

Performance of Selected Public Sector Undertakings

22. In 1996-97, 110 PSEs signed MOUs as compared to 104 PSEs in 1995-96. As per the exercise carried out by the DPE for evaluating the annual performance of PSEs, out of 110 PSEs, 46 were rated excellent, 27 very good, 19 good, 11 fair and 7 poor.

23. The actual gross margin for PSUs in 1996-

97 exceeded the target by nearly 10 per cent. In 1995-96, the target was exceeded by 8 per cent. Profitability of PSUs in terms of gross margin, gross profit and pre-tax to capital employed have shown improvement in the recent years (Table 7.7). The ratio of PAT to Net Worth has also improved. These improvements could be attributed to the greater competitive pressure on the PSUs for improving their performance (e.g. removal of price preference etc.).

	70-71	80-81	90-91	92-93	93-94	94-95	95-96
1. Number of units	87	168	236	237	240	241	239
2. Paid up capital	18.2	87.3	432.4	518.7	559.7	570.1	591.5
3. Net Worth	22.0	115.5	757.3	956.5	1088.1	945.7	1046.0
4. Capital employed	36.5	182.3	1020.8	1399.3	1598.4	1624.5	1738.7
5. Gross profit	1.5	14.2	111.0	159.8	185.6	226.3	279.9
6. Pre-tax profits	0.2	0.4	35.0	52.0	66.6	98.0	140.6
7. Profit after tax (PAT)	0.0	-1.8	22.7	34.0	45.5	71.9	98.8
8. %Gross Margin to Capital Employed	9.5	13.2	17.9	18.0	17.3	20.6	23.3
9. %Gross profit to Capital Employed	4.0	7.8	10.9	11.4	11.6	13.9	16.1
10. %Pre-tax profit to Capital Employed	0.6	0.2	3.4	3.7	4.1	6.0	8.1
11. % PAT to Net Worth	-0.1	-1.6	3.0	3.5	4.2	5.8	6.0