

**GOVERNMENT OF INDIA
HEAVY INDUSTRIES AND PUBLIC ENTERPRISES
LOK SABHA**

UNSTARRED QUESTION NO:6627
ANSWERED ON:06.05.2010
CAPITAL INVESTMENT IN PSUs
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Will the Minister of HEAVY INDUSTRIES AND PUBLIC ENTERPRISES be pleased to state:

- (a) the total amount of capital invested in public sector undertakings (PSUs) till now;
- (b) the percentage of profit being earned by the said undertakings at present on account of the said investment;
- (c) whether the Government has made any estimation regarding the capital investment made in the private sector and the percentage of profit being earned there from;
- (a) if so, the details thereof as on date; and
- (e) the reasons for wide gap existing between the public sector and private sector PSUs?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF HEAVY INDUSTRIES AND PUBLIC ENTERPRISES (SHRI ARUN YADAV)

(a) & (b): As per information available in Public Enterprises Survey 2008-09 that was laid in the Parliament on 25.2.2010, the cumulative capital investment (equity + long term loan) in the Central Public Sector Enterprises, as on 31.3.2009 amounted to Rs.5,28,951 crore. The (aggregate) gross profit as percent of capital invested in CPSEs stood at 15.92% during 2008-09.

(c) to (e): The Central Statistical Organisation, Government of India, makes estimation of capital investment in the private sector, which includes both the private corporate sector and the (private) household sector.

A comparison can, nevertheless, be made between the profitability of the private corporate sector and the Central Public Sector Enterprises (CPSEs) based on the Public Enterprises Survey (2008-09) and the RBI Monthly Bulletin (December, 2008). Accordingly, while gross profit as a ratio of fixed assets stood at 20.31% in the case of 217 CPSEs, it was 23.21% in the case of 1259 private limited companies during 2006-07.