

Finances of Non-Government Non-Financial Private Limited Companies, 2011-12*

Financial performance of select non-government non-financial private limited companies in 2011-12 displayed broadly similar trend as that of public limited companies. Growth in sales moderated in 2011-12. Higher growth in operating expenses relative to that in value of production led to lower growth in earnings before interest, tax, depreciation and amortisation (EBITDA) and decline in net profits (PAT). Profit margins were also lower. While the pace of business expansion slowed down, lower accrual to reserves necessitated relatively higher growth in borrowings. Thus, total borrowing to equity ratio of select companies increased in 2011-12. Share of fixed asset formation in total uses of funds remained at the same level as in 2010-11, but it was lower than the level seen in the pre-crisis period.

The financial performance of select 1,741 non-government non-financial (NGNF) private limited companies during the year 2011-12 analysed in this article is based on their audited annual accounts closed during April 2011 to March 2012¹. The article also provides comparable position for the period 2007-08 to 2010-11 based on data compiled for relevant financial

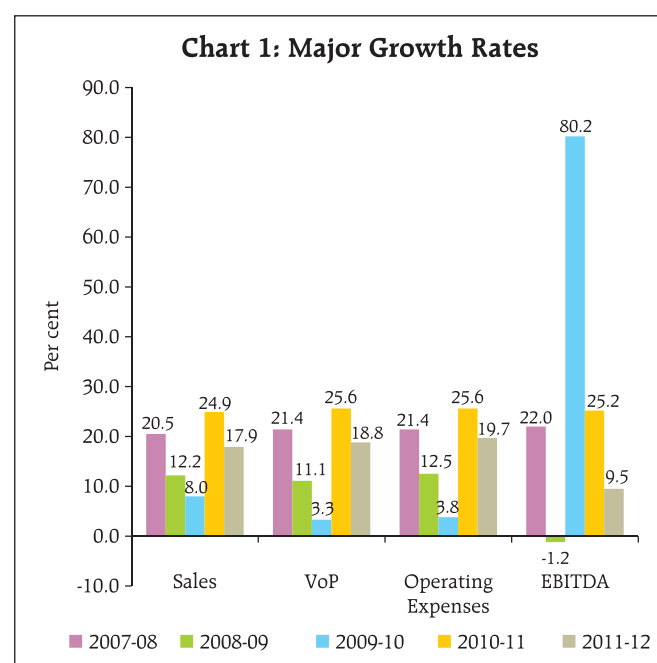
* Prepared in the Company Finances Division of the Department of Statistics and Information Management. Reference may be made to the October 2012 issue of the RBI Bulletin for the previous year's study. In the present study, 562 new companies have been covered in addition to the 1179 companies common with the previous year's study.

¹ In the case of companies, which either extended or shortened their accounting year, their income, expenditure and appropriation account figures have been annualised. The balance sheet data, however, have been retained as presented in the annual accounts of the companies. Subsequent to revision in Schedule VI of Companies Act 1956, major changes have taken place in the presentation of the balance sheet and profit and loss statements of the companies w.e.f. financial year 2011-12. As data for the earlier years are not available in the revised format, data for 2011-12 have been suitably mapped to the pre-revised format to maintain comparability. The analysis of financial performance of the select companies is subject to these limitations.

years and published earlier². Reference may also be made to the detailed data for 2011-12 along with explanatory notes already released in the website of the Reserve Bank. The select 1,741 companies covered in the latest data release accounted for 6.8 per cent of population paid-up capital (PUC) (provisional estimate supplied by Ministry of Corporate Affairs, Government of India) of all NGNF private limited companies as on March 31, 2012. The coverage of companies in different years varies to some extent.

1. Lower sales growth with relatively higher growth in operating expenses led to lower profit growth

1.1 Growth in sales (17.9 per cent) of select NGNF private limited companies moderated in 2011-12 following the sharp recovery in 2010-11 (*Statement 1 & Chart 1*). However, higher growth in operating expenses (19.7 per cent) than that of value of production (VoP) led to lower growth in EBITDA. Further, sharp rise in interest payments in 2011-12 resulted in lower net profit (PAT). Gross savings of select companies were also lower in 2011-12.



² Growth rates and ratios for the years 2009-10 and 2010-11 reported therein may not match with those included in this analysis due to differences in composition of samples on which they are based.

1.2 Sales of the small companies (*i.e.*, sales 'below ₹250 million' each) declined for last four years with 2011-12 recording the steepest fall. Sales growth of large companies (sales 'above ₹1 billion' each) were higher in each of the five year period under study. Sales and operating expenses growth declined across companies in all size classes in 2011-12. EBITDA of small companies declined in 2011-12 while in other size classes it grew by smaller order.

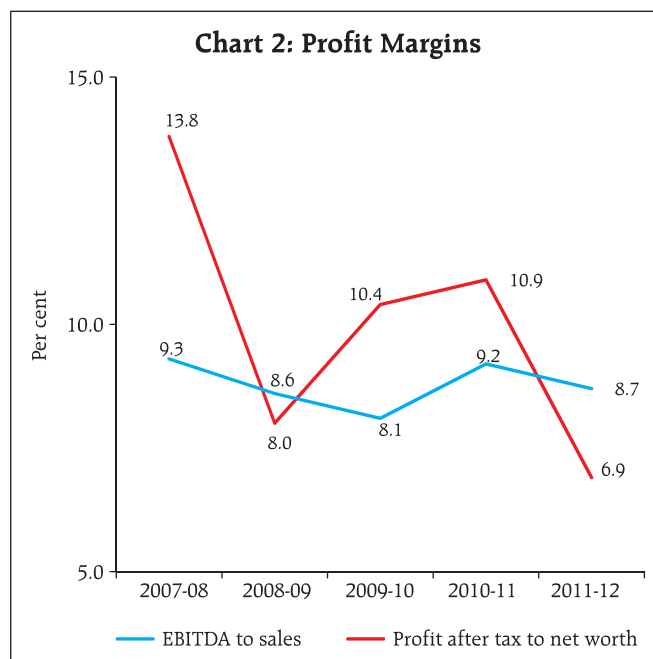
1.3 Sales growth of manufacturing and services sectors declined in 2011-12. However, while manufacturing sector recorded lower profit in 2011-12, services sector could maintain profit growth at similar level as that of previous year.

1.4 In the manufacturing sector, most of the industries except 'food products and beverages' industry registered lower sales growth in 2011-12 when compared with the previous year. The decline was very sharp in 'textiles,' 'iron and steel' and 'electrical machinery and apparatus' industries. EBITDA growth was also low or negative in most of the industries barring 'chemical and chemical products' and 'electrical machinery and apparatus' industries. In the services sector, 'real estate' and IT companies recorded significant rise in sales and EBITDA, while companies engaged in 'wholesale and retail trade' had negligible sales growth.

2. Profit Margin declined after recovery in 2010-11

2.1 EBITDA margin of private limited companies improved in 2010-11 after successive declines in the previous two years (Statement 2 & Chart 2). This could not be sustained in 2011-12. Return on equity (PAT to net worth ratio) at 6.9 per cent was at its lowest level in the five years period under consideration. EBITDA margin improved for small companies while it declined for mid-size and large companies.

2.2 EBITDA margin for the manufacturing sector declined continuously between 2008-09 and 2011-12, while in the services sector it improved gradually from the low of 2008-09. 'Textiles,' 'iron and steel' and 'motor vehicles and other transport equipments' industries in



manufacturing sector recorded significant fall in EBITDA margin during 2011-12. 'Transport, storage and communication' industry in the services sector also witnessed a sharp decline in the EBITDA margin during 2011-12. Only the 'real estate' and 'construction' industries retained their profit margin in the last 5 year period.

3. Business expanded at a slower pace on the face of slack demand

3.1 Total net assets of select companies grew at a much lower rate of 13.6 per cent in 2011-12 when compared to the previous years (Statement 1). Companies in all sales-size classes recorded lower growth in total net assets as compared with 2010-11. The decline was sharpest for companies in the highest sales size class (*i.e.*, '₹1 billion and above' each), for which the growth was at its lowest level in the five years period under study.

3.2 Slower pace of expansion was observed in all the major sectors *viz.*, manufacturing, services and construction. It was also spread across most of the industries with 'food products and beverages', 'textiles', 'machinery and equipments' and 'electrical machinery and apparatus' industries recording steep decline in net assets growth. Even in the relatively more profitable

industries like 'construction', 'real estate' and 'computer and related activities', business expanded at a slower rate.

4. Leverage increased while interest coverage declined

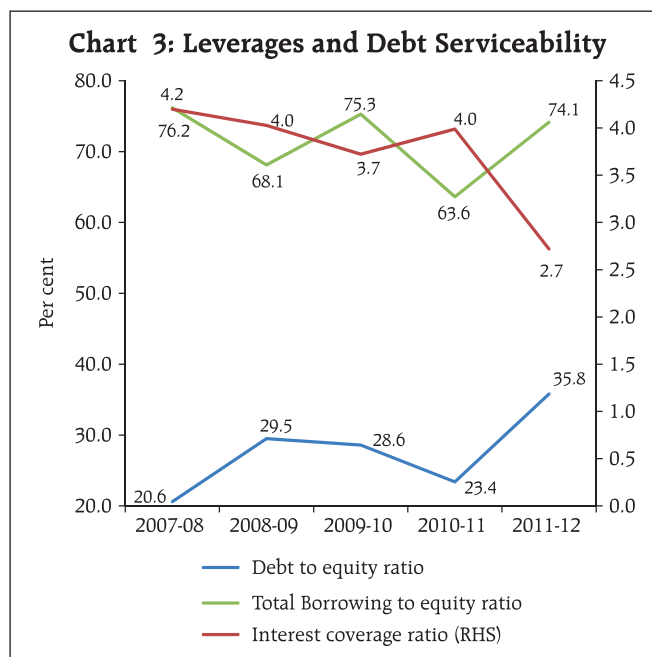
4.1 Lower profit growth led to lower growth in net worth in 2011-12 across all size classes and all major sectors, barring 'construction'. Net worth of 'motor vehicles and other transport equipments' industry declined in 2011-12 and in 'textiles', 'iron and steel' and 'real estate' industries it grew at a very low rate.

4.2 Total borrowings of select companies also grew at a lower rate in 2011-12 as compared with 2010-11. However, total borrowings of 'iron and steel', 'motor vehicles and other transport equipments' and 'mining and quarrying' industries grew at much higher rates. In the services sector, while the overall growth in borrowings was modest, that of 'transport storage and communication' industry recorded sharp rise.

4.3 Leverage of select companies, as expressed through borrowings to equity ratio, at aggregate level, declined from 75.3 per cent in 2009-10 to 63.6 per cent in 2010-11 but increased to 74.1 per cent in 2011-12 (Statement 2 & Chart 3). The rise in 2011-12 was mainly contributed by 'transport storage and communication', 'construction' and 'machinery and machine tools' industries (Statement 2). Leverage of companies in 'real estate' industry declined in the post-crisis period.

4.4 Debt to equity ratio (debt generally refers to long-term component of borrowings) also increased in 2011-12 (Statement 2). Debt to equity ratio was higher in 'transport, storage and communication', 'construction' and 'real estate' industries' in 2011-12 and it increased over the previous year. Manufacturing sector recorded marginally higher debt to equity ratio. However, the ratio declined in 'textiles', 'food products and beverages' and 'iron and steel' industries.

4.5 The interest coverage ratio (ICR), calculated as ratio of earnings before interest and tax to interest expenses, at the aggregate level registered a significant decline in 2011-12 and reached the lowest level (2.7) in last five years (Chart 3). The ratio slipped below 1, indicating



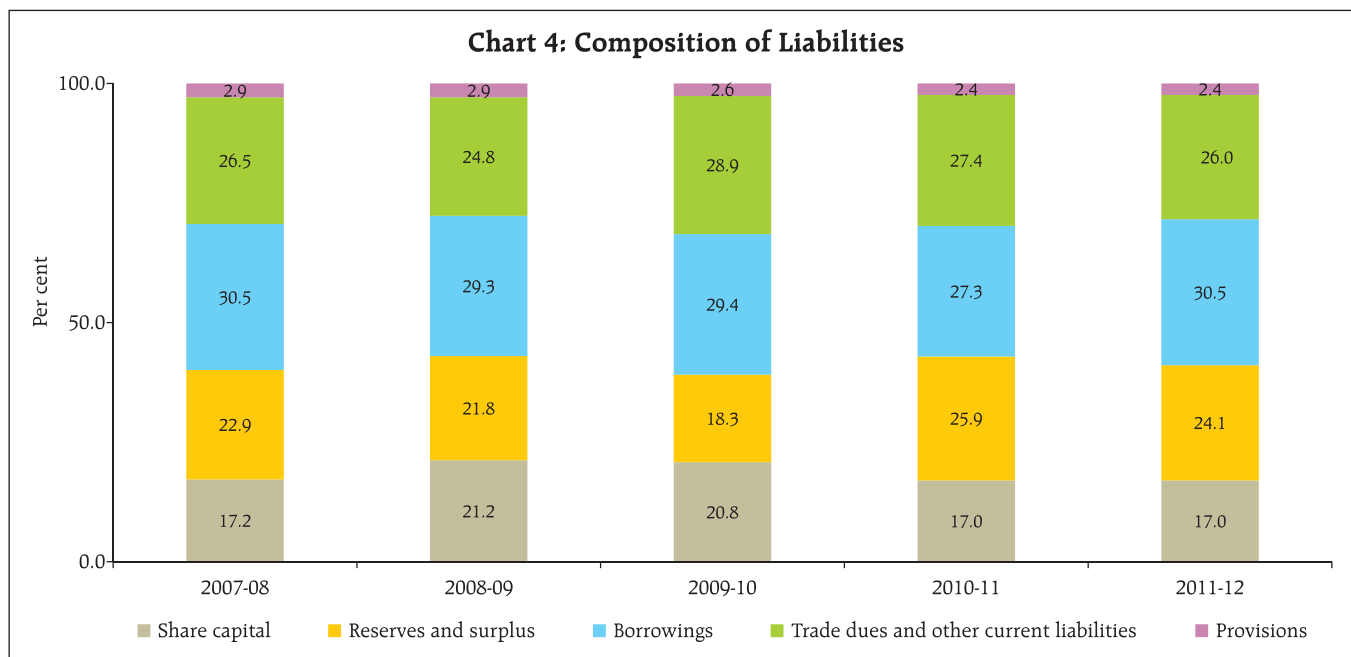
inability to meet interest payment obligation from current profit, for small companies (*i.e.*, those with sales 'less than ₹250 million' each) in 2010-11. It improved marginally to 1.1 in 2011-12. ICR for mid and large size companies declined in the latest year.

4.6 ICR of manufacturing sector was higher than that of services sector in 2011-12. Most of the industries recorded a decline in ICR in 2011-12. In 'textiles' and 'motor vehicles and other transport equipments' industries in the manufacturing sector and in 'transport storage and communication' and 'real estate' industries in the services sector, ICR was close to 1 in 2011-12.

5. Internal accruals contributed less towards generation of funds

5.1 The composition of capital and liabilities in 2011-12 indicated a decline in the shares of 'reserves and surplus' and 'trade dues and other current liabilities' with corresponding increase in the share of 'borrowings' (Statement 3A & Chart 4).

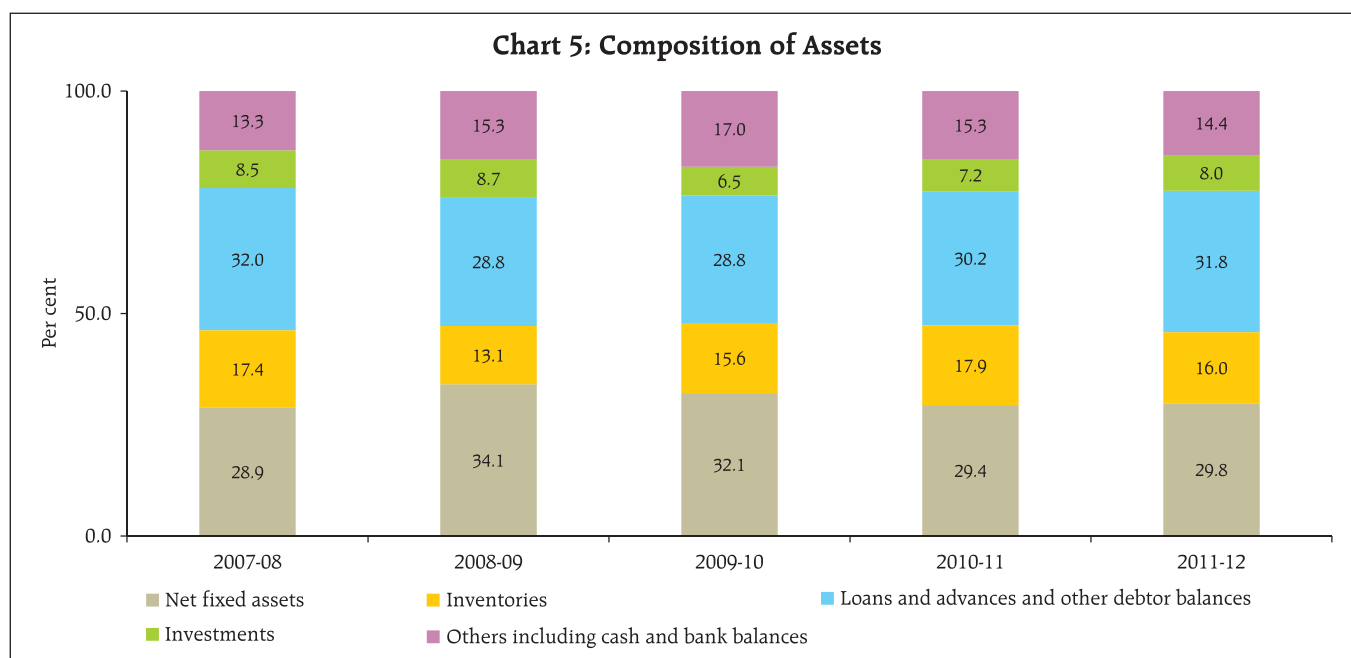
5.2 The external sources (*i.e.*, other than companies' own funds) continued to play a major role in business expansion of the corporates and their share increased to 70.5 per cent in 2011-12 from 68.0 per cent in 2010-11 which was the highest in the five year period

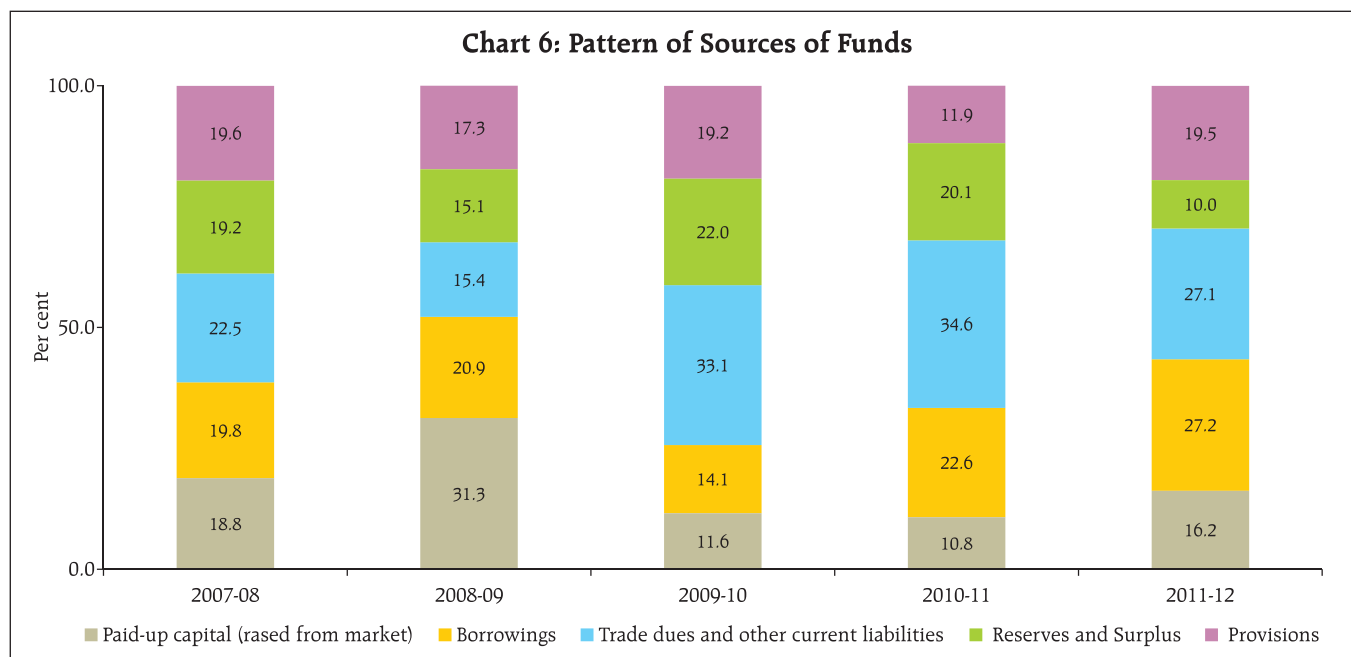


under consideration (*Statement 4A & Chart 6*). Among the external sources, funds raised through 'issuance of shares' and 'borrowings' increased while 'trade dues and other current liabilities' decreased significantly. Lower accretion to 'reserves & surplus' (10 per cent) brought down the share of internal sources further in 2011-12.

6. Share of fixed assets formation in uses of funds remained at previous year's level

6.1 On the asset side, the share of 'net fixed assets' in total assets recorded marginal increase in 2011-12, which had shown a declining trend since 2009-10 (*Statement 3B & Chart 5*). The share of 'loans and advances and other debtor balances' also increased in

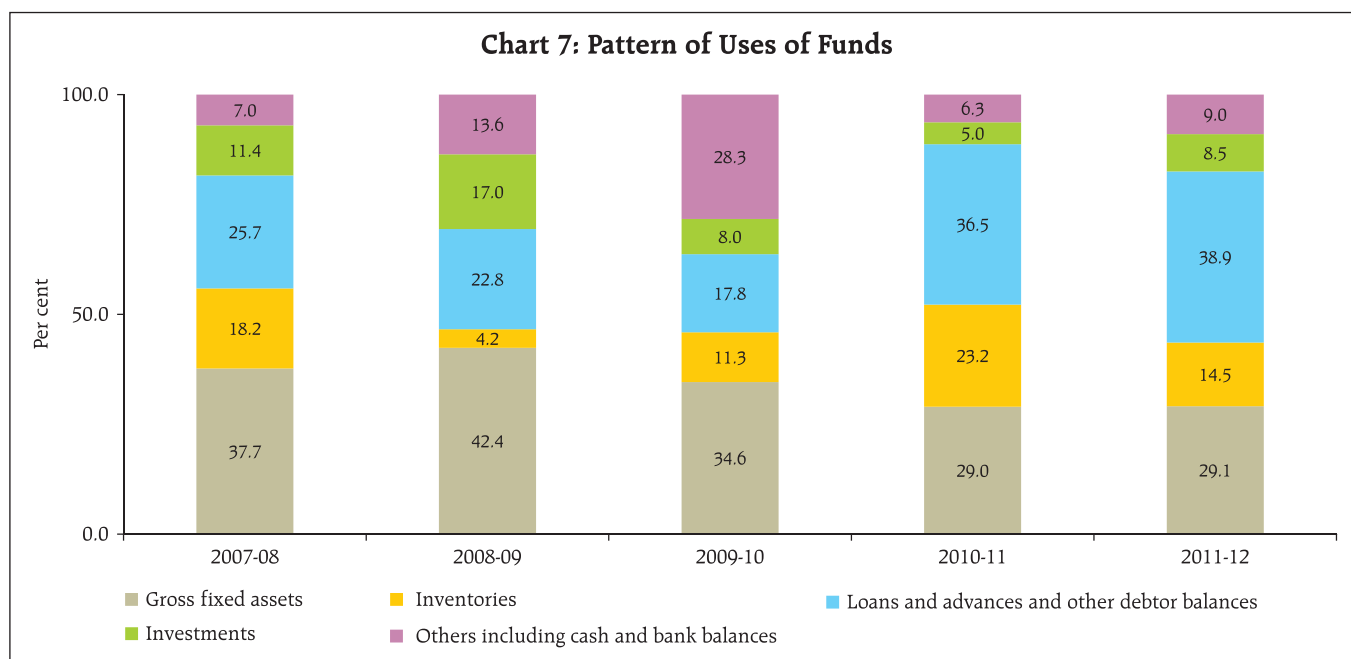




2011-12 as compared with 2010-11. The share of 'investments' of the select companies increased to 8 per cent in 2011-12.

6.2 The share of fixed assets formation in uses of funds during 2011-12 was almost at the same level as in 2010-11 (*Statement 4B & Chart 7*). However, it

remained low as compared with the pre-crisis period. The share of 'loans and advances and other debtor balances' and 'investments' in uses of funds witnessed an increase in 2011-12. On the other hand, there was a decline in the share of 'inventory' accumulation in uses of funds during the year.



Statement 1: Growth rates of select parameters of private limited companies										
(Per cent)										
	Growth in Sales					Growth in Operating Expenses				
	2007-08	2008-09	2009-10	2010-11	2011-12	2007-08	2008-09	2009-10	2010-11	2011-12
<i>Number of sample companies</i>	1,475	1,224	1,642	1,850	1,741	1,475	1,224	1,642	1,850	1,741
Aggregate (All Companies)	20.5	12.2	8.0	24.9	17.9	21.4	12.5	3.8	25.6	19.7
Sales-wise										
Less than ₹ 250 million	4.9	-9.1	-11.0	-1.6	-22.3	3.8	8.3	-10.6	2.6	-15.8
₹ 250 million – ₹1 billion	13.9	5.8	6.1	13.9	9.2	16.8	4.5	4.4	14.0	10.5
₹ 1 billion and above	24.0	16.2	9.6	29.3	21.6	24.6	15.0	4.7	29.9	23.3
Industry-wise										
Mining and quarrying	11.3	11.4	-25.2	25.3	26.9	9.2	9.2	-23.4	31.9	34.9
Manufacturing	16.8	6.9	11.3	25.7	18.4	17.0	6.2	8.5	26.1	20.3
Food products and beverages	20.7	23.1	10.3	18.1	23.2	19.5	23.2	9.8	13.9	25.5
Textiles	14.0	-21.8	20.5	39.5	8.3	21.4	-33.7	20.5	41.1	7.8
Chemicals and chemical products	24.3	7.0	15.5	17.9	13.2	22.4	4.6	2.9	22.5	11.2
Iron and steel	30.8	16.9	6.1	19.6	3.0	27.3	13.9	5.0	11.8	6.0
Machinery and machine tools	30.6	7.7	-9.0	57.5	11.8	30.5	10.1	-11.3	62.0	17.6
Electrical machinery and apparatus	3.1	10.4	21.1	19.1	4.9	3.0	7.7	25.2	32.6	3.5
Motor vehicles and other transport equipment's	41.3	-0.1	12.4	25.1	23.3	40.2	1.1	4.0	25.5	26.9
Construction	30.6	21.3	20.0	38.0	27.1	30.3	25.0	6.5	43.6	33.7
Services	24.9	20.3	12.8	21.0	14.5	26.7	22.1	5.5	21.8	14.3
Wholesale and retail trade	26.0	18.4	8.0	25.3	1.2	23.3	25.0	3.8	29.3	3.8
Transport, storage and communication	33.8	-3.8	14.7	24.0	11.7	54.3	-4.6	-7.1	26.0	7.5
Real Estate	5.5	32.7	52.0	7.3	13.8	27.0	-16.2	3.6	-1.3	26.7
Computer and related activities	25.4	35.1	7.3	16.2	23.9	30.3	31.1	9.7	16.7	22.1
	Growth in EBITDA					Growth in net worth				
	2007-08	2008-09	2009-10	2010-11	2011-12	2007-08	2008-09	2009-10	2010-11	2011-12
<i>Number of sample companies</i>	1,475	1,224	1,642	1,850	1,741	1,475	1,224	1,642	1,850	1,741
Aggregate (All Companies)	22.0	-1.2	80.2	25.2	9.5	20.9	23.2	17.0	14.5	10.3
Sales-wise										
Less than ₹ 250 million	21.6	-306.3	91.3	24.6	-7.4	11.4	9.6	11.9	10.0	7.0
₹ 250 million – ₹1 billion	7.9	3.2	18.2	20.6	8.9	23.1	47.2	13.8	16.1	10.2
₹ 1 billion and above	26.7	9.8	106.8	26.5	10.1	22.1	19.6	20.5	15.0	10.9
Industry-wise										
Mining and quarrying	8.2	41.3	159.7	14.7	-87.8	21.2	39.5	14.0	22.4	17.7
Manufacturing	21.3	8.6	94.0	20.3	-2.1	21.7	28.2	20.6	15.7	8.8
Food products and beverages	36.7	16.9	185.2	32.7	1.9	20.5	9.0	21.0	20.3	14.4
Textiles	-6.7	-22.3	28.6	39.2	-29.8	21.6	8.6	11.1	17.4	8.6
Chemicals and chemical products	29.5	17.7	#	-6.9	22.0	24.2	18.7	23.1	16.5	10.6
Iron and steel	37.6	41.2	124.0	103.5	-29.7	37.8	21.9	38.1	22.4	5.4
Machinery and machine tools	48.5	51.0	7.6	42.2	-12.6	29.2	21.7	22.9	17.9	18.4
Electrical machinery and apparatus	15.6	-14.6	49.5	-2.4	23.0	18.3	15.0	20.0	9.1	18.1
Motor vehicles and other transport equipment's	85.1	-20.4	211.2	20.1	-32.7	13.3	61.8	11.8	28.0	-5.4
Construction	53.4	7.2	44.3	21.0	20.3	17.1	28.3	27.2	13.7	15.3
Services	30.2	-33.9	112.3	34.4	31.3	23.7	26.0	12.3	11.2	8.2
Wholesale and retail trade	288.7	-32.5	63.2	173.1	-11.2	35.4	25.8	45.5	9.9	13.5
Transport, storage and communication	#	#	126.3	20.1	200.7	11.2	115.7	6.8	7.5	19.5
Real Estate	39.5	22.4	31.8	-1.5	26.7	50.9	17.7	1.2	20.4	4.7
Computer and related activities	3.7	64.8	-5.8	13.7	32.1	21.3	19.5	11.4	4.2	9.5

#: Denominator or numerator is negative, negligible or nil.

Statement 1: Growth rates of select parameters of private limited companies (Concl'd.)										
(Per cent)										
	Growth in total borrowings					Growth in total net assets				
	2007-08	2008-09	2009-10	2010-11	2011-12	2007-08	2008-09	2009-10	2010-11	2011-12
<i>Number of sample companies</i>	1,475	1,224	1,642	1,850	1,741	1,475	1,224	1,642	1,850	1,741
Aggregate (All Companies)	13.3	14.2	8.8	17.0	15.0	17.9	17.0	16.8	18.9	13.6
Sales-wise										
Less than ₹ 250 million	16.8	28.4	15.3	16.4	28.8	12.9	24.9	8.6	17.1	15.4
₹ 250 million – ₹1 billion	31.7	3.1	8.8	5.5	2.0	23.8	19.2	12.8	11.9	9.4
₹ 1 billion and above	5.2	15.8	7.0	21.8	16.9	17.0	14.7	20.3	21.6	14.5
Industry-wise										
Mining and quarrying	18.3	-10.1	70.6	16.9	24.3	22.0	3.1	5.5	17.6	18.9
Manufacturing	12.1	20.7	6.6	22.7	15.4	17.9	17.9	16.4	23.1	14.1
Food products and beverages	32.3	16.8	14.8	35.9	10.9	18.2	11.0	16.2	22.9	15.0
Textiles	39.4	-22.1	11.0	30.9	-2.2	29.9	-13.0	10.9	23.7	1.2
Chemicals and chemical products	15.9	22.9	5.7	13.4	9.5	18.6	16.2	11.3	18.4	12.2
Iron and steel	16.5	26.1	25.4	5.3	23.2	29.4	15.1	29.4	18.3	14.5
Machinery and machine tools	16.5	50.0	-27.2	60.4	17.0	24.3	18.8	9.3	47.6	16.7
Electrical machinery and apparatus	-16.4	2.1	-0.6	13.4	-5.1	6.5	8.9	20.7	19.2	10.0
Motor vehicles and other transport equipment's	37.3	41.0	-6.8	17.6	58.6	31.0	31.2	10.2	24.4	20.2
Construction	-2.7	2.7	6.4	14.2	9.3	4.4	10.9	15.7	18.4	11.5
Services	33.6	21.7	15.1	10.7	6.6	24.4	24.3	19.0	13.1	8.4
Wholesale and retail trade	35.2	15.6	10.9	18.9	17.4	33.1	31.8	18.1	12.0	15.4
Transport, storage and communication	-41.4	4.2	1.1	16.4	33.5	3.8	40.4	41.2	13.7	20.9
Real Estate	48.9	19.4	18.5	4.9	-0.9	40.5	7.4	12.5	9.0	6.3
Computer and related activities	26.5	-31.5	1.3	12.2	12.3	22.1	26.1	11.1	11.8	9.9

Statement 2: Ratios of select parameters of private limited companies										
	EBITDA to Sales (in per cent)					Total borrowing to equity (in per cent)				
	2007-08	2008-09	2009-10	2010-11	2011-12	2007-08	2008-09	2009-10	2010-11	2011-12
<i>Number of sample companies</i>	1,475	1,224	1,642	1,850	1,741	1,475	1,224	1,642	1,850	1,741
Aggregate (All Companies)	9.3	8.6	8.1	9.2	8.7	76.2	68.1	75.3	63.6	74.1
Sales-wise										
Less than ₹ 250 million	6.8	-8.6	1.9	4.5	5.8	83.2	71.6	55.7	59.8	90.8
₹250 million – ₹1 billion	11.2	8.3	10.4	11.9	10.8	91.6	70.0	85.6	63.0	74.3
₹1 billion and above	9.1	10.2	8.0	8.9	8.5	69.0	66.7	79.9	64.8	71.2
Industry-wise										
Mining and quarrying	21.3	14.6	9.9	9.1	0.3	42.7	61.1	96.0	65.3	67.7
Manufacturing	7.7	8.6	7.2	6.7	6.5	65.8	51.6	72.7	65.7	60.6
Food products and beverages	7.1	8.3	3.3	3.1	3.2	52.2	22.8	84.5	110.4	95.4
Textiles	7.6	5.1	10.2	10.6	6.8	159.4	104.0	151.1	129.1	123.3
Chemicals and chemical products	11.9	13.7	9.9	8.3	11.5	35.8	29.7	89.0	34.2	35.4
Iron and steel	17.8	9.2	5.9	11.8	7.6	57.9	53.9	119.3	88.6	54.0
Machinery and machine tools	10.1	11.0	7.3	9.2	9.2	55.0	61.3	29.2	26.1	35.9
Electrical machinery and apparatus	5.7	10.4	4.4	9.0	11.3	37.0	42.6	13.0	44.1	42.7
Motor vehicles and other transport equipment's	7.5	7.2	11.9	11.8	4.1	48.1	64.7	70.1	84.5	69.0
Construction	27.3	22.0	26.3	26.8	25.4	216.7	198.8	113.0	95.5	143.5
Services	10.1	5.5	6.6	9.9	11.0	78.7	68.0	63.1	49.9	68.3
Wholesale and retail trade	5.1	9.6	-2.0	1.8	3.6	88.7	36.3	30.8	17.8	46.2
Transport, storage and communication	-6.8	-8.2	1.4	10.9	6.0	19.4	129.1	49.0	64.7	187.9
Real Estate	34.3	24.9	33.5	24.1	25.3	305.5	210.4	144.0	129.4	117.1
Computer and related activities	16.7	16.2	16.1	16.8	13.3	19.8	4.2	9.4	13.5	23.7
	Debt to equity (in per cent)					Interest coverage ratio				
	2007-08	2008-09	2009-10	2010-11	2011-12	2007-08	2008-09	2009-10	2010-11	2011-12
<i>Number of sample companies</i>	1,475	1,224	1,642	1,850	1,741	1,475	1,224	1,642	1,850	1,741
Aggregate (All Companies)	20.6	29.5	28.6	23.4	35.8	4.2	4.0	3.7	4.0	2.7
Sales-wise										
Less than ₹ 250 million	23.6	19.8	25.3	27.5	56.3	2.5	0.3	1.6	0.8	1.1
₹ 250 million – ₹1 billion	28.7	21.6	30.7	20.5	38.6	3.1	2.6	2.3	3.1	2.0
₹ 1 billion and above	19.2	34.3	29.2	23.4	31.4	5.0	5.6	4.7	4.9	3.1
Industry-wise										
Mining and quarrying	5.7	42.3	51.2	33.5	11.7	21.0	6.3	3.0	6.1	-0.3
Manufacturing	19.2	13.6	20.4	17.6	18.5	5.1	5.4	4.9	4.1	3.4
Food products and beverages	10.6	5.9	39.9	20.4	17.2	6.7	13.6	1.7	2.7	2.6
Textiles	59.7	41.9	86.9	76.6	41.0	1.7	1.2	2.0	2.3	1.1
Chemicals and chemical products	11.6	7.8	29.9	9.2	12.2	7.3	9.2	7.8	8.0	6.6
Iron and steel	16.4	15.9	35.3	30.7	11.4	8.0	5.4	2.7	5.1	4.0
Machinery and machine tools	9.3	20.0	8.5	11.9	13.5	8.3	7.8	7.5	10.3	6.6
Electrical machinery and apparatus	4.9	13.1	3.2	11.9	12.8	12.4	5.7	18.9	3.6	5.3
Motor vehicles and other transport equipment's	29.1	2.4	10.4	23.0	32.2	8.5	8.8	5.1	6.1	1.4
Construction	15.2	137.1	29.4	54.7	101.6	1.8	2.2	2.9	3.0	2.1
Services	21.6	25.5	32.3	20.2	36.6	3.6	2.9	3.1	4.3	2.8
Wholesale and retail trade	8.4	8.1	6.4	3.0	3.7	4.7	6.2	16.5	10.6	4.2
Transport, storage and communication	0.3	2.8	19.4	30.8	152.2	2.1	-2.7	3.3	4.7	1.1
Real Estate	58.4	158.4	94.3	58.9	76.6	1.6	2.2	1.2	1.1	1.4
Computer and related activities	7.3	0.5	6.3	7.3	12.1	16.1	38.5	14.0	20.4	15.1

Statement 3: Composition of liabilities and assets of private limited companies					
(Per cent)					
A: Composition of Liabilities					
	2007-08	2008-09	2009-10	2010-11	2011-12
Capital and Liabilities					
<i>Number of sample companies</i>	1,475	1,224	1,642	1,850	1,741
1 Share capital	17.2	21.2	20.8	17.0	17.0
2 Reserves and surplus	22.9	21.8	18.3	25.9	24.1
<i>of which: Capital reserve</i>	5.6	5.8	7.7	8.0	8.5
3 Borrowings	30.5	29.3	29.4	27.3	30.5
<i>of which: From banks</i>	23.6	18.7	20.4	18.5	19.3
4 Trade dues and other current liabilities	26.5	24.8	28.9	27.4	26.0
<i>of which: Sundry creditors</i>	14.9	15.6	16.8	16.5	14.4
5 Provisions	2.9	2.9	2.6	2.4	2.4
Total	100.0	100.0	100.0	100.0	100.0
B: Composition of Assets					
Assets					
<i>Number of sample companies</i>	1,475	1,224	1,642	1,850	1,741
1 Gross fixed assets	45.2	53.6	46.9	43.5	45.0
2 Depreciation	16.4	19.5	14.8	14.1	15.2
3 Net fixed assets	28.8	34.1	32.1	29.4	29.8
4 Inventories	17.4	13.1	15.6	17.9	16.0
5 Loans and advances and other debtor balances	32.0	28.8	28.8	30.2	31.8
6 Investments	8.5	8.7	6.5	7.2	8.0
7 Advance of income-tax	-	-	-	1.0	0.2
8 Cash and bank balances	9.7	11.3	12.5	10.3	8.1
9 Other assets	3.6	4.0	4.5	4.0	6.1
Total	100.0	100.0	100.0	100.0	100.0

- : Nil or negligible.

Statement 4: Composition of sources and uses of funds of private limited companies					
(Per cent)					
A: Composition of Sources of funds during the year					
	2007-08	2008-09	2009-10	2010-11	2011-12
Sources of funds					
<i>Number of sample companies</i>	1,475	1,224	1,642	1,850	1,741
Internal sources (Own sources)	40.0	32.6	44.2	32.0	29.5
1. Paid-up capital	1.2	0.2	3.0	-	-
2. Reserves and Surplus	19.2	15.1	22.0	20.1	10.0
3. Provisions	19.6	17.3	19.2	11.9	19.5
<i>of which: Depreciation provision</i>	16.4	16.8	14.8	12.5	15.3
External sources (Other than own sources)	60.0	67.4	55.8	68.0	70.5
4. Paid-up capital*	17.7	31.1	8.6	10.8	16.2
<i>of which: Premium on shares</i>	6.5	2.5	2.9	5.8	5.7
5. Borrowings	19.8	20.9	14.1	22.6	27.2
<i>of which: i) Debentures</i>	1.7	2.8	3.0	1.1	1.3
ii) Loans and advances	17.8	18.1	11.0	21.6	27.6
<i>of which: From banks</i>	17.0	6.5	10.7	13.5	8.0
6. Trade dues and other current liabilities	22.5	15.4	33.1	34.6	27.1
Total	100.0	100.0	100.0	100.0	100.0
B: Composition of Uses of funds during the year					
Uses of funds					
<i>Number of sample companies</i>	1,475	1,224	1,642	1,850	1,741
1. Gross fixed assets	37.7	42.4	34.6	29.0	29.1
<i>of which: i) Buildings</i>	8.2	7.3	6.2	10.8	11.1
ii) Plant and Machinery	17.9	22.3	28.4	15.1	12.5
2. Inventories	18.2	4.2	11.3	23.2	14.5
3. Loans and advances and other debtor balances	25.7	22.8	17.8	36.5	38.9
4. Investments	11.4	17.0	8.0	5.0	8.5
5. Other assets including cash and bank balances	7.0	13.6	28.3	6.3	9.0
Total	100.0	100.0	100.0	100.0	100.0

*: Includes capital receipts.

- : Nil or negligible.