

Financial Performance of Central Public Sector Enterprises

1.1 Introduction

This Report presents the financial performance of government companies, statutory corporations and deemed government companies. The term Central Government Public Sector Enterprises (CPSE) encompasses the government owned companies set up under Companies Act, 1956 and statutory corporations set up under the statutes of the Parliament, where the audit is entrusted to Comptroller and Auditor General of India (CAG).

A **government company*** is defined in section 617 of the Companies Act, 1956 as a company in which not less than fifty one *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 it includes a company which is a subsidiary of a government company defined thus. Besides companies covered under Section 619 B of the Companies Act, 1956 are referred to in this Report as **deemed government companies**. Besides, Government of India sets up corporations under Special Acts of the Parliament which have been referred to as **Statutory Corporations**.

Government Company

A 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.

1.1.1 Mandate

Audit of government companies and deemed government companies is conducted by the CAG under the provisions of Section 619 of the Companies Act, 1956 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, 1956, the CAG appoints the Chartered Accountants (Statutory Auditors) as Auditors for companies and gives directions on the manner in which the accounts are to be audited, besides undertaking supplementary audit. The statutes governing some Statutory Corporations require their accounts to be audited 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

* The Department of Public Enterprises (DPE) has been considering CPSEs as a company wherein either the central Government owns more than 50 *per cent* equity or one of its holding companies or its subsidiary owns more than 50 *per cent* equity. In view of the difference in definition adopted by CAG and DPE, there may be difference in number of companies considered as CPSEs by CAG and that of DPE.

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 during 2013-14.

1.1.2 What does this Report contain

This Report gives an overall picture of the quality of financial reporting by government companies and corporations and appraisal of their performance as revealed by 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 Central Government Companies conducted by the CAG for the year 2013-14 (or earlier years as are finalised during the current year), and significant findings reported by the Statutory Auditors while certifying the financial statements of the CPSEs are given in this Report. The 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. Besides, a resume of the reports submitted by the Statutory Auditors in compliance with the directions issued to them by the CAG under Section 619(3)(a) of the Companies Act, 1956, is also given in this Report.

The Report also gives an overall picture of the status of the adherence of CPSEs to the guidelines issued by the Department of Public Enterprises (DPE) on Corporate Governance and Corporate Social Responsibility.

1.1.3 Number of CPSEs and deemed government companies

As on 31 March 2014, there were 544 CPSEs under the audit jurisdiction of the CAG. These include 377 government companies, 6 statutory corporations and 161 deemed government companies. The overall coverage under this report and the nature of these CPSEs is indicated in the following table:

• Government Companies	377
• Deemed Government Companies	161
• Statutory Corporations	6
• Total CPSEs	544

Nature of the CPSE's	Total number of CPSEs	Number of CPSEs covered in the Report			Number of CPSEs not covered in the Report	
		Latest data 2013-14	Earlier data			Total
			2012-13	2011-12		
Government companies	377	330	13	4	347	30
Statutory corporations	6	5	1	0	6	-
Total companies/corporations	383	335	14	4	353	30
Deemed Government companies	161	138	5	1	144	17
Total	544	473	19	5	497	47

The details of new/ceased government companies/deemed government companies are given in **Appendix-I**.

However, this Report does not include 47 CPSEs (including 17 deemed government companies) whose accounts were in arrears for three years or more or were defunct/under liquidation or

first accounts not received or first accounts were not due. These CPSEs are identified by two asterisks(**) in **Appendix - II**.

Snapshot of CPSEs	
(Government companies and statutory corporations)	
Number of CPSEs	383
CPSEs covered in this chapter	353
Paid up capital (353 CPSEs)	₹ 3,30,626 crore
Long term Loans (353 CPSEs)	₹ 8,81,774 crore
Market capitalisation (46 listed government companies)	₹ 11,06,657 crore
Net profit (202 CPSEs)	₹ 1,53,907 crore
Net loss (124 CPSEs)	₹ 49,612 crore
Dividend declared (111 CPSEs)	₹ 66,051 crore
Total Assets (353 CPSEs)	₹ 34,94,654 crore
Value of production (353 CPSEs)	₹ 14,13,922 crore
Net worth (353 CPSEs)	₹ 11,60,694 crore

1.2 Investment in government companies and corporations

The extent of equity investment and loans in 353* government companies and corporations at the end of 31 March 2014 is given in the following table. Some government companies and corporations had also contributed to the investment in these CPSEs. The details are given below:

(₹in crore)

Sources	As on 31 March 2014			As on 31 March 2013		
	Equity	Long term Loans	Total	Equity	Long term Loans	Total
1. Central Government	2,45,191	54,907	3,00,098	2,31,289	50,816	2,82,105
2. Central Government Companies/ Corporations	44,245	17,409	61,654	27,082	23,818	50,900
3. State Governments/ State Government Companies/ Corporations	20,926	7,776	28,702	18,491	5,753	24,244
4. Financial Institutions/ Others	20,264	8,01,682	8,21,946	18,489	6,42,109	6,60,598
Total	3,30,626	8,81,774	12,12,400	2,95,351	7,22,496	10,17,847
Percentage of Central Government to total	74.16	6.23	24.75	78.31	7.03	27.72

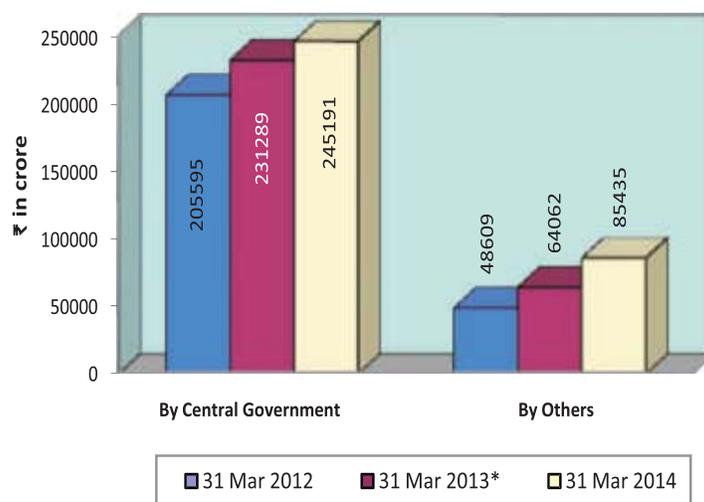
Note: Ministry wise details of equity investment and loans are available on CAG website <www.cag.gov.in>

* 383 CPSEs– 30 CPSEs whose accounts were in arrears

1.2.1 Equity investment

During 2013-14, the investment in equity of these 353 CPSEs registered a net increase of ₹ 35,275 crore. Investment of Government of India increased by ₹ 13,902 crore in 2013-14 in equity of 353 CPSEs.

Equity investment in Government Companies and Corporations



(* Previous years' figures updated during 2013-14 as accounts of that year were received)

Details of significant Investments made by the Central Government during 2013-14 in the paid up capital of the CPSEs is detailed below:

Name of the CPSEs	Name of the Ministry	Amount (₹ in crore)
Statutory Corporations		
National Highways Authority of India	Road Transport and Highways	12,063
Government Companies		
Indian Railway Finance Corporation Ltd	Railways	1,000
Others		839
Total		13,902

During the year 2013-14, the following CPSEs issued fully paid bonus shares as under:

Sl no	Name of the company	Amount (₹ in crore)
1	Container Corporation of India Limited	64.99
2	WAPCOS Limited	8.00
3	Balmer Lawrie and Company Limited	12.21
4	National Seeds Corporation Limited	2.06
Total		87.26

- ❖ During the year 2013-14, the Government of India realised ₹ 15,819* crore against a budgeted receipt of ₹ 40,000 crore on disinvestment. Out of ₹ 15,819 crore an amount of ₹ 12,819 crore were from sale of a part of its equity shares in respect of following CPSEs and ₹ 3000 crore from the newly formed CPSE- ETF scheme†. .

Sl no	Name of the CPSEs	Percentage of shares disinvested	Face value of the shares (₹ in crore)	Amount realised by Government (₹ in crore)
1	Indian Oil Corporation Limited	10	251.19	5341
2	NHPC Limited	9	1107.16	2131
3	Bharat Heavy Electricals Limited	5	22.82	1887
4	Power Grid Corporation of India Limited	4	185.18	1637
5	MMTC Limited	9	9.33	572
6	Engineers India Limited	11	18.58	497
7	Neyveli Lignite Corporation Limited	4	59.70	358
8	Hindustan Copper Limited	4	18.56	260
9	National Fertilizers Limited	8	37.48	101
10	India Tourism Development Corporation Limited	5	4.36	30
11	The State Trading Corporation of India Limited	1	0.61	5
Total				12819

During the year 2013-14 NHPC Limited has bought back 10 *per cent* of its total paid up equity share capital from existing shareholders there by reducing its total paid up share capital. The amount received by Government of India due to buyback was ₹ 2,131 crore.

Also, ₹ 619.57 crore was received due to redemption of preference shares as detailed below:

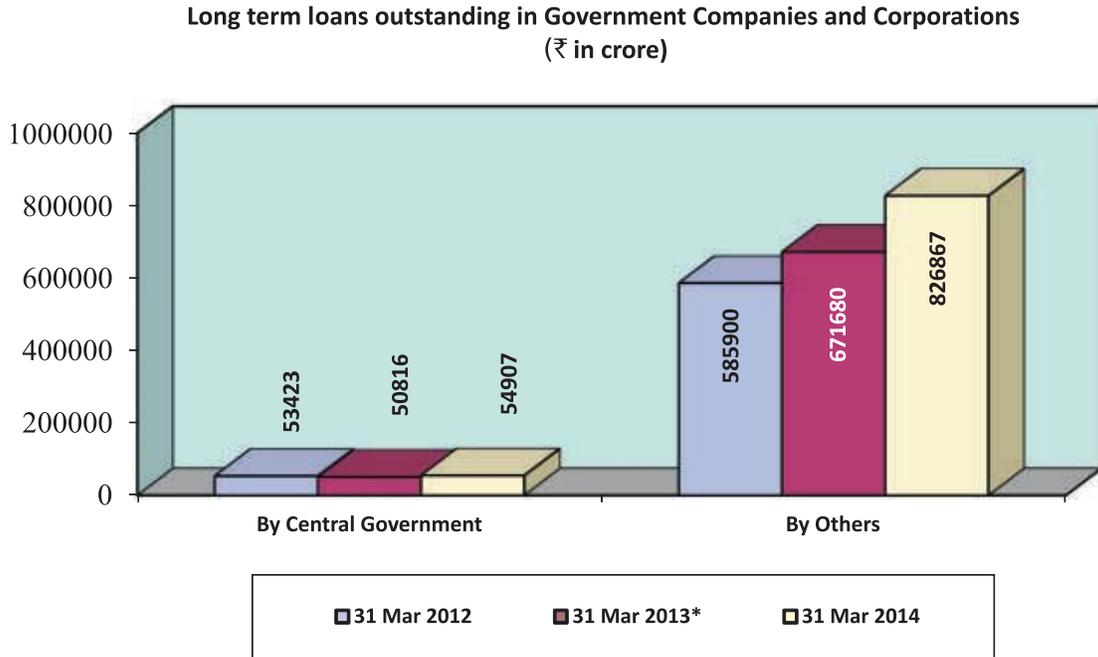
Sl No	Name of the CPSE	Amount (₹ in crore)
1	Rashtriya Ispat Nigam Limited	606.97
2	MECON Limited	12.60
Total		619.57

* Source: <http://www.divest.nic.in/SummarySale.asp>

† The CPSE-ETF is the disinvestment strategy that helped the government garner ₹ 3,000 crore through disinvestment of 10 PSUs, and it provides an opportunity for investors to become part-owners of ONGC, GAIL, Coal India, IOC, Oil India, Power Finance Corporation, Rural Electrification Corporation, Container Corporation, Engineers India and Bharat Electronics

1.2.2 Loans given to government companies and corporations

During 2013-14, the long term loans of government companies and corporations registered a net increase of ₹ 1,59,278 crore.



(* Previous years' figures updated during 2013-14 as accounts of that year were received)

- ❖ The total long term loans outstanding in 353 CPSEs from all sources as on 31 March 2014 was ₹ 8,81,774 crore. The comparison of positive and negative coverage of total assets with long term loans during 2013-14, is given in the following table.

	Positive coverage				Negative coverage			
	No. of CPSE	Long term loan	Assets	Percentage of assets to loans	No. of CPSE	Long term loan	Assets	Percentage of assets to loans
	(₹ in crore)				(₹ in crore)			
Statutory Corporations	3	46677	212130	454.46	-	-	-	-
Listed Companies	30	536762	1529726	284.99	2	3765	328	8.71
Unlisted Companies	99	281148	763338	271.51	19	13422	1633	12.17
Total	132	864587	2505194		21	17187	1961	

21 CPSEs, including 2 listed companies, had more loans than their total assets. There were 201 CPSE (including 3 statutory corporations) which did not have any long term loans.

- ❖ Interest coverage ratio is used to determine how easily a company can 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 more the company is burdened by debt expense. An interest coverage ratio less than one indicates the company is not generating sufficient revenues to satisfy interest expenses. The details of positive and negative interest coverage ratio for the period 2011-12 to 2013-14, is summarised below:

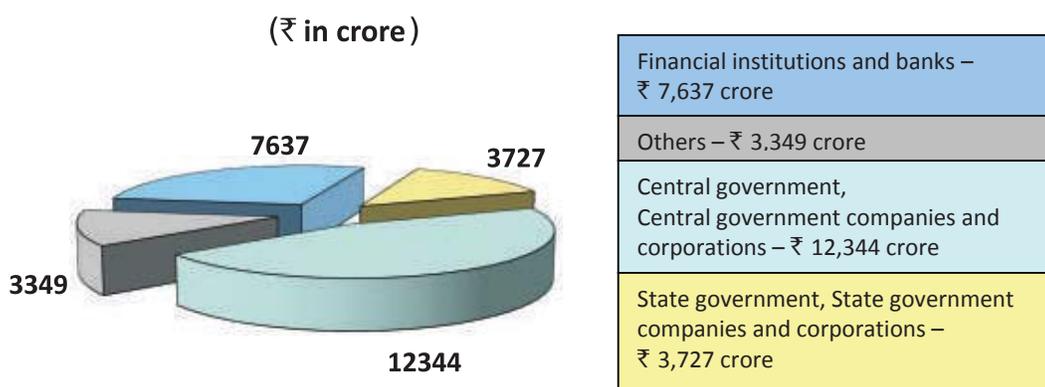
Year	Interest	Earnings before interest and tax (EBIT)	No. of CPSEs *	No. of CPSEs having interest cover ratio more than 1	No. of CPSEs having interest cover ratio less than 1
	(₹ in crore)				
Statutory Corporations					
2011-12	6143	6586	4	4	0
2012-13	1548	3361	3	2	1
2013-14	2188	2530	3	2	1
Listed Government Companies					
2011-12	33285	98910	32	26	6
2012-13	39986	110679	32	20	12
2013-14	43904	127865	32	22	10
Unlisted Government Companies					
2011-12	15483	29742	123	66	57
2012-13	16526	48197	120	52	68
2013-14	17611	31521	118	57	61

It was observed that the number of CPSEs with interest coverage ratio of more than one increased in case of listed as well as unlisted government companies during 2013-14, compared to the previous year.

1.2.3 Investment in deemed government companies

The capital invested by the central government, state governments and by companies and corporations controlled by them in 144 deemed government companies[†] were as follows.

Composition of share capital in deemed government companies



* excluding CPSEs which have no interest liability

[†] Note: Company wise details are available on CAG website <www.cag.gov.in>

As of 31 March 2014, equity in these deemed government companies was ₹ 27,057 crore. The equity in these deemed government companies increased by ₹ 1,214 crore, i.e. from ₹ 25,843 crore in 2012-13 to ₹ 27,057 crore in 2013-14.

1.2.4 Market capitalisation of equity investment in government companies

Market capitalisation is a measurement of market value of the shares outstanding of a publicly traded company. Shares of 59 government companies were listed on the various stock exchanges in India consisting of 46 government companies, 5 subsidiaries of government companies and 8* deemed government companies.

- ❖ In respect of 46 listed government companies, the shares of 42 companies were traded^α during 2013-14. In respect of 5 subsidiaries of government companies, 4 were traded and shares of one company[†] was not traded during the year.
- ❖ The total market value of shares of 46 listed government companies stood at ₹ 11,06,657 crore as on 31 March 2014. The market value of shares of 42 listed government companies (excluding 4 subsidiary companies) stood at ₹ 10,96,426 crore as on 31 March 2014, out of which, the market value of shares held by the Government of India amounted to ₹ 7,97,348 crore. The total market value of shares decreased by ₹ 9,196 crore (0.83 per cent) as on 31 March 2014 as compared to 31 March 2013. The details are indicated in **Appendix III-A**. During this period, BSE Sensex increased from 18,835.77 (as on 31 March 2013) to 22,386.27 (as on 31 March 2014), an increase of 18.85 per cent. However, the CPSE Index decreased from 6,481.16 (as on 31 March 2013) to 6354.61 (as on 31 March 2014), a decrease of 1.95 per cent.
- ❖ The market value of shares of 4 subsidiary government companies, the shares of which were traded during 2013-14, stood at ₹ 10,231 crore as on 31 March 2014. The total market value of shares held by government companies in 4 subsidiary government companies had decreased by ₹ 803 crore as on 31 March 2014 as compared to 31 March 2013. The details are indicated in **Appendix III-B**.
- ❖ The top 10 CPSEs with highest market capitalisation on 31 March 2014 is given below:

Sl No	Name of the CPSE	Market Capitalisation (₹in crore)
1	Oil and Natural Gas Corporation Limited	272663
2	Coal India Limited	181848
3	NTPC Limited	98904
4	Indian Oil Corporation Limited	67740
5	NMDC Limited	55288
6	Power Grid Corporation of India Limited	54958
7	Bharat Heavy Electricals Limited	48169

* (1) Indbank Housing Limited, (2) Indbank Merchant Banking Services Limited, (3) PNB Gilts Limited, (4) The Bisra Stone Lime Company Limited, (5) Orissa Minerals Development Company Limited, (6) Tamil Nadu Telecommunication Limited, (7) Tourism Finance Corporation of India Limited, and (8) IFCI Limited.

^α Shares of (1) Hindustan Cables Limited, (2) Hindustan Photo-films (Manufacturing) Company Limited, (3) IRCON International Limited, and (4) KIOCL Limited were not traded during 2013-14

[†] Eastern Investments Limited

8	GAIL (India) Limited	47663
9	Bharat Petroleum Corporation Limited	33284
10	Steel Authority of India Limited	29492

There was increase in market capitalisation in 24 CPSEs and decrease in the rest of the 18 CPSEs. CPSEs with significant decrease in market capitalisation are given as follows:

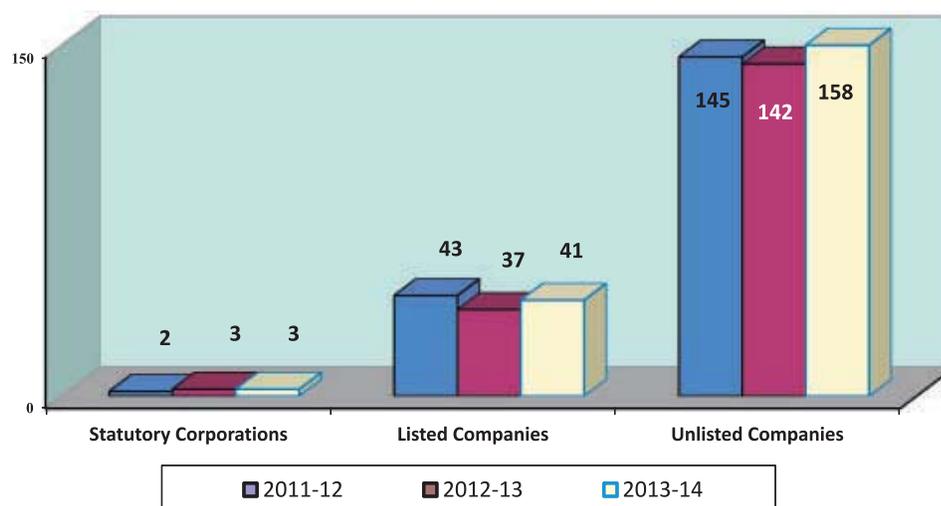
(₹ in crore)

SI No	Name of the CPSE	Market Capitalisation as on 31/3/2013	Market Capitalisation as on 31/3/2014	Difference
1	NTPC Limited	117086	98904	18182
2	MMTC Limited	19925	5310	14615
3	Coal India Limited	195270	181848	13422
4	India Tourism Development Corporation Limited	5275	826	4449
5	NHPC Limited	24478	21145	3333
6	Hindustan Copper Limited	8577	6347	2230
7	Oil India Limited	30733	28975	1758
8	National Fertilizers Limited	2186	1182	1004
9	Neyveli Lignite Corporation Limited	11056	10259	797
10	Indian Oil Corporation Limited	68335	67740	595

1.3. Return on investment in government companies and corporations

The number of CPSEs that earned profit* increased from 182 in 2012-13 (₹ 1,48,105 crore) to 202 in 2013-14 (₹ 1,53,907 crore).

Number of profit earning statutory corporations, listed and unlisted government companies



* Profitability analysis of 353 government companies and corporations indicating profit before interest and tax, capital employed, profit after tax, dividend, net worth, ratio of profit after tax to net worth, ratio of profit before interest and tax to capital employed and dividend to equity, is available at CAG website <www.cag.gov.in>.

The details of sectors which contributed maximum profit during the year 2013-14 are summarised below:

Sector	No. of Profit earning CPSEs	Net Profit earned (₹ in crore)	Percentage of profit to total CPSE profit
1. Petroleum			
Listed government companies	7	42866	27.85
Unlisted government companies	3	3879	2.52
Total	10	46745	30.37
2. Coal and Lignite			
Listed government companies	2	16510	10.73
Unlisted government companies	7	15003	9.75
Total	9	31513	20.48
3. Power			
Listed government companies	4	17566	11.41
Unlisted government companies	18	4545	2.95
Total	22	22111	14.37
Total (1) to (3)	41	100369	65.22

During 2013-14, as much as 65 per cent (₹ 1,00,369 crore) was contributed by 41 CPSEs in these three sectors compared to 62 per cent contributed by 37 CPSEs during 2012-13.

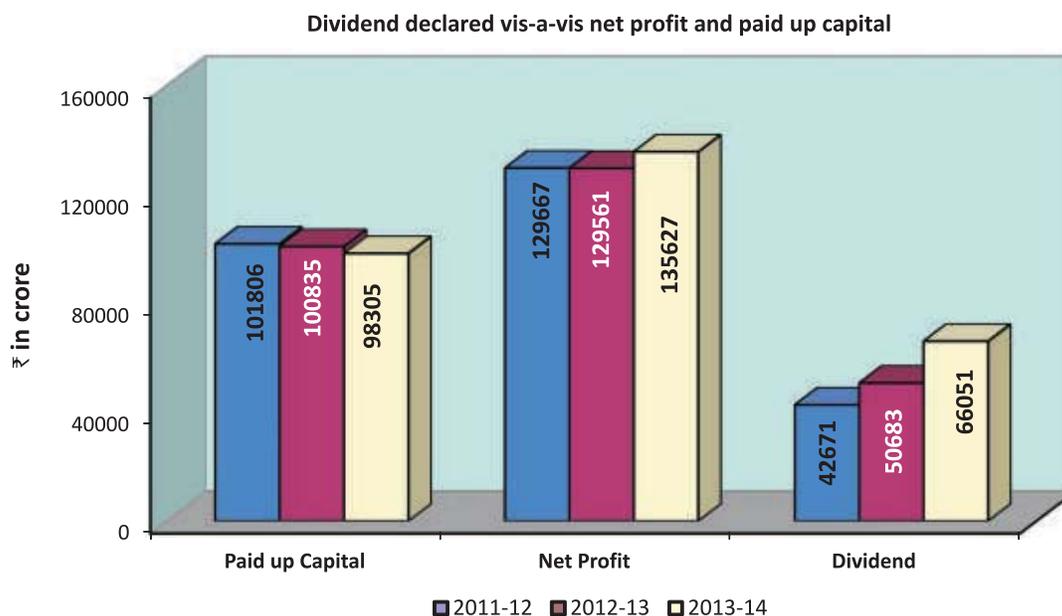
The following is the list of CPSEs which earned profit of more than ₹ 5,000 crore during the year 2013-14:

Sl no	Name of the CPSE	Net profit (₹ in crore)
1	Oil and Natural Gas Corporation Limited	22095
2	Coal India Limited	15009
3	NTPC Limited	10975
4	Indian Oil Corporation Limited	7019
5	NMDC Limited	6420
6	Power Finance Corporation Limited	5418
Total		66936

It may be seen that these CPSEs contributed 43 per cent of the total profit earned by 202 CPSEs as compared to 40 per cent of the total profit earned during 2012-13.

1.3.2 Dividend payout by CPSEs

The number of CPSEs* that had declared dividend during the last three years ended 31 March 2014 has been given in **Appendix - IV**. There were 111 CPSEs which declared dividend in 2013-14 (including 34 listed government companies and 2 statutory corporations). The dividend declared as a percentage of net profit earned by the CPSEs increased from 39.12 *per cent* in 2012-13 to 48.70 *per cent* in 2013-14. In absolute terms, the dividend declared by the CPSEs in 2013-14 increased by ₹ 15,368 crore from ₹ 50,683 crore in 2012-13 to ₹ 66,051 crore in 2013-14.



The details of profit earned and dividend declared is given the following table:

(₹ in crore)

Category	CPSEs declared dividend			
	No. of CPSEs	Paid up capital	Net profit	Dividend declared
Statutory corporations	2	725	896	180
Listed Companies	34	57636	104662	48938
Unlisted Companies	75	39944	30069	16933
Total	111	98305	135627	66051

- ❖ Out of total dividend of ₹ 66,051 crore declared by 111 CPSEs in the current year, dividend received/receivable by Government of India amounted to ₹ 41,842 crore. The return on aggregate investment of ₹ 2,45,191 crore made by the Government of India in equity capital of 353 CPSEs was 17.06 *per cent* as compared to 14.55 *per cent* during 2012-13. Similarly, 28 CPSEs received ₹ 14,138 crore as dividend on paid up capital of ₹ 4,839 crore on the equity holdings of other CPSEs.

* Only government companies and statutory corporations

- ❖ Under the Ministry of Petroleum and Natural Gas, 10 government companies declared dividend amounting ₹ 14,997 crore which was 22.70 *per cent* of the total dividend of ₹ 66,051 crore declared by various companies in 2013-14.
- ❖ The guidelines issued by the Ministry of Finance in September 2004 envisaged that all profit-making CPSEs would declare a minimum dividend of 20 *per cent* either on equity or on post-tax profit, whichever was higher. The minimum dividend payable by companies in Oil, Petroleum, Chemical and other infrastructure sectors was 30 *per cent* of post-tax profit. However, 19 companies which declared dividend (including 3 listed companies) did not comply with the government directive while declaring dividend, as given in **Appendix-V**. The total shortfall on this account was ₹ 2,555 crore in 2013-14.
- ❖ The Ministry had further emphasised that the objective of the government was to achieve minimum return of five *per cent* on overall investment in all government companies and corporations across the board. The return on the total investment of ₹ 2,45,191 crore made by the Government of India in equity of all the government companies and corporations was ₹ 41,842 crore, i.e. 17.06 *per cent*.

1.3.3 Return on investment in deemed government companies

Of the 144* deemed government companies, 99 companies earned profit of ₹ 4,608 crore. Out of these 99 companies, 43 declared dividend amounting to ₹ 843 crore which represented 12.53 *per cent* of their paid up capital of ₹ 6,726 crore. Thirty eight companies incurred losses of ₹ 2,330 crore during 2013-14 as compared to 39 companies loss of ₹ 1310 crore during 2012-13. Remaining seven companies had not started commercial operations.

Dividend of ₹ 843 crore declared by the 43 deemed government companies during 2013-14 came from the companies under various sectors is given below:

(₹ in crore)

Sector	No. of Companies	Paid up Capital	Net Profit	Dividend
Financial services	26	3729	1735	595
Insurance	1	1000	740	100
Power	2	1229	261	92
Transportation Services	1	164	30	20
Contract & Construction Services	2	446	226	20
Trading and Marketing	1	41	18	6
Petroleum	1	100	45	5
Industrial Development and Technical Consultancy	8	16	18	4
Minerals and Metals	1	1	6	1
	43	6726	3079	843

* 161– 17 deemed government companies whose accounts were in arrears

1.4 Loss-making CPSEs

There were 124 CPSEs that suffered losses during the year 2013-14. The loss incurred by these CPSEs increased significantly to ₹ 49,612 crore in 2013-14 from ₹ 29,184 crore during 2012-13 as detailed in following table.

Listed / Unlisted Year	No of CPSEs* suffered loss	Net loss for the year	Accumulated loss	Net Worth
(₹ in crore)				
Statutory Corporations				
2011-12	1	858	0	15414
2012-13	0	0	0	0
2013-14	1	995	0	14863
Listed government companies				
2011-12	8	7089	15503	-2598
2012-13	14	11652	22375	4855
2013-14	10	4574	21245	-5606
Unlisted government companies/corporations				
2011-12	88	23181	64273	70732
2012-13	110	17532	65405	53254
2013-14	113	44043	91854	31041
Total				
2011-12	97	31128	79776	83548
2012-13	124	29184	87780	58109
2013-14	124	49612	113099	40298

The following CPSEs incurred a loss of more than ₹ 5,000 crore during the year 2013-14*.

Sl No	Name of the Company	Net loss in 2013-14 (₹ in crore)
1	Chhattisgarh East Railway Limited	14181
2	Chhattisgarh East West Railway Limited	13458
3	Bharat Sanchar Nigam Limited	7020

1.4.1 Capital erosion in government companies

As on 31 March 2014 there were 150 CPSEs with accumulated loss of ₹ 1,27,020 crore. Of the 150 CPSEs, 102 CPSEs incurred losses during the year 2013-14 amounting to ₹ 39,798 crore and 48 CPSEs had not incurred loss in the current year 2013-14, though had accumulated loss of ₹ 13,921 crore.

Net worth[†] of 67 government companies (out of 150) had been completely eroded by accumulated loss and the net worth was negative. The net worth of these 67 companies was ₹ (-)87,885 crore against equity investment of ₹ 27,957 crore as on 31 March 2014. This included 6 listed companies whose net worth was ₹ (-)19,821 crore against equity investment

* Food Corporation of India, Inland Waterways Authority of India and National Highways Authority of India the deficits of which are reimbursed by the Government of India as subsidy/grant are not included in this table

* Accounts of Air India are in arrears. The loss incurred by Air India during 2012-13 was ₹ 5490.16 crore. The provisional loss for the year 2013-14 is ₹ 6280 crore

† 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

of ₹ 1,792 crore. Out of 67 CPSEs, whose capital had eroded, 9 CPSEs had earned profit of ₹ 1,399 crore during 2013-14.

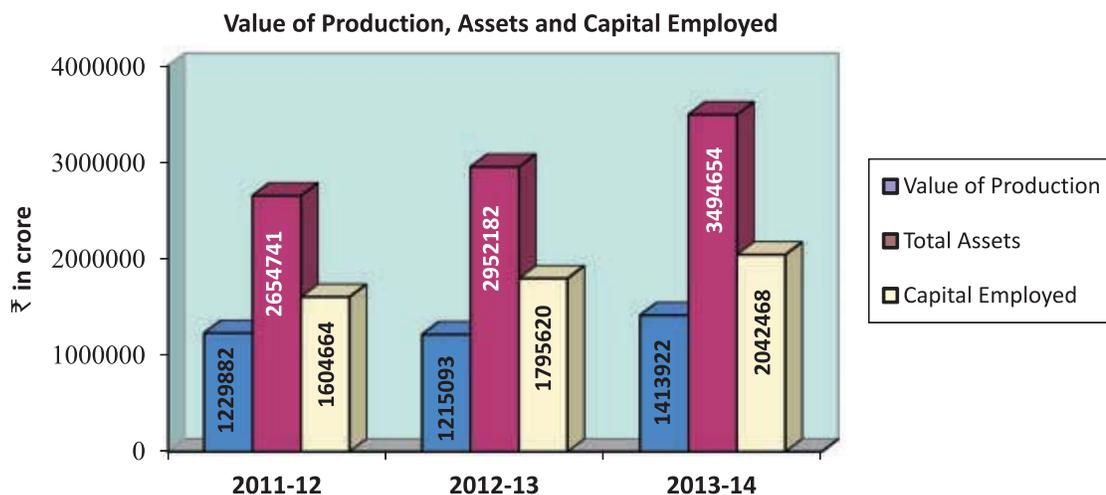
In 31 out of 67 CPSEs whose capital had eroded, government loans outstanding as on 31 March 2014 amounted to ₹ 16,331 crore. This included 4 listed companies with outstanding government loan of ₹ 2,821 crore.

Out of the 286 CPSEs whose net worth was positive, 19 CPSEs net worth was less than half of their paid up capital of ₹ 12,037 crore at the end of 31 March 2014, indicating potential sickness.

1.5 Operating efficiency of government companies

1.5.1 Value of production

The summary graph indicating value of production, total assets and capital employed over a period of three years is given below:



There was an increase in the value of production, total assets and capital employed in year 2013-14 compared to the previous year.

1.5.2 Sales and Marketing

During 2013-14, the total sales of 353 CPSEs was ₹ 19,54,117 crore. Out of these, 113 CPSEs made sales/rendered services to Government sector worth ₹ 2,32,954 crore against their net sales of ₹ 9,76,602 crore. The overall percentage of sales of these 113 CPSEs to the Government sector with reference to their total net sales worked out to 23.85 per cent.

There were 61 CPSEs which exported goods or rendered services abroad worth ₹ 1,03,070 crore. This worked out to 11.78 per cent against their net sales of ₹ 8,74,786 crore. Against the total sales of ₹ 19,54,117 crore made by the 353 CPSEs the export sales amounted to 5.27 per cent.

The following are the CPSEs with export sales of more than ₹ 1,000 crore.

Sl. no	Name of the CPSE	Export sales (₹ in crore)
1	Mangalore Refinery and Petrochemicals Limited	35392
2	Indian Oil Corporation Limited	21192
3	Bharat Heavy Electricals Limited	14063
4	ONGC Videsh Limited	9980
5	MMTC Limited	4209
6	National Aluminium Company Limited	3719
7	PEC Limited	2556
8	IRCON International Limited	2135
9	The State Trading Corporation of India Limited	1781
10	NMDC Limited	1631
11	Steel Authority of India Limited	1527
12	Air India Charters Limited	1018
Total		99203

The export sales of these 12 CPSEs accounted for 96 *per cent* of the total export of all CPSEs.

1.5.3 Research & Development

In order to upgrade existing products and to develop new products, processes etc. for sustained growth every organisation has to undertake research and development activities. During the year 2013-14, 58 CPSEs had incurred ₹ 3,652 crore on Research & Development. Following CPSEs had incurred R & D expenditure of more than ₹ 100 crore:

Sl no	Name of the CPSE	Total R&D expenditure (₹ in crore)	Net profit (₹ in crore)	Percentage of R&D exp to Net profit
1	Hindustan Aeronautics Limited	1083	2693	40
2	Oil and Natural Gas Corporation Limited	601	22095	3
3	Bharat Electronics Limited	467	932	50
4	Bharat Heavy Electricals Limited	311	3473	9
5	Indian Oil Corporation Limited	253	7019	4
6	NTPC Limited	134	10975	1
7	Steel Authority of India Limited	110	2616	4
8	Hindustan Petroleum Corporation Limited	101	1734	6