

Performance of Financial and Investment Companies, 1997-98 (Part 2 of 5)

Statement 2: Profit Allocation and Profitability Ratios - Financial and Investment Companies - Activity-Wise, 1995-96 to 1997-98

(Per cent)

ITEM	ALL COMPANIES					
	ALL ACTIVITIES			SHARE TRADING AND INVESTMENT HOLDING		
	(695)			(271)		
	1995-96	1996-97	1997-98	1995-96	1996-97	1997-98
1	2	3	4	5	6	7
PROFIT ALLOCATION RATIOS						
1. Tax provision to profits before tax	10.8	28.8	39.9	22.6	82.7	56.8
2. Dividends to profits before tax	33.2	42.6	46.0	47.7	157.2	139.7
3. Profits retained to profits before tax	55.9	28.7	14.1	29.7	\$	\$
4. Dividends to profits after tax	37.3	59.7	76.6	61.7	#	323.3
5. Profits retained to profits after tax	62.7	40.3	23.4	38.3	\$	\$
PROFITABILITY RATIOS						
1. Operating profits to total net assets	3.8	2.4	1.5	3.6	0.9	0.7
2. Profits after tax to net worth	11.2	5.7	3.1	6.3	0.5	0.6
3. Dividends to total paid-up capital	11.0	9.4	5.9	6.5	6.4	2.6
4. Operating profits to main income	25.1	16.0	10.2	43.7	14.5	13.9
5. Dividends to net worth	4.2	3.4	2.4	3.9	4.1	1.8
PROFITMAKING COMPANIES@						
	(568)	(538)	(490)	(217)	(202)	(193)
PROFIT ALLOCATION RATIOS						
1. Tax provision to profits before tax	9.7	21.4	23.4	15.8	20.5	12.6
2. Dividends to profits before tax	29.7	31.7	27.2	33.0	39.2	31.2
3. Profits retained to profits before tax	60.6	47.0	49.4	51.2	40.3	56.2
4. Dividends to profits after tax	32.9	40.3	35.5	39.2	49.3	35.7
5. Profits retained to profits after tax	67.1	59.7	64.5	60.8	50.7	64.3
PROFITABILITY RATIOS						
1. Operating profits to total net assets	4.6	3.5	2.9	7.3	6.1	3.5
2. Profits after tax to net worth	13.8	9.2	7.8	12.3	10.0	5.8
3. Dividends to total paid-up capital	12.9	11.5	7.6	8.8	9.4	3.2
4. Operating profits to main income	28.8	22.2	19.7	69.6	65.7	64.2
5. Dividends to net worth	4.5	3.7	2.8	4.8	4.9	2.1

(Per cent)

ALL COMPANIES	
LOAN FINANCE	HIRE PURCHASE FINANCE

ITEM	(131)			(44)		
	1995-96	1996-97	1997-98	1995-96	1996-97	1997-98
	8	9	10	11	12	13
PROFIT ALLOCATION RATIOS						
1. Tax provision to profits before tax	22.4	44.8	45.0	13.4	23.1	28.6
2. Dividends to profits before tax	42.8	40.4	41.1	23.4	24.6	27.0
3. Profits retained to profits before tax	34.8	14.8	14.0	63.2	52.3	44.4
4. Dividends to profits after tax	55.1	73.2	74.6	27.1	32.0	37.8
5. Profits retained to profits after tax	44.9	26.8	25.4	72.9	68.0	62.2
PROFITABILITY RATIOS						
1. Operating profits to total net assets	1.8	1.2	0.8	3.8	3.1	2.7
2. Profits after tax to net worth	3.8	2.0	1.5	21.2	15.4	11.6
3. Dividends to total paid-up capital	3.0	2.1	1.6	23.6	18.1	18.6
4. Operating profits to main income	16.4	11.6	8.1	22.8	18.1	14.9
5. Dividends to net worth	2.1	1.5	1.1	5.7	4.9	4.4
	PROFIT MAKING COMPANIES @					
	(97)	(98)	(95)	(42)	(42)	(33)
PROFIT ALLOCATION RATIOS						
1. Tax provision to profits before tax	19.9	34.9	28.1	13.3	23.1	27.2
2. Dividends to profits before tax	38.3	32.0	25.9	23.4	24.6	25.8
3. Profits retained to profits before tax	41.8	33.1	46.0	63.3	52.3	47.0
4. Dividends to profits after tax	47.8	49.1	36.1	27.0	32.0	35.4
5. Profits retained to profits after tax	52.2	50.9	63.9	73.0	68.0	64.6
PROFITABILITY RATIOS						
1. Operating profits to total net assets	2.2	1.7	1.4	3.8	3.1	2.9
2. Profits after tax to net worth	4.8	3.3	4.0	21.3	15.5	13.0
3. Dividends to total paid-up capital	3.4	2.3	1.9	23.9	18.1	21.4
4. Operating profits to main income	18.6	15.0	13.2	22.9	18.1	16.3
5. Dividends to net worth	2.3	1.6	1.4	5.7	4.9	4.6

(Per cent)

ITEM	ALL COMPANIES					
	LEASING			DIVERSIFIED		
	(62)			(125)		
	1995-96	1996-97	1997-98	1995-96	1996-97	1997-98
1	14	15	16	17	18	19
PROFIT ALLOCATION RATIOS						
1. Tax provision to profits before tax	5.3	26.8	#	5.2	23.5	37.7
2. Dividends to profits before tax	42.1	74.5	#	31.6	37.3	40.7
3. Profits retained to profits before tax	52.6	\$	&	63.2	39.2	21.6
4. Dividends to profits after tax	44.5	101.8	#	33.3	48.7	65.3
5. Profits retained to profits after tax	55.5	\$	&	66.7	51.3	34.7

PROFITABILITY RATIOS

1. Operating profits to total net assets	4.2	2.1	\$	4.1	2.7	1.7
2. Profits after tax to net worth	13.9	4.7	\$	12.5	6.2	3.6
3. Dividends to total paid-up capital	15.4	11.6	6.6	18.9	16.9	11.1
4. Operating profits to main income	18.1	8.5	\$	25.1	17.3	10.9
5. Dividends to net worth	6.2	4.8	3.2	4.2	3.0	2.3

PROFIT MAKING COMPANIES @

(55) (53) (37) (107) (102) (96)

PROFIT ALLOCATION RATIOS

1. Tax provision to profits before tax	4.5	19.5	18.9	4.7	19.0	23.6
2. Dividends to profits before tax	35.2	55.2	49.9	29.5	30.3	25.3
3. Profits retained to profits before tax	60.3	25.3	31.1	65.8	50.7	51.1
4. Dividends to profits after tax	36.8	68.6	61.6	31.0	37.4	33.1
5. Profits retained to profits after tax	63.2	31.4	38.4	69.0	62.6	66.9

PROFITABILITY RATIOS

1. Operating profits to total net assets	5.6	2.6	1.9	4.6	3.5	3.2
2. Profits after tax to net worth	19.3	7.3	10.5	14.1	8.6	7.9
3. Dividends to total paid-up capital	16.6	12.9	11.3	20.9	19.2	15.4
4. Operating profits to main income	22.0	10.5	6.8	27.5	22.3	20.7
5. Dividends to net worth	7.1	5.0	6.4	4.4	3.2	2.6

Note : Figures in brackets denote the number of companies.

@ Companies making operating profits.

\$ Numerator negative, nil or negligible.

Denominator negative, nil or negligible.

& Numerator and denominator both negative or nil.

Statement 3: Combined Income, Expenditure and Appropriation Accounts - Financial and Investment Companies - Activity-Wise, 1995-96 to 1997-98

(Rs. lakh)

ITEM	ALL ACTIVITIES			SHARE TRADING AND INVESTMENT HOLDING		
	(695)			(271)		
	1995-96	1996-97	1997-98	1995-96	1996-97	1997-98
1	2	3	4	5	6	7
INCOME						
1. Main Income	4,105,50	4,813,78	5,240,34	322,62	257,90	246,39
(a) Interest	606,90	725,21	926,06	36,81	41,71	32,12
(i) On loans and advances	427,50	545,75	664,29	23,29	24,91	12,63
(ii) Others	179,40	179,46	261,77	13,52	16,80	19,49
(b) Dividends	299,86	299,14	250,81	147,92	167,28	158,71
(c) Brokerage	77,35	127,68	110,90	32	40	63
(d) Net profit/loss in share dealings	210,40	130,12	131,94	120,95	41,88	50,49
(e) Net earnings from hire purchase financing	1,321,76	1,654,03	1,949,16	1,89	25	-1,16
(f) Lease rentals	1,589,22	1,877,61	1,871,48	14,73	6,38	5,60
2. Other income	630,56	615,34	607,47	16,69	20,12	14,50
<i>Of which, rent</i>	7,10	7,58	9,85	73	78	1,20
3. Non-operating surplus(+)/deficit(-)	-2,17	10,96	2,29	-82	10,46	-3,95
4. TOTAL (1+2+3)	4,733,89	5,440,07	5,850,11	338,48	288,49	256,93
EXPENDITURE AND APPROPRIATIONS						

5. Interest	1,965,51	2,428,10	2,715,98	148,60	177,38	154,71
6. Salaries, wages and bonus	122,34	149,28	176,65	3,99	4,44	4,45
7. Provident fund	8,22	10,59	13,11	28	34	35
8. Employees' welfare expenses	16,15	19,69	17,35	54	56	53
9. Managerial remuneration	9,14	12,84	12,64	52	55	82
10. Bad debts	33,32	101,54	158,21	37	1,28	9,68
11. Other expenses	679,63	841,19	904,76	29,77	36,39	28,73
<i>Of which, (a) Rent</i>	70,70	122,64	150,47	2,82	93	2,13
<i>(b) Insurance</i>	3,33	5,43	5,97	26	45	14
<i>(c) Advertisement</i>	35,94	36,86	27,39	24	13	13
12. Depreciation provision	832,93	1,010,43	1,125,07	13,73	14,45	10,83
13. Other provisions (other than tax and depreciation)	40,05	85,70	187,77	59	5,33	16,64
14. Operating profits	1,028,79	769,76	536,28	140,92	37,31	34,15
15. Non-operating surplus(+)/deficit(-)	-2,17	10,96	2,29	-82	10,46	-3,95
16. Profits before tax	1,026,61	780,71	538,57	140,10	47,78	30,20
17. <i>Less: tax provision</i>	111,33	224,57	214,93	31,65	39,53	17,15
18. Profits after tax	915,29	556,14	323,64	108,45	8,24	13,05
(a) Dividends	341,26	332,20	247,92	66,88	75,10	42,17
(i) Ordinary	331,16	307,69	216,38	64,51	65,94	31,44
(ii) Preference	10,10	24,51	31,54	2,37	9,16	10,74
(b) Profits retained	574,02	223,94	75,72	41,57	-66,85	-29,13
19. TOTAL (5 TO 15)	4,733,89	5,440,07	5,850,11	338,48	288,49	256,93

(Rs. lakh)

ITEM	LOAN FINANCE			HIRE PURCHASE FINANCE		
	(131)			(44)		
	1995-96	1996-97	1997-98	1995-96	1996-97	1997-98
1	8	9	10	11	12	13
INCOME						
1. Main Income	270,69	318,30	382,25	1,058,55	1,338,56	1,557,44
(a) Interest	244,50	263,76	303,63	73,44	70,16	97,63
(i) On loans and advances	209,14	236,56	268,03	60,64	39,68	65,06
(ii) Others	35,37	27,21	35,60	12,80	30,47	32,57
(b) Dividends	9,20	14,79	11,70	24,09	15,51	17,92
(c) Brokerage	47	17	2,18	13	1,25	70
(d) Net profit/loss in share dealings	3,91	7,46	21,84	14,45	5,21	2,38
(e) Net earnings from hire purchase financing	78	14,14	14,15	643,04	861,58	1,024,40
(f) Lease rentals	11,83	17,98	28,75	303,40	384,85	414,41
2. Other income	31,86	26,33	40,00	168,31	56,17	56,29
<i>Of which, rent</i>	31	29	31	1,64	28	38
3. Non-operating surplus(+)/deficit(-)	70	-21	-1,06	8,85	24,15	3,73
4. TOTAL (1+2+3)	303,26	344,41	421,19	1,235,71	1,418,87	1,617,46
EXPENDITURE AND APPROPRIATIONS						
5. Interest	195,53	231,05	291,88	543,35	683,33	824,02
6. Salaries, wages and bonus	10,54	13,47	14,13	29,22	33,39	41,27
7. Provident fund	70	99	1,21	2,48	2,65	3,80
8. Employees' welfare expenses	1,53	2,15	1,60	3,52	3,84	3,78
9. Managerial remuneration	2,78	2,61	2,86	88	2,99	1,84
10. Bad debts	30	2,04	7,61	7,60	6,18	19,22
11. Other expenses	36,67	38,57	48,16	211,43	178,57	180,76
<i>Of which, (a) Rent</i>	5,43	6,70	6,23	6,05	28,23	13,54
<i>(b) Insurance</i>	31	38	78	91	1,35	1,43
<i>(c) Advertisement</i>	1,83	1,72	2,29	8,29	11,10	10,76
12. Depreciation provision	9,27	14,82	20,88	182,57	232,94	264,76
13. Other provisions (other than tax and depreciation)	91	1,86	2,93	4,69	8,86	42,22

14. Operating profits	44,32	37,07	30,99	241,12	241,97	232,05
15. Non-operating surplus(+)/deficit(-)	70	-21	-1,06	8,85	24,15	3,73
16. Profits before tax	45,02	36,85	29,93	249,97	266,11	235,78
17. <i>Less</i> : tax provision	10,11	16,52	13,46	33,43	61,45	67,44
18. Profits after tax	34,91	20,33	16,47	216,54	204,66	168,34
(a) Dividends	19,25	14,89	12,29	58,60	65,44	63,55
(i) Ordinary	19,21	14,85	12,26	57,57	56,18	49,07
(ii) Preference	4	4	2	1,03	9,26	14,49
(b) Profits retained	15,66	5,44	4,18	157,94	139,22	104,79
19. TOTAL (5 TO 15)	303,26	344,41	421,19	1,235,71	1,418,87	1,617,46

(Rs. lakh)

ITEM	LEASING			DIVERSIFIED		
	(62)			(125)		
	1995-96	1996-97	1997-98	1995-96	1996-97	1997-98
1	14	15	16	17	18	19
INCOME						
1. Main Income	522,74	614,12	635,17	1,796,87	2,110,86	2,270,95
(a) Interest	47,84	56,43	97,45	184,05	273,32	381,85
(i) On loans and advances	44,13	51,80	92,60	77,50	180,71	218,06
(ii) Others	3,71	4,63	4,85	106,54	92,61	163,78
(b) Dividends	4,37	4,04	2,63	108,86	92,06	55,49
(c) Brokerage	1,95	1,11	43	13,92	13,03	9,88
(d) Net profit/loss in share dealings	-14	-4,96	-5,11	55,63	80,22	65,07
(e) Net earnings from hire purchase financing	88,93	93,00	109,21	581,41	678,50	792,66
(f) Lease rentals	379,79	464,51	430,57	853,01	973,74	966,01
2. Other income	53,02	40,02	21,82	251,02	341,82	340,04
<i>Of which, rent</i>	32	41	49	4,05	5,50	6,54
3. Non-operating surplus(+)/deficit(-)	-41	-10,53	-3,32	-9,26	-12,21	-77
4. TOTAL (1+2+3)	575,34	643,61	653,67	2,038,63	2,440,48	2,610,21
EXPENDITURE AND APPROPRIATIONS						
5. Interest	176,95	207,43	236,79	858,93	1,080,46	1,156,72
6. Salaries, wages and bonus	12,48	13,97	15,57	42,69	56,31	67,77
7. Provident fund	63	76	96	2,55	3,41	4,37
8. Employees' welfare expenses	1,32	1,45	1,70	6,97	8,17	6,72
9. Managerial remuneration	93	89	99	3,27	3,97	4,21
10. Bad debts	5,50	10,62	23,99	18,32	78,57	88,60
11. Other expenses	103,03	172,29	189,67	208,63	266,45	338,98
<i>Of which, (a) Rent</i>	35,19	60,71	98,11	13,12	16,97	22,04
(b) Insurance	26	62	42	91	1,38	1,59
(c) Advertisement	5,30	3,13	2,63	18,13	17,70	10,74
12. Depreciation provision	163,33	181,10	194,20	441,07	540,79	600,20
13. Other provisions (other than tax and depreciation)	17,17	13,14	20,33	14,96	49,31	95,54
14. Operating profits	94,42	52,50	-27,20	450,51	365,25	247,87
15. Non-operating surplus(+)/deficit(-)	-41	-10,53	-3,32	-9,26	-12,21	-77
16. Profits before tax	94,00	41,97	-30,52	441,25	353,04	247,10
17. <i>Less</i> : tax provision	5,03	11,24	8,02	22,77	82,88	93,26
18. Profits after tax	88,98	30,73	-38,54	418,49	270,16	153,84
(a) Dividends	39,57	31,28	18,99	139,45	131,61	100,47
(i) Ordinary	39,30	30,32	18,54	135,49	128,87	97,29
(ii) Preference	26	96	45	3,96	2,74	3,18
(b) Profits retained	49,41	-55	-57,53	279,04	138,55	53,37
19. TOTAL (5 TO 15)	575,34	643,61	653,67	2,038,63	2,440,48	2,610,21

Note : Figures in brackets below the activity titles denote the number of companies. 'All activities' include figures

for a miscellaneous group for which separate data are not presented.