

**SOME ASPECTS OF CORPORATE SOCIAL PERFORMANCE:  
A STUDY OF SELECTED PUBLIC SECTOR ENTERPRISES (PSEs) IN  
INDIA**

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**ABSTRACT**

*Generally the practice of evaluating the performance of any enterprises especially public sector enterprises (PSEs) based on financial measures only. But there has been emerged a new evaluation methodology where the researchers and social scientists have strongly opposed to this practice of concentrating on financial measures only for performance evaluation and they have suggested for the use of other relevant aspects for this purpose. This new evaluation ideology is appropriate for PSEs which have not been established only for profit motive but also for providing services to the society. Therefore, in order to examine the performance PSEs in India, both financial and social performance measures have been considered. It is the expectation of the society to know how far the PSEs have provided real benefits to the society in the form of resource mobilization through taxes, provision of employment opportunities to the common people to eradicate, to maintain a balanced regional development etc. The financial performance highlights the true and fair view of an enterprise but fails to highlight the contribution made by the organizations towards corporate social responsibility performance which is of great significance in case of PSEs. The purpose of this paper is to evaluate the social performance of the selected twenty PSEs in India with the help of different parameters like Contribution to Central Exchequer, Internal Resource Generation, Value Addition, Employment generation etc. with the help of relevant data for the study period from 1999-2000 to 2007-08.*

**Keywords:** *Internal Resources Generation, Contribution to Exchequer, Value Addition, Generation of Employment*

**Introduction:**

Generally the conventional practice of measuring the performance of any enterprise is based on the basis of some conventional techniques such as gross profit, net profit, gross profit ratio, net profit ratio, return on capital employed etc. where the focus is given on financial performance only. Even if we want to measure the performance of any enterprise by using any one of these conventional techniques the implied emphasis is that the firm exists, operates and grows only for the owners i.e. for the shareholders. But in the case of public sector enterprises, this technique highly mismatches, because the public sector enterprises have not been established not only for owners (i.e. not only for profit motive) but also for providing services to the society in different ways i.e. by generating the internal resources, by contributing some

amount to central exchequer, by adding value for the society, by generating the employment opportunity to common people etc. Therefore, in order to examine the performance of an enterprise especially in case of public sector enterprises in India, both financial and social performance measures have been considered because the public sector enterprises (PSEs) in India have been set up primarily with the public money for the noble objectives to alleviate poverty, to reduce the inequality of income distribution, to lessen the regional disparities and backwardness as well as to accelerate the pace of industrial development of India. Financial performance highlights the true and fair picture of an enterprise and fails to highlight the contribution towards social responsibility performance which is of great significance in case of PSEs.

**Review of Literature:**

During the last few years, several studies had been carried out on corporate social performance. A few numbers of these are connected with the evaluation of the social performance of public sector enterprises in India. Agarwal (1991) carried out his study on 'Corporate Performance Evaluation based on selected Public Sector Companies' with the help of some social parameters, Chander (1992) studied the 'Corporate Performance on selected Public and Private Sectors in India' and found that the performance in case of most of the public and private sectors was satisfactory, Sarkar (2002) in his study on 'Performance Appraisal of Public Sector Undertakings in India' through some social aspects (i.e. value addition, contribution to central exchequer, internal resource generation, foreign exchange earnings etc.), Nandi (2010) conducted a study on 'Performance Evaluation of Selected Central Public Sector Enterprises (PSEs) in India through Value Added Income Concept', Sarkar and Nandi (2010) revealed in their study of 'Corporate Social Performance of four selected Public Sectors as a whole in India', The empirical study shows that the Petroleum sector has performed best in terms of the average amount as well as percentage of total of internal resource generated, contribution to central exchequer, amount of value additions and the amount of foreign exchange earnings, whereas the Coal & Lignite sector occupies the best position in terms of generation of employment and houses constructed as well as capital expenditure for housing and community development for its employees.

**Purpose of The Study:**

The objective of the study is to evaluate and critically examine the performance of twenty selected Public Sector Enterprises (PSEs) in India through different social aspects. The social activities of the public sector enterprises for measuring corporate social performance have been categorized under different groups: (i) Generation of Internal Resources, (ii) Contribution to Central Exchequer, (iii) Value Addition and (iv) Generation of Employment Opportunity.

**Data Source & Methodology of The Study:**

In order to analyse this study, the twenty public sector enterprises taking five each from four core Public Sectors namely Steel sector, Power sector, Coal & Lignite sector and Petroleum sector respectively of the Indian Economy have been chosen at random. A simple random sampling procedure has been followed in this study. The enterprises that have been selected for this study have been abbreviated and listed in Appendix-1. This study is mainly based on secondary sources of information. The required data have been collected from Public Enterprise Survey Report published by Ministry of Heavy Industries & Public Enterprises, Govt. of India over the period of nine years (i.e. from 1999-2000 to 2007-08). For analysis and interpretation of data simple mathematical tools like

percentages, averages have been used for measuring corporate social performance of the twenty selected PSEs in India during the study period from 1999-2000 to 2007-08. In addition to this, the simple ranking procedure based on the average of each parameter have been computed and applied at appropriate places for the purpose of analysis. The study has been analysed into four sections.

**Findings of the Study:****Section-I:****Performance Analysis Through Internal Resource Generation:**

The Public Sector Enterprises in India have been entrusted with a pompous and flagrant duty to pave the way for industrial development of India by giving due emphasis to the generation of internal resources by the PSEs so as to amass wealth to provide fund for development purposes (Sarkar, 2002). The internal resources generated by the PSEs in India are the aggregate amount of Depreciation written off, Deferred Revenue Expenditure written off and Retained Profit (i.e. Internal Resources Generation = Depreciation written off + Deferred Revenue Expenditure + Retained Profit). The Internal Resources Generated by the selected twenty PSEs under four selected public sectors in India has been shown in Table-1.

It is observed from Table-1 that out of total amount (i.e. Rs. 4150523 lakh) of internal resources has been generated by the selected five PSEs under Steel sector, SAIL's contribution amounted to Rs. 2899761 lakh representing 69.86% of the aggregate amount of internal resources generated by the SAIL uniquely. From the joint study of Table-1 and Table-2, it is highlighted that out of total amount of internal resources generated by the Steel sector as a whole in India to the tune of Rs. 4174314 lakh, Rs. 4150523 lakh (representing 99.43% sharing in the generation of internal resources) has been generated unitedly by the five selected PSEs under Steel sector. It is exhibited from Table-3 that out of five selected PSEs falling under the Steel sector, SAIL has generated the highest average amount (i.e. Rs. 322196 lakh) of internal resources over the entire study period. Based on this average value it may be claimed that SAIL has contributed to 69.87% of the aggregate average amount of internal resources generated by the five selected PSEs under the Steel sector and SAIL has occupied the first rank position and fifth position is obtained by SAIL for lowest average of 0.10% during the study period.

In case of Power sector Table-1 shows that NTPC Ltd. has generated 67.09% (Rs. 4748517 lakh as a per cent of Rs 7077947 lakh) of the total amount of internal resources generated by the selected five selected PSEs. From the combined study of Table-1 and Table-2 it is seen that 96.77% (Rs. 7077947 lakh out of Rs 7383120 lakh) sharing in the generation of internal resources of the Power sector as a whole by five selected PSEs jointly. Table-3 exhibits that the average amount of internal resources of

Table-1: Internal Resources Generated By Selected PSEs In India During The Study Period From 1999-2000 To 2007-08

Years Enterprises	(Figures in Rs. Lakh)									
	1999-2000	2000-01	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08	Total
<b>Steel</b>										
MEL	-1465	-1623	-619	521	904	5467	2349	1507	2953	9994
MDNL	605	347	421	-3	685	762	1145	1989	2970	8921
RINL	-11246	15688	38103	97702	202303	300960	168608	172495	242924	1227537
SIIL	-1107	987	388	1061	1116	422	370	434	639	4310
SAIL	-44249	54825	-33162	116189	394351	654461	445565	605937	705844	2899761
<b>Power</b>	<b>Total → 4150523</b>									
NHPCL	60280	65010	65720	57369	69515	77466	75806	89224	109063	669453
NTPC	474764	523295	421005	438919	606297	551842	523511	591190	617694	4748517
NEEPCL	12957	26740	22124	-20604	33569	31832	25507	30148	37739	200012
NPCIL	25746	100311	203900	167769	247297	159984	148713	169199	143374	1366293
NHDCL	-	-	-	0	1346	6446	14204	40089	31587	93672
<b>Coal &amp; Lignite</b>	<b>Total → 7077947</b>									
CCL	11080	-57254	8733	58708	51901	46041	61587	54572	55057	290425
ECL	-38226	-65838	-4003	-16772	-15696	-51887	52752	25801	-82914	-196783
NCL	56320	65403	84691	72275	88389	98240	105707	106987	84190	762202
WCL	31411	20974	23221	32684	43609	37768	68066	52438	36281	346452
SECL	27805	22673	49200	51756	70115	78898	70879	88977	62825	523128
<b>Petroleum</b>	<b>Total → 1725424</b>									
BPCL	108826	123663	100082	123097	166246	113479	95659	203925	252499	1287476
CPCL	16976	18722	11866	34608	43351	60239	51303	60018	107839	404922
HPCL	104009	114727	96882	135237	166683	135556	97852	156662	186685	1194293
IOCL	378606	312381	340769	527357	611151	503327	546226	759060	893999	4872876
ONGC	681375	795354	776842	1014127	1036458	1270440	1541631	1746658	1851368	10714253
	<b>Total → 18473820</b>									

**Note:** Date of incorporation of NHDCL is 1<sup>st</sup> August, 2000; there was no Internal Resources figure during 1999-00 to 2001-02 and in 2002-03 its Internal Resources were zero.

**Source:** Compiled and Computed from Public Enterprise Survey, Govt. of India, various issues (Vol-III): 2001-02, 2004-05 & 2007-08.

NTPC Ltd. amounted to Rs. 527613 lakh as against Rs. 786439 lakh of aggregate average amount of internal resources generated by the five selected PSEs under this sector and it has captured the first position for highest average amount and NHDCL is occupied the fifth position for lowest average value. In case of Coal & Lignite sector, Table-1 depicts that the NCL has been generated alone 44.17% (Rs. 762202 lakh out of Rs. 1725424 lakh) of the aggregate amount of internal resources generated by five PSEs. From the joint study of Table-1 and Table-2 it is observed that 51.74% (Rs. 1725424 lakh out of Rs. 3335032 lakh) sharing in the generation of internal resources of the Coal & Lignite sector as a whole by five selected PSEs together. It is observed from Table-3 that the generation of internal resources by the NCL is computed at 44.17% out of the aggregate average amount of internal resources generated by the five selected PSEs and the NCL has achieved at the first position and the fifth position is achieved by ECL for lowest average percentage. Under Petroleum sector Table-1 highlights

that ONGC Ltd. has generated 58.00% (Rs. 10714253 lakh as a per cent of Rs. 18473820 lakh) of the aggregate amount of internal resources generated by the selected five PSEs. A joint study of Table-1 and Table-2 exhibits that out of the total amount (i.e. Rs. 22676429 lakh) of internal resources generated by the Petroleum sector as a whole in India, the five selected PSEs under this sector have generated together 81.47% (Rs. 18473820 lakh). From Table-3 it is found that the ONGC Ltd. has occupied the first position for highest average percentage of 58% and CPCL is occupying the fifth rank position for lowest average (2.19%) amount of internal resources.

**Section- II:**

**Performance Analysis Through Contribution To Central Exchequer:**

As a part of their performing social responsibilities, the PSEs have been making substantial contribution to the central exchequer in the form of corporate taxes, customs

**Table-2: Internal Resources Generated By Selected Public Sectors In India During The Study Period From 1999-2000 To 2007-08**

Years (1)	Steel Sector (Rs. In Lakh) (2)	Power Sector (Rs. in Lakh) (3)	Coal & Lignite Sector (Rs. In Lakh) (4)	Petroleum Sector (Rs. in Lakh) (5)	Total (Rs. in Lakh) (6)=(2+3+4+5)
1999-2000	-74509	573747	173060	1492458	2164756
2000-01	56171	715356	8598	1590698	2370823
2001-02	-9278	712749	272624	1569439	2545534
2002-03	202120	643452	332469	2169471	3347512
2003-04	607315	965542	509265	2496813	4578935
2004-05	972587	879090	421908	2691065	4964650
2005-06	629519	860910	567993	2866863	4915285
2006-07	793592	1031147	627232	3604576	6046547
2007-08	996797	1001127	421883	4195046	6574853
<b>Total</b>	<b>4174314</b>	<b>7383120</b>	<b>3335032</b>	<b>22676429</b>	<b>37568895</b>

Source: Compiled and Computed from Public Enterprise Survey, Govt. of India various issues (Vol-II): 2001-02, 2004-05 & 2007-08.

**Table-3: Average Internal Resources Generated By Selected Public Sector Enterprises During The Study Period From 1999-2000 To 2007-08**

Name of Enterprises	Average Internal Resources Generated (Rs. in Lakh)	Rank in terms of Average Internal Resources Generated	Average as % of Total Average
<b>Steel</b>			
MEL	1110	3	0.24
MDNL	991	4	0.21
RINL	136393	2	29.58
SIIL	479	5	0.10
SAIL	322196	1	69.87
<b>Total of Average</b>	<b>461169</b>		<b>100.00</b>
<b>Power</b>			
NHPCL	74384	3	9.46
NTPC	527613	1	67.09
NEEPCL	22224	4	2.83
NPCIL	151810	2	19.30
NHDCL	10408	5	1.32
<b>Total of Average</b>	<b>786439</b>		<b>100.00</b>
<b>Coal &amp; Lignite</b>			
CCL	32269	4	16.83
ECL	-21865	5	-11.41
NCL	84689	1	44.17
WCL	38495	3	20.08
SECL	58125	2	30.32
<b>Total of Average</b>	<b>191713</b>		<b>100.00</b>
<b>Petroleum</b>			
BPCL	143053	3	6.97
CPCL	44991	5	2.19
HPCL	132699	4	6.46
IOCL	541431	2	26.38
ONGC	1190473	1	58.00
<b>Total of Average</b>	<b>2052647</b>		<b>100.00</b>

Source: Table-1

**Table-4: Contribution to Central Exchequer by selected PSEs In India During The Study Period From 1999-2000 To 2007-08**

Years	(Figures in Rs. Lakh)									
	1999-2000	2000-01	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08	Total
<b>Steel</b>										
MEL	877	3632	3024	3885	3076	5460	6278	7501	10825	44558
MDNL	1101	1021	1023	861	1118	1404	1543	2630	3547	14248
RINL	77881	79271	79046	77945	75508	107829	184493	212524	242889	1137386
SIIL	498	12	31	691	2081	1945	1212	1270	1583	9323
SAIL	372750	387459	354465	369302	389910	815682	750661	1027955	1200311	5668495
<b>Power</b>	<b>Total → 6874010</b>									
NHPCL	46820	52360	53178	50061	50465	58121	61550	71780	110509	554844
NTPC	194910	225496	178842	188549	521761	421366	435937	664100	787626	3618587
NEEPCL	13030	15500	17454	24259	17544	19833	22124	21032	21130	171906
NPCIL	36355	80415	53347	76404	129482	79946	88479	116500	96049	756977
NHDCL	-	-	-	0	1080	8247	15640	31099	34692	90758
<b>Coal &amp; Lignite</b>	<b>Total → 5193072</b>									
CCL	52079	52321	17542	61178	68716	81919	144387	135136	146429	759707
ECL	6505	4853	4568	77616	73364	84678	1005	41	356	252986
NCL	67398	70816	90218	151934	183802	213643	220722	225582	232549	1456664
WCL	37712	9939	32618	83439	103838	88689	153908	133316	152439	795898
SECL	46082	20083	55827	144122	175566	206095	195991	218462	322368	1384596
<b>Petroleum</b>	<b>Total → 4649851</b>									
BPCL	466955	472273	545053	642232	683224	584440	857973	1200191	1298028	6750369
CPCL	32229	37344	40849	91094	103994	277956	490063	536763	597271	2207563
HPCL	446601	497101	586896	743561	796807	645002	603663	938797	867040	6125468
IOCL	1501346	272705	1783654	2100974	2291797	1795187	2313709	2895311	2898384	17853067
ONGC	913454	1160464	621385	1071763	930128	1355273	1503078	1598068	1688845	10842458
	<b>Total → 43778925</b>									

**Note:** Date of incorporation of NHDCL is 1<sup>st</sup> August, 2000; there was no Contribution to Exchequer during 1999-00 to 2001-02 and in 2002-03 its Contribution to Exchequer was zero.

**Source:** Compiled and Computed from Public Enterprise Survey, Govt. of India, various issues (Vol-III): 2001-02, 2004-05 & 2007-08.

duty, excise duty, dividend & interest etc. to mobilize fund for financing the needs of the planned economic development of India (Sarkar & Nandi, 2010).

The amount contributed to central exchequer by twenty selected PSEs under four selected Public Sectors in India during 1999-2000 to 2007-08 has been shown in Table-4. It is highlighted from Table-4 that the SAIL has contributed uniquely 82.46% (Rs. 5668495 lakh out of Rs. 6874010 lakh) of the aggregate amount of contribution to central exchequer by the five selected PSEs under Steel sector. From the joint study of Table-4 and Table-5, it is observed that out of total amount (i.e. Rs. 6949723 lakh) contributed to central exchequer by the Steel sector as a whole in India, Rs. 6874010 lakh (representing 98.91% sharing in the total contribution to central exchequer by five selected PSEs under Steel sector) has been contributed by the five selected PSEs together. It is exhibited from Table-6 that SAIL has contributed the highest average amount of Rs. 629833 lakh out of total average amount of Rs. 763779 lakh indicating 82.46% of the total average

amount has been contributed by SAIL and SAIL has occupied the first rank position and the fifth position is achieved by SIIL in that order. In case of Power sector it is seen from Table-4 that NTPC Ltd. has contributed 69.68% out of the total amount contributed by the selected five PSEs together. From the combined study of Table-4 and Table-5 it is observed that 95.14% (Rs. 5193072 lakh out of Rs. 5458494 lakh) sharing in the contribution to central exchequer of the Power sector as a whole in India by five selected PSEs jointly. It is highlighted from Table-6 the NTPC Ltd. has captured the first rank position for highest average amount of contribution and the fifth position goes to NHDCL for lowest average percentage of 1.75% during the study period. In the case of Coal & Lignite sector, it is exhibited from Table- 6 that on an average NCL has contributed 31.33% of the total average amount of contribution by the five selected PSEs and the NCL has ranked at the first position and the last rank is occupied by ECL. While in case of Petroleum sector, it is observed from Table-6 that IOCL has contributed to 40.78% of the

**Table-5: Contribution To Central Exchequer By Selected Public Sectors In India During The Study Period From 1999-2000 To 2007-08**

Years (1)	Steel Sector (Rs. in Lakh) (2)	Power Sector (Rs. in Lakh) (3)	Coal & Lignite Sector (Rs. in Lakh) (4)	Petroleum Sector (Rs. in Lakh.) (5)	Total (Rs. in Lakh) (6)=(2+3+4+5)
1999-2000	465760	291115	329787	3589278	4675940
2000-01	482954	373771	277961	2709464	3844150
2001-02	450379	302813	364909	4034620	5152721
2002-03	463885	339274	788256	5350167	6941582
2003-04	483743	734560	907332	5716728	7842363
2004-05	946821	643382	1077441	5816183	8483827
2005-06	944638	675293	1138200	6751856	9509987
2006-07	1252187	933583	1158358	8242381	11586509
2007-08	1459356	1164703	1444671	8698324	12767054
<b>Total</b>	<b>6949723</b>	<b>5458494</b>	<b>7486915</b>	<b>50909001</b>	<b>70804133</b>

Source: Compiled and Computed from Public Enterprise Survey, Govt. of India various issues (Vol-II): 2001-02, 2004-05 & 2007-08.

**Table-6: Average Contribution To Central Exchequer By Selected Public Sector Enterprises During The Study Period From 1999-2000 To 2007-08**

Name of Enterprises	Average Contribution to Central Exchequer (Rs. in Lakh)	Rank in terms of Average Contribution to Central Exchequer	Average as % of Total Average
<b>Steel</b>			
MEL	4951	3	0.65
MDNL	1583	4	0.21
RINL	126376	2	16.55
SIIL	1036	5	0.14
SAIL	629833	1	82.46
<b>Total of Average</b>	<b>763779</b>		<b>100.00</b>
<b>Power</b>			
NHPCL	61649	3	10.68
NTPC	402065	1	69.68
NEEPCL	19101	4	3.31
NPCIL	84109	2	14.58
NHDCL	10084	5	1.75
<b>Total of Average</b>	<b>577008</b>		<b>100.00</b>
<b>Coal &amp; Lignite</b>			
CCL	84412	4	16.34
ECL	28110	5	5.44
NCL	161852	1	31.33
WCL	88433	3	17.12
SECL	153844	2	29.78
<b>Total of Average</b>	<b>516651</b>		<b>100.00</b>
<b>PETROLEUM</b>			
BPCL	750041	3	15.42
CPCL	245285	5	5.04
HPCL	680608	4	13.99
IOCL	1983674	1	40.78
ONGC	1204718	2	24.77
<b>Total of Average</b>	<b>4864326</b>		<b>100.00</b>

Source: Table-4

**Table-7: Value Added By Selected Public Sector Enterprises (Pses) In India During The Study Period From 1999-2000 To 2007-08**

Years Enterprises	(Figures In Rs. Lakh)									
	1999-2000	2000-01	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08	Total
<b>Steel</b>										
MEL	1019	1397	2223	3927	4148	11350	6658	6478	11970	49170
MDNL	4702	4318	4660	3828	6454	6772	6639	9508	13383	60264
RINL	77047	118168	145478	185408	281969	412108	308119	341964	452845	2323106
SIIL	20	760	1012	1633	3332	3356	1202	1326	1945	14586
SAIL	424794	568941	509150	661309	1005408	1527902	1177459	1713320	2203898	9792181
<b>Power</b>	<b>Total → 12239307</b>									
NHPCL	106870	113510	121270	116908	126842	143781	159376	172639	221583	1282779
NTPC	808514	909304	747263	797135	661130	878712	967360	1610837	1497228	8877483
NEEPCL	26459	27454	33445	30911	53345	65240	65484	61388	65066	428792
NPCIL	162158	204468	255830	327773	310829	237328	240189	231666	215737	2185978
NHDCL	--	--	--	0000	2734	17767	33083	74177	67020	194781
<b>Coal &amp; Lignite</b>	<b>Total → 12969813</b>									
CCL	120993	162198	226945	230386	242341	297504	339353	333022	379202	2331944
ECL	157470	196039	216668	213481	217029	248328	284053	283097	234965	2051130
NCL	171285	185940	219655	235841	278016	342870	346163	332859	415107	2527736
WCL	193052	200187	226263	247494	262960	308144	355491	341212	378709	2513512
SECL	246373	272186	307468	329611	349161	441991	485119	405447	589161	3426517
<b>Petroleum</b>	<b>Total → 12850839</b>									
BPCL	390078	445228	456440	269774	623030	602020	634820	903166	843571	5168127
CPCL	50785	55756	43656	57975	104138	171145	165507	189355	268469	1106786
HPCL	368313	412832	421892	149307	529811	496261	170592	88353	154275	2791636
IOCL	1094259	1973948	1463341	1276457	1847545	1634882	1222289	928380	655573	12096674
ONGC	1462365	1775622	2255656	3390408	3180919	4100563	4428494	5009346	5258175	30861548
	<b>Total → 52024771</b>									

**Note:** Date of incorporation of NHDCL is 1<sup>st</sup> August, 2000; there was no Value Added figure during 1999-00 to 2001-02 and in 2002-03 its Value Added was zero.

**Source:** Compiled and Computed from Public Enterprise Survey, Govt. of India, various issues (Vol-III): 2001-02, 2004-05 & 2007-08.

total average amount of contribution by the five selected PSEs and the IOCL has occupied the first position and the fifth position is achieved by CPCL for lowest average percentage of 5.04 during the study period.

**Section- III:**

**Performance Analysis Through Value Additions:**

The value addition is one of the important aspects for judging the corporate social performance in case of PSEs in India. This is more relevant and appropriate to enterprises engaged in manufacturing/producing activities for delivering goods (PE Survey, 1995-96) or for rendering services in the social spheres.

Table-7 gives a detailed information about the value additions by the twenty selected PSEs under four selected Public Sectors in India during the study period 1999-00 to 2007-08. It is observed from Table-7 that out of total amount of value added (i.e. Rs. 12239307 lakh) by the five selected PSEs jointly under the Steel sector, SAIL's contribution amounted to Rs. 9792181 lakh representing

80.01% sharing made by SAIL towards value addition by the five selected PSEs under this sector. From the joint study of Table-7 and Table-8 it is highlighted that the five selected PSEs have generated together 97.77% (Rs. 12239307 lakh out of total value addition of Rs. 12518527 lakh) in the total value addition of the Steel sector as a whole in India. It is exhibited from Table-9 that on an average SAIL has contributed to 80.01% of the aggregate average amount of value addition by the five selected PSEs under this sector and SAIL has occupied the first rank position and the fifth position is occupied by SIIL for lowest average percentage of 0.12 during the study period. In case of Power Sector Table-9 depicts that NTPC Ltd. has contributed 68.45% of the total average amount of value added by the five selected PSEs under this sector and the NTPC Ltd. has ranked at the first position for highest average and the fifth position goes to NHDCL in that order. It is exhibited from. It is highlighted from Table-9 that on an average SECL under Coal & Lignite sector has generated 26.67% of the total average value addition of the five selected PSEs under this sector and the SECL has

Table-8: Value Added By Selected Public Sectors In India During The Study Period From 1999-2000 To 2007-08

Years (1)	Steel Sector (Rs. in Lakh) (2)	Power Sector (Rs. in Lakh) (3)	Coal & Lignite Sector (Rs. in Lakh) (4)	Petroleum Sector (Rs. in Lakh) (5)	Total (Rs. in Lakh) (6)=(2+3+4+5)
1999-2000	518995	1104001	1310631	3824466	6758093
2000-01	734589	1254736	1493551	5170745	8653621
2001-02	699266	1157808	1715757	5281506	8854337
2002-03	891517	1272728	1826248	7180991	11171484
2003-04	1353781	1177063	1971782	7485730	11988356
2004-05	2039386	1453901	2373498	8594546	14461331
2005-06	1507519	1674085	2557905	8105604	13845113
2006-07	2080383	2353130	2445771	8762585	15641869
2007-08	2693091	2325227	2902119	9130479	17050916
<b>Total</b>	<b>12518527</b>	<b>13772679</b>	<b>18597262</b>	<b>63536652</b>	<b>108425120</b>

Source: Compiled and Computed from Public Enterprise Survey, Govt. of India various issues (Vol-II): 2001-02, 2004-05 & 2007-08.

Table-9: Average Value Added By Selected Public Sector Enterprises During The Study Period From 1999-2000 To 2007-08

Name of Enterprises	Average Value Added (Rs. in Lakh)	Rank in terms of Average Value Added	Average as % of Total Average
<b>Steel</b>			
MEL	5463.33	4	0.40
MDNL	6696.00	3	0.49
RINL	258122.89	2	18.98
SIIL	1620.67	5	0.12
SAIL	1088020.11	1	80.01
<b>Total of Average</b>	<b>1359923.00</b>		<b>100.00</b>
<b>Power</b>			
NHPCL	142531.00	3	9.89
NTPC	986387.00	1	68.45
NEEPCL	47643.56	4	3.31
NPCIL	242886.44	2	16.85
NHDCL	21642.33	5	9.89
<b>Total of Average</b>	<b>1441090.33</b>		<b>100.00</b>
<b>Coal &amp; lignite</b>			
CCL	259104.89	4	18.15
ECL	227903.33	5	15.96
NCL	280859.56	2	19.67
WCL	279279.11	3	19.56
SECL	380724.11	1	26.66
<b>Total of Average</b>	<b>1427871.00</b>		<b>100.00</b>
<b>Petroleum</b>			
BPCL	574236.33	3	9.93
CPCL	122976.22	5	2.13
HPCL	310181.78	4	5.37
IOCL	1344074.89	2	23.25
ONGC	3429060.89	1	59.32
<b>Total of Average</b>	<b>5780530.11</b>		<b>100.00</b>

Source: Table-7



**Table-10: Number of Employees Generated By Selected PSEs In India During The Study Period From 1999-2000 To 2007-08**

Years Enterprises	(Figures Expressed In Numbers)									
	1999-2000	2000-01	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08	Total
<b>Steel</b>										
MEL	961	949	912	868	827	812	802	801	781	7713
MDNL	1427	1359	1293	1288	1286	1321	1319	1281	1264	11838
RINL	17254	17131	17026	16894	16755	16613	16574	16402	16416	151065
SIIL	395	342	332	330	322	316	311	306	302	2956
SAIL	159940	156721	147601	137496	131910	126857	138211	132973	128804	1260513
<b>Power</b>	<b>Total → 1434085</b>									
NHPCL	12150	11950	13054	12965	13769	13470	13118	12768	12341	115585
NTPC	24009	23978	23972	23767	23073	23385	24044	24122	24539	214889
NEEPCL	3245	3347	3310	3275	3238	3233	3319	3239	3197	29403
NPCIL	11756	10558	11972	11739	12035	12044	12039	12155	11942	106240
NHDCL	-	-	-	60	488	517	684	646	569	2964
<b>Coal &amp; Lignite</b>	<b>Total → 469081</b>									
CCL	80916	77882	74927	72401	69799	66871	64200	64144	63117	634257
ECL	133383	127452	119712	114582	110132	105692	101474	98780	94943	1006150
NCL	17242	17166	17212	17278	17292	17174	16914	16726	16697	153701
WCL	80228	77866	75005	72501	70515	68938	67378	65599	64160	642190
SECL	97370	95581	93384	91390	89503	87590	85871	84368	82782	807839
<b>Petroleum</b>	<b>Total → 3244137</b>									
BPCL	12638	12670	12586	12494	12434	12029	13876	13970	14006	116703
CPCL	1763	1718	1695	1647	1713	1699	1672	1651	1666	15224
HPCL	11584	11549	11357	11213	11088	10561	10778	10899	10949	99978
IOCL	34059	32266	31675	31500	30801	30430	30048	31938	31945	284662
ONGC	40021	40226	40280	39352	38033	36185	34722	33773	32949	335541
	<b>Total → 852108</b>									

**Note:** Date of incorporation of NHDCL is 1<sup>st</sup> August, 2000; there was no Employment during 1999-2000 to 2001-02.

**Source:** Compiled and Computed from Public Enterprise Survey, Govt. of India, various issues (Vol-III): 2001-02, 2004-05 & 2007-08.

ranked at the first position and ECL occupying the fifth position during the study period. While in case of Petroleum sector Table-9 highlights that ONGC Ltd. has captured at the first rank position on the basis of highest average percentage of value addition and CPCL occupying the fifth position for lowest average percentage during the study period.

#### Section- IV:

#### Performance Analysis Through Employment

#### Generation:

The government of India has taken an important step to set up public sector enterprises for the extension of the scope of employment opportunities in the said backward regions. In this context it may be highlighted that the setting up of PSEs in India has resulted in generation and extension of substantial employment, both direct and indirect, in the states where the units are located (Nandi, 2010). The generation of employment by the twenty selected PSEs

under four selected Public Sectors in India during 1999-2000 to 2007-08 have been shown in Table-10.

Based on the average number of employment it is highlighted from Table-12 that SAIL under Steel sector has occupied the first rank position and SIIL has captured the fifth position for the lowest average number of employment. In case of Power sector, Table-12 exhibits that out of the five selected PSEs, NTPC Ltd. has generated highest average number of employment (i.e. 45.81%) and therefore, NTPC Ltd. has ranked at the first position and NHDCL has occupied the fifth position for lowest average percentage of 0.63. In the case of Coal & Lignite sector, Table-12 exhibits that ECL has contributed 31.01% of the aggregate average number of employment of the five selected PSEs and the ECL has occupied at the first position and NCL is occupied the fifth position during the study period. It is highlighted from Table-12 that ONGC Ltd. under Petroleum sector has generated the highest average number of employment out of five selected PSEs falling under the Petroleum sector. On an average ONGC Ltd. has generated 39.38% out of the total

Table-11: Employment In The Selected Public Sectors In India During The Study Period From 1999-2000 To 2007-08

(Figure expressed in numbers)

Years (1)	Steel Sector (2)	Power Sector (3)	Coal & Lignite Sector (4)	Petroleum Sector (5)	Total (6)=(2+3+4+5)
1999-2000	206037	51160	578570	120648	956415
2000-01	201463	49833	557692	119294	928282
2001-02	191205	52308	535083	117880	896476
2002-03	177593	51746	516311	117274	862924
2003-04	169261	54349	499872	114266	837748
2004-05	163292	54406	483394	110929	812021
2005-06	158383	57311	467422	109554	792670
2006-07	152920	56996	457218	107839	774973
2007-08	148727	56654	445637	107350	758368
<b>Total</b>	<b>1568881</b>	<b>484763</b>	<b>4541199</b>	<b>1025034</b>	<b>7619877</b>

Source: Compiled and Computed from Public Enterprise Survey, Govt. of India various issues (Vol-II): 2001-02, 2004-05 & 2007-08.

Table-12: Average Number of Employment Selected Public Sector Enterprises During The Study Period From 1999-2000 To 2007-08

Name of Enterprises	Average Number of Employment	Rank In Terms of Average Number of Employment	Average As % of Total Average
<b>Steel</b>			
MEL	857	4	0.54
MDNL	1315	3	0.82
RINL	16785	2	10.53
SIIL	328	5	0.21
SAIL	140057	1	87.90
<b>Total of Average</b>	<b>159342</b>		<b>100.00</b>
<b>Power</b>			
NHPCL	12843	2	24.64
NTPC	23877	1	45.81
NEEPCL	3267	4	6.27
NPCIL	11804	3	22.65
NHDCL	329	5	0.63
<b>Total of Average</b>	<b>52120</b>		<b>100.00</b>
<b>Coal &amp; Lignite</b>			
CCL	70473	4	19.55
ECL	111794	1	31.01
NCL	17078	5	4.74
WCL	71354	3	19.80
SECL	89760	2	24.90
<b>Total of Average</b>	<b>360459</b>		<b>100.00</b>
<b>Petroleum</b>			
BPCL	12967	3	13.70
CPCL	1692	5	1.79
HPCL	11109	4	11.73
IOCL	31629	2	33.40
ONGC	37282	1	39.38
<b>Total of Average</b>	<b>94679</b>		<b>100.00</b>

Source: Table-10

average number of employment of the five selected PSEs under the Petroleum sector and the ONGC Ltd. has ranked at the first position. The second rank position based on the average number of employment goes to IOCL and then the third, fourth and the fifth position are occupied by BPCL, HPCL and CPCL respectively during the study period.

**Conclusions:**

The empirical study shows that the SAIL in case of Steel sector, NTPC Ltd. in case of Power sector and ONGC Ltd. in case of Petroleum sector have performed best in terms of the average amount of internal resource generated, contribution to central exchequer (excepting in case of Petroleum sector IOCL has performed best), the average amount of value additions as well as the employment generation. Whereas in the case of Coal & Lignite sector, the NCL has performed best in the first two aspects while SECL has made more value additions and ECL has generated more employment opportunities for the common people of the society. In reality, the performance of these selected PSEs as exposed in our study is not duly reflected in the stream of economic well being of the vast Indian populace. Consequently, the performance of PSEs has unleashed the scope of wide criticism on many occasions like high initial capital-intensive projects, lack of technological advancement, locational disadvantages, long gestation period projects etc. However, these criticisms against the PSEs are substantially squashed if we have a close look to the corporate social performance of PSEs in terms of their VALUE ADDITIONS, CONTRIBUTION TO CENTRAL EXCHEQUER, INTERNAL RESOURCES GENERATION, EMPLOYMENT GENERATION etc. In spite of these limitations, the PSEs in India have been set up and run since independence commensurate with the socio-economic status as well as the needs, aspirations of the common people at large.

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**APPENDIX-1**

**Abbreviations Used For The Selected PSEs In India**

SL. NO	Steel Sector	Power Sector
1	MEL: Maharastra Electros melt Ltd.	NHPCL: National Hydroelectric Power Corporation Ltd.
2	MDNL: Mishra Dhatu Nigam Ltd.	NTPCL: National Thermal Power Corpn. Ltd.
3	RINL: Rastriya Ispat Nigam Ltd.	NEEPCL: North Eastern Electric Power Corporation Ltd
4	SIIL: Sponge Iron India Ltd.	NPCL: Nuclear Power Corpn. Of India Ltd.
5	SAIL: Steel Authority of India Ltd.	NHDCL: Narmada Hydroelectric Development Corporation Ltd.
SL. NO	Coal & Lignite Sector	Petroleum Sector
1	CCL: Central Coalfields Ltd.	BPCL: Bharat Petroleum Corporation Ltd.
2	ECL: Eastern Coalfields Ltd.	CPCL: Chennai Petroleum Corporation Ltd.
3	NCL: Northern Coalfields Ltd.	HPCL: Hindustan Petroleum Corporation Ltd.
4	WCL: Western Coalfields Ltd.	IOCL: Indian Oil Corporation Ltd.
5	SECL: South Eastern Coalfields Ltd.	ONGCL: Oil & Natural Gas Corporation Ltd.

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