



**भारतीय रिज़र्व बैंक**

**RESERVE BANK OF INDIA**

वेबसाइट : [www.rbi.org.in/hindi](http://www.rbi.org.in/hindi)

Website : [www.rbi.org.in](http://www.rbi.org.in)

इ-मेल email: [helpdoc@rbi.org.in](mailto:helpdoc@rbi.org.in)

संचार विभाग, केंद्रीय कार्यालय, एस.बी.एस.मार्ग, मुंबई-400001

DEPARTMENT OF COMMUNICATION, Central Office, S.B.S.Marg, Mumbai-400001

फोन/Phone: 91 22 2266 0502 फैक्स/Fax: 91 22 22660358

February 22, 2013

## **Finances of Non-Government Non-Financial Large Public Limited Companies, 2011-12**

The Reserve Bank of India today released on its website [the data](#) related to Finances of Non-Government Non-Financial (NGNF) Large Public Limited Companies, 2011-12. The data have been compiled based on audited annual accounts of 1,843 large (each with paid-up capital of ₹10 million and above) NGNF public limited companies. It draws a comparative picture over the three year period 2009-10 to 2011-12. 'Explanatory notes' to the statements are given separately in [Annexure](#).

### **Main Findings**

- Sales growth moderated during 2011-12. As operating expenses continued to grow at a rate higher than that of sales, Earnings Before Interest, Tax, Depreciation and Amortisation (EBITDA) and net profit (PAT) declined. Consequently, gross saving by the select companies also declined in 2011-12. Profit margin of the select companies was also lower in 2011-12 than in 2010-11.
- Sales size-wise disaggregated position showed that in case of the smaller companies with sales 'below ₹250 million' and '₹500 million - ₹1 billion', sales declined in 2011-12 compared with that in 2010-11. The EBITDA margin fell across all sales-size groups in 2011-12. The companies with sales 'below ₹250 million' continued to make operating losses.
- The moderation in growth of sales was steeper in the services sector than in the manufacturing sector, but the margin declined by a smaller amount in the former case. Companies in the 'Transportation' and 'Real Estate' industries performed poorly, both in terms of sales and EBITDA. On the other hand, companies belonging to 'Chemical and Chemical Products', 'Cement and Cement Products', 'Iron and Steel', 'Construction', 'Computer and related activities' industries recorded higher growth in sales in 2011-12. Also, companies in the 'Cement and Cement Products' industry recorded a high growth in EBITDA in 2011-12 contrary to the general trend.
- Growth rate in total borrowing in 2011-12 was at the same level as that in 2010-11. Largest sales size companies with sales 'above ₹10 billion' recorded the highest growth in borrowing while the smallest ones with sales 'below ₹250 million' borrowed less in 2011-12. Companies in 'Food Products and Beverages' industry continued to borrow significantly, recording high growth in 2011-12 like in 2010-11. Besides, high growth in borrowing in 2011-12 was observed in 'Machineries and equipments (non-electrical)', 'Construction', 'Chemical and Chemical Products' industries.

- Total net assets, at aggregate level, have also grown at lower rate in 2011-12 compared with that in 2010-11. Similar trend is observed across most of the sales size groups and in most of the industries.
- Debt to equity ratio (debt as percentage of net worth) increased in 2011-12 as compared with 2010-11. However, it declined for companies in sales size group ₹5 billion - ₹10 billion and also in 'Food Products and Beverages', 'Pharmaceuticals', 'Electrical Machineries', 'Motor vehicles and other transport equipments' and 'Computer and related activities' industries. Debt to equity ratio continued to be high in 'Transportation', 'Textiles' and 'Iron and Steel' industries.
- Around 60.8 per cent of incremental funds during 2011-12 for the select companies came from external sources (other than companies' own sources). Share of borrowing in total sources of funds increased while that of fresh issue of capital declined.
- As compared to 2010-11, significantly higher share of funds raised during 2011-12 was used for acquiring plant and machineries. Similarly, funds used for financial investment during the year were higher than the previous year.

An article analysing the performance of NGNF large public limited companies at the aggregate level as well as based on sales, size, and industry for a longer period is being published in the March 2013 issue of RBI Bulletin.

**Press Release : 2012-2013/1418**

**Ajit Prasad**  
Assistant General Manager