

## CENTRAL PUBLIC SECTOR ENTERPRISES

8.56 There were 242 Central Public Sector Enterprises (CPSEs) under the administrative control of various Ministries/ Departments as on 31.3.2008.

The cumulative investment (paid-up capital plus long terms loans) in all the CPSEs stood at Rs. 4,55,409 crore as on 31.3.2008. The largest share in this investment belonged to the service sector (40.40 per

**Table 8.19 : Performance of CPSEs during 2007-08**

Particulars	(Rs. in crore)		
	2007-08	2006-07	Change (per cent)
Investment(long term loan + equity)	455409	420476	8.3
Capital employed (net fixed assets + working capital )	763127	659959	15.6
Total turnover	1081925	964896	12.1
Profit of Profit Making CPSEs	91083	89578	1.7
Loss of Loss Making CPSEs	11274	8457	33.3
Net worth	518417	452753	14.5
Dividend declared	28081	26819	4.7
Corporate tax	42013	34352	22.3
Interest paid	32240	27455	17.4
Contribution to Central Exchequer	165994	148789	11.6
Foreign Exchange Earnings	74283	70906	4.8
a) Oil companies	47203	43777	7.8
b) Other companies	27080	27129	0.2
Foreign Exchange Outgo	368196	316161	16.5
a) Oil companies	278992	241736	15.4
b) Other companies	89204	74425	19.9

Source : Department of Public Enterprises

\* Loss of loss making CPSEs increased mainly due to loss incurred by NACIL (Rs. 2,226 crore) during 2007-08 as compared to Rs. 688 crore loss incurred by Air India and Indian Airlines (put together) during 2006-07.

cent) followed by electricity (27.95 per cent), manufacturing (22.23 per cent), mining sector (8.83 per cent) and agriculture (0.04 per cent). The remaining 0.55 per cent belonged to CPSEs under construction. While 'investment' in all the CPSEs grew by 8.31 per cent in 2007-08 over 2006-07, "capital employed" in all the CPSEs went up by 15.63 per cent during the same period (Table 8.19). A great deal of investment in CPSEs is being made through internal resources rather than through investment from outside.

8.57 The net profit of profit making CPSEs (160) stood at Rs. 91,083 crore in 2007-08. The net loss of loss making enterprises (53) on the other hand, stood at Rs. 11,274 crore ; this includes accounting losses of closed units like the Fertilizers Corporation of India (Rs.1,504 crore) and Hindustan Fertilizers Corporation (Rs.1,102 crore). The Food Corporation of India (FCI) and Artificial Limbs Manufacturing Corporation of India (ALIMCO) etc. are CPSEs that have been laying greater emphasis on non-financial /social objectives. The year also witnessed severe financial under-recoveries by public sector oil marketing companies (OMCs) as they had to keep the prices low in the domestic market on sale of petroleum products.

8.58 The major highlights of the performance of CPSEs during 2007-08 are given in Table 8.19.

8.59 The CPSEs earned foreign exchange amounting to Rs. 74,283 crore during 2007-08. The total foreign exchange outgo (Rs. 3,68,196 crore) clearly exceeded the foreign exchange earnings.

### Tourism

8.60 In line with the National Tourism Policy formulated in 2002, aimed, inter alia, at positioning tourism as an engine of growth and development and employment generation, many initiatives have

**Table 8.20 : Number of foreign and domestic tourists (2005-06 to 2008-09)**

Year	Foreign tourist arrivals (lakhs)	*Foreign exchange earnings (million US\$)	*Domestic tourist visits (lakhs)**
2005-06	41.0 (13.8)	7853 (17.8)	3919.5
2006-07	46.7 (13.8)	9123 (16.2)	4623.1
2007-08	52.7 (12.8)	11666 (27.9)	5265.6
2008-09 (April-Jan)	41.6 (-0.1)	8753 (-3.9)	

Source : Ministry of Tourism

\* Figures in parenthesis are growth rates (per cent)

\*\* Domestic tourist visits for calendar years.

been taken. They include; Central assistance to states/UTs for integrated development of tourist destinations and circuits, assistance for large revenue generating projects, projects for developing rural tourism, assistance for eco-tourism projects, assistance for infrastructure development for cruise tourism, initiatives for promoting adventure tourism (inter-ministerial consultations, water skiing courses, financial assistance for mountain biking expeditions, etc.) and initiatives for encouraging MICE (meetings, incentives, conferences and exhibitions) tourism (Table 8.20).

8.61 During 2008-09, the Ministry of Tourism launched seven international campaigns for promoting Indian tourism in international markets. For domestic tourists, the “Sare Jahan Se Achcha” campaign through TV channels and cinema halls and thematic domestic campaigns, both launched in 2007-08, spilt over to 2008-09. Market development assistance (MDA) is being given to tourism service providers for

sales-cum-study tours, participation in fairs and exhibitions and publicity through printed materials. 10 per cent of the plan allocation of the Ministry of Tourism has been earmarked for promotion of North Eastern region. The Ministry has also launched “Visit India 2009” scheme whereby attractive incentives would be offered to foreign tourists. For identified destinations/circuits covered by the Jawaharlal Nehru National Urban Renewal Mission (JNNURM), convergence of resources is being ensured so that tourism-related infrastructure and urban civic infrastructure complement each other.

8.62 Nonetheless, the global economic crisis is seen to have affected tourism growth in 2008-09 (Table 8.20). In order to counter the adverse impact, initiatives like enhanced benefits under MDA scheme, increased subsidy in participation fee at international travel fares and exhibitions and familiarization tours for trade and media representatives to different parts of the country have been taken.