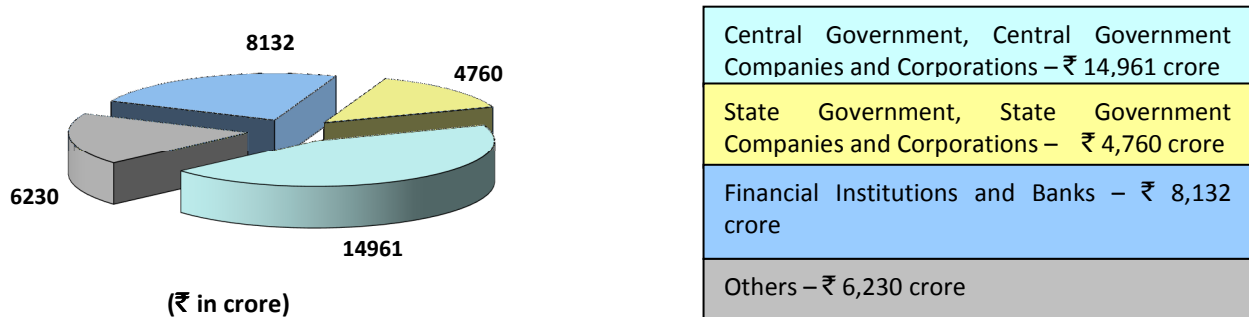
Sl. No.	Name of the CPSE	Outstanding Interest on Central Government Loans	Interest on Central Government Loans outstanding for less than 1 year	Interest on Central Government Loans outstanding for 1 to 3 years	Interest on Central Government Loans outstanding for more than 3 years
1	Bharat Goldmines Limited	901.52	38.50	115.51	747.51
2	Madras Fertilizers Limited	548.08	54.58	109.16	384.34
3	The Fertilizer and Chemicals Travancore Limited	451.08	239.01	212.07	-
4	National Textile Corporation Limited	443.83	46.83	93.67	303.33
5	Indian Drugs and Pharmaceuticals Limited	409.64	16.99	33.97	358.68
6	British India Corporation Limited	359.84	0.84	4.74	354.26
7	HMT Machines Tools Limited	165.02	-	106.94	58.08
8	Security Printing and Minting Corporation of India Limited	135.98	135.98	-	-
9	Cement Corporation of India Limited	123.85	-	-	123.85
10	Hoogly Dock and Port Engineers Limited	42.12	-	4.95	37.17
11	Bengal Chemicals and Pharmaceuticals Limited	82.71	9.22	17.40	56.09
12	NEPA Ltd	82.51	22.13	39	21.38
13	NHPC Limited	33.92	33.92	-	-
14	Heavy Engineering Corporation Limited	27.62	9.21	15.33	3.08

15	Hindustan Insecticides Limited	23.57	4.70	12.37	6.50
16	Bharat pumps and compressors Limited	18.99	15.06	3.93	-
17	Hindustan Salts Limited	15.62	3.50	9.75	2.37
18	Central Electronics Limited	15.54	2.30	4.72	8.52
	<b>Total</b>	<b>3881.44</b>	<b>632.77</b>	<b>783.51</b>	<b>2465.16</b>

### 1.2.3 Investment in Government Controlled other Companies

The capital invested by the Central Government, State Governments and by Companies and Corporations controlled by them in 165<sup>10</sup> Government Controlled other Companies during the year 2017-18 is depicted in Chart III.

**Chart III: Composition of share capital in Government Controlled other Companies**



As on 31 March 2018, equity in these government controlled other companies was ₹ 34,083 crore. The equity in government controlled other companies increased by ₹ 125 crore in 2017-18.

### 1.2.4 Market capitalisation of equity investment in Government Companies

Market capitalisation represents market value of the shares of companies whose shares are listed. As on 31 March 2018, shares of 66 Government Companies consisting of 53 Government companies including seven<sup>11</sup> newly listed Government Companies,

<sup>10</sup> 188– 23 Government Controlled other Companies whose accounts were in arrears for three years or more or were defunct/under liquidation or first accounts were not received or were not due.

<sup>11</sup> (1) Bharat Dynamics Limited, (2) Cochin Shipyard Limited, (3) General Insurance Corporation of India, (4) Hindustan Aeronauticals Limited, (5) Housing and Urban Development Corporation Limited, (6) Mishra Dhatu Nigam Limited and (7) New India Assurance Company Limited

six subsidiaries of Government Companies and seven<sup>12</sup> Government Controlled other Companies were listed on the various stock exchanges in India.

In respect of 46 (53-7 newly listed Government companies) listed Government Companies, the shares of 43 companies were traded and the shares of 3<sup>13</sup> companies were not traded during 2017-18. In respect of six<sup>14</sup> subsidiaries of Government Companies, shares of five were traded and shares of Eastern Investments Limited were not traded during the year.

The total market value of shares of 47<sup>15</sup> traded listed Government Companies (including five subsidiary companies) stood at ₹ 14,42,216 crore (equity investment being ₹ 79,999 crore) as on 31 March 2018 as compared to ₹ 15,12,614 crore as on 31 March 2017. The total market value of shares decreased by ₹70,398 crore (4.65 per cent) as on 31 March 2018 as compared to 31 March 2017. The maximum market capitalization sectors were Petroleum (₹ 6,59,144 crore), Power (₹ 2,82,813 crore) and Coal & Lignite (₹ 1,88,797 crore). The highest increase in market value of shares was observed in Transportation Services sector (15.51 per cent), Steel sector (14.71 per cent) and Construction Services sector (10.60 per cent) whereas highest decrease in market value of shares was observed in Financial Services Sector (35.52 per cent), Heavy Industry sector (25.14 per cent) and Telecommunication Services (21.46 per cent). The market value of shares of 42 listed Government Companies (excluding five subsidiary companies) stood at ₹ 13,63,194 crore as on 31 March 2018, out of which, the market value of shares held by the Central Government amounted to ₹ 8,84,978 crore.

During this period, S&P BSE Sensex<sup>16</sup> increased by 11.3 per cent from 29,620.50 as on 31 March 2017 to 32,968.68 as on 31 March 2018. S&P BSE-CPSE Index<sup>17</sup> decreased by 3.96 per cent from 1,657.00 as on 31 March 2017 to 1,591.37 as on 31 March 2018.

Trend of market capitalisation of these 47 traded listed CPSEs for last five years vis-a-vis S&P BSE Sensex and S&P BSE-CPSE Index is depicted in the Chart IV.

<sup>12</sup> (1) Indbank Housing Limited, (2) Indbank Merchant Banking Services Limited, (3) PNB Gilts Limited, (4) The Bisra Stone Lime Company Limited, (5) The Orissa Minerals Development Company Limited, (6) Tamil Nadu Telecommunication Limited, (7) Tourism Finance Corporation of India Limited

<sup>13</sup> Shares of (1) Hindustan Cables Limited, (2) Hindustan Photo-films (Manufacturing) Company Limited, (3) IRCON International Limited were not traded during 2017-18

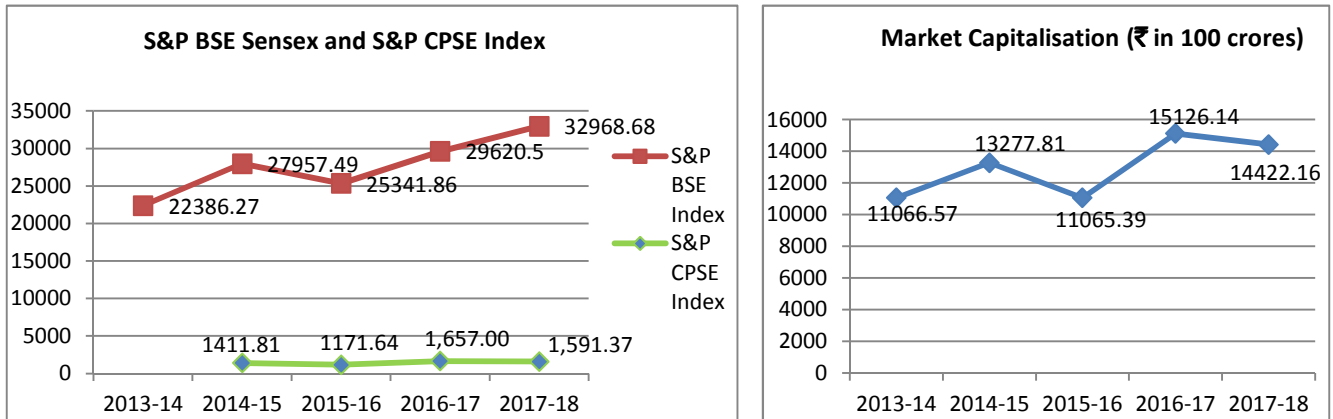
<sup>14</sup> The central Government holding in HPCL was fully transferred to ONGC during 2017-18. The company is now a subsidiary company.

<sup>15</sup> Shares of KIOCL were traded during 2017-18 in BSE but not in 2016-17. Hence, the market capitalisation figures for the company are not included for comparison between current year and previous year.

<sup>16</sup> S&P BSE SENSEX is calculated on a "Market Capitalization-Weighted" methodology of 30 component stocks representing large, well-established and financially sound companies across key sectors

<sup>17</sup> S&P BSE CPSE Index consists of major Public Sector Undertakings listed on BSE

**Chart IV: Trend of market capitalisation vis-à-vis BSE Sensex and CPSE Index**



It was observed that the trend of market capitalisation of 47 traded listed CPSEs during 2013-14 to 2016-17 was same when compared to S&P BSE Sensex and S&P CPSE Index. However in 2017-18, the market value of shares of these CPSEs decreased by 4.65 per cent (from ₹ 15,12,614 crore to ₹ 14,42,216 crore) when there was an increase in S&P BSE Sensex by 11.3 per cent (from 29,620.50 to 32,968.68) although S&P BSE-CPSE Index decreased by 3.96 per cent (from 1,657.00 to 1,591.37) during the same period.

The market value of shares of five subsidiary Government Companies, the shares of which were traded during 2017-18, stood at ₹ 79,022 crore as on 31 March 2018. The total market value of shares in five subsidiary Government Companies had decreased by ₹ 1,169 crore as on 31 March 2018 as compared to 31 March 2017. The top 10 CPSEs with highest market capitalisation as on 31 March 2018 is given in Table 1.7:

**Table 1.7: CPSEs with highest market capitalisation**

Sl. No.	Name of the CPSE	Market Capitalisation (₹ in crore)
1	Oil and Natural Gas Corporation Limited	2,28,175
2	Coal India Limited	1,75,980
3	Indian Oil Corporation Limited	1,71,219
4	NTPC Limited	1,39,925
5	Power Grid Corporation of India Limited	1,01,414
6	Bharat Petroleum Corporation Limited	92,833
7	GAIL (India) Limited	74,101
8	Hindustan Petroleum Corporation Limited	52,442
9	NMDC Limited	37,539
10	Bharat Electronics Limited	34,611

There was an increase in the market capitalisation in respect of 15 CPSEs<sup>18</sup> out of 47 listed Government Companies as on 31 March 2018. CPSEs with increase in market capitalisation of more than ₹ 1,000 crore is given in Table 1.8:

**Table 1.8: CPSEs with increase in Market Capitalisation of more than ₹ 1,000 crore**

**(₹ in crore)**

Sl. No.	Name of the CPSE	Market Capitalisation as on 31 March 2017	Market Capitalisation as on 31 March 2018	Difference in capitalisation
1	GAIL (India) Limited	63,669	74,101	10,432
2	Container Corporation of India Limited	24,782	30,313	5,531
3	I T I Limited	3,979	8,595	4,616
4	Steel Authority of India Limited	25,278	28,996	3,718
5	NTPC Limited	1,36,833	1,39,925	3,092
6	NBCC (India) Limited	15,489	17,131	1,642

The guidelines issued by DIPAM in May 2016 envisaged that every CPSE where market price or book value of its share exceeds 50 times of its face value shall split-off its shares appropriately provided its existing face value of the share is equal to or more than ₹ 1. However, CPSEs given in Table 1.9 had not complied with these guidelines (30 September 2018).

**Table 1.9: CPSEs not complied with splitting up of shares guidelines**

Name of the CPSE	Face value as on 31 Mar 2018 (₹)	Market value as on 31 March 2018 (₹)	Book value as on 31 March 2018 (₹)	50 time face value (₹)	Excess Market value (₹)
BEML Limited	10	1044.15	514.22	500	544.15
Dredging Corporation of India Limited	10	581.60	551.47	500	81.60

### 1.3 Return on investment in Government Companies and Corporations

#### 1.3.1 Profit earned by CPSEs

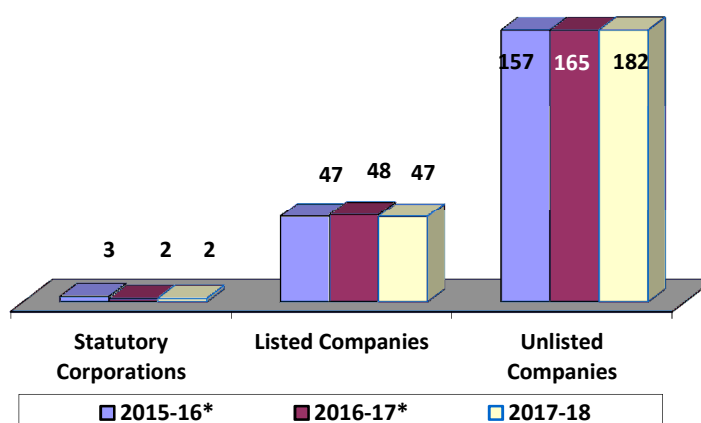
The number of CPSEs that earned profit was 231 in 2017-18 as compared to 215 in 2016-17 (37 CPSEs added and 21 CPSEs excluded). The profit earned increased to ₹ 1,66,197 crore in 2017-18 from ₹ 1,59,006 crore in 2016-17. However, the Return on Equity (ROE) of the 231 CPSEs was 13.16 per cent in 2017-18 as compared to

<sup>18</sup> Andrew Yule and Company Limited, Balmer Lawrie Investment Company Limited, Container Corporation of India Limited, Engineers India Limited, The Fertilizer and Chemicals Travancore Limited, GAIL (India) Limited, India Tourism Development Corporation Limited, I T I Limited, MOIL Limited, Madras Fertilizers Limited, NBCC (India) Limited, NTPC Limited, Steel Authority of India Limited, Scooters India Limited, Mangalore Refinery and Petrochemicals Limited.

13.82 per cent in 215 CPSEs in 2016-17. Return on Equity in all the 420 CPSEs i.e. including 158 loss making and 31 zero profit companies was 7.77 per cent in 2017-18.

Number of CPSEs that earned profit during the period from 2015-16 to 2017-18 is depicted in Chart V:

**Chart V: Number of profit earning CPSEs**



*\*Previous years' figures updated during 2017-18 when accounts of that year were received*

The details of top 3 sectors which contributed maximum profit during 2017-18 are summarised in Table 1.10:

**Table 1.10: Top 3 sectors which contributed maximum profit during the year 2017-18**

Sector	No. of Profit earning CPSEs	Net Profit earned (₹ in crore)	Percentage of profit to total CPSE profit
<b>Petroleum</b>			
Listed Government Companies	8	65993	39.71
Unlisted Government Companies	7	3291	1.98
<b>Sub-total (A)</b>	<b>15</b>	<b>69284</b>	<b>41.69</b>
<b>Power</b>			
Listed Government Companies	4	22573	13.58
Unlisted Government Companies	27	5774	3.47
<b>Sub-total (B)</b>	<b>31</b>	<b>28347</b>	<b>17.06</b>
<b>Coal and Lignite</b>			
Listed Government Companies	2	11142	6.70
Unlisted Government Companies	4	10606	6.38
<b>Sub-total (C)</b>	<b>6</b>	<b>21748</b>	<b>13.09</b>
<b>Total (A+B+C)</b>	<b>52</b>	<b>119379</b>	<b>71.83</b>

During 2017-18, net profit of ₹ 1,19,379 crore constituting 71.83 per cent of total profit of CPSEs was contributed by 52 CPSEs in these three sectors as compared to 74.38 per cent contributed by 49 CPSEs during 2016-17.

Net profit of ₹ 30,823 crore was contributed by 23 CPSEs which functioned in defence, coal, atomic energy and space sectors which were not open to market competition. This constituted 18.55 per cent of total profit of ₹ 1,66,197 crore in all 231 CPSEs during 2017-18. ROE of these 23 CPSEs in 2017-18 was 29.05 per cent as compared to 11.71 per cent in 208 CPSEs functioning in competitive environment.

Of the 165 Government Controlled other companies, 117 companies earned profit of ₹7663 crore during the year ended 31 March 2018. ROE in these 117 CPSEs was 4.52 per cent in 2017-18. ROE in 165 Government Controlled other companies was 3.88 per cent.

The list of CPSEs which earned profit of more than ₹ 5,000 crore during the year 2017-18 is given in the Table 1.11:

**Table 1.11: List of CPSEs which earned profit of more than ₹ 5,000 crore**

*(₹ in crore)*

Sl. No.	Name of the CPSE	Net Profit
1	Indian Oil Corporation Limited	21346
2	Oil and Natural Gas Corporation Limited	19945
3	NTPC Limited	10343
4	Coal India Limited	9293
5	Power Grid Corporation of India Limited	8253
6	Bharat Petroleum Corporation Limited	7919
7	Hindustan Petroleum Corporation Limited	6357
8	Power Finance Corporation Limited	5855
<b>Total</b>		<b>89311</b>

It may be seen that these eight CPSEs contributed 53.73 per cent of the total profit earned by 231 CPSEs during 2017-18.

### 1.3.2 Dividend payout by CPSEs

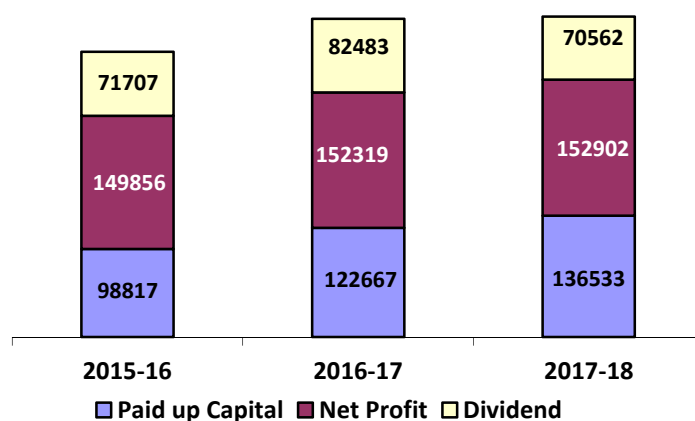
The details of profit earned and dividend declared is given in the Table 1.12:

**Table 1.12: Profit earned and dividend declared**

Category	No. of CPSEs	Paid up Capital (₹ in crore)	Net Profit (₹ in crore)	Dividend Declared (₹ in crore)
Statutory Corporations	2	725	2858	862
Listed Companies	40	72987	130088	58627
Unlisted Companies	59	62821	19956	11073
<b>Total</b>	<b>101</b>	<b>136533</b>	<b>152902</b>	<b>70562</b>

There were 101 CPSEs which declared dividend in 2017-18. The dividend declared as a percentage of net profit of all profit earning CPSEs decreased from 51.87 *per cent* in 2016-17 to 42.46 *per cent* in 2017-18. In absolute terms, the dividend declared by the CPSEs in 2017-18 decreased by ₹ 11,921 crore compared to previous year. Chart VI depicts the Dividend declared vis-a-vis net profit earned and paid up capital of CPSEs which declared dividend during the last three years.

**Chart VI: Dividend declared vis-a-vis net profit earned and paid up capital (₹ in crore)**



Out of total dividend of ₹ 70,562 crore declared by 101 CPSEs for the year 2017-18, dividend received/receivable by Central Government was ₹ 42,229 crore (48.90 *per cent*) in 74 CPSEs having equity investment of ₹ 86,365 crore. The return on aggregate investment of ₹ 3,57,064 crore made by the Central Government in equity capital of 420 CPSEs was 11.83 *per cent* as compared to 14.67 *per cent* during 2016-17. Similarly, 35 CPSEs received ₹ 11,580 crore as dividend on paid up capital of ₹ 25,230 crore on the equity holdings in other CPSEs in 2017-18.

14 CPSEs under the Ministry of Petroleum and Natural Gas, declared dividend amounting to ₹ 28,859 crore which was 40.90 *per cent* of the total dividend of ₹ 70,562 crore declared by 101 CPSEs in 2017-18.

The guidelines issued by DIPAM in May 2016 envisaged that every CPSE would pay a minimum annual dividend of 30 *per cent* of profit after tax or 5 *per cent* of the net worth, whichever is higher subject to the maximum dividend permitted under the extant legal provisions. However, 53 CPSEs (including 17 listed CPSEs and 01 statutory corporation) which had not declared dividend prescribed by the Government as given in **Appendix-IV**. The total shortfall on this account was ₹ 9,417.75 crore in 2017-18.



Of the 165<sup>19</sup> Government Controlled other Companies, 117 companies earned profit of ₹7,663 crore during the year ended 31 March 2018. Out of these 117 companies, 47 declared dividend amounting to ₹ 1,178 crore which represented 8.74 per cent of their paid up capital of ₹ 13,470 crore. Sector wise classification of 47 Government Controlled other Companies which declared dividend during 2017-18 is given in Table 1.13:

**Table 1.13: Dividend declared by Government Controlled other Companies**

Sector	No. of Companies	Paid up Capital (₹ in crore)	Net Profit (₹ in crore)	Dividend Declared (₹ in crore)
Coal & Lignite	1	2188	146	22
Contract & Construction Services	2	250	230	23
Financial services	28	4495	2044	527
Industrial Development and Technical Consultancy	4	14	18	3
Insurance	1	1000	1150	200
Petroleum	4	777	182	81
Power	4	4506	1073	281
Tele communication services	1	35	45	2
Trading and Marketing	1	41	23	6
Transportation Services	1	164	49	33
<b>Total</b>	<b>47</b>	<b>13470</b>	<b>4960</b>	<b>1178</b>

### 1.3.3 Return on Equity of CPSEs

Return on equity (ROE)<sup>20</sup> is a measure of financial performance of companies calculated by dividing net income by shareholders' equity. Sector wise ROE of CPSEs where total equity of the sector is more than ₹10,000 crore during 2017-18 is depicted in Table 1.14.

**Table 1.14: Return on Equity of sectors with total equity of ₹10000 crore and more**

Sl. No.	Sector	ROE during 2015-16	ROE during 2016-17	ROE during 2017-18
1	Petroleum	12.06	13.72	13.40
2	Power	9.41	9.31	9.81
3	Transportation Services	-0.32	-1.08	-1.12
4	Insurance	3.20	0.52	3.66
5	Financial services	12.53	8.68	9.25
6	Telecommunication Services	-13.55	-7.93	-12.77
7	Steel	-6.91	-9.38	-3.88

<sup>19</sup> 188– 23 Government Controlled other Companies whose accounts were in arrears for three years or more or were defunct/under liquidation or first accounts were not received or were not due.

<sup>20</sup> Return on Equity = (Net Profit after Tax and preference Dividend/Equity)\*100 where Equity = Paid up Capital + Free Reserves – Accumulated Loss – Deferred Revenue Expenditure

8	Minerals and Metals	7.71	9.67	13.76
9	Coal & Lignite	77.16	58.29	38.67
10	Heavy Industry	-3.44	2.41	5.15
11	Transport Equipment	14.71	18.67	15.24
12	Contract & Construction Services	12.46	11.83	12.48

Table 1.15 depicts a comparison of ROE between monopoly<sup>21</sup> CPSEs and non-monopoly CPSEs.

**Table 1.15: Monopoly vs Non-Monopoly comparison of Return on Equity of CPSEs**

Year	Monopoly CPSEs		Non-Monopoly CPSEs	
	No of CPSEs	ROE	No of CPSEs	ROE
2015-16	50	1.52	326	10.37
2016-17	53	1.87	346	9.72
2017-18	54	1.43	366	9.14

It could be seen that ROE of monopoly CPSEs are significantly lower than non-monopoly CPSEs during the previous three years.

#### 1.4 CPSEs incurring losses

There were 158 CPSEs that incurred losses during the year 2017-18. The losses incurred by these CPSEs increased to ₹ 41,420 crore in 2017-18 from ₹ 33,574 crore during 2016-17 as given in Table 1.16.

**Table 1.16: Number of CPSEs that incurred losses during 2017-18**

Listed / Unlisted Year	No of CPSEs incurred loss	Net loss for the year (₹ in crore)	Accumulated loss (₹ in crore)	Net Worth <sup>22</sup> (₹ in crore)
<b>Statutory Corporations</b>				
2015-16	1	1143	0	13268
2016-17	1	907	0	12891
2017-18	1	847	0	12144

<sup>21</sup> Monopoly means a market structure characterized by a single seller, selling a unique product in the market. In a monopoly market, the seller faces no competition, as he is the sole seller of goods with no close substitute. A CPSE is classified as monopoly if there is no competition in the geographical area in which it operates (Eg. Konkan Railway Corporation)

<sup>22</sup> Net worth means the sum total of the paid-up share capital and free reserves and surplus less accumulated loss and deferred revenue expenditure. Free reserves mean all reserves created out of profits and share premium account but do not include reserves created out of revaluation of assets and write back of depreciation provision

<b>Listed Government Companies</b>				
2015-16	12	11830	30268	76207
2016-17	11	10168	28481	18253
2017-18	12	8292	40433	9146
<b>Unlisted Government Companies</b>				
2015-16	127	18696	72576	91953
2016-17	142	22499	79890	137640
2017-18	145	32281	90212	131401
<b>Total</b>				
<b>2015-16</b>	<b>140</b>	<b>31669</b>	<b>102844</b>	<b>181428</b>
<b>2016-17</b>	<b>154</b>	<b>33574</b>	<b>108371</b>	<b>168784</b>
<b>2017-18</b>	<b>158</b>	<b>41420</b>	<b>130645</b>	<b>152691</b>

Out of total loss of ₹ 41,420 crore incurred 158 CPSEs, loss of ₹ 6239 crore was contributed by 12 CPSEs which functioned in defence, coal and atomic energy sectors which were not open to market competition.

CPSEs listed in Table 1.17 incurred a loss of more than ₹ 1,000<sup>23</sup> crore during the year 2017-18

**Table 1.17: CPSEs that incurred losses of more than ₹ 1,000 crore during 2017-18**

Sl. No.	Name of the CPSE	Net loss (₹ in crore)
1	Bharat Sanchar Nigam Limited	8002
2	Western Coalfields Limited	3902
3	Hindustan Photofilms (Manufacturing) Company Limited	3402
4	Mahanagar Telephone Nigam Limited	2973
5	ONGC Petro Additions Limited	2219
6	National Insurance Company Limited	2171
7	Bharat Coking Coal Limited	1391
8	Rashtriya Ispat Nigam Limited	1369
9	India Infrastructure Finance Company Limited	1155
10	IFCI Limited	1009

Out of 165 Government controlled other companies, 46 companies incurred losses of ₹ 960.57 crore during the year 2017-18.

<sup>23</sup> The provisional figures of 29 CPSEs including Air India Limited (AIL) have been included in this audit report on the basis of figures from their last audited accounts as the accounts for the year 2017-18 were not received before cut-off date i.e. 30 September 2018 for preparation of the report. Hence Net Loss of ₹ 5348 has not been included in the report.

### 1.4.1 Erosion of capital in Government Companies

As on 31 March 2018 there were 184 CPSEs with accumulated losses of ₹ 1,42,309.28 crore. Of the 184 CPSEs, 130 CPSEs incurred losses in the year 2017-18 amounting to ₹ 21,755.26 crore and 54 CPSEs had not incurred loss in the year 2017-18, even though they had accumulated loss of ₹ 11,664.68 crore. 66 out of 184 CPSEs were under winding up/closure/liquidation/strategic disinvestment.

Net worth of 77 out of 184 CPSEs had been completely eroded by accumulated loss and their net worth was either zero or negative. The net worth of these 77 CPSEs was (-) ₹ 83,122.38 crore against equity investment of ₹ 40,155.73 crore in these CPSEs as on 31 March 2018. This included six listed companies whose net worth was (-) ₹ 32,606.92 crore against equity investment of ₹ 6,685.50 crore. Out of 77 CPSEs, whose capital had been eroded (being zero or negative net worth), 12 CPSEs had earned profit of ₹ 1344.45 crore during 2017-18 (**Appendix-V**).

In 20 out of 77 CPSEs whose capital had been eroded, Government loans outstanding as on 31 March 2018 amounted to ₹ 6,044.99 crore. This included two listed companies with outstanding Government loan of ₹ 1,877.34 crore.

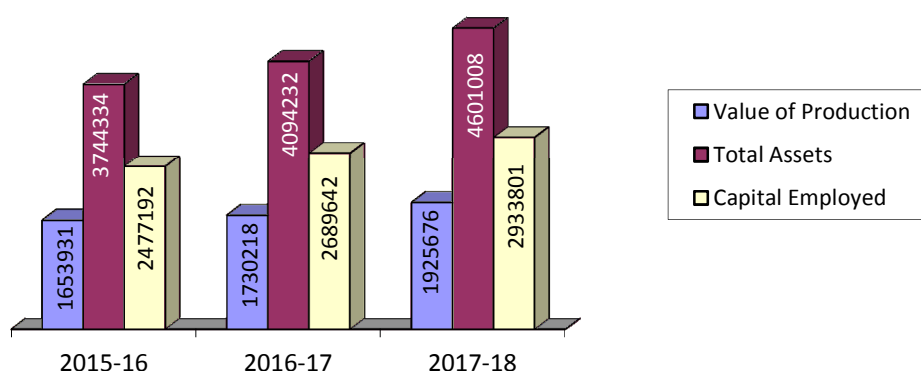
Net worth was less than half of their paid up capital in respect of 25 out of 341 CPSEs whose net worth was positive at the end of 31 March 2018, indicating their potential financial sickness.

## 1.5 Operating efficiency of Government Companies

### 1.5.1 Value of production

The summary indicating value of production, total assets and capital employed of 420 CPSEs over a period of three years is depicted in the Chart VII:

Chart VII: Value of Production, Assets and Capital Employed (₹ in crore)



There was an increase in the value of production, total assets and capital employed in the year 2017-18 compared to the previous year.

### 1.5.2 Return on Capital Employed

Return on Capital Employed (ROCE) is a ratio that measures a company's profitability and the efficiency with which its capital is employed. ROCE is calculated by dividing a company's earnings before interest and taxes (EBIT) by the capital employed<sup>24</sup>. The details of ROCE of 420 CPSEs during the period from 2015-16 to 2017-18 are given in Table 1.18.

**Table 1.18: Return on Capital Employed**

Year	EBIT (₹ in crore)	Capital Employed (₹ in crore)	ROCE (In %)
2015-16	256353	2477192	10.35
2016-17	273720	2689642	10.18
2017-18	291093	2935631	9.92

It was observed that ROCE of 420 CPSEs was marginally lower during the year 2017-18 in comparison to that for the year 2016-17.

### 1.5.3 Performance of listed CPSEs with private companies

The performance of 36<sup>25</sup> listed CPSEs on the parameters of five ratios (Return on Equity, Return on Capital Employed, Earnings Per Share, Price Earnings Ratio and Interest Coverage Ratio) was compared with private companies with similar nature of business during the last five years from 2013-14 to 2017-18. The comparison revealed the following results:

**Return on Equity (ROE):** It was observed that ROE in respect of 16 out of 36 listed CPSEs was on the lower side as compared to private companies with similar nature of business for three or more years during last five years. **(Appendix-VI)**

**Return on Capital Employed (ROCE):** It was observed that ROCE in respect of 15 out of 36 listed CPSEs was on the lower side as compared to private companies with similar nature of business for three or more years during last five years. **(Appendix-VII)**

**Earnings Per Share (EPS):** It was observed that EPS in respect of 26 out of 36 listed CPSEs was on the lower side as compared to private companies with similar nature of business for three or more years during last five years. **(Appendix-VIII)**

<sup>24</sup> *Capital Employed = Paid up Share capital + Free Reserves and surplus + Long term loans – Accumulated losses – Deferred Revenue Expenditure*

<sup>25</sup> *Out of 47 CPSEs where shares were traded during the last five years, in case of 11 CPSEs no listed private companies with similar nature of business were found. Hence, 36 CPSEs were considered for comparison.*

**Price Earnings (P/E) Ratio<sup>26</sup>:** It was observed that P/E Ratio in respect of 29 out of 36 listed CPSEs was on the lower side as compared to private companies with similar nature of business for three or more years during last five years. **(Appendix-IX)**

**Interest Coverage Ratio (ICR):** It was observed that ICR in respect of 17 out of 36 listed CPSEs was on the lower side as compared to private companies with similar nature of business for three or more years during last five years. **(Appendix-X)**

In respect of six CPSEs, all the above parameters were less in comparison to private companies in same sector during all the five years.

#### **1.5.4 Return on the basis of Present Value of Investment**

The present value (PV) of the Central Government investment has been computed in respect of 25 CPSEs which are in losses for eight or more than eight years to assess the rate of return/loss on the present value of investments of Central Government in these CPSEs as compared to historical value of investments. In order to bring the historical cost of investments to its present value at the end of each year upto 31 March 2018, the past investments/ year wise funds infused by the Central Government in the CPSEs have been compounded at the year wise weighted average interest rate on Central Government securities which is considered as the minimum cost of funds to the Government for the concerned year.

The PV of the Central Government investment in the CPSEs was computed on the basis of following assumptions:

- In addition to actual infusion by the Central Government in the CPSEs in the form of equity, interest free loans and grants/subsidy for operational and administrative expenses given by the Central Government to the CPSEs have been considered as investment infusion by the Central Government.
- In the cases where interest free loans given to the CPSEs were later converted into equity, the amount of loan converted into equity has been deducted from the amount of interest free loans and added to the equity of that year.
- Disinvestment has been deducted while calculating total investment at the end of the year.
- The weighted average interest rate on Central Government securities for the concerned financial year<sup>27</sup> was adopted as compounded rate for arriving at

---

<sup>26</sup> Price Earnings Ratio (P/E Ratio) is the ratio for valuing a company that measures its current share price relative to its per – share earnings. The P/E ratio is calculated as Market Value per Share/Earnings per Share

Present Value since they represent the cost incurred by the government towards investment of funds for the year and therefore considered as the minimum expected rate of return on investments made by the government.

- For the purpose of PV calculation of Central Government investment, the period beginning 2000-01 till 2017-18 has been taken considering the investment of Central Government in 25 CPSEs as on 31 March 2000 as PV of Central Government investment in the beginning of 2000-01.

A more appropriate measure of performance of such loss incurring CPSEs is the erosion of net worth due to the losses. The erosion of capital of the companies is commented upon in Para 1.4.1.

The details of Central Government investment in the selected CPSEs in the form of equity, interest free loans, grants/subsidy and disinvestment since 2000-01 till 2017-18 is indicated in **Appendix-XI**. The consolidated position of the PV of such Central Government investment in the CPSEs is indicated in Table 1.19:

**Table 1.19: Year wise details of investment by the Central Government and present value (PV) of Government funds from 2000-01 to 2017-18**

(₹ in crore)

Financial Year	Present Value of total investment at the beginning of the year	Equity infused by the central Government during the year	Interest free loan granted by the central Government during the year	Grant/ Subsidy by central Government for meeting operational and administrative expenses	Interest free loan converted into equity during the year	Disinvestment by the central Government during the year	Total investment during the year	Total investment at the end of the year	weighted average interest rate on Government securities	Present value of total investment at the end of the year
1	2	3	4	5	6	7	8= (3+4+5-6-7)	9= (2+8)	10	11= 9{1+(10/100)}
2000-01	7592.65	469.75	107.99	240.07	0	0	817.81	8410.46	11.00	9335.611
2001-02	9335.611	166.75	28.8	55.56	0	0	251.11	9586.721	9.40	10487.87
2002-03	10487.87	181.43	77.47	15.2	0	0	274.1	10761.97	7.30	11547.59
2003-04	11547.59	328.07	299.62	14.38	249.62	0	392.45	11940.04	5.71	12621.82
2004-05	12621.82	440.91	15.33	572.45	0	0	1028.69	13650.51	6.11	14484.56
2005-06	14484.56	287.41	184.65	20.62	0	0	492.68	14977.24	7.34	16076.57
2006-07	16076.57	777.97	78.74	79.92	0	0	936.63	17013.2	7.89	18355.54

<sup>27</sup> The weighted average interest rate on Government securities has been taken from Reserve Bank of India's Report on Government Securities Market/Ministry of Finance's Status Paper on Government Debt.

2007-08	18355.54	727.98	260.63	19.2	0	0	1007.81	19363.35	8.12	20935.65
2008-09	20935.65	1014.22	242.37	42.79	0	0	1299.38	22235.03	7.69	23944.9
2009-10	23944.9	2039.4	30.52	37.38	0	0	2107.3	26052.2	7.23	27935.77
2010-11	27935.77	2461.92	51.89	69.22	0	0	2583.03	30518.8	7.92	32935.89
2011-12	32935.89	1904.05	328.66	59.43	85.21	0	2206.93	35142.82	8.52	38136.99
2012-13	38136.99	6815.51	222.39	72.28	0	0.18	7110	45246.99	8.36	49029.64
2013-14	49029.64	6000.08	447.3	24.71	0	67.72	6404.37	55434.01	8.39	60084.92
2014-15	60084.92	3872.57	615.85	42.96	0	55.4	4475.98	64560.9	8.51	70055.03
2015-16	70055.03	7651.97	741.42	58.97	0	0	8452.36	78507.39	7.89	84701.62
2016-17	84701.62	5726.05	1353.83	317.48	101.78	0	7295.58	91997.2	7.16	98584.2
2017-18	98584.2	6796.23	190.4	17.42	0	0	7004.05	105588.3	6.98	112958.3
<b>Total</b>		<b>47662.27</b>	<b>5277.86</b>	<b>1760.04</b>	<b>436.61</b>	<b>123.3</b>	<b>54140.26</b>			

The balance of investment of the Central Government in these companies at the end of 2017-18 increased to ₹ 54,140.26 crore from ₹ 7,592.65 crore in 2000-01 as the Central Government made further investments in shape of equity amounting to ₹ 47,538.97 crore (₹ 47,662.27–₹ 123.30), interest free loans amounting to ₹ 4,841.25 crore (₹ 5,277.86–₹ 436.61) and grants/subsidy for meeting operational and administrative expenses amounting to ₹ 1760.04 crore. The PV of investments of the Central Government upto 31 March 2018 worked out to ₹ 1,12,958.30 crore. The net earnings by these 25 companies during 2017-18 was ₹ (-)21,145.73 crore (₹ 526.32 crore – ₹ 21,672.05 crore). Thus, against the present value amounting to ₹ 1, 12,958.30 crore of the Central Government in Government companies, the return was negative amounting to ₹ (-)21,145.73 crore.

### 1.5.5 Sales and Marketing

During 2017-18, the total sales of 420 CPSEs was ₹ 21,56,441 crore as compared to ₹ 19,49,214 crore in 406 CPSEs during 2016-17. Out of 420 CPSEs, 115 CPSEs sold goods/rendered services worth ₹ 2,35,750 crore to Government sector out of their sales of ₹ 10,26,134 crore. The overall percentage of sales of these 115 CPSEs to the Government sector with reference to their total sales worked out to 22.97 per cent.

There were 52 CPSEs which exported goods/services worth ₹ 73,620 crore (6.07 per cent of their total sales amounting to ₹ 12, 12,266 crore), against which the total imports by these CPSEs was ₹ 2, 72,037 crore resulting in net import of ₹ 1,98,417 crore (₹ 2,30,895 crore in 2016-17).

Against the total sales of ₹ 21, 56,441 crore by 420 CPSEs, the export sales by 52 CPSEs was 3.41 per cent. The CPSEs with export sales of more than ₹ 5,000 crore is given in Table 1.20:



**Table 1.20: CPSEs with export sales of more than ₹ 5,000 crore during 2017-18**  
(₹ in crore)

Sl. No.	Name of the CPSE	Export sales
1	Indian Oil Corporation Limited	24353
2	Mangalore Refinery and Petrochemicals Limited	16996
3	ONGC Videsh Limited	7799
<b>Total</b>		<b>49148</b>

The export sales of these three CPSEs accounted for 66.76 *per cent* of the total export of all CPSEs.