

## 5 Steel

As on 31.3.2011, there were 5 Central Public Sector Enterprises in the Steel group. The name of these enterprises along with their year of incorporation in chronological order are given below :

Sl. No.	Enterprise	Year of Incorporation
1.	Mishra Dhatu Nigam Ltd.	1973
2.	Steel Authority Of India Ltd.	1973
3.	Maharashtra Elektros melt Ltd.	1974
4.	Ferro Scrap Nigam Ltd.	1979
5.	Rashtriya Ispat Nigam Ltd.	1982

2. The enterprises falling in this group are mainly engaged in producing of saleable steel, spun, pipes, castings, sponge iron, special steel and various allied products.

3. The consolidated financial position, the working results and the important management ratios of these enterprises are appended.

4. **Turnover** : The details of turnover of individual enterprises are given below :

(₹ in Crore)

Sl. No.	Enterprise	Turnover	
		2010-11	2009-10
1.	Steel Authority Of India Ltd.	47040.50	43934.70
2.	Rashtriya Ispat Nigam Ltd.	11516.99	10634.63
3.	Mishra Dhatu Nigam Ltd.	417.87	371.21
4.	Maharashtra Elektros melt Ltd.	395.70	382.05
5.	Ferro Scrap Nigam Ltd.	160.78	150.38
	<b>Sub Total</b>	<b>59531.84</b>	<b>55472.97</b>

5. **Net Profit/Loss** : The details of the enterprises, which earned net profit or sustained net loss (-) are given below :

(₹ in Crore)

Sl. No.	Enterprise	Adjusted Net Profit/Net Loss	
		2010-11	2009-10
1.	Steel Authority Of India Ltd.	4904.74	6754.37
2.	Rashtriya Ispat Nigam Ltd.	658.49	796.67
3.	Mishra Dhatu Nigam Ltd.	50.42	44.61
4.	Maharashtra Elektros melt Ltd.	27.58	47.90
5.	Ferro Scrap Nigam Ltd.	1.20	4.32
	<b>Sub Total</b>	<b>5642.43</b>	<b>7647.87</b>

6. **Dividend** : The details of the dividend declared by the individual enterprise are given below :

(₹ in Crore)

Sl. No.	Enterprise	Dividend	
		2010-11	2009-10
1.	Steel Authority Of India Ltd.	991.30	1363.03
2.	Rashtriya Ispat Nigam Ltd.	271.47	285.29
3.	Mishra Dhatu Nigam Ltd.	20.00	8.92
4.	Maharashtra Elektros melt Ltd.	5.52	9.60
5.	Ferro Scrap Nigam Ltd.	0.40	0.86
	<b>Group Total</b>	<b>1,288.69</b>	<b>1,667.70</b>

7. **Social Overheads and Township** : The total number of persons employed and the expenditure incurred on social overheads and townships are given below :

(₹ in Crore)

Sl. No.	Enterprise	Township and Social Overheads	
		2010-11	2009-10
1.	No. of employees (in number)	132199	137817
2.	Social overheads : (Rupees in Crore)		
	(i) Educational,	46.51	63.26
	(ii) Medical Facilities	36.18	30.64
	(iii) Others	21.01	28.58
3.	Capital cost of township (Rupees in Crore)	347.03	286.78
4.	No. of houses constructed (in number)	8276	8460

8. Company wise details in respect of Balance Sheet, Profit and Loss account, Important Indicators and Financial Ratios along with the write up of individual company are given in the pages below.



# Steel

## Balance Sheet

(₹ in Lakhs)

			(₹ in Lakhs)
Particulars	2010-11	2009-10	2008-09
AUTHORISED CAPITAL	1323200	1329800	1329800
<b>(1) SOURCES OF FUND</b>			
(1.1) SHAREHOLDERS FUNDS			
(A) PAID-UP CAPITAL			
CENTRAL GOVT	861788	1158262	1158262
OTHERS	354918	61254	61254
(B) SHARE APPLICATION MONEY	0	3700	0
(C) RESERVES & SURPLUS	3879123	3464548	2894497
<b>TOTAL (A) + (B) + (C)</b>	<b>5095829</b>	<b>4687764</b>	<b>4114013</b>
(1.2) LOAN FUNDS			
(A) SECURED LOANS	1208987	816489	241405
(B) UNSECURED LOANS	924867	962504	617445
<b>TOTAL (A) + (B)</b>	<b>2133854</b>	<b>1778993</b>	<b>858850</b>
(1.3) DEFERRED TAX LIABILITY	157144	151834	146782
<b>TOTAL (1.1) + (1.2) + (1.3)</b>	<b>7386827</b>	<b>6618591</b>	<b>5119645</b>
<b>(2) APPLICATION OF FUNDS</b>			
(2.1) FIXED ASSETS			
(A) GROSS BLOCK	4850414	4538111	4230799
(B) LESS DEPRECIATION	3174792	3014524	2860583
(C) NET BLOCK (A-B)	1675622	1523587	1370216
(D) CAPITAL WORK IN PROGRESS	3178571	2255985	1121070
<b>TOTAL (C) + (D)</b>	<b>4854193</b>	<b>3779572</b>	<b>2491286</b>
(2.2) INVESTMENT	105043	68196	65596
(2.3) CURRENT ASSETS, LOAN & ADVANCES			
(A) INVENTORIES	1504471	1187332	1375568
(B) SUNDRY DEBTORS	463682	384298	336658
(C) CASH & BANK BALANCES	1984060	2821793	2518196
(D) OTHER CURRENT ASSETS	66624	106381	128980
(E) LOAN & ADVANCES	676080	481658	391198
<b>TOTAL [(A) + (B) + (C) + (D) + (E)]</b>	<b>4694917</b>	<b>4981462</b>	<b>4750600</b>
(2.4) LESS: CURRENT LIABILITIES & PROVISIONS			
(A) CURRENT LIABILITIES	1522691	1427306	1064373
(B) PROVISIONS	745987	787047	1125174
<b>TOTAL (A+B)</b>	<b>2268678</b>	<b>2214353</b>	<b>2189547</b>
(2.5) NET CURRENT ASSETS (2.3-2.4)	2426239	2767109	2561053
(2.6) DEFERRED REVENUE / PRE-EXPENDITURE	0	0	0
(2.7) DEFERRED TAX ASSET	1352	1272	1710
(2.8) PROFIT & LOSS ACCOUNT (DR)	0	2442	0
<b>TOTAL (2.1+2.2+2.5+2.6+2.7+2.8)</b>	<b>7386827</b>	<b>6618591</b>	<b>5119645</b>

# Steel

## Profit and Loss Account

(₹ in Lakhs)

			(₹ in Lakhs)
Particulars	2010-11	2009-10	2008-09
(1) INCOME			
(A) SALES/OPERATING	5953184	5552187	6005757
(B) EXCISE DUTY	544906	427083	692989
(C) NET SALES (A-B)	5408278	5125104	5312768
(D) OTHER INCOME/RECEIPTS	279432	358630	358838
<b>(I) TOTAL INCOME (C+D+E)</b>	<b>5883591</b>	<b>5325972</b>	<b>5964300</b>
(2) EXPENDITURE			
(A) PURCHASE OF FINISHED GOODS CONSUMPTION OF RAW MATERIALS	2711122	2053871	2637008
(B) STORES & SPARES	291840	308611	404486
(C) POWER & FUEL	420669	375137	368674
(D) MANUFACTURING / DIRECT / OPERATING EXPENSES	152880	236149	169155
(E) SALARY, WAGES & BENEFITS / EMPLOYEE EXP.	911303	701833	980028
(F) OTHER EXPENSES	333701	282979	38464
(G) PROVISIONS	5910	8074	7186
<b>(II) TOTAL EXPENDITURE (A to G)</b>	<b>4827425</b>	<b>3966654</b>	<b>4605001</b>
(3) PROFIT BEFORE DEP. INT. TAXES & EP (PBDITEP) (I-II)	1056166	1359318	1359299
(4) DEPRECIATION	176976	163968	154606
(5) DRE/PREL EXP WRITTEN OFF	0	0	5968
(6) PROFIT BEFORE INT., TAXES & EP (PBITEP) (3-4-5)	879190	1195350	1198725
(7) INTEREST			
(A) ON CENTRAL GOVERNMENT LOANS	509	103	0
(B) ON FOREIGN LOANS	7024	6445	5274
(C) OTHERS	116985	73077	36130
(D) LESS INTEREST CAPITALISED	60806	32753	7309
(E) CHARGED TO P & L ACCOUNT (A+B+C-D)	63712	46872	34095
<b>(8) PROFIT BEFORE TAX &amp; EP (PBTEP) (6-7E)</b>	<b>815478</b>	<b>1148478</b>	<b>1164630</b>
(9) TAX PROVISIONS	265068	390353	396424
(10) NET PROFIT / LOSS(-) BEFORE EP (8-9)	550410	758125	768206
(11) NET EXTRA-ORD. ITEMS	-13833	-3500	9283
<b>(12) NET PROFIT / LOSS(-) (10-11)</b>	<b>564243</b>	<b>761625</b>	<b>758923</b>
(13) DIVIDEND DECLARED	128869	166770	143014
(14) DIVIDEND TAX	20957	27820	24181
<b>(15) RETAINED PROFIT (12-13-14)</b>	<b>414417</b>	<b>567035</b>	<b>591728</b>



# Steel

## Management Ratio

Particulars	2010-11	2009-10	2008-09
<b>(A.) INDICATORS</b>			
<b>(I) GENERAL(Rs. in Lakhs)</b>			
(i) INVESTMENT	2236431	1991738	1488651
(ii) CAPITAL EMPLOYED	4101861	4290696	3931269
(iii) NET WORTH	5095829	4685322	4114013
(iv) COST OF PRODUCTION	5068113	4177494	4799670
(v) COST OF SALES	4872232	4335256	4506976
(vi) VALUE ADDED	2180528	2229723	2195294
(vii) R AND D EXPENDITURE	14925	12242	11833
<b>(II) HUMAN RESOURCE</b>			
(viii) EMPLOYEES (OTHER THAN CASUAL)(Nos.)	132199	138116	141893
(ix) AVG.MONTHLY EMOLUMENTS PER EMPLOYEE(Rs.)	57445	42346	57557
<b>(B.) MANAGEMENT RATIO</b>			
(i) DEBT : EQUITY	0.42	0.38	0.21
(ii) CURRENT RATIO (CURRENT ASSET:CURRENT- LIABILITY	2.07	2.25	2.17
(iii) PBDITEP : TOTAL EMPLOYEMENT (Rs. in Lakhs)	7.99	9.84	9.58
(iv) SUNDRY DEBTORS : SALES (No. of days)	31.29	27.37	23.13
(v) INVENTORY(No. of days)			
(a) TOTAL INVENTORY : SALES	101.54	84.56	94.5
(b) SEMI/FINISHED GOODS : SALES	55.8	44.09	53.34
(vi) INCREMENTAL CAPITAL OUTPUT RATIO(ICOR)	-0.3	-0.56	0.75
(%)			
(vii) SALES : CAPITAL EMPLOYED	131.85	119.45	135.14
(viii) PBDITEP : CAPITAL EMPLOYED	25.75	31.68	34.58
(ix) PBITEP : CAPITAL EMPLOYED	21.43	27.86	30.49
(x) COST OF SALES : SALES	90.09	84.59	84.83
(xi) MATERIAL COST : SALES	50.13	40.07	49.64
(xii) SALARY & WAGES : SALES	16.85	13.69	18.45
(xiii) R & D EXPENDITURE : SALES	0.28	0.24	0.22
(xiv) PBITEP : SALES	16.26	23.32	22.56
(xv) PBTEP : NET WORTH	16	24.51	28.31
(xvi) NET PROFIT : NET WORTH	11.07	16.26	18.45
(xvii) GROSS MARGIN : GROSS BLOCK	21.77	29.95	32.13

## 5.1 Ferro Scrap Nigam Ltd.

Ferro Scrap Nigam Ltd. (FSNL) was incorporated on 28.03.1979 in collaboration with M/s Harsco Corporation (Inc.), USA as a wholly owned subsidiary of M/s MSTC Limited with the objective to indigenise the entire scrap recovery process in the steel sector under SAIL, RINL and IISCO and to reclaim iron and steel scrap from slags in all the integrated steel plants under SAIL and RINL.

FSNL is a Schedule-‘C’ / Mini Ratna CPSE in Steel sector under the administrative control of M/o Steel. Its Registered and Corporate offices are at Bhilai (Chhattisgarh).

### Vision / Mission

The Vision of the Company is to become the admired scrap processing company with leadership in market share and profit by building distinctive scrap processing and other steel mill services capabilities by inculcating a performance culture and always adhering to its values, based on its obligations as the trustees of its customers.

The Mission of the Company is to indigenise the scrap recovery process in the steel industry.

### Industrial / Business Operations

FSNL is engaged in the business of processing of steel mills slag and other refuse and debris for the recovery of iron and steel scrap and other metallic scrap and to render all kind of services to manufacturer of steel and iron and other metallic products through its 9 units at Burnpur and Durgapur in West Bengal, Rourkela and Duburi in Orissa, Bhilai and Raigarh in Chhattisgarh, Bokaro in Jharkhand, Visakhapatnam in Andhra Pradesh and Dolvi in Maharashtra.

FSNL has opened a new unit at HEC, Ranchi. Negotiations are going on for new business at Bhadravati, KIOCI, Railway wagon factory at Bengaluru. The physical performances of the company for last three years are given below:

Main Product / Services	Unit	Performance During		
		2010-11	2009-10	2008-09
Recovery and Processing of Scrap from Slag	MT	12.80	11.75	10.93
Capacity Utilization	%	100.43%	93.42%	93%

### Strategic issue

The technological development/modernization in steel making has brought down the generation of scrap in steel plants which resulted in gradual reduction in availability of scrap. To improve the growth and profitability, the company is looking

for new areas of business.

Efforts are being made to reduce the cost reasonably despite increase in input cost. FSNL is taking necessary steps for technology absorption and innovation particularly in development and engineering.

Steel Industry is poised for growth to reach 100 million MT by the year 2019. FSNL will take advantage of this dealing with the existing customers as also to add new customers in the coming years.

### Performance Highlights

The operational performance of the company along with performance indicators and selected financial ratios during the period 2008-09 to 2010-11 can be seen on the opposite page.

The Company registered an increase of ₹ 9.92crore in total income during 2010-11 which went up to ₹ 168.53crore in 2010-11 from ₹ 158.61 crore during 2009-10 due to increase in turnover. The net profit of the company however reduced to ₹ 1.20 crore, a reduction of ₹ 3.12 crore over the previous year profit of ₹ 4.32 crore due to increase in operating expenses.

### Human Resource Management

The company employed 1090 regular employees as on 31.3.2011. The retirement age in the company is 60 years. It is following IDA 2007 pattern of remuneration. Details of employment in last 3 years are given below:

Particulars	2010-11	2009-10	2008-09
Executives including Non-Unionised Supervisors	148	159	160
Non-Executives #	942	973	987
Total Employees	1090	1132	1147

# Detail break-up of Non-Executive employees is at Statement no. 25 of volume-I of PE Survey.

**Ferro Scrap Nigam Ltd.**

FSNL Bhavan, Equipment Chowk, Central Avenue, Bhilai, Chattisgarh-490001

Balance Sheet	(₹ in Lakhs)		
Particulars	2010-11	2009-10	2008-09
Authorised Capital	200	200	200
<b>(1) Sources Of Fund</b>			
<b>(1.1) Shareholders Funds</b>			
(A) Paid-Up Capital			
Central Govt	0	0	0
Others	200	200	200
(B) Share Application Money	0	0	0
(C) Reserves & Surplus	13541	13467	13137
<b>Total (A) + (B) + (C)</b>	<b>13741</b>	<b>13667</b>	<b>13337</b>
<b>(1.2) Loan Funds</b>			
(A) Secured Loans	0	153	783
(B) Unsecured Loans	0	0	0
<b>Total (A) + (B)</b>	<b>0</b>	<b>153</b>	<b>783</b>
(1.3) Deferred Tax Liability	0	0	286
<b>Total (1.1) + (1.2) + (1.3)</b>	<b>13741</b>	<b>13820</b>	<b>14406</b>
<b>(2) Application Of Funds</b>			
<b>(2.1) Fixed Assets</b>			
(A) Gross Block	19080	18553	17644
(B) Less Depreciation	13640	12716	11294
<b>(C) Net Block (A-B)</b>	<b>5440</b>	<b>5837</b>	<b>6350</b>
(D) Capital Work In Progress	386	551	205
<b>Total (C) + (D)</b>	<b>5826</b>	<b>6388</b>	<b>6555</b>
(2.2) Investment	0	0	0
<b>(2.3) Current Assets, Loan &amp; Advances</b>			
(A) Inventories	886	1041	1061
(B) Sundry Debtors	3266	4058	3648
(C) Cash & Bank Balances	8708	992	6595
(D) Other Current Assets	728	7460	1082
(E) Loan & Advances	1687	1593	1419
<b>Total (A)+(B)+(C)+(D)+(E)</b>	<b>15275</b>	<b>15144</b>	<b>13805</b>
<b>(2.4) Less:current Liabilities &amp; Provisions</b>			
(A) Current Liabilities	4208	4246	3462
(B) Provisions	3278	3493	2492
<b>Total (A+B)</b>	<b>7486</b>	<b>7739</b>	<b>5954</b>
<b>(2.5) Net Current Assets (2.3-2.4)</b>	<b>7789</b>	<b>7405</b>	<b>7851</b>
(2.6) Deferred Revenue / Pre. Expenditure	0	0	0
(2.7) Deferred Tax Asset	126	27	0
(2.8) Profit & Loss Account(Dr)	0	0	0
<b>Total (2.1+2.2+2.5+2.6+2.7+2.8)</b>	<b>13741</b>	<b>13820</b>	<b>14406</b>

Important Indicators	2010-11	2009-10	2008-09
(i) Investment	200	200	200
(ii) Capital Employed	13229	13242	14201
(iii) Net Worth	13741	13667	13337
(iv) Cost of Production	16690	15251	13295
(v) Cost of Sales	16690	15251	13295
(vi) Gross Value Added (At Market Price)	-	-	-
(vii) Total Employees (Other Than Casuals) (Nos.)	1090	1132	1147
(viii) Avg. Monthly Emoluments Per Employee (Rs.)	46965	39988	30500

Profit & Loss Account	(₹ in Lakhs)		
Particulars	2010-11	2009-10	2008-09
<b>(1) Income</b>			
(A) Sales/Operating Income	16078	15038	12898
(B) Excise Duty	0	0	0
(C) Net Sales (A-B)	16078	15038	12898
(D) Other Income/Receipts	775	823	832
(E) Accretion/Depletion in Stocks	0	0	0
<b>(I) Total Income (C+D+E)</b>	<b>16853</b>	<b>15861</b>	<b>13730</b>
<b>(2) Expenditure</b>			
(A) Purchase of Finished Goods/ Consumption Of Raw Materials	0	0	0
(B) Stores & Spares	2985	2662	2885
(C) Power & Fuel	71	78	78
(D) Manufacturing / Direct / Operating Expenses	5221	4030	4225
(E) Salary, Wages & Benefits / Employee Exp.	6143	5432	4198
(F) Other Expenses	1096	1506	657
(G) Provisions	6	0	0
<b>(II) Total Expenditure (A to G)</b>	<b>15522</b>	<b>13708</b>	<b>12043</b>
<b>(3) Profit Before Dep, Int, Taxes &amp; EP (PBDITEP) (I-II)</b>	<b>1331</b>	<b>2153</b>	<b>1687</b>
(4) Depreciation	1155	1422	1121
(5) Dre/Prel Exp Written Off	0	0	0
<b>(6) Profit Before Int., Taxes &amp; Ep (PBITEP) (3-4-5)</b>	<b>176</b>	<b>731</b>	<b>566</b>
(7) Interest			
(A) On Central Government Loans	0	0	0
(B) On Foreign Loans	0	0	0
(C) Others	13	121	131
(D) Less Interest Capitalised	0	0	0
(E) Charged to P & L Account (A+B+C-D)	13	121	131
<b>(8) Profit Before Tax &amp; EP(PBTEP) (6-7E)</b>	<b>163</b>	<b>610</b>	<b>435</b>
(9) Tax Provisions	58	144	208
<b>(10) Net Profit / Loss Before EP (8-9)</b>	<b>105</b>	<b>466</b>	<b>227</b>
(11) Net Extra-Ord. Items	-15	34	4
<b>(12) Net Profit / Loss(-) (10-11)</b>	<b>120</b>	<b>432</b>	<b>223</b>
(13) Dividend Declared	40	86	45
(14) Dividend Tax	6	15	8
<b>(15) Retained Profit (12-13-14)</b>	<b>74</b>	<b>331</b>	<b>170</b>

Financial Ratios	2010-11	2009-10	2008-09
(i) Sales : Capital Employed	121.54	113.56	90.82
(ii) Cost of Sales : Sales	103.81	101.42	103.08
(iii) Salary / Wages : Sales	38.21	36.12	32.55
(iv) Net Profit : Net Worth	0.87	3.16	1.67
(v) Debt : Equity	0	0.01	0.06
(vi) Current Ratio	2.04	1.96	2.32
(vii) Sundry Debtors : Sales (No. of Days)	74.14	98.5	103.23
(viii) Total Inventory : Sales	20.11	25.27	30.03

**2010-11 PROVISIONAL**

## 5.2 Maharashtra Elektros melt Ltd.

Maharashtra Elektros melt Ltd. (MEL) was incorporated on 17.04.1974 with the objective to develop the Chandrapur area in Maharashtra which had vast deposits of good grade iron ore. MEL was promoted by the State Industrial and Investment Corporation of Maharashtra. The company was taken over by Steel Authority of India Ltd. (SAIL) and it became the subsidiary of SAIL w.e.f. 1.1.1986, which holds 99.12% of its equity.

MEL is an uncategorised BIFR referred listed CPSE in steel sector under the administrative control of M/o Steel. Its registered office is at Mumbai and corporate office at Chandrapur, Maharashtra.

As per the recommendations of BIFR, Maharashtra Elektros melt Limited merged with the Steel Authority of India Ltd, w.e.f. 13.07.2011 and the new name is Steel Authority of India Ltd Chandrapur Ferro Alloy Plant ,Chandrapur

### Vision / Mission

The Vision of the unit is to fulfill Ferro Alloys requirements of Integrated Steel Plants of SAIL. SAIL is in the process of enhancing its production capacity of 50 Million Ton in the coming years. The Unit is planning to install new furnace for enhancing its production capacity to meet the requirements of SAIL to the maximum extent possible.

The mission of the unit is to produce quality Ferro Alloys like High Carbon Ferro Manganese and Medium Carbon Ferro manganese.

### Industrial / Business Operations

The Ferro Alloys are important input for Steel Production. The Company's major output of Ferro Alloys (85%) is supplied to integrated Steel Plants of SAIL. The Company also supplies 15% of its output to other consumers. The Company is the largest Ferro Alloys producer in India having installed capacity of one lakh tone production of Ferro Alloys. The physical performances of the company for last three years are given below:

Products	Unit	2010-11	2010-09	2008-09
		(% Capacity Utilization)		
Ferro alloys (FeMn, SiMn, MC FeMn)	MT	112296 (122)	114816 (135)	106192 (123)

### Strategic issue

During 2011-12, MEL becomes a unit of SAIL. SAIL is in the process of enhancing its production capacity to 50 Million Tones in the coming years. The Company is planning to install new furnace for enhancing its production capacity to meet the requirements of SAIL to the maximum extent possible.

### Performance Highlights

The operational performance of the company along with performance indicators and selected financial ratios during the period 2008-09 to 2010-11 can be seen on the opposite page.

The Company registered an increase of ₹ 9.18 crore in total income during 2010-11 which went up to ₹ 372.44 crore in 2010-11 from ₹ 363.26crore during 2009-10. The net profit of the company however reduced to ₹ 27.58 crore, a reduction of ₹ 20.32 crore over the previous year's profit of ₹ 47.90crore due to increase in manufacturing cost.

### Human Resource Management

The company employed 684 regular employees as on 31.3.2011. The retirement age in the company is 60 years. It is following IDA 2007 pattern of remuneration. Details of employment in last 3 years are given below:

Particulars	2010-11	2009-10	2008-09
Executives including Non-Unionised Supervisors	125	125	123
Non-Executives #	559	589	624
Total Employees	684	714	747

# Detail break-up of Non-Executive employees is at Statement no. 25 of volume-I of PE Survey.

Balance Sheet		(₹ in Lakhs)	
Particulars	2010-11	2009-10	2008-09
Authorised Capital	3000	3000	3000
(1) Sources Of Fund			
(1.1) Shareholders Funds			
(A) Paid-Up Capital			
Central Govt	0	0	0
Others	2400	2400	2400
(B) Share Application Money	0	0	0
(C) Reserves & Surplus	16024	13909	10242
Total (A) + (B) + (C)	18424	16309	12642
(1.2) Loan Funds			
(A) Secured Loans	0	0	79
(B) Unsecured Loans	22	22	22
Total (A) + (B)	22	22	101
(1.3) Deferred Tax Liability	0	0	0
Total (1.1) + (1.2) + (1.3)	18446	16331	12743
(2) Application Of Funds			
(2.1) Fixed Assets			
(A) Gross Block	7858	7496	7083
(B) Less Depreciation	4460	4211	3966
(C) Net Block (A-B)	3398	3285	3117
(D) Capital Work In Progress	516	578	561
Total (C) + (D)	3914	3863	3678
(2.2) Investment	0	0	0
(2.3) Current Assets, Loan & Advances			
(A) Inventories	8609	5819	6052
(B) Sundry Debtors	819	1807	2701
(C) Cash & Bank Balances	8729	9367	5990
(D) Other Current Assets	8303	5692	193
(E) Loan & Advances	0	0	4553
Total (A)+ (B)+ (C)+ (D)+ (E)	26460	22685	19489
(2.4) Less:current Liabilities & Provisions			
(A) Current Liabilities	6676	4522	4569
(B) Provisions	6478	6940	7565
Total (A+B)	13154	11462	12134
(2.5) Net Current Assets (2.3-2.4)	13306	11223	7355
(2.6) Deferred Revenue / Pre. Expenditure	0	0	0
(2.7) Deferred Tax Asset	1226	1245	1710
(2.8) Profit & Loss Account(Dr)	0	0	0
Total (2.1+2.2+2.5+2.6+2.7+2.8)	18446	16331	12743

Important Indicators	2010-11	2009-10	2008-09
(i) Investment	2400	2400	2400
(ii) Capital Employed	16704	14508	10472
(iii) Net Worth	18424	16309	12642
(iv) Cost of Production	33226	28403	29293
(v) Cost of Sales	32603	28203	27827
(vi) Gross Value Added (At Market Price)	-	-	-
(vii) Total Employees (Other Than Casuals) (Nos.)	684	714	747
(viii) Avg. Monthly Emoluments Per Employee (Rs.)	67288	48471	57340

Profit & Loss Account		(₹ in Lakhs)	
Particulars	2010-11	2009-10	2008-09
(1) Income			
(A) Sales/Operating Income	39570	38205	42505
(B) Excise Duty	7148	5074	10095
(C) Net Sales (A-B)	32422	33131	32410
(D) Other Income/Receipts	4199	2995	1761
(E) Accretion/Depletion in Stocks	623	200	1466
(I)Total Income (C+D+E)	37244	36326	35637
(2) Expenditure			
(A) Purchase of Finished Goods/ Consumption Of Raw Materials	8974	6171	8457
(B) Stores & Spares	775	727	865
(C) Power & Fuel	16240	15329	13174
(D) Manufacturing / Direct / Operating Expenses	183	1281	980
(E) Salary, Wages & Benefits / Employee Exp.	5523	4153	5140
(F) Other Expenses	1245	470	450
(G) Provisions	0	6	0
(II)Total Expenditure (A to G)	32940	28137	29066
(3) Profit Before Dep, Int, Taxes & EP (PBDITEP) (I-II)	4304	8189	6571
(4) Depreciation	258	248	219
(5) Dre/Prel Exp Written Off	0	0	0
(6) Profit Before Int., Taxes & Ep (PBITEP) (3-4-5)	4046	7941	6352
(7) Interest			
(A) On Central Government Loans	0	0	0
(B) On Foreign Loans	0	0	0
(C) Others	28	18	8
(D) Less Interest Capitalised	0	0	0
(E) Charged to P & L Account (A+B+C-D)	28	18	8
(8) Profit Before Tax & EP(PBTPEP) (6-7E)	4018	7923	6344
(9) Tax Provisions	1260	3133	2119
(10) Net Profit / Loss Before EP (8-9)	2758	4790	4225
(11) Net Extra-Ord. Items	0	0	136
(12) Net Profit / Loss(-) (10-11)	2758	4790	4089
(13) Dividend Declared	552	960	840
(14) Dividend Tax	92	163	143
(15) Retained Profit (12-13-14)	2114	3667	3106

Financial Ratios	2010-11	2009-10	2008-09
(i) Sales : Capital Employed	194.1	228.36	309.49
(ii) Cost of Sales : Sales	100.56	85.13	85.86
(iii) Salary / Wages : Sales	17.03	12.54	15.86
(iv) Net Profit : Net Worth	14.97	29.37	32.34
(v) Debt : Equity	0	0	0.01
(vi) Current Ratio	2.01	1.98	1.61
(vii) Sundry Debtors : Sales (No. of Days)	9.22	19.91	30.42
(viii) Total Inventory : Sales	96.92	64.11	68.16

**2010-11 PROVISIONAL**

## 5.3 Mishra Dhatu Nigam Ltd

Mishra Dhatu Nigam Ltd (MIDHANI) was established in November 1973 to achieve self reliance in areas of special grade super alloys, steel, titanium and magnetic alloys. These alloys find applications in the strategic sectors such as Defence, Space, Aeronautics, Nuclear and various other commercial industries.

MIDHANI is a schedule- 'B' Mini Ratna CPSE in Steel sector under the administrative control of Ministry of Defence, Department of Defence Production with 100 % shareholding by the Government of India. Its Registered and Corporate offices are located at Hyderabad, Andhra Pradesh

### Vision / Mission

The vision / Mission of the Company are to achieve self-reliance in the research, development, manufacture and supply of critical alloys and products of National Security and Strategic Importance.

### Industrial / Business Operations

MIDHANI is engaged in the manufacture of some of the very complex alloys, like super alloys, maraging steels, titanium & titanium alloys, special purpose steels, soft magnetic alloys, molybdenum products and welding electrodes, which only a few advanced countries in the world produce through its single operating unit at Hyderabad.

MIDHANI offers more products in more forms than any other manufacturer. The products are produced in a plant that meets the stringent ISO 9001:2000 standards. Most of the products are import substitutes saving precious foreign exchange, reducing dependence on imports and providing boost to the growth of indigenization of critical technologies and products. The physical performances of the company for last three years are given below:

Main Product / Services	Unit	Performance During (% capacity utilization)		
		2010-11	2009-10	2008-09
Superalloys, Special Stainless steel & Titanium Alloys	MT (%)	3014 (110)	2429 (89)	1908 (69)

S. No	Alloy group	Market share in India (%) During the year		
		2010-11	2009-10	2008-09
1	Maraging steel (MDN250)	65	60	65
2	Maraging steel (MDN350)	100	100	100
3	Spl. Steels	35	35	38
4	Titanium Alloys	65	70	70
5	Soft Mag Alloys	15	15	15

### Strategic issue

In the year 2010-11 MIDHANI's customers funded Modernization & Up-gradation program under Phase –I has started yielding results. Major part of Modernisation under this phase was under commercial production. The Phase –II envisaged with a capital outlay of ₹ 200 crore is being funded by MOD for ₹ 100 crore and the balance amount from internal resources. The Phase-II envisaged an investment of ₹ 507 crore. The facilities added under these phases would improve self reliance in the area of production of strategic materials.

### Performance Highlights

The operational performance of the company along with performance indicators and selected financial ratios during the period 2008-09 to 2010-11 can be seen on the opposite page.

The Company registered an increase of ₹ 110.42 crore in total income during 2010-11 which went up to ₹ 494.54 crore in 2010-11 from ₹ 384.12 crore during 2009-10. The net profit of the company correspondingly increased to ₹ 50.42 crore, an increase of ₹ 5.81 crore over the previous year due well managed raw material and inventory costs.

The production achievements during the year includes, recycling of 29% of materials (1863 MT) reclaimed from production processes resulted in saving of purchase of virgin raw materials worth ₹ 39 crore during the year. Developed and supplied Titan 31 satellite rings to Indian Space research Organisation. First time developed Titan 32 forged and machined bars for ship building center. First to get clearance from Nuclear Power Corporation for supply of end fitting forging components for the 700 MW PHWR( Pressurized Heavy Water Reactors)

### Human Resource Management

The company employed 1121 regular employees as on 31.3.2011. The retirement age in the company is 60 years. It is following IDA 2007 pattern of remuneration. Details of employment in last 3 years are given below:

Particulars	2010-11	2009-10	2008-09
Executives including Non-Unionised Supervisors	436	416	392
Non-Executives #	685	775	837
Total Employees	1121	1191	1229

# Detail break-up of Non-Executive employees is at Statement no. 25 of volume-I of PE Survey.

### Technology Up-gradation, Research and Development

Midhani Research and Development (R&D) is centered around development of new alloys for strategic needs , modification of process for reduction of manufacturing time and cost and improve the quality of product. Midhani is offering its core competence for manufacturing alloys tailor-made to suit the specific stringent requirements of customers for their critical applications. The R&D efforts at MIDHANI resulted in the development of five new products used for critical applications in the financial year.



Balance Sheet	(₹ in Lakhs)		
Particulars	2010-11	2009-10	2008-09
Authorised Capital	20000	20000	20000
<b>(1) Sources Of Fund</b>			
<b>(1.1) Shareholders Funds</b>			
(A) Paid-Up Capital			
Central Govt	18334	14634	14634
Others	0	0	0
(B) Share Application Money	0	3700	0
(C) Reserves & Surplus	15461	12759	9342
<b>Total (A) + (B) + (C)</b>	<b>33795</b>	<b>31093</b>	<b>23976</b>
<b>(1.2) Loan Funds</b>			
(A) Secured Loans	107	18	7
(B) Unsecured Loans	3500	4420	900
<b>Total (A) + (B)</b>	<b>3607</b>	<b>4438</b>	<b>907</b>
(1.3) Deferred Tax Liability	40	47	96
<b>Total (1.1) + (1.2) + (1.3)</b>	<b>37442</b>	<b>35578</b>	<b>24979</b>
<b>(2) Application Of Funds</b>			
<b>(2.1) Fixed Assets</b>			
(A) Gross Block	17693	15455	14228
(B) Less Depreciation	12167	11778	11449
<b>(C) Net Block (A-B)</b>	<b>5526</b>	<b>3677</b>	<b>2779</b>
(D) Capital Work In Progress	1415	1550	3522
<b>Total (C) + (D)</b>	<b>6941</b>	<b>5227</b>	<b>6301</b>
(2.2) Investment	210	210	210
<b>(2.3) Current Assets, Loan &amp; Advances</b>			
(A) Inventories	39226	32046	29842
(B) Sundry Debtors	10406	10754	8260
(C) Cash & Bank Balances	18848	24033	12042
(D) Other Current Assets	1041	1434	130
(E) Loan & Advances	12363	9486	6829
<b>Total (A)+(B)+(C)+(D)+(E)</b>	<b>81884</b>	<b>77753</b>	<b>57103</b>
<b>(2.4) Less: current Liabilities &amp; Provisions</b>			
(A) Current Liabilities	37178	37219	30960
(B) Provisions	14415	10393	7675
<b>Total (A+B)</b>	<b>51593</b>	<b>47612</b>	<b>38635</b>
<b>(2.5) Net Current Assets (2.3-2.4)</b>	<b>30291</b>	<b>30141</b>	<b>18468</b>
(2.6) Deferred Revenue / Pre. Expenditure	0	0	0
(2.7) Deferred Tax Asset	0	0	0
(2.8) Profit & Loss Account(Dr)	0	0	0
<b>Total (2.1+2.2+2.5+2.6+2.7+2.8)</b>	<b>37442</b>	<b>35578</b>	<b>24979</b>

Important Indicators	2010-11	2009-10	2008-09
(i) Investment	21834	22772	15541
(ii) Capital Employed	35817	33818	21247
(iii) Net Worth	33795	31093	23976
(iv) Cost of Production	41888	31652	30878
(v) Cost of Sales	35129	31449	25386
(vi) Gross Value Added (At Market Price)	-	-	-
(vii) Total Employees (Other Than Casuals) (Nos.)	1121	1191	1229
(viii) Avg. Monthly Emoluments Per Employee (Rs.)	74405	64694	50190

Profit & Loss Account	(₹ in Lakhs)		
Particulars	2010-11	2009-10	2008-09
<b>(1) Income</b>			
(A) Sales/Operating Income	41787	37121	30911
(B) Excise Duty	998	775	775
(C) Net Sales (A-B)	40789	36346	30136
(D) Other Income/Receipts	1906	1863	1549
(E) Accretion/Depletion in Stocks	6759	203	5492
<b>(I) Total Income (C+D+E)</b>	<b>49454</b>	<b>38412</b>	<b>37177</b>
<b>(2) Expenditure</b>			
(A) Purchase of Finished Goods/ Consumption Of Raw Materials	19668	13566	14916
(B) Stores & Spares	1450	1107	1339
(C) Power & Fuel	3091	2378	2416
(D) Manufacturing / Direct / Operating Expenses	4659	3447	284
(E) Salary, Wages & Benefits / Employee Exp.	10009	9246	7402
(F) Other Expenses	1905	1413	4186
(G) Provisions	37	14	10
<b>(II) Total Expenditure (A to G)</b>	<b>40819</b>	<b>31171</b>	<b>30553</b>
<b>(3) Profit Before Dep, Int, Taxes &amp; EP (PBDITEP) (I-II)</b>	<b>8635</b>	<b>7241</b>	<b>6624</b>
(4) Depreciation	389	325	307
(5) Dre/Prel Exp Written Off	0	0	0
<b>(6) Profit Before Int., Taxes &amp; Ep (PBITEP) (3-4-5)</b>	<b>8246</b>	<b>6916</b>	<b>6317</b>
(7) Interest			
(A) On Central Government Loans	509	103	0
(B) On Foreign Loans	0	0	0
(C) Others	171	53	18
(D) Less Interest Capitalised	0	0	0
(E) Charged to P & L Account (A+B+C-D)	680	156	18
<b>(8) Profit Before Tax &amp; EP(PBTPEP) (6-7E)</b>	<b>7566</b>	<b>6760</b>	<b>6299</b>
(9) Tax Provisions	2476	2305	2184
<b>(10) Net Profit / Loss Before EP (8-9)</b>	<b>5090</b>	<b>4455</b>	<b>4115</b>
(11) Net Extra-Ord. Items	48	-6	9
<b>(12) Net Profit / Loss(-) (10-11)</b>	<b>5042</b>	<b>4461</b>	<b>4106</b>
(13) Dividend Declared	2000	892	821
(14) Dividend Tax	340	152	140
<b>(15) Retained Profit (12-13-14)</b>	<b>2702</b>	<b>3417</b>	<b>3145</b>

Financial Ratios	2010-11	2009-10	2008-09
(i) Sales : Capital Employed	113.88	107.48	141.84
(ii) Cost of Sales : Sales	86.12	86.53	84.24
(iii) Salary / Wages : Sales	24.54	25.44	24.56
(iv) Net Profit : Net Worth	14.92	14.35	17.13
(v) Debt : Equity	0.11	0.14	0.04
(vi) Current Ratio	1.59	1.63	1.48
(vii) Sundry Debtors : Sales (No. of Days)	93.12	108	100.04
(viii) Total Inventory : Sales	351.01	321.82	361.44

## 5.4 Rashtriya Ispat Nigam Ltd.

Rashtriya Ispat Nigam Ltd. (RINL)/ Visakhapatnam Steel Plant (VSP) was incorporated on 18.2.1982 under the Companies Act, 1956. RINL/VSP is a schedule- 'A' Navratna company in Steel sector, under the administrative control of Ministry of Steel with 100% shareholding by the Government of India. Its Registered and Corporate office is at Visakhapatnam, Andhra Pradesh.

### Vision/Mission

The Vision of the Company is to be a continuously growing world class company. Its endeavor is to harness its growth potential and sustain profitable growth; deliver high quality and cost competitive products and be the first choice of customers; create an inspiring work environment to unleash the creative energy of people; achieve excellence in enterprise management; be a respected corporate citizen; ensure clean and green environment and to develop vibrant communities.

The Mission of the Company is to attain 16 Mt liquid steel capacity through technological up-gradation, operational efficiency and expansion; augmentation of assured supply of raw materials; to produce steel at international Standards of Cost & Quality; and to meet the aspirations of stakeholders.

### Industrial / Business Operations

RINL/VSP is involved in production and marketing of steel products in the long product category and basic grade pig iron through its operating unit at Visakhapatnam, Andhra Pradesh.

The principal products of VSP include Pig Iron, rounds, structurals, reinforcement bars, wire rods, blooms, billets and squares. The iron & steel products, which account for 98% of total sales, are used in construction, wire drawing industry, forging industry, and foundry and re rolling industry. The physical performance of the company for last three years are given below:

Main Product	Unit	Performance During (% capacity utilisation)		
		2010-11	2009-10	2008-09
Bar Products	Mt	0.868 (122%)	0.870 (123%)	0.825 (116%)
Wire rods	Mt	1.016 (120%)	1.016 (120%)	0.972 (114%)
MMSM Products	Mt	1.044 (123%)	1.073 (126%)	0.748 (88%)
Pig Iron	Mt	0.318 (57%)	0.408 (73%)	0.322 (58%)

BIRD Group of Companies (BGC) have formally been made subsidiaries of RINL, with acquisition of 51% stake in EIL, the holding company of BGC.

### Strategic Issues

RINL has long term directional plans to expand the capacity of liquid steel to 20 million tonnes in phases by the year 2020 to maintain its important position in the Indian steel market. RINL is currently doubling its capacity to 6.3 Mtpa of liquid steel which is scheduled to be completed by 2011-12 progressively.

In addition to expansion, RINL is also in the process of adding capacities through revamping / up gradation of existing units like Blast Furnaces, Converters, Sinter Plant and other associated facilities with which capacity will go up to 7.3 mtpa of Liquid steel by 2013. RINL has taken number of initiatives for growth of business of the company in addition to its expansion plan, which includes formation of Joint Ventures, acquisition of mineral assets for raw material security, mergers etc.

MOU signed for installation of Uttarbanga RINL Rail Kharkhana to produce Axels for Railways at New Jalpaiguri, West Bengal.

### Performance Highlights

The operational performance of the company along with performance indicators and selected financial ratios during the period 2008-09 to 2010-11 can be seen on the opposite page.

The Company registered an increase of ₹ 1377.73 crore in total income during 2010-11 which went up to ₹ 11529.06 crore in 2010-11 from ₹ 10151.33crore during 2009-10. The net profit of the company however reduced to ₹ 658.49 crore, a reduction of ₹ 138.18 crore over the previous year's profit of ₹ 796.67 crore due to increase in Raw Material Consumption Expenditure as a result of increase in raw material prices over last year.

The year 2010-11 witnessed considerable growth of Indian economy and steel industry has also shown growth rates of 8.9% and 10.6% with respect to production and apparent consumption of finished steel respectively.

RINL has been surpassing rated capacities of its production units since 2001 and continued the same trend for the year 2010-11. RINL/VSP registered capacity utilization of 113%, 114% & 116% in Hot Metal, Liquid Steel and Saleable Steel productions respectively. 24.23 lakh tons of value added steel products were produced during 2010-11 which is about 79% of saleable steel, is the best since inception.

### Human Resource Management

The company employed 17829 regular employees as on 31.3.2011. The retirement age in the company is 60 years. It is following IDA 2007 pattern of remuneration. Details of employment in last 3 years are given below:

Particulars	2010-11	2009-10	2008-09
Executives including Non-Unionised Supervisors	5207	5263	5184
Non-Executives #	12622	12567	11988
Total Employees	17829	17830	17172

# Detail break-up of Non-Executive employees is at Statement no. 25 of volume-I of PE Survey.

### Technology Up-gradation, Research & Development

RINL-VSP through in-house R&D, has taken up various projects towards in-plant process improvements, development of new products, cost reduction, waste & environment management, improvement in yield & efficiency etc. Projects are also taken up in collaboration with different research institutes like Council of Scientific & Industrial Research (CSIR), premier educational institutions viz. IITs, IISc-Bangalore, Jadavpur University, Andhra University etc.

Keeping in view the market demand and to cater to specific customer requirement, 25 new products were developed during 2010-11. These new products are used in manufacturing products / applications.



Balance Sheet	(₹ in Lakhs)		
Particulars	2010-11	2009-10	2008-09
Authorised Capital	800000	800000	800000
<b>(1) Sources Of Fund</b>			
<b>(1.1) Shareholders Funds</b>			
(A) Paid-Up Capital			
Central Govt	488985	782732	782732
Others	293747	0	0
(B) Share Application Money	0	0	0
(C) Reserves & Surplus	540190	505768	459259
<b>Total (A) + (B) + (C)</b>	<b>1322922</b>	<b>1288500</b>	<b>1241991</b>
<b>(1.2) Loan Funds</b>			
(A) Secured Loans	27489	40728	90772
(B) Unsecured Loans	86187	82527	10004
<b>Total (A) + (B)</b>	<b>113676</b>	<b>123255</b>	<b>100776</b>
(1.3) Deferred Tax Liability	7997	9782	12449
<b>Total (1.1) + (1.2) + (1.3)</b>	<b>1444595</b>	<b>1421537</b>	<b>1355216</b>
<b>(2) Application Of Funds</b>			
<b>(2.1) Fixed Assets</b>			
(A) Gross Block	979463	947395	900604
(B) Less Depreciation	826471	800855	774974
<b>(C) Net Block (A-B)</b>	<b>152992</b>	<b>146540</b>	<b>125630</b>
(D) Capital Work In Progress	953671	750690	461781
<b>Total (C) + (D)</b>	<b>1106663</b>	<b>897230</b>	<b>587411</b>
<b>(2.2) Investment</b>	<b>36160</b>	<b>25</b>	<b>5</b>
<b>(2.3) Current Assets, Loan &amp; Advances</b>			
(A) Inventories	325471	245152	321528
(B) Sundry Debtors	33061	18118	19127
(C) Cash & Bank Balances	199889	541554	662417
(D) Other Current Assets	7596	13740	25891
(E) Loan & Advances	196504	136502	156969
<b>Total (A)+ (B)+ (C)+ (D)+ (E)</b>	<b>762521</b>	<b>955066</b>	<b>1185932</b>
<b>(2.4) Less: current Liabilities &amp; Provisions</b>			
(A) Current Liabilities	327143	287195	256079
(B) Provisions	133606	143589	162053
<b>Total (A+B)</b>	<b>460749</b>	<b>430784</b>	<b>418132</b>
<b>(2.5) Net Current Assets (2.3-2.4)</b>	<b>301772</b>	<b>524282</b>	<b>767800</b>
(2.6) Deferred Revenue / Pre. Expenditure	0	0	0
(2.7) Deferred Tax Asset	0	0	0
(2.8) Profit & Loss Account(Dr)	0	0	0
<b>Total (2.1+2.2+2.5+2.6+2.7+2.8)</b>	<b>1444595</b>	<b>1421537</b>	<b>1355216</b>

Important Indicators	2010-11	2009-10	2008-09
(i) Investment	782732	788524	782732
(ii) Capital Employed	454764	670822	893430
(iii) Net Worth	1322922	1288500	1241991
(iv) Cost of Production	1058236	891092	899936
(v) Cost of Sales	1005004	932627	808271
(vi) Gross Value Added (At Market Price)	-	-	-
(vii) Total Employees (Other Than Casuals) (Nos.)	17829	17830	17172
(viii) Avg. Monthly Emoluments Per Employee (Rs.)	59498	65421	56132

Profit & Loss Account	(₹ in Lakhs)		
Particulars	2010-11	2009-10	2008-09
<b>(1) Income</b>			
(A) Sales/Operating Income	1151699	1063463	1041063
(B) Excise Duty	104581	82548	128225
(C) Net Sales (A-B)	1047118	980915	912838
(D) Other Income/Receipts	52556	75753	97633
(E) Accretion/Depletion in Stocks	53232	-41535	91665
<b>(I) Total Income (C+D+E)</b>	<b>1152906</b>	<b>1015133</b>	<b>1102136</b>
<b>(2) Expenditure</b>			
(A) Purchase of Finished Goods/ Consumption Of Raw Materials	713926	553511	589625
(B) Stores & Spares	47122	46648	50123
(C) Power & Fuel	42503	40827	34031
(D) Manufacturing / Direct / Operating Expenses	14581	48582	57333
(E) Salary, Wages & Benefits / Employee Exp.	127295	139974	115668
(F) Other Expenses	68776	25159	19268
(G) Provisions	984	919	1008
<b>(II) Total Expenditure (A to G)</b>	<b>1015187</b>	<b>855620</b>	<b>867056</b>
<b>(3) Profit Before Dep, Int, Taxes &amp; EP (PBDITEP) (I-II)</b>	<b>137719</b>	<b>159513</b>	<b>235080</b>
(4) Depreciation	26594	27717	24046
(5) Dre/Prel Exp Written Off	0	0	20
<b>(6) Profit Before Int., Taxes &amp; Ep (PBITEP) (3-4-5)</b>	<b>111125</b>	<b>131796</b>	<b>211014</b>
(7) Interest			
(A) On Central Government Loans	0	0	0
(B) On Foreign Loans	0	0	0
(C) Others	16455	7755	8814
(D) Less Interest Capitalised	0	0	0
(E) Charged to P & L Account (A+B+C-D)	16455	7755	8814
<b>(8) Profit Before Tax &amp; EP(PBTEP) (6-7E)</b>	<b>94670</b>	<b>124041</b>	<b>202200</b>
(9) Tax Provisions	32317	45098	69102
<b>(10) Net Profit / Loss Before EP (8-9)</b>	<b>62353</b>	<b>78943</b>	<b>133098</b>
(11) Net Extra-Ord. Items	-3496	-724	-459
<b>(12) Net Profit / Loss(-) (10-11)</b>	<b>65849</b>	<b>79667</b>	<b>133557</b>
(13) Dividend Declared	27147	28529	33918
(14) Dividend Tax	4404	4738	5764
<b>(15) Retained Profit (12-13-14)</b>	<b>34298</b>	<b>46400</b>	<b>93875</b>

Financial Ratios	2010-11	2009-10	2008-09
(i) Sales : Capital Employed	230.26	146.23	102.17
(ii) Cost of Sales : Sales	95.98	95.08	88.54
(iii) Salary / Wages : Sales	12.16	14.27	12.67
(iv) Net Profit : Net Worth	4.98	6.18	10.75
(v) Debt : Equity	0.09	0.1	0.08
(vi) Current Ratio	1.65	2.22	2.84
(vii) Sundry Debtors : Sales (No. of Days)	11.52	6.74	7.65
(viii) Total Inventory : Sales	113.45	91.22	128.56

## 5.6 Steel Authority of India

Steel Authority of India Ltd. (SAIL) was incorporated on 24.1.1973 with the objective to plan, promote and organise an integrated and efficient development of iron and steel and associated input industries. Subsequently, “The Public Sector Iron and Steel Companies (Restructuring and Miscellaneous Provisions) Act, 1978” was enacted and it came into force with effect from 1st May, 1978 with the objective to provide for restructuring of iron and steel companies in the Public Sector so as to secure better management and greater efficiency in their working. The aim was to bring all the Public Sector Plants under the overall control of an integrated company (i.e. SAIL) which is to function as an integral Steel Complex.

SAIL is a Schedule-‘A’ listed Maharatna CPSE in Steel Sector under the administrative control of M/o Steel with 85.82% shareholding by the Government of India. Its Registered and Corporate offices are at New Delhi.

### Vision / Mission

The Vision / Mission of the Company are to be respected as world Class Corporation and to be the leader in Indian steel business in quality, productivity, profitability and customer satisfaction.

### Industrial / Business Operations

SAIL is engaged in production of Iron and Steel and other by products through its 9 manufacturing plants – five integrated plants at Bhilai in Chhattisgarh, Durgapur and Burnpur in West Bengal, Rourkela in Orissa, Bokaro in Jharkhand and four plants at Salem in Tamilnadu, Bhadravati in Karnataka, Durgapur and Chandrapur (earlier known as Maharashtra Elektrosmet Ltd.) making stainless and alloy steels and ferro alloys. The company is also India’s largest producer of iron ore.

Out of two erstwhile subsidiaries of SAIL namely Maharashtra Elektrosmet Ltd. (MEL) and IISCO Ujjain Pipe and Foundry Co. Limited, the MEL is merged with SAIL and IISCO Ujjain is under liquidation. The company has 16 Joint Ventures (JVs) with share holding ranging between 50% to 15%.

SAIL offers 50 mild, special and alloy steel products in 1000 qualities and 5000 dimensions. The physical performances of the company for last three years are given below:

Main Product	Unit	Performance During		
		2010-11	2009-10	2008-09
Saleable Steel	Million tonnes	12.89	12.63	12.50

### Strategic issue

SAIL has reoriented its product-mix to keep pace with market demand. Higher productions of special grade items have enabled SAIL to maintain and achieve larger market share in value added segments. By branding some of its products, the company has also been able to achieve better recognition and value in the market. SAIL has also formed JVs in different areas ranging from power plants to e-commerce.

The company is currently implementing a mega Modernisation & Expansion (M&E) plan to enhance its hot metal production capacity in a phased manner.

### Performance Highlights

The operational performance of the company along with performance indicators and selected financial ratios during the period 2008-09 to 2010-11 can be seen on the opposite page.

The Company registered an increase of ₹ 4112.74 crore in total income during 2010-11 which went up to ₹ 46271.34 crore in 2010-11 from ₹ 42158.60 crore during 2009-10 due to increase in average net sales realization of saleable steel.. The

net profit of the company however reduced to ₹ 4904.74 crore, a reduction of ₹ 1849.63 crore over the previous year’s profit of ₹ 6754.37 due to adverse impact of input price of various material required for the steel production and also due to higher interest rate and depreciation. However, the adverse impact on profitability was partially offset by management initiative such as higher volume of saleable Steel production, increase in net sales realization of saleable steel and better product mix and higher value added steel production.

### Human Resource Management

The company employed 111475 regular employees as on 31.3.2011. The retirement age in the company is 60 years. It is following IDA 2007 pattern of remuneration. Details of employment in last 3 years are given below:

Particulars	2010-11	2009-10	2008-09
Executives including Non-Unionised Supervisors	16070	15705	15621
Non-Executives #	95405	101245	105674
Total Employees	111475	116950	121295

# Detail break-up of Non-Executive employees is at Statement no. 25 of volume-I of PE Survey.

### Technology Up-gradation, Research and Development

To improve operating processes, SAIL introduced new products for the Steel Industry and achieved world standards in Steel making through its well equipped R&D centre for Iron and Steel at Ranchi. SAIL’s Centre for Engineering & Technology, Management Training Institute and SAIL Safety organization are also located at Ranchi.

Balance Sheet		(₹ in Lakhs)	
Particulars	2010-11	2009-10	2008-09
Authorised Capital	500000	500000	500000
(1) Sources Of Fund			
(1.1) Shareholders Funds			
(A) Paid-Up Capital			
Central Govt	354469	354469	354469
Others	58571	58571	58571
(B) Share Application Money	0	0	0
(C) Reserves & Surplus	3293907	2918630	2401782
Total (A) + (B) + (C)	3706947	3331670	2814822
(1.2) Loan Funds			
(A) Secured Loans	1181391	775590	149764
(B) Unsecured Loans	835158	875535	606519
Total (A) + (B)	2016549	1651125	756283
(1.3) Deferred Tax Liability	149107	141492	133321
Total (1.1) + (1.2) + (1.3)	5872603	5124287	3704426
(2) Application Of Funds			
(2.1) Fixed Assets			
(A) Gross Block	3826320	3539619	3285242
(B) Less Depreciation	2318054	2178091	2054703
(C) Net Block (A-B)	1508266	1361528	1230539
(D) Capital Work In Progress	2222583	1502613	654971
Total (C) + (D)	3730849	2864141	1885510
(2.2) Investment	68673	67961	65381
(2.3) Current Assets, Loan & Advances			
(A) Inventories	1130279	902746	1016119
(B) Sundry Debtors	416130	349390	302777
(C) Cash & Bank Balances	1747886	2243637	1826467
(D) Other Current Assets	48956	78034	101496
(E) Loan & Advances	465526	333231	220607
Total (A)+ (B)+ (C)+ (D)+ (E)	3808777	3907038	3467466
(2.4) Less:current Liabilities & Provisions			
(A) Current Liabilities	1147486	1093686	768867
(B) Provisions	588210	621167	945064
Total (A+B)	1735696	1714853	1713931
(2.5) Net Current Assets (2.3-2.4)	2073081	2192185	1753535
(2.6) Deferred Revenue / Pre. Expenditure	0	0	0
(2.7) Deferred Tax Asset	0	0	0
(2.8) Profit & Loss Account(Dr)	0	0	0
Total (2.1+2.2+2.5+2.6+2.7+2.8)	5872603	5124287	3704426

Important Indicators	2010-11	2009-10	2008-09
(i) Investment	1429265	1171332	681268
(ii) Capital Employed	3581347	3553713	2984074
(iii) Net Worth	3706947	3331670	2814822
(iv) Cost of Production	3918073	3204974	3820872
(v) Cost of Sales	3782806	3321075	3627421
(vi) Gross Value Added (At Market Price)	-	-	-
(vii) Total Employees (Other Than Casuals) (Nos.)	111475	116950	121295
(viii) Avg. Monthly Emoluments Per Employee (Rs.)	56988	38598	58133

Profit & Loss Account		(₹ in Lakhs)	
Particulars	2010-11	2009-10	2008-09
(1) Income			
(A) Sales/Operating Income	4704050	4393470	4873811
(B) Excise Duty	432179	338332	553405
(C) Net Sales (A-B)	4271871	4055138	4320406
(D) Other Income/Receipts	219996	276823	256496
(E) Accretion/Depletion in Stocks	135267	-116101	193451
(I)Total Income (C+D+E)	4627134	4215860	4770353
(2) Expenditure			
(A) Purchase of Finished Goods/ Consumption Of Raw Materials	1968554	1476921	2020677
(B) Stores & Spares	239508	257376	349181
(C) Power & Fuel	358764	316343	318794
(D) Manufacturing / Direct / Operating Expenses	128236	178727	106237
(E) Salary, Wages & Benefits / Employee Exp.	762333	541681	846146
(F) Other Expenses	260679	254273	13822
(G) Provisions	4883	7107	6166
(II)Total Expenditure (A to G)	3722957	3032428	3661023
(3) Profit Before Dep, Int, Taxes & EP (PBDITEP) (I-II)	904177	1183432	1109330
(4) Depreciation	148580	133724	128777
(5) Dre/Prel Exp Written Off	0	0	5948
(6) Profit Before Int., Taxes & Ep (PBITEP) (3-4-5)	755597	1049708	974605
(7) Interest			
(A) On Central Government Loans	0	0	0
(B) On Foreign Loans	7024	6445	5274
(C) Others	100318	65130	27159
(D) Less Interest Capitalised	60806	32753	7309
(E) Charged to P & L Account (A+B+C-D)	46536	38822	25124
(8) Profit Before Tax & EP(PBTEP) (6-7E)	709061	1010886	949481
(9) Tax Provisions	228957	337766	322848
(10) Net Profit / Loss Before EP (8-9)	480104	673120	626633
(11) Net Extra-Ord. Items	-10370	-2317	9593
(12) Net Profit / Loss(-) (10-11)	490474	675437	617040
(13) Dividend Declared	99130	136303	107390
(14) Dividend Tax	16115	22752	18126
(15) Retained Profit (12-13-14)	375229	516382	491524

Financial Ratios	2010-11	2009-10	2008-09
(i) Sales : Capital Employed	119.28	114.11	144.78
(ii) Cost of Sales : Sales	88.55	81.9	83.96
(iii) Salary / Wages : Sales	17.85	13.36	19.58
(iv) Net Profit : Net Worth	13.23	20.27	21.92
(v) Debt : Equity	0.54	0.5	0.27
(vi) Current Ratio	2.19	2.28	2.02
(vii) Sundry Debtors : Sales (No. of Days)	35.56	31.45	25.58
(viii) Total Inventory : Sales	96.57	81.26	85.84

## 6 Petroleum (Refinery & Marketing)

As on 31.3.2011, there were 8 Central Public Sector Enterprises in the Petroleum group. The name of these enterprises along with their year of incorporation in chronological order are given below :

Sl. No.	Enterprise	Year of Incorporation
1.	Indian Oil Corporation Ltd.	1964
2.	Chennai Petroleum Corporation Ltd.	1965
3.	Bharat Petroleum Corpn. Ltd.	1976
4.	Hindustan Petroleum Corpn. Ltd.	1976
5.	GAIL (India) Ltd.	1984
6.	Mangalore Refinery & Petrochemicals Ltd.	1988
7.	Numaligarh Refinery Ltd.	1993
8.	GAIL Gas Ltd.	2008

2. The enterprises falling in this group are mainly engaged in producing and selling of petroleum and petroleum products such as diesel, kerosene, naphtha, gas lubes, greases, chemical additives, lubricants etc.

3. The consolidated financial position, the working results and the important management ratios of these enterprises are appended.

4. **Turnover** : The details of turnover of individual enterprises are given below :

( in Crore)

Sl. No.	Enterprise	Turnover	
		2010-11	2009-10
1.	Indian Oil Corporation Ltd.	357179.43	291201.10
2.	Bharat Petroleum Corpn. Ltd.	163218.21	131499.72
3.	Hindustan Petroleum Corpn. Ltd.	132669.97	108598.68
4.	Mangalore Refinery & Petrochemicals Ltd.	43800.24	36140.94
5.	Chennai Petroleum Corporation Ltd.	38128.26	29183.83
6.	GAIL (India) Ltd.	32907.09	25375.80
7.	Numaligarh Refinery Ltd.	8972.19	7874.09
8.	GAIL Gas Ltd.	29.87	2.79
	<b>Sub Total :</b>	<b>776905.26</b>	<b>629876.95</b>

5. **Net Profit/Loss** : The details of the enterprises, which earned net profit or sustained net loss (-) are given below :

(₹in Crore)

Sl. No.	Enterprise	Adjusted Net Profit/Net Loss	
		2010-11	2009-10
1.	Indian Oil Corporation Ltd.	7445.48	10220.55
2.	GAIL (India) Ltd.	3561.13	3139.84
3.	Bharat Petroleum Corpn. Ltd.	1546.68	1537.62
4.	Hindustan Petroleum Corpn. Ltd.	1539.01	1301.37
5.	Mangalore Refinery & Petrochemicals Ltd.	1176.63	1112.38
6.	Chennai Petroleum Corporation Ltd.	511.52	603.22
7.	Numaligarh Refinery Ltd.	279.26	232.08
8.	GAIL Gas Ltd.	1.11	-3.91
	<b>Sub Total :</b>	<b>16060.82</b>	<b>18143.15</b>

6. **Dividend** : The details of the dividend declared by the individual enterprise are given below :

(₹in Crore)

Sl. No.	Enterprise	Dividend	
		2010-11	2009-10
1.	Indian Oil Corporation Ltd.	2306.55	3156.34
2.	GAIL (India) Ltd.	951.36	951.36
3.	Bharat Petroleum Corpn. Ltd.	506.16	506.16
4.	Hindustan Petroleum Corpn. Ltd.	474.08	406.35
5.	Mangalore Refinery & Petrochemicals Ltd.	210.31	210.31
6.	Chennai Petroleum Corporation Ltd.	178.69	178.69
7.	Numaligarh Refinery Ltd.	110.34	110.34
	<b>Group Total</b>	<b>4,737.49</b>	<b>5,519.55</b>

7. **Social Overheads and Township** : The total number of persons employed and the expenditure incurred on social overheads and townships are given below :

(₹in Crore)

Sl. No.	Enterprise	Township and Social Overheads	
		2010-11	2009-10
1.	No. of employees (in number)	67017	67186
2.	Social overheads : (Rupees in Crore)		
	(i) Educational,	70.73	65.95
	(ii) Medical Facilities	366.60	852.11
	(iii) Others	242.35	250.14
3.	Capital cost of township (Rupees in Crore)	1269.56	913.57
4.	No. of houses constructed (in number)	23295	24912

8. Company wise details in respect of Balance Sheet, Profit and Loss account, Important Indicators and Financial Ratios along with the write up of individual company are given in the pages below.



# Petroleum (Refinery & Marketing)

## Balance Sheet

(₹ in Lakhs)

			(₹ in Lakhs)
Particulars	2010-11	2009-10	2008-09
AUTHORISED CAPITAL	1240000	890000	890000
<b>(1) SOURCES OF FUND</b>			
(1.1) SHAREHOLDERS FUNDS			
(A) PAID-UP CAPITAL			
CENTRAL GOVT	301525	301525	205722
OTHERS	414538	405951	377229
(B) SHARE APPLICATION MONEY	1878	2640	795
(C) RESERVES & SURPLUS	10704150	9646182	8594437
<b>TOTAL (A) + (B) + (C)</b>	<b>11422091</b>	<b>10356298</b>	<b>9178183</b>
(1.2) LOAN FUNDS			
(A) SECURED LOANS	3101887	3247481	2368616
(B) UNSECURED LOANS	7410688	6305133	7000279
<b>TOTAL (A) + (B)</b>	<b>10512575</b>	<b>9552614</b>	<b>9368895</b>
(1.3) DEFERRED TAX LIABILITY	1336310	1028849	1087071
<b>TOTAL (1.1) + (1.2) + (1.3)</b>	<b>23270976</b>	<b>20937761</b>	<b>19634149</b>
<b>(2) APPLICATION OF FUNDS</b>			
(2.1) FIXED ASSETS			
(A) GROSS BLOCK	19185909	15977023	13839821
(B) LESS DEPRECIATION	7799436	6917244	6259782
(C) NET BLOCK (A-B)	11386473	9059779	7580039
(D) CAPITAL WORK IN PROGRESS	3020586	3347179	2904979
<b>TOTAL (C) + (D)</b>	<b>14407059</b>	<b>12406958</b>	<b>10485018</b>
(2.2) INVESTMENT	4581459	5150000	6715061
(2.3) CURRENT ASSETS, LOAN & ADVANCES			
(A) INVENTORIES	9298426	7068662	4670741
(B) SUNDRY DEBTORS	2136823	1482379	1355007
(C) CASH & BANK BALANCES	653184	855387	737691
(D) OTHER CURRENT ASSETS	688848	516984	442510
(E) LOAN & ADVANCES	4041956	3308839	2708809
<b>TOTAL [(A) + (B) + (C) + (D) + (E)]</b>	<b>16819237</b>	<b>13232251</b>	<b>9914758</b>
(2.4) LESS: CURRENT LIABILITIES & PROVISIONS			
(A) CURRENT LIABILITIES	10867850	7788315	6484831
(B) PROVISIONS	1671058	2065356	999653
<b>TOTAL (A+B)</b>	<b>12538908</b>	<b>9853671</b>	<b>7484484</b>
(2.5) NET CURRENT ASSETS (2.3-2.4)	4280329	3378580	2430274
(2.6) DEFERRED REVENUE / PRE-EXPENDITURE	1515	1816	3796
(2.7) DEFERRED TAX ASSET	334	15	0
(2.8) PROFIT & LOSS ACCOUNT (DR)	280	392	0
<b>TOTAL (2.1+2.2+2.5+2.6+2.7+2.8)</b>	<b>23270976</b>	<b>20937761</b>	<b>19634149</b>

# Petroleum (Refinery & Marketing)

## Profit and Loss Account

(₹ in Lakhs)

			(₹ in Lakhs)
Particulars	2010-11	2009-10	2008-09
(1) INCOME			
(A) SALES/OPERATING	77690526	62987695	70396635
(B) EXCISE DUTY	5775397	4798719	5050085
(C) NET SALES (A-B)	71915129	58188976	65346550
(D) OTHER INCOME/RECEIPTS	1841970	1829475	2332177
<b>(I) TOTAL INCOME (C+D+E)</b>	<b>74939805</b>	<b>61406843</b>	<b>66989883</b>
(2) EXPENDITURE			
(A) PURCHASE OF FINISHED GOODS CONSUMPTION OF RAW MATERIALS	53702486	53124204	59114736
(B) STORES & SPARES	169970	134078	107363
(C) POWER & FUEL	223493	219881	161230
(D) MANUFACTURING / DIRECT / OPERATING EXPENSES	1930161	1853877	1635409
(E) SALARY, WAGES & BENEFITS / EMPLOYEE EXP.	1257614	1058260	967909
(F) OTHER EXPENSES	13997525	985425	2287510
(G) PROVISIONS	15365	347624	77804
<b>(II) TOTAL EXPENDITURE (A to G)</b>	<b>71296614</b>	<b>57723349</b>	<b>64351961</b>
(3) PROFIT BEFORE DEP. INT. TAXES & EP (PBDITEP) (I-II)	3643191	3683494	2637922
(4) DEPRECIATION	458952	700401	628589
(5) DRE/PREL EXP WRITTEN OFF	454667	218	0
(6) PROFIT BEFORE INT., TAXES & EP (PBITEP) (3-4-5)	2729572	2982875	2009333
(7) INTEREST			
(A) ON CENTRAL GOVERNMENT LOANS	0	0	0
(B) ON FOREIGN LOANS	110702	50663	130776
(C) OTHERS	420170	348722	792225
(D) LESS INTEREST CAPITALISED	14781	21182	55313
(E) CHARGED TO P & L ACCOUNT (A+B+C-D)	516091	378203	867688
<b>(8) PROFIT BEFORE TAX &amp; EP (PBTEP) (6-7E)</b>	<b>2213481</b>	<b>2604672</b>	<b>1141645</b>
(9) TAX PROVISIONS	594728	776604	369207
(10) NET PROFIT / LOSS(-) BEFORE EP (8-9)	1618753	1828068	772438
(11) NET EXTRA-ORD. ITEMS	12671	13753	-37065
<b>(12) NET PROFIT / LOSS(-) (10-11)</b>	<b>1606082</b>	<b>1814315</b>	<b>809503</b>
(13) DIVIDEND DECLARED	473749	551955	254996
(14) DIVIDEND TAX	74302	89144	42180
<b>(15) RETAINED PROFIT (12-13-14)</b>	<b>1058031</b>	<b>1173216</b>	<b>512327</b>



# Petroleum (Refinery & Marketing)

## Management Ratio

Particulars	2010-11	2009-10	2008-09
<b>(A.) INDICATORS</b>			
<b>(I) GENERAL(Rs. in Lakhs)</b>			
(i) INVESTMENT	3994503	3616727	3056729
(ii) CAPITAL EMPLOYED	15666802	12438359	10010313
(iii) NET WORTH	11420296	10354090	9174387
(iv) COST OF PRODUCTION	72726324	58802171	65848238
(v) COST OF SALES	71543618	57413779	66537082
(vi) VALUE ADDED	19001886	6099205	5274377
(vii) R AND D EXPENDITURE	18693	32060	16852
<b>(II) HUMAN RESOURCE</b>			
(viii) EMPLOYEES (OTHER THAN CASUAL)(Nos.)	67017	67186	66527
(ix) AVG.MONTHLY EMOLUMENTS PER EMPLOYEE(Rs.)	156380	131260	121243
<b>(B.) MANAGEMENT RATIO</b>			
(i) DEBT : EQUITY	0.92	0.92	1.02
(ii) CURRENT RATIO (CURRENT ASSET:CURRENT- LIABILITY)	1.34	1.34	1.32
(iii) PBDITEP : TOTAL EMPLOYEMENT (Rs. in Lakhs)	54.36	54.83	39.65
(iv) SUNDRY DEBTORS : SALES (No. of days)	10.85	9.3	7.57
(v) INVENTORY(No. of days)			
(a) TOTAL INVENTORY : SALES	47.19	44.34	26.09
(b) SEMI/FINISHED GOODS : SALES	27.98	27.17	16.43
(vi) INCREMENTAL CAPITAL OUTPUT RATIO(ICOR)	0.24	-0.48	-0.16
(%)			
(vii) SALES : CAPITAL EMPLOYED	459.03	467.82	652.79
(viii) PBDITEP : CAPITAL EMPLOYED	23.25	29.61	26.35
(ix) PBITEP : CAPITAL EMPLOYED	17.42	23.98	20.07
(x) COST OF SALES : SALES	99.48	98.67	101.82
(xi) MATERIAL COST : SALES	74.67	91.3	90.46
(xii) SALARY & WAGES : SALES	1.75	1.82	1.48
(xiii) R & D EXPENDITURE : SALES	0.03	0.06	0.03
(xiv) PBITEP : SALES	3.8	5.13	3.07
(xv) PBTEP : NET WORTH	19.38	25.16	12.44
(xvi) NET PROFIT : NET WORTH	14.06	17.52	8.82
(xvii) GROSS MARGIN : GROSS BLOCK	18.99	23.05	19.06



## 6.1 Bharat Petroleum Corporation Ltd.

Bharat Petroleum Corporation Ltd. (BPCL.) came into existence on 24.1.1976 subsequent to the Government of India acquiring Burmah-Shell Oil Storage & Distribution Company of India and Burmah-Shell Refineries Limited (a company incorporated on 3.11.1952) vide Burmah-Shell (Acquisition of Undertaking in India) Act 1976.

BPCL is a Schedule-'A' listed Navratna CPSE in Petroleum (Refinery & Marketing sector) under the administrative control of M/o Petroleum and Natural Gas with 54.93% shareholding by the Govt. of India. The company has its Registered and Corporate offices at Mumbai.

### Vision / Mission

The Vision / Mission of the Company is to make BPCL a great place to work through effective boundary management, fulfill social responsibilities, apply the best technologies, be an ethical company with strong and dynamic systems, sound business performance and operational efficiency, develop cohesive corporate strategy, establish first class brand and corporate image, have excellent customer caring and customer service, and strive to be the best and make people a source of its improvement.

### Industrial / Business Operations

BPCL is an integrated oil company in the downstream sector engaged in refining of crude oil and marketing of petroleum products. It has also diversified into production and marketing of petrochemical feedstocks. BPCL's two Refineries at Mumbai and Kochi have flexible configuration that enables to select crude oil judiciously on economic considerations, providing a competitive edge in the liberalized scenario.

In order to have reasonable crude oil supply security, hedging of price risks and benefits of integrated supply chain in the volatile oil market and also to maintain its share in the energy market, BPCL has entered the upstream sector covering both oil as well as gas and has formed a wholly owned subsidiary Bharat PetroResources Ltd (BPRL) in October 2006. It has another subsidiary company namely Numaligarh Refinery Ltd. (NRL) with an equity holding of 61.65%. The other shareholders in NRL are Oil India Ltd. (26.00%) and Government of Assam (12.35%).

BPRL have acquired participating interest in 27 oil & gas blocks in India and abroad. It has announced world class discoveries in Brazil, Mozambique and Indonesia, where BPCL subsidiary BPRL has participating interest.

BPCL has formed fourteen joint venture companies covering refining, city gas distribution, renewable energy, pipelines, gas, into-plane servicing etc to cater to the requirement of its customers. BPCL markets its products through a robust distribution network of storage depots, terminals, LPG bottling plants, Lube blending plants, cross-country pipelines, aviation stations etc. The products have wide range of applications in various industrial and transport sectors. The physical performance of BPCL during the period 2008-09 to 2010-11 is mentioned below:

Main Product	Unit	Performance During		
		2010-11	2009-10	2008-09
Crude processing	MMT	21.78	20.41	19.95
Petroleum products Production	MMT	20.57	19.19	18.62
Market Sales	MMT	29.27	27.88	27.16

The average capacity utilization of both the refineries was 105.5% in 2010-11 against 104.5% during 2009-10

### Strategic Issues

Bharat Oman Refineries Ltd, a BPCL joint venture company with Oman Oil Company Ltd, has set up 6 MMTPA grassroots refinery at Bina, Madhya Pradesh. Besides, crude oil import facilities consisting of Single Point Mooring system and crude oil storage terminal have been set up at Vadinar, Gujarat. A 935 KM cross-country crude oil pipeline of 24" diameter from Vadinar to Bina has been built for moving crude oil to the refinery. The total cost of the project is estimated at ₹ 12208 crore. The refinery units, tankage and pipelines have been commissioned. All process units have been independently tested. The refinery will help BPCL in meeting the product requirements in Northern and Central regions of the country.

### Performance Highlights

The operational performance of the company along with performance indicators and selected financial ratios during the period 2008-09 to 2010-11 can be seen on the opposite page.

The Company registered an increase of ₹. 27004.77 crore in total income during 2010-11 which went up by ₹155293.41 crore in 2010-11 from ₹128288.64 crore during 2009-10. The net profit of the company however increased to ₹1546.68 crore an increase of ₹9.06 crore only. In terms of volumes, sales increased from 27.88 MMT in 2009-10 to 29.27 MMT in 2010-11. The Marginal increase in profit is due to reduction in Loss on sale of Bonds, Provision for diminution partly offset by Foreign Exchange loss and depreciation and Interest Expenditure.

During the year 2010-11, BPCL's market share amongst public sector oil companies was 22.5%. On the retail automation front, the number of retail outlets entered under automation has reached 2554, which is the highest in the oil industry.

During the year, a new joint venture company, Delhi Aviation Fuel facility Private Ltd was promoted by BPCL, IOCL and Delhi International Airport Ltd (DIAL) for implementing aviation fuel facility for the new T3 terminal at Delhi. BPCL and IOCL will subscribe to 37% of the share capital while balance will be held by DIAL.

### Human Resource Management

The Company employed 13837 regular employees as on 31.3.2011. The retirement age in the company is 60 years. It is following IDA 2007 pattern of remuneration. Details of employment in last 3 years are given below:

(Nos.)

Particulars	2010-11	2009-10	2008-09
Executives including Non-Unionised Supervisors	4957	4858	4733
Non-Executives #	8880	9042	9283
Total Employees	13837	13900	14016

# Detail break-up of Non-Executive employees is at Statement no. 25 of volume-I of PE Survey.

**Bharat Petroleum Corporation Ltd.**

4&amp;6, Currimbhoy Road Bharat Bhavan, Ballard Estate Mumbai, Maharashtra 400038

Balance Sheet		(₹ in Lakhs)	
Particulars	2010-11	2009-10	2008-09
Authorised Capital	45000	45000	45000
<b>(1) Sources Of Fund</b>			
<b>(1.1) Shareholders Funds</b>			
(A) Paid-Up Capital			
Central Govt	19860	19860	19860
Others	16294	16294	16294
(B) Share Application Money	0	0	0
(C) Reserves & Surplus	1369608	1272517	1176657
<b>Total (A) + (B) + (C)</b>	<b>1405762</b>	<b>1308671</b>	<b>1212811</b>
<b>(1.2) Loan Funds</b>			
(A) Secured Loans	403310	1044387	366160
(B) Unsecured Loans	1493877	1175133	1750981
<b>Total (A) + (B)</b>	<b>1897187</b>	<b>2219520</b>	<b>2117141</b>
(1.3) Deferred Tax Liability	100754	85930	123924
<b>Total (1.1) + (1.2) + (1.3)</b>	<b>3403703</b>	<b>3614121</b>	<b>3453876</b>
<b>(2) Application Of Funds</b>			
<b>(2.1) Fixed Assets</b>			
(A) Gross Block	2933423	2541252	2252233
(B) Less Depreciation	1333490	1174317	1056654
<b>(C) Net Block (A-B)</b>	<b>1599933</b>	<b>1366935</b>	<b>1196579</b>
(D) Capital Work In Progress	101223	251775	203748
<b>Total (C) + (D)</b>	<b>1701156</b>	<b>1618710</b>	<b>1400327</b>
<b>(2.2) Investment</b>	<b>1201993</b>	<b>1382996</b>	<b>1817665</b>
<b>(2.3) Current Assets, Loan &amp; Advances</b>			
(A) Inventories	1537508	1202886	682392
(B) Sundry Debtors	266442	266268	142567
(C) Cash & Bank Balances	37997	34236	44155
(D) Other Current Assets	555107	378569	309451
(E) Loan & Advances	299332	443571	340450
<b>Total (A)+ (B)+ (C)+ (D)+ (E)</b>	<b>2696386</b>	<b>2325530</b>	<b>1519015</b>
<b>(2.4) Less: current Liabilities &amp; Provisions</b>			
(A) Current Liabilities	1878829	1455056	1111887
(B) Provisions	317003	258059	171244
<b>Total (A+B)</b>	<b>2195832</b>	<b>1713115</b>	<b>1283131</b>
<b>(2.5) Net Current Assets (2.3-2.4)</b>	<b>500554</b>	<b>612415</b>	<b>235884</b>
(2.6) Deferred Revenue / Pre. Expenditure	0	0	0
(2.7) Deferred Tax Asset	0	0	0
(2.8) Profit & Loss Account(Dr)	0	0	0
<b>Total (2.1+2.2+2.5+2.6+2.7+2.8)</b>	<b>3403703</b>	<b>3614121</b>	<b>3453876</b>

Important Indicators	2010-11	2009-10	2008-09
(i) Investment	323329	328315	212649
(ii) Capital Employed	2100487	1979350	1432463
(iii) Net Worth	1405762	1308671	1212811
(iv) Cost of Production	15287067	12586716	13415299
(v) Cost of Sales	15081462	12187731	13572887
(vi) Gross Value Added (At Market Price)	2390962	2150159	2186524
(vii) Total Employees (Other Than Casuals) (Nos.)	13837	13900	14016
(viii) Avg. Monthly Emoluments Per Employee (Rs.)	168802	128365	112067

Profit & Loss Account		(₹ in Lakhs)	
Particulars	2010-11	2009-10	2008-09
<b>(1) Income</b>			
(A) Sales/Operating Income	16321821	13149972	14539207
(B) Excise Duty	1173582	944117	1015437
(C) Net Sales (A-B)	15148239	12205855	13523770
(D) Other Income/Receipts	175497	224024	150874
(E) Accretion/Depletion in Stocks	205605	398985	-157588
<b>(I) Total Income (C+D+E)</b>	<b>15529341</b>	<b>12828864</b>	<b>13517056</b>
<b>(2) Expenditure</b>			
(A) Purchase of Finished Goods/ Consumption Of Raw Materials	14083550	11367134	12180474
(B) Stores & Spares	5325	7952	7904
(C) Power & Fuel	47589	23712	6717
(D) Manufacturing / Direct / Operating Expenses	407226	519560	313505
(E) Salary, Wages & Benefits / Employee Exp.	280285	214112	188488
(F) Other Expenses	202503	138765	396606
(G) Provisions	-15029	90154	-2585
<b>(II) Total Expenditure (A to G)</b>	<b>15011449</b>	<b>12361389</b>	<b>13091109</b>
<b>(3) Profit Before Dep, Int, Taxes &amp; EP (PBDITEP) (I-II)</b>	<b>517892</b>	<b>467475</b>	<b>425947</b>
(4) Depreciation	165540	124232	107553
(5) Dre/Prel Exp Written Off	0	0	0
<b>(6) Profit Before Int., Taxes &amp; Ep (PBITEP) (3-4-5)</b>	<b>352352</b>	<b>343243</b>	<b>318394</b>
(7) Interest			
(A) On Central Government Loans	0	0	0
(B) On Foreign Loans	40487	14547	33066
(C) Others	74687	94215	184973
(D) Less Interest Capitalised	5096	7667	1402
(E) Charged to P & L Account (A+B+C-D)	110078	101095	216637
<b>(8) Profit Before Tax &amp; EP(PBTPEP) (6-7E)</b>	<b>242274</b>	<b>242148</b>	<b>101757</b>
(9) Tax Provisions	86597	82843	26821
<b>(10) Net Profit / Loss Before EP (8-9)</b>	<b>155677</b>	<b>159305</b>	<b>74936</b>
(11) Net Extra-Ord. Items	1009	5543	1346
<b>(12) Net Profit / Loss(-) (10-11)</b>	<b>154668</b>	<b>153762</b>	<b>73590</b>
(13) Dividend Declared	50616	50616	25308
(14) Dividend Tax	7108	7277	3145
<b>(15) Retained Profit (12-13-14)</b>	<b>96944</b>	<b>95869</b>	<b>45137</b>

Financial Ratios	2010-11	2009-10	2008-09
(i) Sales : Capital Employed	721.18	616.66	944.09
(ii) Cost of Sales : Sales	99.56	99.85	100.36
(iii) Salary / Wages : Sales	1.85	1.75	1.39
(iv) Net Profit : Net Worth	11	11.75	6.07
(v) Debt : Equity	1.35	1.7	1.75
(vi) Current Ratio	1.23	1.36	1.18
(vii) Sundry Debtors : Sales (No. of Days)	6.42	7.96	3.85
(viii) Total Inventory : Sales	37.05	35.97	18.42

## 6.2 Chennai Petroleum Corporation Limited

Chennai Petroleum Corporation Limited (CPCL) was incorporated on 13.12.1965 with the objective of to be a world class energy company with a dominant presence in South India.

CPCL is a schedule-'B' Mini-Ratna listed CPSE in Petroleum sector under the administrative control of M/o Petroleum and Natural Gas. It is a subsidiary of Indian Oil Corporation Ltd. (IOC), which holds 51.88% equity shares. Its Registered and Corporate offices are at Chennai, (Tamilnadu).

### Vision/Mission

The Vision of the Company is to be the most admired Indian energy company through world class performance, creating value for stakeholders.

The Mission of the Company is to manufacture and supply petro products at competitive price, meeting the quality expectations of the customer; to pro-actively fulfill social commitments, including environment and safety; to constantly innovate new products and alternate fuels; to recognize Human Resources as the most valuable asset and foster a culture of participation for mutual growth; to ensure high standards of business ethics and corporate governance; to maximize growth, achieve national pre-eminence and maximize stakeholders wealth.

### Industrial / Business Operations

CPCL is engaged in refining of crude oil and manufacturing of petroleum products through its two refineries at Manali and Pannangudi near Nagapattinam, both in Tamilnadu.

The product range of the company comprises of Motor Spirit, High Speed Diesel, LPG, ATF, Naphtha, Kerosene, etc. and other allied products like propylene, sulphur, wax, etc. The physical performances of company during last 3 years are mentioned below:

Main Product	Unit	Performance During		
		2010-11	2009-10	2008-09
Crude processing	'000 MT	10748	10058	10125
Capacity Utilization	%	93.5	95.8	96.4
Gas processing (CBR)	'000 MT	85.5	80.9	76.7
Capacity Utilization	%	117	111	105
HSD	MT	3997202	3901865	3997450
FO	MT	1502455	1314587	1575728
NAPHTHA	MTS	993210	872252	814259
MOTOR SPIRIT	MT	880411	799256	867837
ATF	MT	681915	620582	716940
SKO	MT	519124	449710	414857

The company has two joint ventures namely Indian Additives Ltd. and National Aromatics and Petrochemicals Corp. Ltd. CPCL has an equity participation of 50% with M/s. Chevron Oronite of USA and Southern Petrochemical Industries Corp. Ltd. (SPIC) respectively in both the above JVs.

### Strategic Issues

The company supplies majority of its products to its holding company IOC, thus, no impact of competition in external environment is felt directly by the company.

### Performance Highlights

The operational performance of the company along with performance indicators and selected financial ratios during the period 2008-09 to 2010-11 can be seen on the opposite page.

The Company registered an increase of ₹ 7804.79 crore

in total income during 2010-11 which went up to ₹ 33670.5 crore in 2010-11 from ₹ 25865.71 crore during 2009-10 due to increase in turnover and price realization. The net profit of the company however reduced to ₹ 511.52 crore, a reduction of ₹ 91.70 crore over the previous year ₹ 603.22 crore due to increase in operating expenses and interest charges along with higher provisions made for tax.

### Human Resource Management

The company employed 1773 regular employees as on 31.3.2011. The retirement age in the company is 60 years. It is following IDA 2007 pattern of remuneration. Details of employment in last 3 years are given below:

Particulars	2010-11	2009-10	2008-09
Executives including Non-Unionised Supervisors	808	798	779
Non-Executives #	965	937	888
Total Employees	1773	1735	1667

# Detail break-up of Non-Executive employees is at Statement no. 25 of volume-I of PE Survey.

### Technology Up-gradation, Research and Development

CPCL has an in house R&D Centre which provides support to refinery operations by carrying out Pilot Plant evaluation of catalysts and feed stocks for secondary processing facilities. The R&D Centre also carried out process and feed optimization studies. During the year, additional analytical facilities were commissioned for Catalysts Performance monitoring of Continuous Catalytic Reforming (CCR) Unit. Extensive reformer pilot plant studies were carried out to successfully develop a Robust CCR model for supporting the commercial CCR unit. CPCL has entered into research cooperation with the Indian Institute of Technology, Madras, which has resulted in generating a database required for proposing changes in the current BIS specification on paving grade Bitumen.

Balance Sheet		(₹ in Lakhs)	
Particulars	2010-11	2009-10	2008-09
Authorised Capital	40000	40000	40000
(1) Sources Of Fund			
(1.1) Shareholders Funds			
(A) Paid-Up Capital			
Central Govt	0	0	0
Others	14900	14900	14900
(B) Share Application Money	0	0	0
(C) Reserves & Surplus	361692	331308	291823
Total (A) + (B) + (C)	376592	346208	306723
(1.2) Loan Funds			
(A) Secured Loans	22536	40690	41962
(B) Unsecured Loans	399718	367099	112829
Total (A) + (B)	422254	407789	154791
(1.3) Deferred Tax Liability	60447	57596	41400
Total (1.1) + (1.2) + (1.3)	859293	811593	502914
(2) Application Of Funds			
(2.1) Fixed Assets			
(A) Gross Block	628843	548265	518953
(B) Less Depreciation	285262	255352	231769
(C) Net Block (A-B)	343581	292913	287184
(D) Capital Work In Progress	115590	128074	71820
Total (C) + (D)	459171	420987	359004
(2.2) Investment	2250	2343	2281
(2.3) Current Assets, Loan & Advances			
(A) Inventories	511298	437824	247028
(B) Sundry Debtors	198398	85431	101342
(C) Cash & Bank Balances	1237	1434	963
(D) Other Current Assets	3	2	2
(E) Loan & Advances	53342	40633	17562
Total (A)+ (B)+ (C)+ (D)+ (E)	764278	565324	366897
(2.4) Less:current Liabilities & Provisions			
(A) Current Liabilities	338834	154699	223640
(B) Provisions	27572	22362	1628
Total (A+B)	366406	177061	225268
(2.5) Net Current Assets (2.3-2.4)	397872	388263	141629
(2.6) Deferred Revenue / Pre. Expenditure	0	0	0
(2.7) Deferred Tax Asset	0	0	0
(2.8) Profit & Loss Account(Dr)	0	0	0
Total (2.1+2.2+2.5+2.6+2.7+2.8)	859293	811593	502914

Important Indicators	2010-11	2009-10	2008-09
(i) Investment	94733	126565	105355
(ii) Capital Employed	741453	681176	428813
(iii) Net Worth	376592	346208	306723
(iv) Cost of Production	3290691	2518195	3144041
(v) Cost of Sales	3246030	2452396	3266484
(vi) Gross Value Added (At Market Price)	696723	578680	615686
(vii) Total Employees (Other Than Casuals) (Nos.)	1773	1735	1667
(viii) Avg. Monthly Emoluments Per Employee (Rs.)	112907	130797	96451

Profit & Loss Account		(₹ in Lakhs)	
Particulars	2010-11	2009-10	2008-09
(1) Income			
(A) Sales/Operating Income	3812826	2918383	3648967
(B) Excise Duty	502044	421121	452576
(C) Net Sales (A-B)	3310782	2497262	3196391
(D) Other Income/Receipts	11607	23510	9906
(E) Accretion/Depletion in Stocks	44661	65799	-122443
(I)Total Income (C+D+E)	3367050	2586571	3083854
(2) Expenditure			
(A) Purchase of Finished Goods/ Consumption Of Raw Materials	3151882	2393735	2900076
(B) Stores & Spares	5139	7581	6252
(C) Power & Fuel	3743	4186	4510
(D) Manufacturing / Direct / Operating Expenses	37743	23559	20412
(E) Salary, Wages & Benefits / Employee Exp.	24022	27232	19294
(F) Other Expenses	11013	21346	143866
(G) Provisions	256	106	1548
(II)Total Expenditure (A to G)	3233798	2477745	3095958
(3) Profit Before Dep, Int, Taxes & EP (PBDITEP) (I-II)	133252	108826	-12104
(4) Depreciation	31447	26714	25717
(5) Dre/Prel Exp Written Off	0	0	0
(6) Profit Before Int., Taxes & Ep (PBITEP) (3-4-5)	101805	82112	-37821
(7) Interest			
(A) On Central Government Loans	0	0	0
(B) On Foreign Loans	0	0	0
(C) Others	30034	13889	22366
(D) Less Interest Capitalised	4588	153	0
(E) Charged to P & L Account (A+B+C-D)	25446	13736	22366
(8) Profit Before Tax & EP(PBTEP) (6-7E)	76359	68376	-60187
(9) Tax Provisions	25199	8054	-19582
(10) Net Profit / Loss Before EP (8-9)	51160	60322	-40605
(11) Net Extra-Ord. Items	8	0	-877
(12) Net Profit / Loss(-) (10-11)	51152	60322	-39728
(13) Dividend Declared	17869	17869	0
(14) Dividend Tax	2899	2968	0
(15) Retained Profit (12-13-14)	30384	39485	-39728

Financial Ratios	2010-11	2009-10	2008-09
(i) Sales : Capital Employed	446.53	366.61	745.4
(ii) Cost of Sales : Sales	98.04	98.2	102.19
(iii) Salary / Wages : Sales	0.73	1.09	0.6
(iv) Net Profit : Net Worth	13.58	17.42	-12.95
(v) Debt : Equity	1.12	1.18	0.5
(vi) Current Ratio	2.09	3.19	1.63
(vii) Sundry Debtors : Sales (No. of Days)	21.87	12.49	11.57
(viii) Total Inventory : Sales	56.37	63.99	28.21

## 6.3 GAIL Gas Ltd.

GAIL Gas Ltd. (GGL) incorporated on 27.05.2008 with the objective of focused implementation of City Gas Distribution (CGD) projects in the country. The company started its commercial operation on 15-12-2009.

GGL is currently an un-categorised CPSE in the Petroleum (Refinery & Marketing) sector under the administrative control of Ministry of Petroleum & Natural Gas. GGL is a wholly owned subsidiary of GAIL (India) Ltd. It's registered office is at Delhi and corporate office at NOIDA, U.P.

### Industrial / Business Operations

The company is to implement City Gas Distribution (CGD) projects and to set up CNG stations along National Highway under CNG corridor project. It has been authorized for implementation of (CGD) projects in four cities namely Kota, Dewas, Sonapat & Meerut in the 1st round of bidding by Petroleum & Natural Gas Regulatory Board (PNGRB).

GAIL Gas has already commissioned CNG stations in Dewas and Sonapat. Gas supply to industrial units commenced in Dewas, Sonapat and Kota. GAIL Gas has also commenced gas supplies to domestic customers in Dewas and network construction is in progress for other cities. GAIL Gas has also commissioned 2 CNG stations in city of Vadodara and one each at Panvel & Vijaipur.

The physical performances of the company for last two years are given below:

Main Product	Unit	Performance During		
		2010-11	2009-10	2008-09
Sale of Compressed Natural Gas (CNG)	Kg	2775000	3000	N.A.
Sale of Piped Natural Gas (PNG)	MMBTU	398000	59000	N.A.

### Strategic Issues

Petroleum and Natural Gas Regulatory Board (PNGRB) has identified 243 cities contiguous to existing and proposed pipelines for CGD in phased manner under "Suo moto Scheme". GGL would take up directly with PNGRB towards the authorization and execution of CGD projects throughout India.

The board of the company has approved a 15 year business plan, which envisaged the number of cities for implementation of CGD projects in phased manner. In the first round of bidding process, the company has been assigned the implementation of CGD projects in four cities, namely, Sonapat, Kota, Dewas and Meerut.

### Performance Highlights

The operational performance of the company along with performance indicators and selected financial ratios during the period 2008-09 to 2010-11 can be seen on the opposite page.

The Company registered an increase of ₹ 26.58 crore in total income during 2010-11 which went up to ₹ 29.57 crore in 2010-11 from ₹ 2.99 crore during 2009-10. Correspondingly the company has shown a net profit of ₹ 1.11 crore during 2010-11 as against a loss of ₹ 3.91 crore in 2009-10.

### Human Resource Management

The company employed 65 regular employees as on 31.3.2011. The retirement age in the company is 60 years. It is following IDA 2007 pattern of remuneration. Details of employment in last 3 years are given below:

Particulars	2010-11	2009-10	2008-09
Executives including Non-Unionised Supervisors	62	46	23
Non-Executives #	3	16	1
Total Employees	65	62	24

# Detail break-up of Non-Executive employees is at Statement no. 25 of volume-I of PE Survey.



**GAIL Gas Ltd.**

GAIL Bhawan, 16, Bhikaiji Cama Place, New Delhi 110 066

Balance Sheet		(₹ in Lakhs)	
Particulars	2010-11	2009-10	2008-09
Authorised Capital	20000	20000	20000
<b>(1) Sources Of Fund</b>			
<b>(1.1) Shareholders Funds</b>			
(A) Paid-Up Capital			
Central Govt	0	0	0
Others	11717	3130	5
(B) Share Application Money	1878	2640	795
(C) Reserves & Surplus	0	0	0
<b>Total (A) + (B) + (C)</b>	<b>13595</b>	<b>5770</b>	<b>800</b>
<b>(1.2) Loan Funds</b>			
(A) Secured Loans	8941	0	0
(B) Unsecured Loans	0	0	0
<b>Total (A) + (B)</b>	<b>8941</b>	<b>0</b>	<b>0</b>
(1.3) Deferred Tax Liability	0	0	0
<b>Total (1.1) + (1.2) + (1.3)</b>	<b>22536</b>	<b>5770</b>	<b>800</b>
<b>(2) Application Of Funds</b>			
<b>(2.1) Fixed Assets</b>			
(A) Gross Block	5736	682	28
(B) Less Depreciation	100	19	1
<b>(C) Net Block (A-B)</b>	<b>5636</b>	<b>663</b>	<b>27</b>
(D) Capital Work In Progress	16915	5060	1152
<b>Total (C) + (D)</b>	<b>22551</b>	<b>5723</b>	<b>1179</b>
<b>(2.2) Investment</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>(2.3) Current Assets, Loan &amp; Advances</b>			
(A) Inventories	472	0	0
(B) Sundry Debtors	278	61	0
(C) Cash & Bank Balances	1695	70	11
(D) Other Current Assets	34	25	52
(E) Loan & Advances	1103	572	0
<b>Total (A)+ (B)+ (C)+ (D)+ (E)</b>	<b>3582</b>	<b>728</b>	<b>63</b>
<b>(2.4) Less: current Liabilities &amp; Provisions</b>			
(A) Current Liabilities	4211	1088	442
(B) Provisions	0	0	0
<b>Total (A+B)</b>	<b>4211</b>	<b>1088</b>	<b>442</b>
<b>(2.5) Net Current Assets (2.3-2.4)</b>	<b>-629</b>	<b>-360</b>	<b>-379</b>
(2.6) Deferred Revenue / Pre. Expenditure	0	0	0
(2.7) Deferred Tax Asset	334	15	0
(2.8) Profit & Loss Account(Dr)	280	392	0
<b>Total (2.1+2.2+2.5+2.6+2.7+2.8)</b>	<b>22536</b>	<b>5770</b>	<b>800</b>

Important Indicators	2010-11	2009-10	2008-09
(i) Investment	22536	5770	800
(ii) Capital Employed	5007	303	-352
(iii) Net Worth	13315	5378	800
(iv) Cost of Production	3164	1281	0
(v) Cost of Sales	3164	1281	0
(vi) Gross Value Added (At Market Price)	617	36	0
(vii) Total Employees (Other Than Casuals) (Nos.)	65	62	24
(viii) Avg. Monthly Emoluments Per Employee (Rs.)	142692	79167	0

Profit & Loss Account		(₹ in Lakhs)	
Particulars	2010-11	2009-10	2008-09
<b>(1) Income</b>			
(A) Sales/Operating Income	2987	279	0
(B) Excise Duty	94	0	0
(C) Net Sales (A-B)	2893	279	0
(D) Other Income/Receipts	64	20	0
(E) Accretion/Depletion in Stocks	0	0	0
<b>(I) Total Income (C+D+E)</b>	<b>2957</b>	<b>299</b>	<b>0</b>
<b>(2) Expenditure</b>			
(A) Purchase of Finished Goods/ Consumption Of Raw Materials	2312	227	0
(B) Stores & Spares	0	0	0
(C) Power & Fuel	58	16	0
(D) Manufacturing / Direct / Operating Expenses	147	31	0
(E) Salary, Wages & Benefits / Employee Exp.	1113	589	0
(F) Other Expenses	949	409	0
(G) Provisions	-1507	0	0
<b>(II) Total Expenditure (A to G)</b>	<b>3072</b>	<b>1272</b>	<b>0</b>
<b>(3) Profit Before Dep, Int, Taxes &amp; EP (PBDITEP) (I-II)</b>	<b>-115</b>	<b>-973</b>	<b>0</b>
(4) Depreciation	82	9	0
(5) Dre/Prel Exp Written Off	0	0	0
<b>(6) Profit Before Int., Taxes &amp; Ep (PBITEP) (3-4-5)</b>	<b>-197</b>	<b>-982</b>	<b>0</b>
(7) Interest			
(A) On Central Government Loans	0	0	0
(B) On Foreign Loans	0	0	0
(C) Others	318	0	0
(D) Less Interest Capitalised	308	0	0
(E) Charged to P & L Account (A+B+C-D)	10	0	0
<b>(8) Profit Before Tax &amp; EP(PBTPEP) (6-7E)</b>	<b>-207</b>	<b>-982</b>	<b>0</b>
(9) Tax Provisions	-318	15	0
<b>(10) Net Profit / Loss Before EP (8-9)</b>	<b>111</b>	<b>-997</b>	<b>0</b>
(11) Net Extra-Ord. Items	0	-606	0
<b>(12) Net Profit / Loss(-) (10-11)</b>	<b>111</b>	<b>-391</b>	<b>0</b>
(13) Dividend Declared	0	0	0
(14) Dividend Tax	0	0	0
<b>(15) Retained Profit (12-13-14)</b>	<b>111</b>	<b>-391</b>	<b>0</b>

Financial Ratios	2010-11	2009-10	2008-09
(i) Sales : Capital Employed	57.78	92.08	0
(ii) Cost of Sales : Sales	109.37	459.14	0
(iii) Salary / Wages : Sales	38.47	211.11	0
(iv) Net Profit : Net Worth	0.83	-7.27	0
(v) Debt : Equity	0.66	0	0
(vi) Current Ratio	0.85	0.67	0.14
(vii) Sundry Debtors : Sales (No. of Days)	35.07	79.8	0
(viii) Total Inventory : Sales	59.55	0	0

## 6.4 GAIL (India) Limited

GAIL (India) Ltd. (GAIL) was incorporated on 16.08.1984 under the Companies Act, 1956 with an objective to undertake transportation of natural gas. GAIL is a schedule-'A' / listed Navratna CPSE in petroleum sector under the administrative control of Ministry of Petroleum and Natural Gas with 57.35% shareholding by the Government of India. Its registered and corporate offices are at New Delhi.

### Vision / Mission

GAIL was incorporated with the mission of accelerating and optimizing the effective and economic use of natural gas and its fractions to the benefit of national economy. The vision of the company is "to be the Leading Company in Natural Gas and beyond, with global focus, committed to Customer care, value creation for all stakeholders and Environmental responsibility".

### Industrial / Business Operations

GAIL's present business portfolio includes 8,644 km of Natural Gas high pressure trunk pipeline with a capacity of approx. 175 MMSCMD of natural gas across the country, 7 LPG Gas Processing Units to produce 1.4 MMTPA of LPG and other liquid hydrocarbons, North India's only gas based integrated Petrochemical complex at Pata, Uttar Pradesh, with a capacity of producing 4,10,000 TPA of Polymers, 1,900 km of LPG Transmission pipeline networks with a capacity to transport 3.8 MMTPA of LPG (1355 km of which connects the Western and Northern parts of India (Jamnagar-Loni LPG Pipeline) and 623 km of network is in the Southern part of the country (Vizag-Secunderabad LPG Pipeline), 27 Oil and Gas Exploration blocks and 1 Coal Bed Methane Block and 13,000 km of OFC network offering highly dependable bandwidth for telecom service providers

The company has 12 joint ventures and 3 subsidiaries. The subsidiaries of GAIL are GAIL Global (Singapore) Pte Limited (for managing investments abroad), Brahmaputra Cracker & Polymer Limited and GAIL Gas Limited.

GAIL is an equity partner in three retail gas companies in Egypt. GAIL is also an equity partner in a retail gas company involved in city gas and CNG business in China. Further, GAIL and China Gas have formed an equally owned joint venture company for pursuing gas sector opportunities primarily in China.

GAIL is a part of consortium in two offshore E&P blocks (A-1 & A-3) in Myanmar and also holds participating interest in the joint venture company – South East Asia Gas Pipeline Company Limited incorporated for transportation of the gas to be produced from A-1 & A-3 blocks in Myanmar to China.

GAIL has opened a representative office in Cairo, Egypt to pursue business opportunities in Africa and Middle East.

GAIL has participating interest in two offshore blocks (A-1 & A-3) in Myanmar and one onshore block (56) in Oman. Commercial production of gas from Myanmar will start from May, 2013. Apart from this, GAIL is also participating in an onshore pipeline project for transportation of gas from Myanmar to China.

The performance detail of major product/services during last 3 years are as follows:

Main Product/s	Units	2010-11	2009-10	2008-09
Natural Gas Transmission	MMSCMD	117.91	106.73	83.29
LPG Production	000 MT	1068	1100	1088
LPG Transmission	TMTs	3,337	3,161	2,740
Petrochemicals	MT	420358	417147	420108

### Strategic Issues

The major focus for the company is to maintain its dominant position in the gas business, especially the transmission segment and continue the relationship with existing customers and also to add more customers. The underlying philosophy of the company is to grow in a manner that is sustainable for the economy, stakeholders, community and environment.

### Performance Highlights

The operational performance of the company along with performance indicators and selected financial ratios during the period 2008-09 to 2010-11 can be seen on the opposite page. The Company registered an increase of ₹ 7551.62 crore in total income during 2010-11 which went up to ₹ 33109.71 crore in 2010-11 from ₹ 25558.09 crore during 2009-10. The net profit of the company correspondingly increased to ₹ 3561.13 crore, an increase of ₹ 421.29 crore over the previous year mainly due to increase in marketing margin from the sale of APM gas, increase in natural gas transmission and growth in polymer sales.

Natural gas continues to constitute the core business of GAIL. During the year 2010-11, Gas Sales was 83.23 MMSCMD compared to 81.43 MMSCMD in the previous financial year. Major supplies of natural gas includes fuel to power plants, feedstock for gas based fertilizer plants. GAIL holds around 50% market share in gas marketing in India. GAIL's share of gas transmission business is 74% in India. GAIL is the only Company in India which owns and operates pipelines for exclusive LPG transmission for third party usage.

GAIL has been participating in 27 Exploration and Production (E&P) blocks and one Coal Bed Methane (CBM) block. Out of the 27 E&P blocks, 25 blocks are in India and 2 blocks are overseas (A-1 and A-3 blocks in Myanmar).

### Human Resource Management

The Company employed 3878 regular employees as on 31.3.2011. The retirement age in the Company is 60 years. It is following IDA2007 pattern of remuneration. Details of employment in last 3 years are given below:

(In Nos.)

Particulars	2010-11	2009-10	2008-09
Executives including Non-Unionised Supervisors	2905	2652	2483
Non-Executives #	973	1051	1061
Total Employees	3878	3703	3544

# Detail break-up of Non-Executive employees is at Statement no. 25 of volume-I of PE Survey.

Balance Sheet		(₹ in Lakhs)	
Particulars	2010-11	2009-10	2008-09
Authorised Capital	200000	200000	200000
<b>(1) Sources Of Fund</b>			
<b>(1.1) Shareholders Funds</b>			
(A) Paid-Up Capital			
Central Govt	72741	72741	72746
Others	54107	54107	54102
(B) Share Application Money	0	0	0
(C) Reserves & Surplus	1798486	1553052	1350115
<b>Total (A) + (B) + (C)</b>	<b>1925334</b>	<b>1679900</b>	<b>1476963</b>
<b>(1.2) Loan Funds</b>			
(A) Secured Loans	231000	144600	110000
(B) Unsecured Loans	0	3438	10013
<b>Total (A) + (B)</b>	<b>231000</b>	<b>148038</b>	<b>120013</b>
(1.3) Deferred Tax Liability	163324	138956	132593
<b>Total (1.1) + (1.2) + (1.3)</b>	<b>2319658</b>	<b>1966894</b>	<b>1729569</b>
<b>(2) Application Of Funds</b>			
(2.1) Fixed Assets			
(A) Gross Block	2214438	2103767	1760398
(B) Less Depreciation	974081	910657	855366
<b>(C) Net Block (A-B)</b>	<b>1240357</b>	<b>1193110</b>	<b>905032</b>
(D) Capital Work In Progress	587917	233049	242633
<b>Total (C) + (D)</b>	<b>1828274</b>	<b>1426159</b>	<b>1147665</b>
(2.2) Investment	264021	213986	173727
<b>(2.3) Current Assets, Loan &amp; Advances</b>			
(A) Inventories	85511	63170	60141
(B) Sundry Debtors	190590	129504	150334
(C) Cash & Bank Balances	213135	417151	345615
(D) Other Current Assets	359	826	5463
(E) Loan & Advances	619255	753935	662101
<b>Total (A)+ (B)+ (C)+ (D)+ (E)</b>	<b>1108850</b>	<b>1364586</b>	<b>1223654</b>
<b>(2.4) Less: current Liabilities &amp; Provisions</b>			
(A) Current Liabilities	475437	544831	417792
(B) Provisions	406050	493006	397685
<b>Total (A+B)</b>	<b>881487</b>	<b>1037837</b>	<b>815477</b>
<b>(2.5) Net Current Assets (2.3-2.4)</b>	<b>227363</b>	<b>326749</b>	<b>408177</b>
(2.6) Deferred Revenue / Pre. Expenditure	0	0	0
(2.7) Deferred Tax Asset	0	0	0
(2.8) Profit & Loss Account(Dr)	0	0	0
<b>Total (2.1+2.2+2.5+2.6+2.7+2.8)</b>	<b>2319658</b>	<b>1966894</b>	<b>1729569</b>

Important Indicators	2010-11	2009-10	2008-09
(i) Investment	357848	274886	236848
(ii) Capital Employed	1467720	1519859	1313209
(iii) Net Worth	1925334	1679900	1476963
(iv) Cost of Production	2785252	2097997	2036316
(v) Cost of Sales	2772003	2095938	2035816
(vi) Gross Value Added (At Market Price)	764366	665718	602450
(vii) Total Employees (Other Than Casuals) (Nos.)	3878	3703	3544
(viii) Avg. Monthly Emoluments Per Employee (Rs.)	161737	139797	135598

Profit & Loss Account		(₹ in Lakhs)	
Particulars	2010-11	2009-10	2008-09
<b>(1) Income</b>			
(A) Sales/Operating Income	3290709	2537580	2429224
(B) Excise Duty	44845	37940	51629
(C) Net Sales (A-B)	3245864	2499640	2377595
(D) Other Income/Receipts	51858	54110	79662
(E) Accretion/Depletion in Stocks	13249	2059	500
<b>(I) Total Income (C+D+E)</b>	<b>3310971</b>	<b>2555809</b>	<b>2457757</b>
<b>(2) Expenditure</b>			
(A) Purchase of Finished Goods/ Consumption Of Raw Materials	2418469	1762937	1720870
(B) Stores & Spares	23838	19945	19453
(C) Power & Fuel	97285	91039	86951
(D) Manufacturing / Direct / Operating Expenses	39439	44976	23913
(E) Salary, Wages & Benefits / Employee Exp.	75266	62120	57667
(F) Other Expenses	42322	49922	60140
(G) Provisions	11756	2589	2631
<b>(II) Total Expenditure (A to G)</b>	<b>2708375</b>	<b>2033528</b>	<b>1971625</b>
<b>(3) Profit Before Dep, Int, Taxes &amp; EP (PBDITEP) (I-II)</b>	<b>602596</b>	<b>522281</b>	<b>486132</b>
(4) Depreciation	65029	56182	55991
(5) Dre/Prel Exp Written Off	0	0	0
<b>(6) Profit Before Int., Taxes &amp; Ep (PBITEP) (3-4-5)</b>	<b>537567</b>	<b>466099</b>	<b>430141</b>
(7) Interest			
(A) On Central Government Loans	0	0	0
(B) On Foreign Loans	0	0	0
(C) Others	11848	8287	8700
(D) Less Interest Capitalised	0	0	0
(E) Charged to P & L Account (A+B+C-D)	11848	8287	8700
<b>(8) Profit Before Tax &amp; EP(PBTEP) (6-7E)</b>	<b>525719</b>	<b>457812</b>	<b>421441</b>
(9) Tax Provisions	167886	143863	140032
<b>(10) Net Profit / Loss Before EP (8-9)</b>	<b>357833</b>	<b>313949</b>	<b>281409</b>
(11) Net Extra-Ord. Items	1720	-35	1039
<b>(12) Net Profit / Loss(-) (10-11)</b>	<b>356113</b>	<b>313984</b>	<b>280370</b>
(13) Dividend Declared	95136	95136	88793
(14) Dividend Tax	15532	15899	15090
<b>(15) Retained Profit (12-13-14)</b>	<b>245445</b>	<b>202949</b>	<b>176487</b>

Financial Ratios	2010-11	2009-10	2008-09
(i) Sales : Capital Employed	221.15	164.47	181.05
(ii) Cost of Sales : Sales	85.4	83.85	85.63
(iii) Salary / Wages : Sales	2.32	2.49	2.43
(iv) Net Profit : Net Worth	18.5	18.69	18.98
(v) Debt : Equity	0.12	0.09	0.08
(vi) Current Ratio	1.26	1.31	1.5
(vii) Sundry Debtors : Sales (No. of Days)	21.43	18.91	23.08
(viii) Total Inventory : Sales	9.62	9.22	9.23



## 6.5 Hindustan Petroleum Corporation Ltd

Hindustan Petroleum Corporation Limited (HPCL) a fortune 500 company, was incorporated on 5.7.1952 under the company Act, 1913 as Standard Vacuum Refinery Co. (Stan Vac) of India Ltd. It was renamed as ESSO Standard Refining Co. of India Ltd. (ESRC) in the year 1962 under Companies Act 1956. The amalgamation of the Lube India and ESSO Standard Refinery Co of India Ltd. Vide Amalgamation order, 1974, changed its name to Hindustan Petroleum Corporation Limited and after nationalization, ESSO undertaking were also vested in it. In the year 1976, Caltex and in the year 1979, Kosangas Co. Ltd. were also merged with HPCL.

It is a Schedule 'A' listed CPSE with Navratna status in Petroleum (Refinery & Marketing) sector under the administrative control of Ministry of Petroleum and Natural Gas. Government of India holds 51.05% of its shareholding.

### Vision/Mission

To be a World Class Energy Company known for caring and delighting the customers with high quality products and innovative services across domestic and international markets with aggressive growth and delivering superior financial performance. The mission of the company is to be model of Excellence.

### Industrial / Business Operations

HPCL is engaged in crude oil refining and marketing of petroleum products. It has two refineries one each at Mumbai in Maharashtra and Visakhapatnam in Andhra Pradesh with a design capacity of 6.5 MMTPA & 8.3 MMTPA respectively. In addition, the company has a Lube refinery with a capacity of 335000 MTs, 7 Lube Blending Plants, 31 Terminals/TOPs, 70 Inland Relay Depots, 32 ASFs, 44 LPG Bottling Plants and 10,212 Retail outlets. HPCL owns three multi-products cross country pipelines viz., Mumbai-Pune-Solapur pipeline; Visakh-Vijaywada-Secunderabad pipeline and Mundra-Delhi pipeline.

The company has 9 joint ventures and 2 subsidiaries, in the field of Exploration & Production, refining and marketing with a shareholding ranging from 16% to 100%.

The physical performance of Company for the last three years are given below:

Main Product	Unit	Performance During		
		2010-11	2009-10	2008-09
Crude Processed	TMT	14754	15762	15806

The Average Capacity Utilization for both the refineries was 99.7 % during 2010-11 as against 113% during 2009-10.

### Strategic Issues

HPCL in collaboration with M/s Mittal Energy Investments Pte. Ltd is also setting up a state of the art 9 Million Tonnes capacity Green Field Refinery at Bathinda in Punjab at an estimated cost of ₹ 18,919 Cr. Refinery project activities are in last stages with expected commissioning in current financial year 2011-12.

### Performance Highlights

The operational performance of the company along with performance indicators and selected financial ratios during the period 2008-09 to 2010-11 can be seen on the opposite page.

The Company registered an increase of ₹ 25747.68 crore in total income during 2010-11 which went up to ₹ 138281.26 crore in 2010-11 from ₹ 112533.58 crore during 2009-10. The net profit of the company increased to ₹ 1539.01 crore, an increase of ₹ 237.64 crore over the previous year. The turnover and profit has increased mainly due to increase in average price realization

of various products. The PAT was achieved after absorbing an under-recovery of ₹ 1,509 crores on sales of sensitive petroleum products during the year. Diesel prices were largely unchanged. Global crude oil prices, which had remained stable within the \$75-85 per barrel range for most part of 2010, started rising in the latter part and reached \$115 per barrel by March 2011.

### Human Resource Management

The company employed 11248 regular employees as on 31.3.2011. The retirement age in the company is 60 years. It is following IDA 2007 pattern of remuneration. Details of employment in last 3 years are given below:

Particulars	2010-11	2009-10	2008-09
Executives including Non-Unionised Supervisors	4939	4780	4611
Non-Executives #	6309	6511	6635
Total Employees	11248	11291	11246

# Detail break-up of Non-Executive employees is at Statement no. 25 of volume-I of PE Survey.

### Technology Up-gradation, Research & Development

Research and Development is envisaged to provide support to the refineries and marketing arms in terms of development, absorption of new technologies and product development. It will also initiate research in other areas like Biofuels and nanotechnology. To meet this vision, an initial investment of ₹ 210 crores has been outlined for setting up a Green R&D Centre at Bengaluru.

During 2010-11, collaborative projects with various institutions like NIT, IIT, Indian Institute of Petroleum Dehradun and Research & Development Center for Iron and Steel (RDCIS) Ranchi were taken up for understanding the impacts of various chemicals on different formulations as fundamental research. HPCL has signed an MOU under Indo Canadian Scientific & Collaborative R&D projects for development of Bio Jet fuels for Aviation Industry. An agreement between IIT Kanpur, IISc Bengaluru, IIP Dehradun, IOCL, Pratt & Whitney (Infosys) and HPCL has been finalized.

Balance Sheet	(₹ in Lakhs)		
Particulars	2010-11	2009-10	2008-09
Authorised Capital	35000	35000	35000
<b>(1) Sources Of Fund</b>			
<b>(1.1) Shareholders Funds</b>			
(A) Paid-Up Capital			
Central Govt	17308	17308	17308
Others	16593	16593	16593
(B) Share Application Money	0	0	0
(C) Reserves & Surplus	1220679	1121896	1039162
<b>Total (A) + (B) + (C)</b>	<b>1254580</b>	<b>1155797</b>	<b>1073063</b>
<b>(1.2) Loan Funds</b>			
(A) Secured Loans	365768	137588	69849
(B) Unsecured Loans	2136351	1992649	2205668
<b>Total (A) + (B)</b>	<b>2502119</b>	<b>2130237</b>	<b>2275517</b>
(1.3) Deferred Tax Liability	319563	180797	160337
<b>Total (1.1) + (1.2) + (1.3)</b>	<b>4076262</b>	<b>3466831</b>	<b>3508917</b>
<b>(2) Application Of Funds</b>			
<b>(2.1) Fixed Assets</b>			
(A) Gross Block	2964839	2498837	2020883
(B) Less Depreciation	1100386	968170	855408
<b>(C) Net Block (A-B)</b>	<b>1864453</b>	<b>1530667</b>	<b>1165475</b>
(D) Capital Work In Progress	379870	388759	500107
<b>Total (C) + (D)</b>	<b>2244323</b>	<b>1919426</b>	<b>1665582</b>
(2.2) Investment	1133502	1138722	1419647
<b>(2.3) Current Assets, Loan &amp; Advances</b>			
(A) Inventories	1662228	1257922	879324
(B) Sundry Debtors	265437	243734	224091
(C) Cash & Bank Balances	8000	24317	60831
(D) Other Current Assets	9851	12374	18115
(E) Loan & Advances	713581	525847	416908
<b>Total (A)+(B)+(C)+(D)+(E)</b>	<b>2659097</b>	<b>2064194</b>	<b>1599269</b>
<b>(2.4) Less: current Liabilities &amp; Provisions</b>			
(A) Current Liabilities	1780184	1444990	1053822
(B) Provisions	180476	210521	121759
<b>Total (A+B)</b>	<b>1960660</b>	<b>1655511</b>	<b>1175581</b>
<b>(2.5) Net Current Assets (2.3-2.4)</b>	<b>698437</b>	<b>408683</b>	<b>423688</b>
(2.6) Deferred Revenue / Pre. Expenditure	0	0	0
(2.7) Deferred Tax Asset	0	0	0
(2.8) Profit & Loss Account(Dr)	0	0	0
<b>Total (2.1+2.2+2.5+2.6+2.7+2.8)</b>	<b>4076262</b>	<b>3466831</b>	<b>3508917</b>

Important Indicators	2010-11	2009-10	2008-09
(i) Investment	714916	389990	351184
(ii) Capital Employed	2562890	1939350	1589163
(iii) Net Worth	1254580	1155797	1073063
(iv) Cost of Production	13591988	11041239	12310912
(v) Cost of Sales	13248110	10716243	12494590
(vi) Gross Value Added (At Market Price)	-	-	-
(vii) Total Employees (Other Than Casuals) (Nos.)	11248	11291	11246
(viii) Avg. Monthly Emoluments Per Employee (Rs.)	149446	119366	84266

Profit & Loss Account	(₹ in Lakhs)		
Particulars	2010-11	2009-10	2008-09
<b>(1) Income</b>			
(A) Sales/Operating Income	13266997	10859868	11642783
(B) Excise Duty	889755	725117	705023
(C) Net Sales (A-B)	12377242	10134751	10937760
(D) Other Income/Receipts	1107006	793611	1628052
(E) Accretion/Depletion in Stocks	343878	324996	-183678
<b>(I) Total Income (C+D+E)</b>	<b>13828126</b>	<b>11253358</b>	<b>12382134</b>
<b>(2) Expenditure</b>			
(A) Purchase of Finished Goods/ Consumption Of Raw Materials	12575887	10040541	11438983
(B) Stores & Spares	11666	17427	12217
(C) Power & Fuel	61568	47371	1902
(D) Manufacturing / Direct / Operating Expenses	396311	361881	319982
(E) Salary, Wages & Benefits / Employee Exp.	201716	161732	113719
(F) Other Expenses	135937	133052	124453
(G) Provisions	-20192	72420	-6757
<b>(II) Total Expenditure (A to G)</b>	<b>13362893</b>	<b>10834424</b>	<b>12004499</b>
<b>(3) Profit Before Dep, Int, Taxes &amp; EP (PBDITEP) (I-II)</b>	<b>465233</b>	<b>418934</b>	<b>377635</b>
(4) Depreciation	140695	116440	98129
(5) Dre/Prel Exp Written Off	0	0	0
<b>(6) Profit Before Int., Taxes &amp; Ep (PBITEP) (3-4-5)</b>	<b>324538</b>	<b>302494</b>	<b>279506</b>
(7) Interest			
(A) On Central Government Loans	0	0	0
(B) On Foreign Loans	20409	7166	23976
(C) Others	72780	96571	238219
(D) Less Interest Capitalised	4789	13362	53911
(E) Charged to P & L Account (A+B+C-D)	88400	90375	208284
<b>(8) Profit Before Tax &amp; EP(PBTEP) (6-7E)</b>	<b>236138</b>	<b>212119</b>	<b>71222</b>
(9) Tax Provisions	80713	82366	13725
<b>(10) Net Profit / Loss Before EP (8-9)</b>	<b>155425</b>	<b>129753</b>	<b>57497</b>
(11) Net Extra-Ord. Items	1524	-384	-1
<b>(12) Net Profit / Loss(-) (10-11)</b>	<b>153901</b>	<b>130137</b>	<b>57498</b>
(13) Dividend Declared	47408	40635	17778
(14) Dividend Tax	7691	6749	3021
<b>(15) Retained Profit (12-13-14)</b>	<b>98802</b>	<b>82753</b>	<b>36699</b>

Financial Ratios	2010-11	2009-10	2008-09
(i) Sales : Capital Employed	482.94	522.58	688.27
(ii) Cost of Sales : Sales	107.04	105.74	114.23
(iii) Salary / Wages : Sales	1.63	1.6	1.04
(iv) Net Profit : Net Worth	12.27	11.26	5.36
(v) Debt : Equity	1.99	1.84	2.12
(vi) Current Ratio	1.36	1.25	1.36
(vii) Sundry Debtors : Sales (No. of Days)	7.83	8.78	7.48
(viii) Total Inventory : Sales	49.02	45.3	29.34

## 6.6 Indian Oil Corporation Ltd.

Indian oil Corporation Ltd. was incorporated on 01.09.1964 by the merger of Indian Refineries Ltd. (established in 1958) and Indian Oil Company (established in 1958). In 1981 Assam Oil Company Ltd. was also merged with IOC. The objective was to serve the national interest in Oil and related sectors in accordance with Government Policies, to ensure continuous and smooth supplies of petroleum products and to enhance country's self sufficiency in oil refining.

IOC is a schedule 'A' Maharatna listed CPSE in petroleum (Refining and marketing) sector under the administrative control of M/o Petroleum and Natural Gas with 78.92% shareholding of Central Government. Its registered office is at Mumbai, corporate office and Refineries Head Office are in New Delhi.

### Vision/Mission

The vision of the Company has been designed with two dimensions, first, Indian Oil to be the Energy of India and second to be a globally admired Company. The aspiration of the company is to become a globally admired Company facilitated by initiating action on the six vision elements: Ethics, People, Innovation, Environment, Technology and Customers.

### Industrial / Business Operations

IOC is a major player in the field of petroleum refining, pipeline transportation of crude and petroleum products, marketing of petroleum products, research & development, blending and production of Lubricants. In pursuit of creating a diversified business profile, IOC is steadily integrating its business downward into petrochemicals and upward into E&P. Besides this, it has entered in other energy fields such as biofuels, gas, wind power, solar and nuclear.

IOC has eight refineries at Guwahati, Bongaigaon & Digboi (Assam), Barauni (Bihar), Gujarat (Koyali, Vadodara), Haldia (West Bengal), Mathura (UP) and Panipat (Haryana) with a combined capacity of 54.2 MMTPA (31.03.2011). Its marketing network is spread across the length and breadth of the country with over 37000 touch points (as on 31.03.2011). IOC has a pipeline network of 10899 KM with a capacity of 75.2 MMTPA.

The company has 7 subsidiary companies, of which 4 are outside the country and has 16 JVs in the field of Petroleum and Petrochemicals. The three Indian subsidiaries are Indian Oil Technologies Ltd., Chennai Petroleum Corporation Ltd. and Indianoil Creda Biofuels Ltd. with a shareholding of 100%, 51.89% and 74% respectively. The physical performance of the Company for last three years is given below:

Main Product	Unit	Performance During		
		2010-11	2009-10	2008-09
Refinery Crude Throughput	MMT	51.95	50.70	51.37
Pipeline Throughput	MMT	68.52	65.01	59.63
Sale of Products	MMT	72.92	69.92	66.76

Indian oil refineries achieved overall capacity utilization of 102% during 2010-11, against the average global refinery capacity utilization of 82%.

### Strategic Issues

Indian Oil is augmenting its refining capacity by setting up a 15 MMTPA refinery at Paradip at a cost of ₹ 29777 crore. The unit will be highly complex and configured to process 100% heavy, high-sulphur cheaper crude for better profitability.

In recent years, the rapid growth in Indian Economy has increased its appetite for petrochemicals, but per capita consumption still continues to be way below the world average. IOC has been making investments to garner growth opportunities in this space and move up the petrochemicals value chain.

### Performance Highlights

The operational performance of the company along with performance indicators and selected financial ratios during the period 2008-09 to 2010-11 can be seen on the opposite page.

The company registered an increase of ₹ 59634.97 crore in total income during 2010-11 which went up to ₹ 340669.23 crore in 2010-11 from ₹281034.26 crore in 2009-10. The net profit of the company however reduced to ₹ 7445.48 crore, a decrease of ₹ 2775.07 crore over the previous year profit of ₹ 10220.55 crore due to increased interest burden, reduction in exchange fluctuation gain and increased under recoveries which were not met.

Indian oil successfully commenced the supply of greener BS-IV fuels on 1<sup>st</sup> April 2010.

### Human Resource Management

The company employed 34105 regular employees as on 31.3.2011. The retirement age in the company is 60 years. It is following IDA 2007 pattern of remuneration. Details of employment in last 3 years are given below:

Particulars	2010-11	2009-10	2008-09
Executives including Non-Unionised Supervisors	14497	14210	13716
Non-Executives #	19608	20153	20282
Total Employees	34105	34363	33998

# Detail break-up of Non-Executive employees is at Statement no. 25 of volume-I of PE Survey.

### Technology Up-gradation, Research & Development

IOC's Research & Development Center developed 132 new product Formulations during the year, of which more than 85% were commercialized. During the year 46 original Equipment Manufacturers (OEMs) approvals and defence certifications were obtained.

Dual mode de-asphalting technology was developed to enhance Refinery Distillate Yield using LPG as solvent. A multi feed fluidized bed gasification pilot plant was commissioned to support research in the area of Gas to Liquid conversion.

During the year, 12 patents were filed in India out of which two have been granted. In addition, two patents in US, one in France and one in Russia were granted. Indian Oil's Bio-remediation Technology-Oilivorous S was utilized for treating oil spills at marine locations caused by collision of ships off Mumbai coast.

**Indian Oil Corporation Ltd.**

G-9, Ali Yavar Jung Marg, Bandra (East) Mumbai, Maharashtra – 400 051

Balance Sheet	(₹ in Lakhs)		
Particulars	2010-11	2009-10	2008-09
Authorised Capital	600000	250000	250000
<b>(1) Sources Of Fund</b>			
<b>(1.1) Shareholders Funds</b>			
(A) Paid-Up Capital			
Central Govt	191616	191616	95808
Others	51179	51179	25589
(B) Share Application Money	0	0	0
(C) Reserves & Surplus	5290437	4812498	4278421
<b>Total (A) + (B) + (C)</b>	<b>5533232</b>	<b>5055293</b>	<b>4399818</b>
<b>(1.2) Loan Funds</b>			
(A) Secured Loans	2037965	1829245	1756513
(B) Unsecured Loans	3235422	2627380	2741201
<b>Total (A) + (B)</b>	<b>5273387</b>	<b>4456625</b>	<b>4497714</b>
(1.3) Deferred Tax Liability	633659	475611	547363
<b>Total (1.1) + (1.2) + (1.3)</b>	<b>11440278</b>	<b>9987529</b>	<b>9444895</b>
<b>(2) Application Of Funds</b>			
<b>(2.1) Fixed Assets</b>			
(A) Gross Block	9313760	7208947	6234530
(B) Less Depreciation	3495020	3050840	2756685
<b>(C) Net Block (A-B)</b>	<b>5818740</b>	<b>4158107</b>	<b>3477845</b>
(D) Capital Work In Progress	1264769	2126863	1818605
<b>Total (C) + (D)</b>	<b>7083509</b>	<b>6284970</b>	<b>5296450</b>
(2.2) Investment	1954784	2237152	3225017
<b>(2.3) Current Assets, Loan &amp; Advances</b>			
(A) Inventories	4928452	3640408	2514960
(B) Sundry Debtors	886965	579928	593786
(C) Cash & Bank Balances	129442	131511	79802
(D) Other Current Assets	120603	114150	107120
(E) Loan & Advances	2266348	1472767	1159768
<b>Total (A)+ (B)+ (C)+ (D)+ (E)</b>	<b>8331810</b>	<b>5938764</b>	<b>4455436</b>
<b>(2.4) Less: current Liabilities &amp; Provisions</b>			
(A) Current Liabilities	5254994	3448017	3275458
(B) Provisions	676346	1027156	260346
<b>Total (A+B)</b>	<b>5931340</b>	<b>4475173</b>	<b>3535804</b>
<b>(2.5) Net Current Assets (2.3-2.4)</b>	<b>2400470</b>	<b>1463591</b>	<b>919632</b>
(2.6) Deferred Revenue / Pre. Expenditure	1515	1816	3796
(2.7) Deferred Tax Asset	0	0	0
(2.8) Profit & Loss Account(Dr)	0	0	0
<b>Total (2.1+2.2+2.5+2.6+2.7+2.8)</b>	<b>11440278</b>	<b>9987529</b>	<b>9444895</b>

Important Indicators	2010-11	2009-10	2008-09
(i) Investment	2107994	2087757	1697146
(ii) Capital Employed	8219210	5621698	4397477
(iii) Net Worth	5531717	5053477	4396022
(iv) Cost of Production	33149369	26682749	30538686
(v) Cost of Sales	32652076	26178324	30706142
(vi) Gross Value Added (At Market Price)	-	-	-
(vii) Total Employees (Other Than Casuals) (Nos.)	34105	34363	33998
(viii) Avg. Monthly Emoluments Per Employee (Rs.)	157103	138811	139394

Profit & Loss Account	(₹ in Lakhs)		
Particulars	2010-11	2009-10	2008-09
<b>(1) Income</b>			
(A) Sales/Operating Income	35717943	29120110	32979231
(B) Excise Duty	2614104	2183476	2318254
(C) Net Sales (A-B)	33103839	26936634	30660977
(D) Other Income/Receipts	465791	662367	440058
(E) Accretion/Depletion in Stocks	497293	504425	-167456
<b>(I) Total Income (C+D+E)</b>	<b>34066923</b>	<b>28103426</b>	<b>30933579</b>
<b>(2) Expenditure</b>			
(A) Purchase of Finished Goods/ Consumption Of Raw Materials	17029492	23850865	26683825
(B) Stores & Spares	115855	75446	56611
(C) Power & Fuel	11837	52515	59802
(D) Manufacturing / Direct / Operating Expenses	1004790	861068	912411
(E) Salary, Wages & Benefits / Employee Exp.	642958	572396	568696
(F) Other Expenses	13583823	615906	1492478
(G) Provisions	38964	179193	81478
<b>(II) Total Expenditure (A to G)</b>	<b>32427719</b>	<b>26207389</b>	<b>29855301</b>
<b>(3) Profit Before Dep, Int, Taxes &amp; EP (PBDITEP) (I-II)</b>	<b>1639204</b>	<b>1896037</b>	<b>1078278</b>
(4) Depreciation	0	322714	288171
(5) Dre/Prel Exp Written Off	454667	0	0
<b>(6) Profit Before Int., Taxes &amp; Ep (PBITEP) (3-4-5)</b>	<b>1184537</b>	<b>1573323</b>	<b>790107</b>
(7) Interest			
(A) On Central Government Loans	0	0	0
(B) On Foreign Loans	49806	28581	72769
(C) Others	217177	124065	322445
(D) Less Interest Capitalised	0	0	0
(E) Charged to P & L Account (A+B+C-D)	266983	152646	395214
<b>(8) Profit Before Tax &amp; EP(PBTEP) (6-7E)</b>	<b>917554</b>	<b>1420677</b>	<b>394893</b>
(9) Tax Provisions	165038	388554	137904
<b>(10) Net Profit / Loss Before EP (8-9)</b>	<b>752516</b>	<b>1032123</b>	<b>256989</b>
(11) Net Extra-Ord. Items	7968	10068	-37966
<b>(12) Net Profit / Loss(-) (10-11)</b>	<b>744548</b>	<b>1022055</b>	<b>294955</b>
(13) Dividend Declared	230655	315634	91048
(14) Dividend Tax	35870	50883	15474
<b>(15) Retained Profit (12-13-14)</b>	<b>478023</b>	<b>655538</b>	<b>188433</b>

Financial Ratios	2010-11	2009-10	2008-09
(i) Sales : Capital Employed	402.76	479.15	697.24
(ii) Cost of Sales : Sales	98.64	97.18	100.15
(iii) Salary / Wages : Sales	1.94	2.12	1.85
(iv) Net Profit : Net Worth	13.46	20.22	6.71
(v) Debt : Equity	0.95	0.88	1.02
(vi) Current Ratio	1.4	1.33	1.26
(vii) Sundry Debtors : Sales (No. of Days)	9.78	7.86	7.07
(viii) Total Inventory : Sales	54.34	49.33	29.94



## 6.7 Mangalore Refinery and Petrochemical Limited

Mangalore Refinery and Petrochemical Limited (MRPL) was incorporated on 07.03.1988 with the objective of forming a joint venture between HPCL and Indian Rayon and Industries Limited (IRIL) for setting up a Refinery & Petrochemical project at Mangalore. The company was on the verge of becoming a sick unit due to accumulated losses. At this juncture, ONGC acquired 37.39% of share holding of IRIL and infused funds against allotment of equity at par for ₹ 600 Crore in March 2003 bringing its equity holding to 51.25% and thereby MRPL became a subsidiary of ONGC effective 30.03.2003. The equity holding of ONGC was further increased to 71.62% in July 2003 when it acquired equity holding of Financial Institutions / Banks allotted to them under the scheme of debt reconstruction.

MRPL is currently a Schedule 'B' Miniratna listed CPSE in Petroleum sector under the administrative control of Ministry of Petroleum and Natural Gas. Its registered and corporate office is at Mangalore, Karnataka.

### Vision / Mission

The Vision of the Company is to be a world-class refining and petrochemical Company, with a strong emphasis on productivity, customer satisfaction, safety, health & environment management, Corporate Social Responsibility (CSR) and care for employees.

The Mission of the Company is to sustain leadership in energy conservation, efficiency productivity and innovation, capitalise emerging opportunities in the domestic and international markets, strong commitment towards community welfare and sustain enhancement in shareholders value.

### Industrial / Business Operations

MRPL is engaged in the business of refining of crude oil. It has two set of primary process units (Phase I and Phase II) at Mangalore, Karnataka, with an installed capacity of 9.69 MMTPA. The installed capacity has been re-fixed at 11.82 MMT effective from November 2009.

The product range of the company comprises of 12 products like Motor spirit, High Speed Diesel, Naphtha, LPG, Aviation Turbine fuel, Mixed Xylene, etc. The refinery is designed to maximize middle distillate Motor spirit and Gas Oil, It has capacity to meet the stringent Fuel quality norms of Euro III / Euro IV.

The company also has two joint ventures with a share holding of 45% in Mangalam Retail Services Ltd. and 50% share holding in Shell MRPL Aviation Fuel Services Private Ltd. The physical performances of the company for last three years are given below:

Main Product/s	Unit	Performance During		
		2010-11	2009-10	2008-09
Crude Oil Processing	MT	12.64	12.50	12.59
Capacity Utilization	%	107	106	107

### Strategic issue

MRPL has continuously been diversifying the sources for crude oil supplies by adding more countries and types of crude oil. NIOC (NOC of Iran), ADNOC, Kuwait, (NOC of Abu Dhabi) and Saudi Aramco (NOC of Saudi Arabia) continue to remain main suppliers for sour crude.

MRPL continues to focus on developing export market, keeping in view the enhanced production after completion of ongoing Phase III refinery Project.

Phase-III Refinery upgradation and expansion project has achieved an overall progress of 84.4% (actual) as against schedule target of 92.7% as on 15.6.2011.

### Performance Highlights

The operational performance of the company along with performance indicators and selected financial ratios during the period 2008-09 to 2010-11 can be seen on the opposite page.

The Company registered an increase of ₹ 7095.27 crore in total income during 2010-11 which went up to ₹ 40007.57 crore in 2010-11 from ₹ 32912.30 crore during 2009-10. The net profit of the company correspondingly increased to ₹ 1176.63 crore, an increase of ₹ 64.25 crore over the previous year due to increase in selling prices and marginal increase in margins.

The company markets its products to domestic oil marketing companies and also sells to direct bulk consumers and the balance products exports. The exports constitutes 33% of the company's turnover (gross of excise duty) and 42% of the total dispatches of the company.

### Human Resource Management

The company employed 1294 regular employees as on 31.3.2011. The retirement age in the company is 60 years. It is following IDA 2007 pattern of remuneration. Details of employment in last 3 years are given below:

Particulars	2010-11	2009-10	2008-09
Executives including Non-Unionised Supervisors	612	600	478
Non-Executives #	682	712	770
Total Employees	1294	1312	1248

# Detail break-up of Non-Executive employees is at Statement no. 25 of volume-I of PE Survey.

The Long Term Settlement (LTS) pertaining to wage revision and other benefits effective 1<sup>st</sup> April, 2007 with the employees union was finalized and signed on 31.1.2011.

### Technology Up-gradation, Research and Development

MRPL conducts R&D activities in its state of art laboratory. It is in the process of setting up a full-fledged R&D center.

Balance Sheet		(₹ in Lakhs)	
Particulars	2010-11	2009-10	2008-09
Authorised Capital	200000	200000	200000
<b>(1) Sources Of Fund</b>			
<b>(1.1) Shareholders Funds</b>			
(A) Paid-Up Capital			
Central Govt	0	0	0
Others	176185	176185	176183
(B) Share Application Money	0	0	0
(C) Reserves & Surplus	476705	383470	296757
<b>Total (A) + (B) + (C)</b>	<b>652890</b>	<b>559655</b>	<b>472940</b>
<b>(1.2) Loan Funds</b>			
(A) Secured Loans	20271	34214	23894
(B) Unsecured Loans	135426	135426	174786
<b>Total (A) + (B)</b>	<b>155697</b>	<b>169640</b>	<b>198680</b>
(1.3) Deferred Tax Liability	34717	66022	56855
<b>Total (1.1) + (1.2) + (1.3)</b>	<b>843304</b>	<b>795317</b>	<b>728475</b>
<b>(2) Application Of Funds</b>			
<b>(2.1) Fixed Assets</b>			
(A) Gross Block	761975	743516	742405
(B) Less Depreciation	453013	414281	376614
<b>(C) Net Block (A-B)</b>	<b>308962</b>	<b>329235</b>	<b>365791</b>
(D) Capital Work In Progress	546743	186029	41495
<b>Total (C) + (D)</b>	<b>855705</b>	<b>515264</b>	<b>407286</b>
<b>(2.2) Investment</b>	<b>9482</b>	<b>162366</b>	<b>64289</b>
<b>(2.3) Current Assets, Loan &amp; Advances</b>			
(A) Inventories	409738	311436	189043
(B) Sundry Debtors	252663	165722	128698
(C) Cash & Bank Balances	241511	234401	177112
(D) Other Current Assets	2844	10596	2130
(E) Loan & Advances	76047	58498	102875
<b>Total (A)+ (B)+ (C)+ (D)+ (E)</b>	<b>982803</b>	<b>780653</b>	<b>599858</b>
<b>(2.4) Less: current Liabilities &amp; Provisions</b>			
(A) Current Liabilities	968741	630988	312931
(B) Provisions	35945	31978	30027
<b>Total (A+B)</b>	<b>1004686</b>	<b>662966</b>	<b>342958</b>
<b>(2.5) Net Current Assets (2.3-2.4)</b>	<b>-21883</b>	<b>117687</b>	<b>256900</b>
(2.6) Deferred Revenue / Pre. Expenditure	0	0	0
(2.7) Deferred Tax Asset	0	0	0
(2.8) Profit & Loss Account(Dr)	0	0	0
<b>Total (2.1+2.2+2.5+2.6+2.7+2.8)</b>	<b>843304</b>	<b>795317</b>	<b>728475</b>

Important Indicators	2010-11	2009-10	2008-09
(i) Investment	289892	325892	374397
(ii) Capital Employed	287079	446922	622691
(iii) Net Worth	652890	559655	472940
(iv) Cost of Production	3827051	3122057	3602297
(v) Cost of Sales	3745524	3092469	3661982
(vi) Gross Value Added (At Market Price)	733944	615149	758352
(vii) Total Employees (Other Than Casuals) (Nos.)	1294	1312	1248
(viii) Avg. Monthly Emoluments Per Employee (Rs.)	118837	60912	75474

Profit & Loss Account		(₹ in Lakhs)	
Particulars	2010-11	2009-10	2008-09
<b>(1) Income</b>			
(A) Sales/Operating Income	4380024	3614094	4271888
(B) Excise Duty	484357	419574	447514
(C) Net Sales (A-B)	3895667	3194520	3824374
(D) Other Income/Receipts	23563	67122	18664
(E) Accretion/Depletion in Stocks	81527	29588	-59685
<b>(I) Total Income (C+D+E)</b>	<b>4000757</b>	<b>3291230</b>	<b>3783353</b>
<b>(2) Expenditure</b>			
(A) Purchase of Finished Goods/ Consumption Of Raw Materials	3721934	3023087	3451277
(B) Stores & Spares	4471	4407	1229
(C) Power & Fuel	1202	1039	1345
(D) Manufacturing / Direct / Operating Expenses	16328	10606	17460
(E) Salary, Wages & Benefits / Employee Exp.	18453	9590	11303
(F) Other Expenses	14015	21059	65232
(G) Provisions	1069	1786	1875
<b>(II) Total Expenditure (A to G)</b>	<b>3777472</b>	<b>3071574</b>	<b>3549721</b>
<b>(3) Profit Before Dep, Int, Taxes &amp; EP (PBDITEP) (I-II)</b>	<b>223285</b>	<b>219656</b>	<b>233632</b>
(4) Depreciation	39142	38933	38232
(5) Dre/Prel Exp Written Off	0	0	0
<b>(6) Profit Before Int., Taxes &amp; Ep (PBITEP) (3-4-5)</b>	<b>184143</b>	<b>180723</b>	<b>195400</b>
(7) Interest			
(A) On Central Government Loans	0	0	0
(B) On Foreign Loans	0	369	965
(C) Others	10437	11181	13379
(D) Less Interest Capitalised	0	0	0
(E) Charged to P & L Account (A+B+C-D)	10437	11550	14344
<b>(8) Profit Before Tax &amp; EP(PBTEP) (6-7E)</b>	<b>173706</b>	<b>169173</b>	<b>181056</b>
(9) Tax Provisions	56085	57946	61912
<b>(10) Net Profit / Loss Before EP (8-9)</b>	<b>117621</b>	<b>111227</b>	<b>119144</b>
(11) Net Extra-Ord. Items	-42	-11	-110
<b>(12) Net Profit / Loss(-) (10-11)</b>	<b>117663</b>	<b>111238</b>	<b>119254</b>
(13) Dividend Declared	21031	21031	21035
(14) Dividend Tax	3412	3493	3575
<b>(15) Retained Profit (12-13-14)</b>	<b>93220</b>	<b>86714</b>	<b>94644</b>

Financial Ratios	2010-11	2009-10	2008-09
(i) Sales : Capital Employed	1357	714.78	614.17
(ii) Cost of Sales : Sales	96.15	96.81	95.75
(iii) Salary / Wages : Sales	0.47	0.3	0.3
(iv) Net Profit : Net Worth	18.02	19.88	25.22
(v) Debt : Equity	0.24	0.3	0.42
(vi) Current Ratio	0.98	1.18	1.75
(vii) Sundry Debtors : Sales (No. of Days)	23.67	18.94	12.28
(viii) Total Inventory : Sales	38.39	35.58	18.04

## 6.8 Numaligarh Refinery Ltd.

Numaligarh Refinery Ltd. (NRL) was incorporated on 22.04.1993 with the objective to develop core competencies in Refining and Marketing of petroleum products with a focus on achieving international standards on safety, quality and cost; maximize wealth creation for meeting expectations of stakeholders and to contribute towards the development of the North Eastern region. The concept of Numaligarh Refinery, popularly known as the “Assam Accord Refinery”, was included in the historic “Assam Accord” signed on 15th August, 1985 for providing a fillip to the industrial and economic development of Assam.

NRL is a Schedule- ‘B’ Mini-Ratna CPSE in Petroleum (Refinery & Marketing) sector under the administrative control of Ministry of Petroleum and Natural Gas. Its registered office is at Guwahati, Assam. The Company has a co-ordination office at New Delhi. NRL is a subsidiary of Bharat Petroleum Corporation Ltd. (BPCL) which holds 61.65% equity in the Company. The other shareholders are Oil India Ltd. (26.00%) and Government of Assam (12.35%).

### Vision/Mission

NRL's vision is to be a vibrant, growth oriented energy company of national standing and global reputation having core competencies in Refining and Marketing of petroleum products committed to attain sustained excellence in performance, safety standards, customer care and environment management and to provide a fillip to the development of the region

The mission of the company is to develop core competencies in Refining and Marketing of petroleum products with a focus on achieving international standards on safety, quality and cost. Maximize wealth creation for meeting expectations of stakeholders. Create a pool of knowledgeable and inspired employees and ensure their professional and personal growth. Contribute towards the development of the region.

### Industrial / Business Operations

NRL is engaged in refining of indigenous crude oil in its refinery at Numaligarh in Golaghat district of Assam. The Company has three regional offices at Delhi, Kolkata and Guwahati. The Company has set up a Marketing Terminal at Siliguri for onward dispatch of products pumped through the Numaligarh-Siliguri pipeline of Oil India Ltd.

NRL has participating interests in two joint venture companies. In the joint venture company, M/s Brahmaputra Cracker and Polymer Ltd. which is implementing the Assam Gas Cracker Project at Dibrugarh district in Assam, NRL has 10% equity participation. In the other joint venture company, M/s DNP Ltd., the company implementing a Natural Gas Pipeline Project from Duliajan to Numaligarh, it has 26% equity participation.

The physical performance of Company for last three years is given below:

Main Products	Unit	Performance During		
		2010-11	2009-10	2008-09
Crude Oil Throughput LPG, Naphtha, MS, ATF, SKO, HSD, RPC, CPC, Sulphur	MMT	2.250	2.619	2.251
Distillate Yield	%	84.70	85.32	84.72
Average capacity utilization	%	75.0	87.3	75.1

As on 31.3.2011, NRL had 72 Retail Outlets, of which, 64 were within North East Region.

### Strategic Issues

Since commissioning, NRL has not been able to operate at 100% annual capacity due to inadequate availability of crude oil in the North East region.

In the Company's pursuit for ‘Clean Development Mechanism’ (CDM) projects and to earn carbon credit, NRL has commissioned two projects.

To meet requirements of the Auto Fuel Policy, NRL has implemented a Diesel Quality Upgradation Project which has enabled NRL to produce Euro-III and Euro-IV HSD at 100% capacity utilization of the refinery.

### Performance Highlights

The operational performance of the company along with performance indicators and selected financial ratios during the period 2008-09 to 2010-11 can be seen on the opposite page.

The Company registered an increase of ₹ 463.94 crore in total income during 2010-11 which went up to ₹ 8336.8 crore in 2010-11 from ₹ 7872.86 crore during 2009-10. The net profit of the company correspondingly increased to ₹ 279.26 crore, an increase of ₹ 47.18 crore over the previous year due to increase in turnover due to higher product prices.

NRL's products are primarily being marketed through its holding company BPCL besides other PSU Oil Marketing Companies.

### Human Resource Management

The company employed 817 regular employees as on 31.3.2011. The retirement age in the company is 60 years. It is following IDA 2007 pattern of remuneration. Details of employment in last 3 years are given below:

Particulars	2010-11	2009-10	2008-09
Executives including Non-Unionised Supervisors	385	388	379
Non-Executives #	432	432	405
Total Employees	817	820	784

# Detail break-up of Non-Executive employees is at Statement no. 25 of volume-I of PE Survey.

### Technology Up-gradation, Research and Development

NRL's R&D activities are mostly carried out through its holding company M/s Bharat Petroleum Corporation Limited and also through outsourcing from competent agencies.

Balance Sheet	(₹ in Lakhs)		
Particulars	2010-11	2009-10	2008-09
Authorised Capital	100000	100000	100000
<b>(1) Sources Of Fund</b>			
<b>(1.1) Shareholders Funds</b>			
(A) Paid-Up Capital			
Central Govt	0	0	0
Others	73563	73563	73563
(B) Share Application Money	0	0	0
(C) Reserves & Surplus	186543	171441	161502
<b>Total (A) + (B) + (C)</b>	<b>260106</b>	<b>245004</b>	<b>235065</b>
<b>(1.2) Loan Funds</b>			
(A) Secured Loans	12096	16757	238
(B) Unsecured Loans	9894	4008	4801
<b>Total (A) + (B)</b>	<b>21990</b>	<b>20765</b>	<b>5039</b>
(1.3) Deferred Tax Liability	23846	23937	24599
<b>Total (1.1) + (1.2) + (1.3)</b>	<b>305942</b>	<b>289706</b>	<b>264703</b>
<b>(2) Application Of Funds</b>			
<b>(2.1) Fixed Assets</b>			
(A) Gross Block	362895	331757	310391
(B) Less Depreciation	158084	143608	128285
<b>(C) Net Block (A-B)</b>	<b>204811</b>	<b>188149</b>	<b>182106</b>
(D) Capital Work In Progress	7559	27570	25419
<b>Total (C) + (D)</b>	<b>212370</b>	<b>215719</b>	<b>207525</b>
<b>(2.2) Investment</b>	<b>15427</b>	<b>12435</b>	<b>12435</b>
<b>(2.3) Current Assets, Loan &amp; Advances</b>			
(A) Inventories	163219	155016	97853
(B) Sundry Debtors	76050	11731	14189
(C) Cash & Bank Balances	20167	12267	29202
(D) Other Current Assets	47	442	177
(E) Loan & Advances	12948	13016	9145
<b>Total (A)+(B)+(C)+(D)+(E)</b>	<b>272431</b>	<b>192472</b>	<b>150566</b>
<b>(2.4) Less: current Liabilities &amp; Provisions</b>			
(A) Current Liabilities	166620	108646	88859
(B) Provisions	27666	22274	16964
<b>Total (A+B)</b>	<b>194286</b>	<b>130920</b>	<b>105823</b>
<b>(2.5) Net Current Assets (2.3-2.4)</b>	<b>78145</b>	<b>61552</b>	<b>44743</b>
(2.6) Deferred Revenue / Pre. Expenditure	0	0	0
(2.7) Deferred Tax Asset	0	0	0
(2.8) Profit & Loss Account(Dr)	0	0	0
<b>Total (2.1+2.2+2.5+2.6+2.7+2.8)</b>	<b>305942</b>	<b>289706</b>	<b>264703</b>

Important Indicators	2010-11	2009-10	2008-09
(i) Investment	83255	77552	78350
(ii) Capital Employed	282956	249701	226849
(iii) Net Worth	260106	245004	235065
(iv) Cost of Production	791742	751937	800687
(v) Cost of Sales	795249	689397	799181
(vi) Gross Value Added (At Market Price)	170865	162948	143910
(vii) Total Employees (Other Than Casuals) (Nos.)	817	820	784
(viii) Avg. Monthly Emoluments Per Employee (Rs.)	140769	106596	92921

Profit & Loss Account	(₹ in Lakhs)		
Particulars	2010-11	2009-10	2008-09
<b>(1) Income</b>			
(A) Sales/Operating Income	897219	787409	885335
(B) Excise Duty	66616	67374	59652
(C) Net Sales (A-B)	830603	720035	825683
(D) Other Income/Receipts	6584	4711	4961
(E) Accretion/Depletion in Stocks	-3507	62540	1506
<b>(I) Total Income (C+D+E)</b>	<b>833680</b>	<b>787286</b>	<b>832150</b>
<b>(2) Expenditure</b>			
(A) Purchase of Finished Goods/ Consumption Of Raw Materials	718960	685678	739231
(B) Stores & Spares	3676	1320	3697
(C) Power & Fuel	211	3	3
(D) Manufacturing / Direct / Operating Expenses	28177	32196	27726
(E) Salary, Wages & Benefits / Employee Exp.	13801	10489	8742
(F) Other Expenses	6963	4966	4735
(G) Provisions	48	1376	-386
<b>(II) Total Expenditure (A to G)</b>	<b>771836</b>	<b>736028</b>	<b>783748</b>
<b>(3) Profit Before Dep, Int, Taxes &amp; EP (PBDITEP) (I-II)</b>	<b>61844</b>	<b>51258</b>	<b>48402</b>
(4) Depreciation	17017	15177	14796
(5) Dre/Prel Exp Written Off	0	218	0
<b>(6) Profit Before Int., Taxes &amp; Ep (PBITEP) (3-4-5)</b>	<b>44827</b>	<b>35863</b>	<b>33606</b>
(7) Interest			
(A) On Central Government Loans	0	0	0
(B) On Foreign Loans	0	0	0
(C) Others	2889	514	2143
(D) Less Interest Capitalised	0	0	0
(E) Charged to P & L Account (A+B+C-D)	2889	514	2143
<b>(8) Profit Before Tax &amp; EP(PBTEP) (6-7E)</b>	<b>41938</b>	<b>35349</b>	<b>31463</b>
(9) Tax Provisions	13528	12963	8395
<b>(10) Net Profit / Loss Before EP (8-9)</b>	<b>28410</b>	<b>22386</b>	<b>23068</b>
(11) Net Extra-Ord. Items	484	-822	-496
<b>(12) Net Profit / Loss(-) (10-11)</b>	<b>27926</b>	<b>23208</b>	<b>23564</b>
(13) Dividend Declared	11034	11034	11034
(14) Dividend Tax	1790	1875	1875
<b>(15) Retained Profit (12-13-14)</b>	<b>15102</b>	<b>10299</b>	<b>10655</b>

Financial Ratios	2010-11	2009-10	2008-09
(i) Sales : Capital Employed	293.54	288.36	363.98
(ii) Cost of Sales : Sales	95.74	95.74	96.79
(iii) Salary / Wages : Sales	1.66	1.46	1.06
(iv) Net Profit : Net Worth	10.74	9.47	10.02
(v) Debt : Equity	0.08	0.08	0.02
(vi) Current Ratio	1.4	1.47	1.42
(vii) Sundry Debtors : Sales (No. of Days)	33.42	5.95	6.27
(viii) Total Inventory : Sales	71.72	78.58	43.26



## 7 Fertilizers

As on 31.3.2011, there were 7 Central Public Sector Enterprises in the Fertilizers group. The name of these enterprises along with their year of incorporation in chronological order are given below :

Sl. No.	Enterprise	Year of Incorporation
1.	Fertilizers & Chemicals (Travancore) Ltd.	1943
2.	Fertilizer Corpn. of India Ltd.	1961
3.	Madras Fertilizers Ltd.	1966
4.	National Fertilizers Ltd.	1974
5.	Hindustan Fertilizer Corpn. Ltd.	1978
6.	Rashtriya Chemicals and Fertilizers Ltd.	1978
7.	Brahmaputra Valley Fertilizer Corpn. Ltd.	2002

2. The enterprises falling in this group are mainly engaged in producing and selling of chemicals and fertilizers like Urea, Phosphates, Complex Fertilizers and other items like DAP, Phosphatic Acid, Ammonia Sulphuric Acid, etc.

3. The consolidated financial position, the working results and the important management ratios of these enterprises are appended.

4. **Turnover** : The details of turnover of individual enterprises are given below :

(₹in Crore)

Sl. No.	Enterprise	Turnover	
		2010-11	2009-10
1.	National Fertilizers Ltd.	5804.03	5099.62
2.	Rashtriya Chemicals And Fertilizers Ltd.	5574.10	5697.18
3.	Fertilizers & Chemicals (Travancore) Ltd.	2511.92	2134.15
4.	Madras Fertilizers Ltd.	1622.91	1302.84
5.	Brahmaputra Valley Fertilizer Corpn. Ltd.	401.13	261.79
6.	Fertilizer Corpn. Of India Ltd.	0.00	0.00
7.	Hindustan Fertilizer Corpn. Ltd.	0.00	0.00
	<b>Sub Total</b>	<b>15914.09</b>	<b>14495.58</b>

5. **Net Profit/Loss** : The details of the enterprises, which earned net profit or sustained net loss (-) are given below :

(₹in Crore)

Sl. No.	Enterprise	Adjusted Net Profit/Net Loss	
		2010-11	2009-10
1.	Rashtriya Chemicals And Fertilizers Ltd.	245.12	234.87
2.	Madras Fertilizers Ltd.	169.86	6.88
3.	National Fertilizers Ltd.	138.50	171.51
4.	Fertilizers & Chemicals (Travancore) Ltd.	-49.33	-103.84
5.	Brahmaputra Valley Fertilizer Corpn. Ltd.	-85.09	-27.86
6.	Hindustan Fertilizer Corpn. Ltd.	-382.28	-382.47
7.	Fertilizer Corpn. of India Ltd.	-508.51	-585.09
	<b>Group Total</b>	<b>-471.73</b>	<b>-686.00</b>

6. **Dividend** : The details of the dividend declared by the individual enterprise are given below :

(₹in Crore)

Sl. No.	Enterprise	Dividend	
		2010-11	2009-10
1.	Rashtriya Chemicals And Fertilizers Ltd.	60.69	60.69
2.	National Fertilizers Ltd.	41.70	51.51
	<b>Group Total</b>	<b>102.39</b>	<b>112.20</b>

7. **Social Overheads and Township** : The total number of persons employed and the expenditure incurred on social overheads and townships are given below :

(₹in Crore)

Sl. No.	Enterprise	Township and Social Overheads	
		2010-11	2009-10
1.	No. of employees (in number)	13712	14634
2.	Social overheads : (Rupees in Crore)		
	(i) Educational,	54.93	60.40
	(ii) Medical Facilities	35.35	26.40
	(iii) Others	69.02	56.05
3.	Capital cost of township (Rupees in Crore)	121.10	100.99
4.	No. of houses constructed (in number)	11089	12924

8. Company wise details in respect of Balance Sheet, Profit and Loss account, Important Indicators and Financial Ratios along with the write up of individual company are given in the pages below.



# Fertilizers

## Balance Sheet

(₹ in Lakhs)

			(₹ in Lakhs)
Particulars	2010-11	2009-10	2008-09
AUTHORISED CAPITAL	567500	517500	517500
<b>(1) SOURCES OF FUND</b>			
(1.1) SHAREHOLDERS FUNDS			
(A) PAID-UP CAPITAL			
CENTRAL GOVT	352622	352622	323392
OTHERS	12855	12855	12855
(B) SHARE APPLICATION MONEY	0	0	29230
(C) RESERVES & SURPLUS	265591	239132	211592
<b>TOTAL (A) + (B) + (C)</b>	<b>631068</b>	<b>604609</b>	<b>577069</b>
(1.2) LOAN FUNDS			
(A) SECURED LOANS	157286	171426	131779
(B) UNSECURED LOANS	1995278	1973015	1873502
<b>TOTAL (A) + (B)</b>	<b>2152564</b>	<b>2144441</b>	<b>2005281</b>
(1.3) DEFERRED TAX LIABILITY	24079	28334	26433
<b>TOTAL (1.1) + (1.2) + (1.3)</b>	<b>2807711</b>	<b>2777384</b>	<b>2608783</b>
<b>(2) APPLICATION OF FUNDS</b>			
(2.1) FIXED ASSETS			
(A) GROSS BLOCK	1095853	1077454	1057504
(B) LESS DEPRECIATION	793992	765010	747364
(C) NET BLOCK (A-B)	301861	312444	310140
(D) CAPITAL WORK IN PROGRESS	79461	23473	30093
<b>TOTAL (C) + (D)</b>	<b>381322</b>	<b>335917</b>	<b>340233</b>
(2.2) INVESTMENT	15412	41881	77776
(2.3) CURRENT ASSETS, LOAN & ADVANCES			
(A) INVENTORIES	176806	155094	166108
(B) SUNDRY DEBTORS	274457	235402	301977
(C) CASH & BANK BALANCES	78352	180848	74185
(D) OTHER CURRENT ASSETS	71920	124316	65916
(E) LOAN & ADVANCES	75453	75830	90588
<b>TOTAL ((A)+ (B)+ (C)+ (D)+ (E))</b>	<b>676988</b>	<b>771490</b>	<b>698774</b>
(2.4) LESS: CURRENT LIABILITIES & PROVISIONS			
(A) CURRENT LIABILITIES	318066	348428	361444
(B) PROVISIONS	70027	60067	73932
<b>TOTAL (A+B)</b>	<b>388093</b>	<b>408495</b>	<b>435376</b>
(2.5) NET CURRENT ASSETS(2.3-2.4)	288895	362995	263398
(2.6) DEFERRED REVENUE / PRE. EXPENDITURE	117	161	183
(2.7) DEFERRED TAX ASSET	0	0	0
(2.8) PROFIT & LOSS ACCOUNT(DR)	2121965	2036430	1927193
<b>TOTAL (2.1+2.2+2.5+2.6+2.7+2.8)</b>	<b>2807711</b>	<b>2777384</b>	<b>2608783</b>

# Fertilizers

## Profit and Loss Account

(₹ in Lakhs)

			(₹ in Lakhs)
Particulars	2010-11	2009-10	2008-09
(1) INCOME			
(A) SALES/OPERATING	1591409	1449558	1701172
(B) EXCISE DUTY	13146	9158	11608
(C) NET SALES (A-B)	1578263	1440400	1689564
(D) OTHER INCOME/RECEIPTS	30980	32806	27989
<b>(I)TOTAL INCOME (C+D+E)</b>	<b>1614883</b>	<b>1469047</b>	<b>1702776</b>
(2) EXPENDITURE			
(A) PURCHASE OF FINISHED GOODS CONSUMPTION OF RAW MATERIALS	893709	862422	991481
(B) STORES & SPARES	10474	10300	9131
(C) POWER & FUEL	309561	240576	327176
(D) MANUFACTURING / DIRECT / OPERATING EXPENSES	123922	119312	124653
(E)SALARY,WAGES & BENEFITS / EMPLOYEE EXP.	124662	100206	93520
(F)OTHER EXPENSES	31430	24840	65770
(G)PROVISIONS	5330	6520	18339
<b>(II)TOTAL EXPENDITURE (A to G)</b>	<b>1499088</b>	<b>1364176</b>	<b>1630070</b>
(3) PROFIT BEFORE DEP. INT. TAXES & EP(PBDITEP) (I-II)	115795	104871	72706
(4) DEPRECIATION	32684	30708	50697
(5) DRE/PREL EXP WRITTEN OFF	44	-3467	2409
(6) PROFIT BEFORE INT., TAXES & EP (PBITEP) (3-4-5)	83067	77630	19600
(7) INTEREST			
(A) ON CENTRALGOVERNMENT LOANS	107253	103513	104631
(B) ON FOREIGN LOANS	630	1181	148
(C) OTHERS	20351	24066	28168
(D) LESS INTEREST CAPITALISED	71	414	461
(E) CHARGED TO P & L ACCOUNT (A+B+C-D)	128163	128346	132486
<b>(8)PROFIT BEFORE TAX &amp; EP(PBTEP) (6-7E)</b>	<b>-45096</b>	<b>-50716</b>	<b>-112886</b>
(9) TAX PROVISIONS	17499	19792	17277
(10) NET PROFIT / LOSS(-) BEFORE EP (8-9)	-62595	-70508	-130163
(11) NET EXTRA-ORD.ITEMS	-15422	-1908	-1193518
<b>(12) NET PROFIT / LOSS(-) (10-11)</b>	<b>-47173</b>	<b>-68600</b>	<b>1063355</b>
(13) DIVIDEND DECLARED	10239	11220	9563
(14) DIVIDEND TAX	1660	1864	1625
<b>(15) RETAINED PROFIT (12-13-14)</b>	<b>-59072</b>	<b>-81684</b>	<b>1052167</b>

# Fertilizers

## Management Ratio

Particulars	2010-11	2009-10	2008-09
<b>(A.) INDICATORS</b>			
<b>(I) GENERAL(Rs. in Lakhs)</b>			
(i) INVESTMENT	2384995	1301093	1244813
(ii) CAPITAL EMPLOYED	590756	675439	573538
(iii) NET WORTH	-1491014	-1431982	-1350307
(iv) COST OF PRODUCTION	1659979	1519763	1815662
(v) COST OF SALES	1654339	1523922	1830439
(vi) VALUE ADDED	370159	322943	346999
(vii) R AND D EXPENDITURE	298	281	203
<b>(II) HUMAN RESOURCE</b>			
(viii) EMPLOYEES (OTHER THAN CASUAL)(Nos.)	13712	14634	14508
(ix) AVG.MONTHLY EMOLUMENTS PER EMPLOYEE(Rs.)	75762	57062	53717
<b>(B.) MANAGEMENT RATIO</b>			
(i) DEBT : EQUITY	3.41	3.55	3.47
(ii) CURRENT RATIO (CURRENT ASSET:CURRENT- LIABILITY	1.74	1.89	1.6
(iii) PBDITEP : TOTAL EMPLOYEMENT (Rs. in Lakhs)	8.44	7.17	5.01
(iv) SUNDRY DEBTORS : SALES (No. of days)	63.47	59.65	65.24
(v) INVENTORY(No. of days)			
(a) TOTAL INVENTORY : SALES	40.89	39.3	35.88
(b) SEMI/FINISHED GOODS : SALES	14.9	14.66	13.59
(vi) INCREMENTAL CAPITAL OUTPUT RATIO(ICOR)	-0.57	-0.43	0.02
(%)			
(vii) SALES : CAPITAL EMPLOYED	267.16	213.25	294.59
(viii) PBDITEP : CAPITAL EMPLOYED	19.6	15.53	12.68
(ix) PBITEP : CAPITAL EMPLOYED	14.06	11.49	3.42
(x) COST OF SALES : SALES	104.82	105.8	108.34
(xi) MATERIAL COST : SALES	56.63	59.87	58.68
(xii) SALARY & WAGES : SALES	7.9	6.96	5.54
(xiii) R & D EXPENDITURE : SALES	0.02	0.02	0.01
(xiv) PBITEP : SALES	5.26	5.39	1.16
(xv) PBTEP : NET WORTH	3.02	3.54	8.36
(xvi) NET PROFIT : NET WORTH	-	-	-
(xvii) GROSS MARGIN : GROSS BLOCK	10.57	9.73	6.88

## 7.1 Brahmaputra Valley Fertilizer Corp. Ltd.

Brahmaputra Valley Fertilizer Corporation Ltd. (BVFCL) was incorporated on 5.4.2002 after segregation of Namrup units in Assam from Hindustan Fertilizer Corporation Limited (HFCL). BVFCL is the only urea manufacturing unit in eastern part of the country. It largely meets the Urea requirement of the entire North East India and some parts of north Bengal & eastern Bihar.

BVFCL is a Schedule- 'B' BRPSE referred CPSE in Fertilizers Sector under the administrative control of M/o Chemicals and Fertilizers, D/o Fertilizers with 100% shareholding by the Government of India. Its Registered and Corporate offices are at Namrup, Assam.

### Vision/Mission

The vision of the company is to be a reputed, valued Indian Enterprise and to be a leading fertilizer manufacturer in North-Eastern part of India.

The mission of the company is to produce fertilizers efficiently, economically and in environment friendly manner; to establish itself as profit earning enterprise; to work for all round improvement of the strategically important North Eastern parts of the country; and to provide balanced economic growth in the region.

### Industrial / Business Operations

BVFCL is engaged in the production and marketing of Urea from its two operating units at Namrup, Dibrugarh district of Assam. The physical performance of company during the last three years is mentioned below:

Main Product	Unit	Performance During		
		2010-11	2009-10	2008-09
Urea	000'MT	285	310	191
Capacity utilization	%	55.91%	60.70%	37.36%

### Strategic Issues

BRPSE recommended for revival as a PSE on 17.10.2008, inter alia, with revival package of ₹ 566.07 crores as non-cash assistance from Government of India. Based on recommendations of BRPSE, the case was considered by Government on 26.2.2009. It was decided that appropriate support be continued to the project, till such time a comprehensive proposal is brought up before Government.

A proposal with recommendations is under preparation for submission to Department of Fertilizers for decision on renovation of the existing plants based on economic consideration

BVFCL has already proposed setting up a new brown field ammonia urea plant (Namrup-IV) for long term viability of the Company. The plant will have the capacity to produce 8.64 Lakh MT of urea per annum consuming available 1.72 MMSCMD of Natural Gas. The specific energy of the plant will be 5.4 Gcal/MT of urea. The total cost of the Project is estimated at ₹ 3311.09 crores with internal rate of return (IRR) of 14.06% and 5.43 years as pay back period. The Techno-economic feasibility Report has been submitted to Planning Commission for in-principle approval and allocation of funds in the 12<sup>th</sup> five year plan starting from 2012.

### Performance Highlights

The operational performance of the company along with performance indicators and selected financial ratios during the period 2008-09 to 2010-11 can be seen on the opposite page.

The Company registered an increase of ₹ 136.66 crore in total income during 2010-11 which went up to ₹ 412.45 crore in 2010-11 from ₹ 275.79 crore during 2009-10. The net loss of the company however increase to ₹ 85.09 crore, an increase of ₹ 57.23 crore over the previous year's loss of ₹ 27.86 due to increase in expenses on power & fuel and interest on Central Governments loans.

The company has made operational profit on account of increase in concession price.

### Human Resource Management

The company employed 1084 regular employees as on 31.3.2011. The retirement age in the company is 58 years. It is following IDA 1997 pattern of remuneration. Details of employment in last 3 years are given below:

Particulars	2010-11	2009-10	2008-09
Executives including Non-Unionised Supervisors	381	377	404
Non-Executives #	703	780	851
Total Employees	1084	1157	1255

# Detail break-up of Non-Executive employees is at Statement no. 25 of volume-I of PE Survey.

Balance Sheet	(₹ in Lakhs)		
Particulars	2010-11	2009-10	2008-09
Authorised Capital	51000	51000	51000
<b>(1) Sources Of Fund</b>			
<b>(1.1) Shareholders Funds</b>			
(A) Paid-Up Capital			
Central Govt	36583	36583	36583
Others	0	0	0
(B) Share Application Money	0	0	0
(C) Reserves & Surplus	0	0	0
<b>Total (A) + (B) + (C)</b>	<b>36583</b>	<b>36583</b>	<b>36583</b>
<b>(1.2) Loan Funds</b>			
(A) Secured Loans	0	151	145
(B) Unsecured Loans	90035	77610	68684
<b>Total (A) + (B)</b>	<b>90035</b>	<b>77761</b>	<b>68829</b>
(1.3) Deferred Tax Liability	0	0	0
<b>Total (1.1) + (1.2) + (1.3)</b>	<b>126618</b>	<b>114344</b>	<b>105412</b>
<b>(2) Application Of Funds</b>			
<b>(2.1) Fixed Assets</b>			
(A) Gross Block	102454	101591	97818
(B) Less Depreciation	57907	53678	48879
<b>(C) Net Block (A-B)</b>	<b>44547</b>	<b>47913</b>	<b>48939</b>
(D) Capital Work In Progress	2984	3750	2918
<b>Total (C) + (D)</b>	<b>47531</b>	<b>51663</b>	<b>51857</b>
<b>(2.2) Investment</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>(2.3) Current Assets, Loan &amp; Advances</b>			
(A) Inventories	3652	3972	3730
(B) Sundry Debtors	13458	5664	1911
(C) Cash & Bank Balances	16833	15489	9352
(D) Other Current Assets	355	390	515
(E) Loan & Advances	596	573	367
<b>Total (A)+(B)+(C)+(D)+(E)</b>	<b>34894</b>	<b>26088</b>	<b>15875</b>
<b>(2.4) Less:current Liabilities &amp; Provisions</b>			
(A) Current Liabilities	17032	15261	10152
(B) Provisions	3858	4764	5839
<b>Total (A+B)</b>	<b>20890</b>	<b>20025</b>	<b>15991</b>
<b>(2.5) Net Current Assets (2.3-2.4)</b>	<b>14004</b>	<b>6063</b>	<b>-116</b>
(2.6) Deferred Revenue / Pre. Expenditure	117	161	0
(2.7) Deferred Tax Asset	0	0	0
(2.8) Profit & Loss Account(Dr)	64966	56457	53671
<b>Total (2.1+2.2+2.5+2.6+2.7+2.8)</b>	<b>126618</b>	<b>114344</b>	<b>105412</b>

Important Indicators	2010-11	2009-10	2008-09
(i) Investment	126618	114193	105267
(ii) Capital Employed	58551	53976	48823
(iii) Net Worth	-28500	-20035	-17088
(iv) Cost of Production	48987	33054	37795
(v) Cost of Sales	49145	33182	38289
(vi) Gross Value Added (At Market Price)	14940	10936	1739
(vii) Total Employees (Other Than Casuals) (Nos.)	1084	1157	1255
(viii) Avg. Monthly Emoluments Per Employee (Rs.)	34625	29934	27045

Profit & Loss Account	(₹ in Lakhs)		
Particulars	2010-11	2009-10	2008-09
<b>(1) Income</b>			
(A) Sales/Operating Income	40113	26179	15074
(B) Excise Duty	20	1	2
(C) Net Sales (A-B)	40093	26178	15072
(D) Other Income/Receipts	1310	1529	1396
(E) Accretion/Depletion in Stocks	-158	-128	-494
<b>(I)Total Income (C+D+E)</b>	<b>41245</b>	<b>27579</b>	<b>15974</b>
<b>(2) Expenditure</b>			
(A) Purchase of Finished Goods/ Consumption Of Raw Materials	6574	3948	3259
(B) Stores & Spares	1431	1434	1164
(C) Power & Fuel	17010	9733	8418
(D) Manufacturing / Direct / Operating Expenses	3648	3677	4902
(E) Salary, Wages & Benefits / Employee Exp.	4504	4156	4073
(F) Other Expenses	2533	3079	1171
(G) Provisions	1697	61	870
<b>(II)Total Expenditure (A to G)</b>	<b>37397</b>	<b>26088</b>	<b>23857</b>
<b>(3) Profit Before Dep, Int, Taxes &amp; EP (PBDITEP) (I-II)</b>	<b>3848</b>	<b>1491</b>	<b>-7883</b>
(4) Depreciation	4100	4072	3845
(5) Dre/Prel Exp Written Off	44	-3467	2142
<b>(6) Profit Before Int., Taxes &amp; Ep (PBITEP) (3-4-5)</b>	<b>-296</b>	<b>886</b>	<b>-13870</b>
(7) Interest			
(A) On Central Government Loans	7443	6343	7935
(B) On Foreign Loans	0	0	0
(C) Others	3	18	16
(D) Less Interest Capitalised	0	0	0
(E) Charged to P & L Account (A+B+C-D)	7446	6361	7951
<b>(8) Profit Before Tax &amp; EP(PBTEP) (6-7E)</b>	<b>-7742</b>	<b>-5475</b>	<b>-21821</b>
(9) Tax Provisions	0	0	16
<b>(10) Net Profit / Loss Before EP (8-9)</b>	<b>-7742</b>	<b>-5475</b>	<b>-21837</b>
(11) Net Extra-Ord. Items	767	-2689	-333
<b>(12) Net Profit / Loss(-) (10-11)</b>	<b>-8509</b>	<b>-2786</b>	<b>-21504</b>
(13) Dividend Declared	0	0	0
(14) Dividend Tax	0	0	0
<b>(15) Retained Profit (12-13-14)</b>	<b>-8509</b>	<b>-2786</b>	<b>-21504</b>

Financial Ratios	2010-11	2009-10	2008-09
(i) Sales : Capital Employed	68.48	48.5	30.87
(ii) Cost of Sales : Sales	122.58	126.76	254.04
(iii) Salary / Wages : Sales	11.23	15.88	27.02
(iv) Net Profit : Net Worth	-	-	-
(v) Debt : Equity	2.46	2.13	1.88
(vi) Current Ratio	1.67	1.3	0.99
(vii) Sundry Debtors : Sales (No. of Days)	122.52	78.97	46.28
(viii) Total Inventory : Sales	33.25	55.38	90.33



## 7.2 Fertilizer Corporation of India Ltd.

Fertilizer Corporation of India (FCIL) was incorporated on 01.01.1961 by merging Sindri Fertilizer & Chemicals Ltd. (formed in 1951) with Hindustan Chemicals & Fertilizer Ltd. (HFC) (formed in 1959). The company was again reorganized in 1978 when it was split into five companies namely FCIL itself, Rashtriya Chemicals & Fertilizers Ltd. (RCF), HFC, National Fertilizer Ltd. (NFL) and Project & Development India Ltd. (PDIL).

FCIL is a schedule-'B' BIFR / BRPSE referred sick CPSE in Fertilizers sector under the administrative control of M/o Chemicals and Fertilizers, D/o Fertilizers with 100% shareholding by the Government of India. Its registered office is at New Delhi and corporate office at NOIDA Uttar Pradesh.

### Industrial / Business Operations

FCIL was involved in manufacturing and marketing of fertilizers from its four units at Sindri (Jharkhand), Gorakhpur (U.P.), Ramagundam (A.P.) and Talcher (Orissa). However, due to continuous losses, the company became sick and based on the recommendation of the BIFR for winding up, the Government decided to close down and offer Voluntary Separation Scheme (VSS) to its employees. Accordingly, all the establishments have been closed and there are no operational activities since the year 2002.

Presently, all the six plants of the Company are laying closed awaiting approval of revival package from BIFR. The activities at plants are restricted to security arrangements and settlement of dues of employees.

### Strategic issue

FCIL was referred to BIFR in 1992. After a series of hearings, BIFR recommended the winding up of the company in 2001 and forwarded the case to Delhi High Court for taking further action as per Companies Act, 1956. The Hon'ble Delhi High Court took cognizance of the same and issued notice to all parties. However, pursuant to the Government initiative on hiving off of Jodhpur Mining Organisation into a separate entity and closure of all other units, High Court granted time to examine its revival and present a scheme of revival.

Further, the company submitted a detailed plan for revival to BRPSE also, which after examining, recommended the same. Based on the recommendations of the BRPSE, the Government approved 'in principle' the revival of the company. Government of India further constituted an Empowered Committee of Secretaries (ECOS) in October 2008 to examine various revival options. ECOS had given its final recommendations in 2011 and the same are approved by CCEA subsequently. The matter is now under consideration of BIFR.

### Performance Highlights

The operational performance of the company along with performance indicators and selected financial ratios during the period 2008-09 to 2010-11 can be seen on the opposite page.

The Company registered an increase of ₹ 2.49 crore in total income during 2010-11 which went up to ₹ 11.87 crore in 2010-11 from ₹ 9.38 crore during 2009-10 due to increase in other income. The net book loss of the company reduced to ₹ 508.51 crore, a reduction of ₹ 76.58 crore over the previous year's book loss of ₹ 585.09 crore. The losses are mainly due to book entry of interest payment of ₹ 553.12 crore on central Government loans.

### Human Resource Management

The company has retained 33 VSS opted employees as on 31.3.2011 to discharge the statutory obligations of the company. The retirement age in the Company is 60 years at board level and 58 years below board level. It is following IDA 1987 pattern of remuneration. Details of employment in last 3 years are given below:

Particulars	2010-11	2009-10	2008-09
Executives including Non-Unionised Supervisors	30	35	41
Non-Executives #	3	3	5
Total Employees	33	38	46

# Detail break-up of Non-Executive employees is at Statement no. 25 of volume-I of PE Survey.

**Fertilizer Corporation of India Ltd.**

7, Institutional Area, SCOPE Complex, Core-III, Lodhi Road, New Delhi – 110003

Balance Sheet	(₹ in Lakhs)		
Particulars	2010-11	2009-10	2008-09
Authorised Capital	80000	80000	80000
<b>(1) Sources Of Fund</b>			
<b>(1.1) Shareholders Funds</b>			
(A) Paid-Up Capital			
Central Govt	75092	75092	75092
Others	0	0	0
(B) Share Application Money	0	0	0
(C) Reserves & Surplus	108	108	118
<b>Total (A) + (B) + (C)</b>	<b>75200</b>	<b>75200</b>	<b>75210</b>
<b>(1.2) Loan Funds</b>			
(A) Secured Loans	0	0	0
(B) Unsecured Loans	1010326	959537	904226
<b>Total (A) + (B)</b>	<b>1010326</b>	<b>959537</b>	<b>904226</b>
(1.3) Deferred Tax Liability	0	0	0
<b>Total (1.1) + (1.2) + (1.3)</b>	<b>1085526</b>	<b>1034737</b>	<b>979436</b>
<b>(2) Application Of Funds</b>			
<b>(2.1) Fixed Assets</b>			
(A) Gross Block	112683	112691	112643
(B) Less Depreciation	106412	106391	106271
<b>(C) Net Block (A-B)</b>	<b>6271</b>	<b>6300</b>	<b>6372</b>
(D) Capital Work In Progress	0	0	0
<b>Total (C) + (D)</b>	<b>6271</b>	<b>6300</b>	<b>6372</b>
<b>(2.2) Investment</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>(2.3) Current Assets, Loan &amp; Advances</b>			
(A) Inventories	1556	1556	4229
(B) Sundry Debtors	250	288	476
(C) Cash & Bank Balances	6521	6809	7010
(D) Other Current Assets	0	0	0
(E) Loan & Advances	1101	876	860
<b>Total (A)+(B)+(C)+(D)+(E)</b>	<b>9428</b>	<b>9529</b>	<b>12575</b>
<b>(2.4) Less: current Liabilities &amp; Provisions</b>			
(A) Current Liabilities	27365	27433	27344
(B) Provisions	3	3	3
<b>Total (A+B)</b>	<b>27368</b>	<b>27436</b>	<b>27347</b>
<b>(2.5) Net Current Assets (2.3-2.4)</b>	<b>-17940</b>	<b>-17907</b>	<b>-14772</b>
(2.6) Deferred Revenue / Pre. Expenditure	0	0	0
(2.7) Deferred Tax Asset	0	0	0
(2.8) Profit & Loss Account(Dr)	1097195	1046344	987836
<b>Total (2.1+2.2+2.5+2.6+2.7+2.8)</b>	<b>1085526</b>	<b>1034737</b>	<b>979436</b>

Important Indicators	2010-11	2009-10	2008-09
(i) Investment	1085418	75092	75092
(ii) Capital Employed	-11669	-11607	-8400
(iii) Net Worth	-1021995	-971144	-912626
(iv) Cost of Production	56625	59524	76167
(v) Cost of Sales	56625	59524	76167
(vi) Gross Value Added (At Market Price)	-98	-82	-76
(vii) Total Employees (Other Than Casuals) (Nos.)	33	38	46
(viii) Avg. Monthly Emoluments Per Employee (Rs.)	49495	37939	33877

Profit & Loss Account	(₹ in Lakhs)		
Particulars	2010-11	2009-10	2008-09
<b>(1) Income</b>			
(A) Sales/Operating Income	0	0	0
(B) Excise Duty	0	0	0
(C) Net Sales (A-B)	0	0	0
(D) Other Income/Receipts	1187	938	909
(E) Accretion/Depletion in Stocks	0	0	0
<b>(I) Total Income (C+D+E)</b>	<b>1187</b>	<b>938</b>	<b>909</b>
<b>(2) Expenditure</b>			
(A) Purchase of Finished Goods/ Consumption Of Raw Materials	0	0	3
(B) Stores & Spares	0	0	0
(C) Power & Fuel	98	82	73
(D) Manufacturing / Direct / Operating Expenses	0	0	55
(E) Salary, Wages & Benefits / Employee Exp.	196	173	187
(F) Other Expenses	742	864	564
(G) Provisions	150	2929	319
<b>(II) Total Expenditure (A to G)</b>	<b>1186</b>	<b>4048</b>	<b>1201</b>
<b>(3) Profit Before Dep, Int, Taxes &amp; EP (PBDITEP) (I-II)</b>	<b>1</b>	<b>-3110</b>	<b>-292</b>
(4) Depreciation	29	161	19510
(5) Dre/Prel Exp Written Off	0	0	0
<b>(6) Profit Before Int., Taxes &amp; Ep (PBITEP) (3-4-5)</b>	<b>-28</b>	<b>-3271</b>	<b>-19802</b>
(7) Interest			
(A) On Central Government Loans	55312	55312	55455
(B) On Foreign Loans	0	0	0
(C) Others	98	3	1
(D) Less Interest Capitalised	0	0	0
(E) Charged to P & L Account (A+B+C-D)	55410	55315	55456
<b>(8) Profit Before Tax &amp; EP(PBTEP) (6-7E)</b>	<b>-55438</b>	<b>-58586</b>	<b>-75258</b>
(9) Tax Provisions	0	0	0
<b>(10) Net Profit / Loss Before EP (8-9)</b>	<b>-55438</b>	<b>-58586</b>	<b>-75258</b>
(11) Net Extra-Ord. Items	-4587	-77	-655340
<b>(12) Net Profit / Loss(-) (10-11)</b>	<b>-50851</b>	<b>-58509</b>	<b>580082</b>
(13) Dividend Declared	0	0	0
(14) Dividend Tax	0	0	0
<b>(15) Retained Profit (12-13-14)</b>	<b>-50851</b>	<b>-58509</b>	<b>580082</b>

Financial Ratios	2010-11	2009-10	2008-09
(i) Sales : Capital Employed	0	0	0
(ii) Cost of Sales : Sales	0	0	0
(iii) Salary / Wages : Sales	0	0	0
(iv) Net Profit : Net Worth	-	-	-
(v) Debt : Equity	13.44	12.76	12.02
(vi) Current Ratio	0.34	0.35	0.46
(vii) Sundry Debtors : Sales (No. of Days)	0	0	0
(viii) Total Inventory : Sales	0	0	0

## 7.3 Fertilizers and Chemicals (Travancore) Limited

Fertilizers and Chemicals Travancore Limited (FACT) incorporated in the year 1943 was the first large scale Fertilizer Plant in India located at Udyogamandal, Kerala and started its production in 1947. Initially in the Private Sector promoted by M/s.Seshasayee Brothers, FACT became a Public Sector company in 1960 and the Government of India became the major shareholder in 1962.

FACT is a schedule-'A' listed / BRPSE referred CPSE in the Fertilizer Sector under the administrative control of M/o Chemicals and Fertilizers, D/o Fertilizers with 97.38% shareholding by the Government of India. Its Registered and Corporate offices are at Kochi, Kerala.

### Vision / Mission

The Vision / Mission of the Company is to be a market leader in fertilizers/petrochemicals and significant player in all its other businesses including engineering/technology services, providing maximum customer satisfaction and reasonable reward to shareholders, adhering to business ethics and professionalism with adequate concern for the community and the environment.

### Industrial / Business Operations

FACT is a multi-product enterprise, engaged in production and marketing of fertilizers and caprolactam, providing engineering and consultancy services and fabrication and erection of equipments through its 3 production units at Udyogamandal, Kochi and Ambalamedu and 2 Consultancy / Engineering / Fabrication units at Udyogamandal and Kochi in Kerala.

The company has also formed a 50:50 Joint Venture namely FACT-RCF Building Products Ltd. with M/s Rashtriya Chemicals and Fertilizers Limited (RCF), a CPSE.

The physical performances of the company for last three years are given below:

Main Product / Services	Unit	Performance During		
		2011-12	2010-11	2009-10
Ammonium Sulphate	MT	200311	179546	128845
Factamfos 20:20	MT	644454	753744	605047
Caprolactam	MT	44345	42006	13548

### Strategic issue

FACT has intentions to generate additional revenue from its land resources by foraying into the field of infrastructure development. FACT has signed a MoU with Container Corporation of India (CONCOR) and Central Warehousing Corporation (CWC) for setting up Container Freight Stations by the side of the new highway to the Vallarpadam Terminal which passes through FACTs premises. The final business plans to these ventures has been drawn up.

### Performance Highlights

The operational performance of the company along with performance indicators and selected financial ratios during the period 2008-09 to 2010-11 can be seen on the opposite page.

The Company registered an increase of ₹ 265.78 crore in total income during 2010-11 which went up to ₹ 2522.25 crore in 2010-11 from ₹ 2256.47 crore during 2009-10 due to higher production, sale and realisation. The net loss of the company reduced to ₹ 49.33crore, a reduction of ₹ 54.51 crore over the previous year's loss of ₹ 103.84crore.

The margins are reduced in 2010-11 due to increase in provision for Gratuity and leave encashment and Loss on Sale of Fertilisers Bond.

### Human Resource Management

The company employed 2966 regular employees as on 31.3.2011. The retirement age in the company is 60 years at board level and 58 years at below board level. It is following IDA 2007 pattern of remuneration. Details of employment in last 3 years are given below:

Particulars	2010-11	2009-10	2008-09
Executives including Non-Unionised Supervisors	850	866	800
Non-Executives #	2116	2633	2383
Total Employees	2966	3499	3183

# Detail break-up of Non-Executive employees is at Statement no. 25 of volume-I of PE Survey.

### Technology Up-gradation, Research, and Development

R&D is carrying out in the specialized services such as the monitoring and controlling the quality of the finished products before they are dispatched to the market. R&D Centre is also producing bio fertilizers and dispatching directly to marketing area of the company in four southern states.

Balance Sheet	(₹ in Lakhs)		
Particulars	2010-11	2009-10	2008-09
Authorised Capital	100000	100000	100000
<b>(1) Sources Of Fund</b>			
<b>(1.1) Shareholders Funds</b>			
(A) Paid-Up Capital			
Central Govt	63777	63777	34547
Others	930	930	930
(B) Share Application Money	0	0	29230
(C) Reserves & Surplus	79	83	87
<b>Total (A) + (B) + (C)</b>	<b>64786</b>	<b>64790</b>	<b>64794</b>
<b>(1.2) Loan Funds</b>			
(A) Secured Loans	65218	85492	68110
(B) Unsecured Loans	31632	22394	12874
<b>Total (A) + (B)</b>	<b>96850</b>	<b>107886</b>	<b>80984</b>
(1.3) Deferred Tax Liability	0	0	0
<b>Total (1.1) + (1.2) + (1.3)</b>	<b>161636</b>	<b>172676</b>	<b>145778</b>
<b>(2) Application Of Funds</b>			
(2.1) Fixed Assets			
(A) Gross Block	139890	137353	147201
(B) Less Depreciation	105042	101003	108595
<b>(C) Net Block (A-B)</b>	<b>34848</b>	<b>36350</b>	<b>38606</b>
(D) Capital Work In Progress	881	1642	687
<b>Total (C) + (D)</b>	<b>35729</b>	<b>37992</b>	<b>39293</b>
(2.2) Investment	13840	28131	28131
<b>(2.3) Current Assets, Loan &amp; Advances</b>			
(A) Inventories	61374	57585	41261
(B) Sundry Debtors	11230	50979	27137
(C) Cash & Bank Balances	5526	2818	2242
(D) Other Current Assets	37857	1137	1071
(E) Loan & Advances	18156	15575	10642
<b>Total (A)+(B)+(C)+(D)+(E)</b>	<b>134143</b>	<b>128094</b>	<b>82353</b>
<b>(2.4) Less:current Liabilities &amp; Provisions</b>			
(A) Current Liabilities	55542	57192	35123
(B) Provisions	17072	9954	4098
<b>Total (A+B)</b>	<b>72614</b>	<b>67146</b>	<b>39221</b>
<b>(2.5) Net Current Assets (2.3-2.4)</b>	<b>61529</b>	<b>60948</b>	<b>43132</b>
(2.6) Deferred Revenue / Pre. Expenditure	0	0	0
(2.7) Deferred Tax Asset	0	0	0
(2.8) Profit & Loss Account(Dr)	50538	45605	35222
<b>Total (2.1+2.2+2.5+2.6+2.7+2.8)</b>	<b>161636</b>	<b>172676</b>	<b>145778</b>

Important Indicators	2010-11	2009-10	2008-09
(i) Investment	103703	110138	100413
(ii) Capital Employed	96377	97298	81738
(iii) Net Worth	14248	19185	29572
(iv) Cost of Production	256337	236017	238777
(v) Cost of Sales	256226	226324	215264
(vi) Gross Value Added (At Market Price)	-	-	-
(vii) Total Employees (Other Than Casuals) (Nos.)	2966	3499	3183
(viii) Avg. Monthly Emoluments Per Employee (Rs.)	75312	48592	35313

Profit & Loss Account	(₹ in Lakhs)		
Particulars	2010-11	2009-10	2008-09
<b>(1) Income</b>			
(A) Sales/Operating Income	251192	213415	214127
(B) Excise Duty	5119	2822	1261
(C) Net Sales (A-B)	246073	210593	212866
(D) Other Income/Receipts	6041	5361	4543
(E) Accretion/Depletion in Stocks	111	9693	23513
<b>(I) Total Income (C+D+E)</b>	<b>252225</b>	<b>225647</b>	<b>240922</b>
<b>(2) Expenditure</b>			
(A) Purchase of Finished Goods/ Consumption Of Raw Materials	152068	147574	173884
(B) Stores & Spares	2404	2068	1573
(C) Power & Fuel	35496	30068	20806
(D) Manufacturing / Direct / Operating Expenses	10896	12669	7499
(E) Salary, Wages & Benefits / Employee Exp.	26805	20403	13488
(F) Other Expenses	8883	6795	10426
(G) Provisions	1413	2459	72
<b>(II) Total Expenditure (A to G)</b>	<b>237965</b>	<b>222036</b>	<b>227748</b>
<b>(3) Profit Before Dep, Int, Taxes &amp; EP (PBDITEP) (I-II)</b>	<b>14260</b>	<b>3611</b>	<b>13174</b>
(4) Depreciation	4263	2427	4623
(5) Dre/Prel Exp Written Off	0	0	10
<b>(6) Profit Before Int., Taxes &amp; Ep (PBITEP) (3-4-5)</b>	<b>9997</b>	<b>1184</b>	<b>8541</b>
(7) Interest			
(A) On Central Government Loans	3020	1308	1099
(B) On Foreign Loans	0	0	0
(C) Others	11089	10246	5297
(D) Less Interest Capitalised	0	0	0
(E) Charged to P & L Account (A+B+C-D)	14109	11554	6396
<b>(8) Profit Before Tax &amp; EP(PBTEP) (6-7E)</b>	<b>-4112</b>	<b>-10370</b>	<b>2145</b>
(9) Tax Provisions	0	14	16
<b>(10) Net Profit / Loss Before EP (8-9)</b>	<b>-4112</b>	<b>-10384</b>	<b>2129</b>
(11) Net Extra-Ord. Items	821	0	-2166
<b>(12) Net Profit / Loss(-) (10-11)</b>	<b>-4933</b>	<b>-10384</b>	<b>4295</b>
(13) Dividend Declared	0	0	0
(14) Dividend Tax	0	0	0
<b>(15) Retained Profit (12-13-14)</b>	<b>-4933</b>	<b>-10384</b>	<b>4295</b>

Financial Ratios	2010-11	2009-10	2008-09
(i) Sales : Capital Employed	255.32	216.44	260.42
(ii) Cost of Sales : Sales	104.13	107.47	101.13
(iii) Salary / Wages : Sales	10.89	9.69	6.34
(iv) Net Profit : Net Worth	-34.62	-54.13	14.52
(v) Debt : Equity	1.49	1.67	1.25
(vi) Current Ratio	1.85	1.91	2.1
(vii) Sundry Debtors : Sales (No. of Days)	16.66	88.36	46.53
(viii) Total Inventory : Sales	91.04	99.81	70.75

## 7.4 Hindustan Fertilizer Corporation Ltd.

Hindustan Fertilizer Corporation Ltd. (HFC) was incorporated on 14.03.1978 after the re-organisation of Fertilizer Corporation of India Ltd. (FCI) / NFL group of companies with an objective to manufacture and market quality chemical fertilizers and by product.

HFC is a schedule-'B' / sick BIFR / BRPSE referred CPSE in fertilizer sector under the administrative control of M/o Chemicals and Fertilizers, D/o Fertilizers with 100% shareholding by the Government of India. Its registered office is at New Delhi and Corporate office at NOIDA, U.P.

### Vision / Mission

The Vision of the Company is to ensure steady growth in the business of the company to meet the future challenges.

The Mission of the Company is to manufacture and market quality chemicals fertilizers and by-products by optimum utilization of available resources of the company.

### Industrial / Business Operations

HFC has three units at Durgapur and Haldia (East Midnapore) in West Bengal and Barauni (Begusarai) in Bihar. The company also has one Fertilizer Promotion & Agriculture Research Division. The Namrup units de-merged into a new company under the name of "Brahmaputra Valley Fertilizer Corporation Ltd. (BVFCL)" w.e.f. 1.2.2002,

As the operations of all these three units became techno-economically nonviable, the Government decided to close the company in 2002. However, the Government reconsidered the matter and decided on 24.4.2007, in principle, to revive HFCL and directed the concerned Ministry to examine the feasibility of revival subject to confirmed availability of gas; and the need for a hard look at the prospects of revival in view of the factors that had led to the closure of the entities.

In view of the decision for closure of the Corporation, there were no production and marketing activities during the last eight years.

### Strategic issue

The company was referred to BIFR in the year 1992 and since then it is under BIFR. Further, the company submitted a detailed plan for revival to BRPSE also, which after examining, recommended the same. Based on the recommendations of the BRPSE, the Government approved 'in principle' the revival of the company. Government of India further constituted an Empowered Committee of Secretaries (ECOS) in October 2008 to examine various revival options. ECOS had given its final recommendations in 2011 and the same was approved by CCEA subsequently. The matter is currently under consideration of BIFR.

### Performance Highlights

The operational performance of the company along with performance indicators and selected financial ratios during the period 2008-09 to 2010-11 can be seen on the opposite page.

The Company registered an increase of ₹ 0.59 crore in total income during 2010-11 which went up to ₹ 7.76 crore in 2010-11 from ₹ 7.17 crore during 2009-10. The net loss of the company reduced to ₹ 382.28 crore, a reduction of ₹ 0.19 crore over the previous year's book loss of ₹ 382.47 crore. The losses are mainly due to book entry of interest payment of ₹ 377.11 crore on central Government loans.

### Human Resource Management

The company has 23 regular employees as on 31.3.2011. The retirement age in the Company is 60 years at board level and 58 years below board level. It is following IDA 1987 pattern of remuneration. Details of employment in last 3 years are given below:

(in Nos.)

Particulars	2010-11	2009-10	2008-09
Executives including Non-Unionised Supervisors	17	18	25
Non-Executives #	6	9	6
Total Employees	23	27	31

# Detail break-up of Non-Executive employees is at Statement no. 25 of volume-I of PE Survey.



**Hindustan Fertilizer Corporation Ltd.**

SCOPE Complex, Core-3, 7, Institutional Area, Lodhi Road, New Delhi – 110 003

Balance Sheet	(₹ in Lakhs)		
Particulars	2010-11	2009-10	2008-09
Authorised Capital	120000	120000	120000
<b>(1) Sources Of Fund</b>			
<b>(1.1) Shareholders Funds</b>			
(A) Paid-Up Capital			
Central Govt	68654	68654	68654
Others	0	0	0
(B) Share Application Money	0	0	0
(C) Reserves & Surplus	1	1	1
<b>Total (A) + (B) + (C)</b>	<b>68655</b>	<b>68655</b>	<b>68655</b>
<b>(1.2) Loan Funds</b>			
(A) Secured Loans	0	0	0
(B) Unsecured Loans	773198	734938	696671
<b>Total (A) + (B)</b>	<b>773198</b>	<b>734938</b>	<b>696671</b>
(1.3) Deferred Tax Liability	0	0	0
<b>Total (1.1) + (1.2) + (1.3)</b>	<b>841853</b>	<b>803593</b>	<b>765326</b>
<b>(2) Application Of Funds</b>			
<b>(2.1) Fixed Assets</b>			
(A) Gross Block	33802	33812	33822
(B) Less Depreciation	31688	31679	31669
<b>(C) Net Block (A-B)</b>	<b>2114</b>	<b>2133</b>	<b>2153</b>
(D) Capital Work In Progress	943	943	943
<b>Total (C) + (D)</b>	<b>3057</b>	<b>3076</b>	<b>3096</b>
(2.2) Investment	0	0	1
<b>(2.3) Current Assets, Loan &amp; Advances</b>			
(A) Inventories	213	214	215
(B) Sundry Debtors	201	378	368
(C) Cash & Bank Balances	3391	3353	3326
(D) Other Current Assets	215	214	174
(E) Loan & Advances	10254	10140	10061
<b>Total (A)+(B)+(C)+(D)+(E)</b>	<b>14274</b>	<b>14299</b>	<b>14144</b>
<b>(2.4) Less: current Liabilities &amp; Provisions</b>			
(A) Current Liabilities	23005	23081	22966
(B) Provisions	20	20	20
<b>Total (A+B)</b>	<b>23025</b>	<b>23101</b>	<b>22986</b>
<b>(2.5) Net Current Assets (2.3-2.4)</b>	<b>-8751</b>	<b>-8802</b>	<b>-8842</b>
(2.6) Deferred Revenue / Pre. Expenditure	0	0	0
(2.7) Deferred Tax Asset	0	0	0
(2.8) Profit & Loss Account(Dr)	847547	809319	771071
<b>Total (2.1+2.2+2.5+2.6+2.7+2.8)</b>	<b>841853</b>	<b>803593</b>	<b>765326</b>

Important Indicators	2010-11	2009-10	2008-09
(i) Investment	841852	803592	765325
(ii) Capital Employed	-6637	-6669	-6689
(iii) Net Worth	-778892	-740664	-702416
(iv) Cost of Production	38942	38961	52456
(v) Cost of Sales	38942	38961	52456
(vi) Gross Value Added (At Market Price)	-	-	-
(vii) Total Employees (Other Than Casuals) (Nos.)	23	27	31
(viii) Avg. Monthly Emoluments Per Employee (Rs.)	44928	39198	40323

Profit & Loss Account	(₹ in Lakhs)		
Particulars	2010-11	2009-10	2008-09
<b>(1) Income</b>			
(A) Sales/Operating Income	0	0	0
(B) Excise Duty	0	0	0
(C) Net Sales (A-B)	0	0	0
(D) Other Income/Receipts	776	717	856
(E) Accretion/Depletion in Stocks	0	0	0
<b>(I) Total Income (C+D+E)</b>	<b>776</b>	<b>717</b>	<b>856</b>
<b>(2) Expenditure</b>			
(A) Purchase of Finished Goods/ Consumption Of Raw Materials	1	7	0
(B) Stores & Spares	0	0	5
(C) Power & Fuel	133	198	123
(D) Manufacturing / Direct / Operating Expenses	0	22	0
(E) Salary, Wages & Benefits / Employee Exp.	124	127	150
(F) Other Expenses	391	312	359
(G) Provisions	14	17	13307
<b>(II) Total Expenditure (A to G)</b>	<b>663</b>	<b>683</b>	<b>13944</b>
<b>(3) Profit Before Dep, Int, Taxes &amp; EP (PBDITEP) (I-II)</b>	<b>113</b>	<b>34</b>	<b>-13088</b>
(4) Depreciation	19	19	252
(5) Dre/Prel Exp Written Off	0	0	0
<b>(6) Profit Before Int., Taxes &amp; Ep (PBITEP) (3-4-5)</b>	<b>94</b>	<b>15</b>	<b>-13340</b>
(7) Interest			
(A) On Central Government Loans	37711	37711	37711
(B) On Foreign Loans	0	0	0
(C) Others	549	548	549
(D) Less Interest Capitalised	0	0	0
(E) Charged to P & L Account (A+B+C-D)	38260	38259	38260
<b>(8) Profit Before Tax &amp; EP(PBTEP) (6-7E)</b>	<b>-38166</b>	<b>-38244</b>	<b>-51600</b>
(9) Tax Provisions	0	0	1
<b>(10) Net Profit / Loss Before EP (8-9)</b>	<b>-38166</b>	<b>-38244</b>	<b>-51601</b>
(11) Net Extra-Ord. Items	62	3	-535717
<b>(12) Net Profit / Loss(-) (10-11)</b>	<b>-38228</b>	<b>-38247</b>	<b>484116</b>
(13) Dividend Declared	0	0	0
(14) Dividend Tax	0	0	0
<b>(15) Retained Profit (12-13-14)</b>	<b>-38228</b>	<b>-38247</b>	<b>484116</b>

Financial Ratios	2010-11	2009-10	2008-09
(i) Sales : Capital Employed	0	0	0
(ii) Cost of Sales : Sales	0	0	0
(iii) Salary / Wages : Sales	0	0	0
(iv) Net Profit : Net Worth	-	-	-
(v) Debt : Equity	11.26	10.7	10.15
(vi) Current Ratio	0.62	0.62	0.62
(vii) Sundry Debtors : Sales (No. of Days)	0	0	0
(viii) Total Inventory : Sales	0	0	0

## 7.5 Madras Fertilizers Ltd.

Madras Fertilizers Ltd (MFL) was incorporated on 08.12.1966 as joint venture between Government of India and AMOCO India Inc. a subsidiary of Standard Oil Company of USA. MFL commenced commercial production on 1.11.1971. In the year 1972, National Iranian Oil Company, Iran [NIOC] joined MFL. In 1985 AMOCO disinvested its shareholding which was acquired by GOI and NIOC.

MFL is a Schedule – “B” BIFR / BRPSE referred listed CPSE in Fertilizer Sector under the administrative control of Ministry of Chemicals and Fertilizers, Department of Fertilizers (DoF) with 59.50% shareholding by the Government of India [25.77% equity holding is with NIOC and 14.73% equity is with Public]. Its registered and corporate Offices are at Manali, Tamilnadu.

### Vision/Mission

The vision of the Company is to become a leader in fertilizer and process industry and in production / marketing of chemical fertilizers and other eco-friendly products like Bio-fertilizers / neem pesticides through efficient operations, quality products, market orientation and dedicated manpower.

The Mission is to achieve all round excellence in the spheres of manufacture and marketing of Chemical Fertilizers, Bio-fertilizers, Agrochemicals paving way for increased Agricultural production and productivity, maximizing Shareholders value and guarding interest of all Stake-holders of the Company.

### Industrial / Business Operations

MFL is engaged in manufacturing and marketing of Ammonia, Urea and Complex Fertilizers and Bio-fertilizers and trading in agrochemicals through its 3 operating units located at Manali, Chennai [Fertilizer Plant], Jigani, Anekal Taluk, Bangalore [Bio-fertilizer Plant] and Kondapalli Post, Krishna, Andhra Pradesh [Biofertilizer Plant]. It has 12 offices mainly located in Southern States including one liaison office in New Delhi. The physical performance of Company for last three years is given below:

Main Products	Unit	Performance During		
		2010-11	2009-10	2008-09
Urea	MT	478834	436100	405951
Bio-fertilizers	MT	451	437	458
Ammonia	MT	280408	258150	232300

### Strategic Issues

The company is registered with BIFR and BRPSE. As per BIFR directions MFL appointed Projects & Development India Ltd. (PDIL) to prepare a Rehabilitation proposal and suggest a suitable road map for the company. Further to the recommendation of PDIL, the operating agency (SBI) approached their sister concern SBICAPS to evaluate the various suggested options and to submit recommendation of the financial revival package for the submission to BIFR and DOF.

SBICAPS in their report recommended that write-off of GOI outstanding principal and interest appears to be most suitable option for MFL to come out of BIFR with the understanding that GOI would recommend waiver of the tax incidence under the option.

The Financial restructuring Proposal Prepared by DOF based on the above recommendation was circulated to the stake holder ministries. Comments received are under consideration by the DOF.

### Performance Highlights

The operational performance of the company along with performance indicators and selected financial ratios during the period 2008-09 to 2010-11 can be seen on the opposite page.

The Company registered an increase of ₹ 328.94 crore in total income during 2010-11 which went up to ₹1668.86 crore in 2010-11 from ₹ 1339.92 crore during 2009-10. The net profit of the company correspondingly increased to ₹ 169.86 crore, an increase of ₹ 162.98 crore over the previous year due to One Time Settlement (OTS) with Financial Institutions and increase in operational efficiency / reduction in overhead expenditure. The company has gained ₹ 124.69 crore through the OTS.

Out of the total turnover of ₹ 1622.83 crore, Urea subsidy concession was ₹ 1352.84 crore. The Employee productivity [MT/Man] in terms of Fertilizer Production [MT] during 2010-11 was 993 MT compared to 866 MT during 2009-10.

### Human Resource Management

The company employed 765 regular employees as on 31.3.2011. The retirement age in the Company is 60 years at Board level and 58 years below Board level. It is following IDA 2007 pattern of remuneration. Details of employment in last 3 years are given below:

Particulars	2010-11	2009-10	2008-09
Executives including Non-Unionised Supervisors	480	481	475
Non-Executives #	285	321	372
Total Employees	765	802	847

# Detail break-up of Non-Executive employees is at Statement no. 25 of volume-I of PE Survey.



Balance Sheet	(₹ in Lakhs)		
Particulars	2010-11	2009-10	2008-09
Authorised Capital	36500	36500	36500
<b>(1) Sources Of Fund</b>			
<b>(1.1) Shareholders Funds</b>			
(A) Paid-Up Capital			
Central Govt	9585	9585	9585
Others	6629	6629	6629
(B) Share Application Money	0	0	0
(C) Reserves & Surplus	1239	1239	1239
<b>Total (A) + (B) + (C)</b>	<b>17453</b>	<b>17453</b>	<b>17453</b>
<b>(1.2) Loan Funds</b>			
(A) Secured Loans	7513	36657	43436
(B) Unsecured Loans	65174	54262	42225
<b>Total (A) + (B)</b>	<b>72687</b>	<b>90919</b>	<b>85661</b>
(1.3) Deferred Tax Liability	0	0	0
<b>Total (1.1) + (1.2) + (1.3)</b>	<b>90140</b>	<b>108372</b>	<b>103114</b>
<b>(2) Application Of Funds</b>			
<b>(2.1) Fixed Assets</b>			
(A) Gross Block	89545	88534	88407
(B) Less Depreciation	63608	59637	55494
<b>(C) Net Block (A-B)</b>	<b>25937</b>	<b>28897</b>	<b>32913</b>
(D) Capital Work In Progress	154	213	138
<b>Total (C) + (D)</b>	<b>26091</b>	<b>29110</b>	<b>33051</b>
(2.2) Investment	40	40	40
<b>(2.3) Current Assets, Loan &amp; Advances</b>			
(A) Inventories	20222	16096	12536
(B) Sundry Debtors	75	140	220
(C) Cash & Bank Balances	1212	4833	995
(D) Other Current Assets	0	0	0
(E) Loan & Advances	16183	15838	13304
<b>Total (A)+(B)+(C)+(D)+(E)</b>	<b>37692</b>	<b>36907</b>	<b>27055</b>
<b>(2.4) Less: current Liabilities &amp; Provisions</b>			
(A) Current Liabilities	33322	35260	35277
(B) Provisions	2080	1130	1269
<b>Total (A+B)</b>	<b>35402</b>	<b>36390</b>	<b>36546</b>
<b>(2.5) Net Current Assets (2.3-2.4)</b>	<b>2290</b>	<b>517</b>	<b>-9491</b>
(2.6) Deferred Revenue / Pre. Expenditure	0	0	121
(2.7) Deferred Tax Asset	0	0	0
(2.8) Profit & Loss Account(Dr)	61719	78705	79393
<b>Total (2.1+2.2+2.5+2.6+2.7+2.8)</b>	<b>90140</b>	<b>108372</b>	<b>103114</b>

Important Indicators	2010-11	2009-10	2008-09
(i) Investment	81388	93851	81105
(ii) Capital Employed	28227	29414	23422
(iii) Net Worth	-44266	-61252	-62061
(iv) Cost of Production	162369	132448	124993
(v) Cost of Sales	158860	129358	127272
(vi) Gross Value Added (At Market Price)	35542	24579	9107
(vii) Total Employees (Other Than Casuals) (Nos.)	765	802	847
(viii) Avg. Monthly Emoluments Per Employee (Rs.)	155959	45438	43861

Profit & Loss Account	(₹ in Lakhs)		
Particulars	2010-11	2009-10	2008-09
<b>(1) Income</b>			
(A) Sales/Operating Income	162291	130284	112359
(B) Excise Duty	8	0	0
(C) Net Sales (A-B)	162283	130284	112359
(D) Other Income/Receipts	1094	618	396
(E) Accretion/Depletion in Stocks	3509	3090	-2279
<b>(I) Total Income (C+D+E)</b>	<b>166886</b>	<b>133992</b>	<b>110476</b>
<b>(2) Expenditure</b>			
(A) Purchase of Finished Goods/ Consumption Of Raw Materials	84694	68855	62000
(B) Stores & Spares	2150	2151	2159
(C) Power & Fuel	43414	37789	36814
(D) Manufacturing / Direct / Operating Expenses	6301	4443	2203
(E) Salary, Wages & Benefits / Employee Exp.	14317	4373	4458
(F) Other Expenses	1793	1948	3675
(G) Provisions	166	85	2
<b>(II) Total Expenditure (A to G)</b>	<b>152835</b>	<b>119644</b>	<b>111311</b>
<b>(3) Profit Before Dep, Int, Taxes &amp; EP (PBDITEP) (I-II)</b>	<b>14051</b>	<b>14348</b>	<b>-835</b>
(4) Depreciation	4121	4098	4163
(5) Dre/Prel Exp Written Off	0	0	257
<b>(6) Profit Before Int., Taxes &amp; Ep (PBITEP) (3-4-5)</b>	<b>9930</b>	<b>10250</b>	<b>-5255</b>
(7) Interest			
(A) On Central Government Loans	3767	2839	2431
(B) On Foreign Loans	0	0	0
(C) Others	1646	5867	6831
(D) Less Interest Capitalised	0	0	0
(E) Charged to P & L Account (A+B+C-D)	5413	8706	9262
<b>(8) Profit Before Tax &amp; EP(PBTEP) (6-7E)</b>	<b>4517</b>	<b>1544</b>	<b>-14517</b>
(9) Tax Provisions	0	0	17
<b>(10) Net Profit / Loss Before EP (8-9)</b>	<b>4517</b>	<b>1544</b>	<b>-14534</b>
(11) Net Extra-Ord. Items	-12469	856	4
<b>(12) Net Profit / Loss(-) (10-11)</b>	<b>16986</b>	<b>688</b>	<b>-14538</b>
(13) Dividend Declared	0	0	0
(14) Dividend Tax	0	0	0
<b>(15) Retained Profit (12-13-14)</b>	<b>16986</b>	<b>688</b>	<b>-14538</b>

Financial Ratios	2010-11	2009-10	2008-09
(i) Sales : Capital Employed	574.92	442.93	479.72
(ii) Cost of Sales : Sales	97.89	99.29	113.27
(iii) Salary / Wages : Sales	8.82	3.36	3.97
(iv) Net Profit : Net Worth	-	-	-
(v) Debt : Equity	4.16	5.21	4.91
(vi) Current Ratio	1.06	1.01	0.74
(vii) Sundry Debtors : Sales (No. of Days)	0.17	0.39	0.71
(viii) Total Inventory : Sales	45.48	45.09	40.72

## 7.6 National Fertilizers Limited

National Fertilizers Limited (NFL) was incorporated on 23rd August, 1974 for implementation of two fertilizer plants, based on gasification technology of Feed Stock / LSHS at Bathinda in Punjab and Panipat in Haryana having an installed capacity of 5.11 lakh tones of Urea each. In April' 1978 the Nangal Group of Plants of Fertilizer Corporation of India (FCI) were transferred to NFL upon reorganization of NFL-FCI. Subsequently in 1984 the company executed the country's first inland gas based fertilizer project of 7.26 lakh tones Urea capacity in District Guna in Madhya Pradesh. The Vijaipur plant commenced commercial production w.e.f. 1.7.1988.

NFL is a Schedule 'A' listed Mini Ratna CPSE under the administrative control of Ministry of Chemicals & fertilizers, Department of Fertilizers with a Govt. of India share of 97.64% and the remaining share i.e. 2.36% held by financial institutions and others. Its Registered Office is at New Delhi & Corporate office at NOIDA (U.P).

### Vision/Mission

NFL's mission is to be a market leader in Fertilizers and a significant player in all its other business, reputed for customer satisfaction, reasonable reward to shareholders, ethics, professionalism and concern for ecology and the community

### Industrial / Business Operations

NFL is engaged in manufacturing and marketing of Urea, Neem Coated Urea, Bio-Fertilizers (solid & liquid) and other allied Industrial products like Ammonia, Methanol, Nitric Acid, Ammonium Nitrate, Sodium Nitrite, Sodium Nitrate, Argon, Liquid Oxygen, Liquid Nitrogen, Carbon Di-Oxide etc. from its 5 operating units, one each at Nangal and Bhatinda in Punjab, Panipat in Haryana and two units at Vijaipur in Madhya Pradesh. The company is having one Joint Venture namely Uravarak Videsh Ltd. with M/s RCF and M/s KRIBHCO with an equity participation of 33.33% to explore investment opportunities abroad and within country in Nitrogenous, Phosphatic & Potassic sectors and to render consultancy services for setting up Projects in India & Abroad.

Company also provides specialized services mainly for Project commissioning and Plant operation and maintenance to various Chemicals and Petrochemical Industries in India and abroad. The Company, besides importing MoP (Murate of Potash) has also taken initiatives to make available Complex fertilizers like DAP/ NPK/ SSP, Mycorrhiza, agro-inputs like certified quality seeds, compost/vermin compost manure, agrochemicals like insecticides/herbicides, BSNL products, Bentonite Sulphur etc. The Company has 4 mobile and 5 static Soil Treatment Vans. The vans are used for Soil Testing and analysis to make balanced use of fertilizers by the farming community. The physical performances of the company for the last three years are given below:

Main Product	Unit	Performance During		
		2010-11	2009-10	2008-09
UREA	Lakh/MT	33.80	33.30	33.44
Methanol	Lakh/MT	0.01	0.03	0.03
Sulphur	Lakh/MT	0.09	0.07	0.13
Bio-Fertilizers	MT	231	226	160
Argon Gas	Nm3	653676	419413	679005
Average capacity utilization	%	103.44	101.93	102.56

### Strategic Issues

The Company primarily has a single nutrient product base i.e. Urea. Increasing input costs of feed-stock i.e. Fuel Oil / Natural Gas has raised the cost of production of Urea and Industrial Products. Globalized competitive scenario coupled with reducing trend of import duties and dumping at low price have an effect on the sale and margins on industrial products being manufactured by the Company. (However, with the commissioning of changeover of fuel based projects, cost of production of urea and industrial products shall get reduced considerably). The acreage under food production is declining because of depletion in water levels. Dependence on Monsoons is increasing. Scanty rains because of Monsoon failures affect the urea off takes in the market area.

With a view to consolidate its position as a market leader in Urea, projects of about ₹ 4700 crore are at various stages of implementation in Company's various plants. The Company undertook various Agriculture extension activities during the year. Krishi melas, exhibitions, Crop Seminars, Farmers' & Dealers' Training Programmes and study tours were organized to disseminate information regarding improved farm technology and establish direct communication with the farmers as also to educate the farmers on the balanced use of fertilizer and its timely application besides providing guidance on pesticides & fungicides.

Under orientation programmes for dealers/retailers and farmers on balanced fertilization to optimize crop productivity, a total of 2045 dealers/retailers and 5351 farmers were covered during the year. The Company undertook 409 block and frontline demonstration and 182 R&D trials on different crops in different areas.

### Performance Highlights

The operational performance of the company along with performance indicators and selected financial ratios during the period 2008-09 to 2010-11 can be seen on the opposite page.

The Company registered an increase of ₹ 806.12 crore in total income during 2010-11 which went up to ₹ 5878.43 crore in 2010-11 from ₹ 5072.31 crore during 2009-10. The net profit of the company however reduced to ₹ 138.50 crore, a reduction of ₹ 33.01 crore over the previous year profit of ₹ 171.51 crore.

The increase in turnover is due to increase in subsidy resulting from increase in the prices of petroleum products and revision in the price of APM Gas from 1st July 2010, higher sales of industrial products, etc.

The decrease in profit over previous year is mainly due to higher receipt of subsidy arrears during the previous year and decrease in interest income. This has been offset by higher production, lower energy consumption and higher sale of Industrial Products.

### Human Resource Management

The company employed 4596 regular employees as on 31.3.2011. The retirement age in the company is 60 years. It is following IDA 2007 pattern of remuneration. Details of employment in last 3 years are given below:

Particulars	2010-11	2009-10	2008-09
Executives including Non-Unionised Supervisors	1877	1902	1910
Non-Executives #	2719	2858	2958
Total Employees	4596	4760	4868

# Detail break-up of Non-Executive employees is at Statement no. 25 of volume-I of PE Survey.

Balance Sheet	(₹ in Lakhs)		
Particulars	2010-11	2009-10	2008-09
Authorised Capital	100000	50000	50000
<b>(1) Sources Of Fund</b>			
<b>(1.1) Shareholders Funds</b>			
(A) Paid-Up Capital			
Central Govt	47900	47900	47900
Others	1158	1158	1158
(B) Share Application Money	0	0	0
(C) Reserves & Surplus	118160	109156	98012
<b>Total (A) + (B) + (C)</b>	<b>167218</b>	<b>158214</b>	<b>147070</b>
<b>(1.2) Loan Funds</b>			
(A) Secured Loans	49384	23316	6487
(B) Unsecured Loans	11922	17000	20000
<b>Total (A) + (B)</b>	<b>61306</b>	<b>40316</b>	<b>26487</b>
(1.3) Deferred Tax Liability	8528	11960	11562
<b>Total (1.1) + (1.2) + (1.3)</b>	<b>237052</b>	<b>210490</b>	<b>185119</b>
<b>(2) Application Of Funds</b>			
<b>(2.1) Fixed Assets</b>			
(A) Gross Block	292954	292404	290597
(B) Less Depreciation	233053	225824	217156
<b>(C) Net Block (A-B)</b>	<b>59901</b>	<b>66580</b>	<b>73441</b>
(D) Capital Work In Progress	65415	2920	1749
<b>Total (C) + (D)</b>	<b>125316</b>	<b>69500</b>	<b>75190</b>
(2.2) Investment	0	12180	46043
<b>(2.3) Current Assets, Loan &amp; Advances</b>			
(A) Inventories	36314	34712	34868
(B) Sundry Debtors	160126	92055	93048
(C) Cash & Bank Balances	2944	69081	10810
(D) Other Current Assets	0	119	699
(E) Loan & Advances	12138	12608	13126
<b>Total (A)+(B)+(C)+(D)+(E)</b>	<b>211522</b>	<b>208575</b>	<b>152551</b>
<b>(2.4) Less: current Liabilities &amp; Provisions</b>			
(A) Current Liabilities	77108	57853	66551
(B) Provisions	22678	21912	22114
<b>Total (A+B)</b>	<b>99786</b>	<b>79765</b>	<b>88665</b>
<b>(2.5) Net Current Assets (2.3-2.4)</b>	<b>111736</b>	<b>128810</b>	<b>63886</b>
(2.6) Deferred Revenue / Pre. Expenditure	0	0	0
(2.7) Deferred Tax Asset	0	0	0
(2.8) Profit & Loss Account(Dr)	0	0	0
<b>Total (2.1+2.2+2.5+2.6+2.7+2.8)</b>	<b>237052</b>	<b>210490</b>	<b>185119</b>

Important Indicators	2010-11	2009-10	2008-09
(i) Investment	68180	49058	49058
(ii) Capital Employed	171637	195390	137327
(iii) Net Worth	167218	158214	147070
(iv) Cost of Production	567445	481241	508164
(v) Cost of Sales	563317	488812	505206
(vi) Gross Value Added (At Market Price)	-	-	-
(vii) Total Employees (Other Than Casuals) (Nos.)	4596	4760	4868
(viii) Avg. Monthly Emoluments Per Employee (Rs.)	70162	61190	56550

Profit & Loss Account	(₹ in Lakhs)		
Particulars	2010-11	2009-10	2008-09
<b>(1) Income</b>			
(A) Sales/Operating Income	580403	509962	514080
(B) Excise Duty	1300	828	1370
(C) Net Sales (A-B)	579103	509134	512710
(D) Other Income/Receipts	4612	5668	7999
(E) Accretion/Depletion in Stocks	4128	-7571	2958
<b>(I) Total Income (C+D+E)</b>	<b>587843</b>	<b>507231</b>	<b>523667</b>
<b>(2) Expenditure</b>			
(A) Purchase of Finished Goods/ Consumption Of Raw Materials	348466	287693	283232
(B) Stores & Spares	2466	3139	1906
(C) Power & Fuel	126225	107494	124039
(D) Manufacturing / Direct / Operating Expenses	33089	30800	39288
(E) Salary, Wages & Benefits / Employee Exp.	38696	34952	33034
(F) Other Expenses	8232	6381	10230
(G) Provisions	466	311	2705
<b>(II) Total Expenditure (A to G)</b>	<b>557640</b>	<b>470770</b>	<b>494434</b>
<b>(3) Profit Before Dep, Int, Taxes &amp; EP (PBDITEP) (I-II)</b>	<b>30203</b>	<b>36461</b>	<b>29233</b>
(4) Depreciation	8890	9375	9641
(5) Dre/Prel Exp Written Off	0	0	0
<b>(6) Profit Before Int., Taxes &amp; Ep (PBITEP) (3-4-5)</b>	<b>21313</b>	<b>27086</b>	<b>19592</b>
(7) Interest			
(A) On Central Government Loans	0	0	0
(B) On Foreign Loans	0	0	0
(C) Others	915	1096	4089
(D) Less Interest Capitalised	0	0	0
(E) Charged to P & L Account (A+B+C-D)	915	1096	4089
<b>(8) Profit Before Tax &amp; EP(PBTEP) (6-7E)</b>	<b>20398</b>	<b>25990</b>	<b>15503</b>
(9) Tax Provisions	6542	8844	5815
<b>(10) Net Profit / Loss Before EP (8-9)</b>	<b>13856</b>	<b>17146</b>	<b>9688</b>
(11) Net Extra-Ord. Items	6	-5	-58
<b>(12) Net Profit / Loss(-) (10-11)</b>	<b>13850</b>	<b>17151</b>	<b>9746</b>
(13) Dividend Declared	4170	5151	2943
(14) Dividend Tax	676	856	500
<b>(15) Retained Profit (12-13-14)</b>	<b>9004</b>	<b>11144</b>	<b>6303</b>

Financial Ratios	2010-11	2009-10	2008-09
(i) Sales : Capital Employed	337.4	260.57	373.35
(ii) Cost of Sales : Sales	97.27	96.01	98.54
(iii) Salary / Wages : Sales	6.68	6.86	6.44
(iv) Net Profit : Net Worth	8.28	10.84	6.63
(v) Debt : Equity	0.37	0.25	0.18
(vi) Current Ratio	2.12	2.61	1.72
(vii) Sundry Debtors : Sales (No. of Days)	100.93	65.99	66.24
(viii) Total Inventory : Sales	22.89	24.89	24.82

## 7.7 Rashtriya Chemicals and Fertilizers Ltd.

Rashtriya Chemicals and Fertilizers Limited (RCF) was incorporated on 6th March, 1978 with the objective to carry on business relating to production and marketing of fertilizers, industrial chemicals and derivatives.

RCF is a schedule – 'A' listed Mini-Ratna CPSE under the administrative control of M/o Chemicals & Fertilizers, Department of Fertilizers with 92.5% shareholding by the Government of India. Its Registered and Corporate offices are at Mumbai (Maharashtra).

### Vision / Mission

The vision of the company is to be a well respected world class corporate with progressive growth in core and non-core areas achieving highest standards in efficiency, profitability, environment protection and Corporate Social Responsibility through operational excellence and ethical business culture. It will strive to provide world class services to its customers and continually enhance shareholder values.

The Mission of the Company is to achieve continuous improvement in existing operations and strive for all round growth through expansion, diversification, innovation, and productive research and development and to imbibe exemplary work culture and shall have highest degree of commitment to customers and stakeholders.

### Industrial / Business Operations

RCF is in the business of manufacturing and marketing Fertilizers, Industrial Chemicals such as Methanol, Methylamines, Ammonium bicarbonate, Ammonium Nitrate etc. from its 2 operating units at Trombay and Thal in Maharashtra and marketing of these products through its Zonal/ Regional/Marketing /Area offices located in different states of the country. The company has one subsidiary namely Rajasthan Rashtriya Chemicals and Fertilizers Ltd. (RRCF) and 3 joint ventures with share holding ranging between 50 to 33.3%. The physical performances of the company for last three years are given below:

Main Product/s	Unit	Performance During		
		2010-11	2009-10	2008-09
Urea (Thal)	MT	1783450	1782171	1903521
Urea (Trombay)	MT	341090	306905	0
Suphala 15:15:15 (Trombay)	MT	447000	490000	471000
Methanol	MT	68700	44103	54093
Con. Nitric Acid (Trombay)	MT	25610	18051	22098
A.N.P. 20:20:0	MT	157935	17070	0

The Company is also engaged in trading of fertilizers in a big way and the performances of the same during the past 3 years are as under:-

Main Product/s	Units	2010-11	2009-10	2008-09
Imported DAP	MT	99202	230923	119241
Imported MOP	MT	277805	436860	478857
Imported Urea	MT	831970	766872	1651475

### Strategic issue

Nutrient based Subsidy (NBS) scheme for decontrolled phosphatic and potassic fertilizers has come into effect from 01-4-2010. The same provides scope to improve the market share and offers a challenge to market the products in a dynamic scenario.

The Plants have been in operation for a very long time, some of them since 1965 and by carrying out regular upkeep, maintenance and up-gradation the operations are sustained at full capacity.

The P&K fertilizers manufactured by the company are based on imported raw materials like Rock Phosphate, DAP/ MAP, and MOP etc which face severe volatility in prices and foreign currency exchange rate affecting the profitability of the company.

Agro-climatic conditions have also a large effect on the performance of the Company. In the recent years, there has been a high volatility in the prices of raw materials and creation of scarcity impeding production and marketing plans. The chemical business is susceptible to cut throat global market competition.

The company has taken up Thal revamp project which is currently underway at a cost of ₹ 488 crore where in Urea capacity will be increased by approximately 3.00 LMT per year and energy consumption of Urea will be brought down by 0.6 Gcal/MT.

### Performance Highlights

The operational performance of the company along with performance indicators and selected financial ratios during the period 2008-09 to 2010-11 can be seen on the opposite page.

The Company registered a reduction of ₹ 82.22 crore in total income during 2010-11 which went down to ₹ 5647.21 crore in 2010-11 from ₹ 5729.43 crore during 2009-10. The net profit of the company however increased to ₹ 245.12 crore, an increase of ₹ 10.25 crore over the previous year. The company improved its profitability mainly due to better realizations in P&K fertilizers, industrial products and savings in interest.

The turnover of the company reduced marginally owing to lower trading activity carried out and the consequential lower subsidy. This reduction in trading was a strategic decision of the company in view of the volatile prices of fertilizers in the international market.

GOI decided to buyback fertilizer bonds and have agreed to compensate at least 50% of such loss of sale, thus ₹ 21.03 crores has been accounted as compensation on sale of fertilizer bonds.

### Human Resource Management

The company employed 4245 regular employees as on 31.3.2011. The retirement age in the company is 60 years. It is following IDA 2007 pattern of remuneration. Details of employment in last 3 years are given below:

Particulars	2010-11	2009-10	2008-09
Executives including Non-Unionised Supervisors	1543	1601	1563
Non-Executives #	2702	2750	2715
Total Employees	4245	4351	4278

# Detail break-up of Non-Executive employees is at Statement no. 25 of volume-I of PE Survey.



Balance Sheet		(₹ in Lakhs)	
Particulars	2010-11	2009-10	2008-09
Authorised Capital	80000	80000	80000
<b>(1) Sources Of Fund</b>			
<b>(1.1) Shareholders Funds</b>			
(A) Paid-Up Capital			
Central Govt	51031	51031	51031
Others	4138	4138	4138
(B) Share Application Money	0	0	0
(C) Reserves & Surplus	146004	128545	112135
<b>Total (A) + (B) + (C)</b>	<b>201173</b>	<b>183714</b>	<b>167304</b>
<b>(1.2) Loan Funds</b>			
(A) Secured Loans	35171	25810	13601
(B) Unsecured Loans	12991	107274	128822
<b>Total (A) + (B)</b>	<b>48162</b>	<b>133084</b>	<b>142423</b>
(1.3) Deferred Tax Liability	15551	16374	14871
<b>Total (1.1) + (1.2) + (1.3)</b>	<b>264886</b>	<b>333172</b>	<b>324598</b>
<b>(2) Application Of Funds</b>			
<b>(2.1) Fixed Assets</b>			
(A) Gross Block	324525	311069	287016
(B) Less Depreciation	196282	186798	179300
<b>(C) Net Block (A-B)</b>	<b>128243</b>	<b>124271</b>	<b>107716</b>
(D) Capital Work In Progress	9084	14005	23658
<b>Total (C) + (D)</b>	<b>137327</b>	<b>138276</b>	<b>131374</b>
(2.2) Investment	1532	1530	3561
<b>(2.3) Current Assets, Loan &amp; Advances</b>			
(A) Inventories	53475	40959	69269
(B) Sundry Debtors	89117	85898	178817
(C) Cash & Bank Balances	41925	78465	40450
(D) Other Current Assets	33493	122456	63457
(E) Loan & Advances	17025	20220	42228
<b>Total (A)+ (B)+ (C)+ (D)+ (E)</b>	<b>235035</b>	<b>347998</b>	<b>394221</b>
<b>(2.4) Less: current Liabilities &amp; Provisions</b>			
(A) Current Liabilities	84692	132348	164031
(B) Provisions	24316	22284	40589
<b>Total (A+B)</b>	<b>109008</b>	<b>154632</b>	<b>204620</b>
<b>(2.5) Net Current Assets (2.3-2.4)</b>	<b>126027</b>	<b>193366</b>	<b>189601</b>
(2.6) Deferred Revenue / Pre. Expenditure	0	0	62
(2.7) Deferred Tax Asset	0	0	0
(2.8) Profit & Loss Account(Dr)	0	0	0
<b>Total (2.1+2.2+2.5+2.6+2.7+2.8)</b>	<b>264886</b>	<b>333172</b>	<b>324598</b>

Important Indicators	2010-11	2009-10	2008-09
(i) Investment	77836	55169	68553
(ii) Capital Employed	254270	317637	297317
(iii) Net Worth	201173	183714	167242
(iv) Cost of Production	529274	538518	777310
(v) Cost of Sales	531224	547761	815785
(vi) Gross Value Added (At Market Price)	-	-	-
(vii) Total Employees (Other Than Casuals) (Nos.)	4245	4351	4278
(viii) Avg. Monthly Emoluments Per Employee (Rs.)	78563	68992	74275

Profit & Loss Account		(₹ in Lakhs)	
Particulars	2010-11	2009-10	2008-09
<b>(1) Income</b>			
(A) Sales/Operating Income	557410	569718	845532
(B) Excise Duty	6699	5507	8975
(C) Net Sales (A-B)	550711	564211	836557
(D) Other Income/Receipts	15960	17975	11890
(E) Accretion/Depletion in Stocks	-1950	-9243	-38475
<b>(I) Total Income (C+D+E)</b>	<b>564721</b>	<b>572943</b>	<b>809972</b>
<b>(2) Expenditure</b>			
(A) Purchase of Finished Goods/ Consumption Of Raw Materials	301906	354345	469103
(B) Stores & Spares	2023	1508	2324
(C) Power & Fuel	87185	55212	136903
(D) Manufacturing / Direct / Operating Expenses	69988	67701	70706
(E) Salary, Wages & Benefits / Employee Exp.	40020	36022	38130
(F) Other Expenses	8856	5461	39345
(G) Provisions	1424	658	1064
<b>(II) Total Expenditure (A to G)</b>	<b>511402</b>	<b>520907</b>	<b>757575</b>
<b>(3) Profit Before Dep, Int, Taxes &amp; EP (PBDITEP) (I-II)</b>	<b>53319</b>	<b>52036</b>	<b>52397</b>
(4) Depreciation	11262	10556	8663
(5) Dre/Prel Exp Written Off	0	0	0
<b>(6) Profit Before Int., Taxes &amp; Ep (PBITEP) (3-4-5)</b>	<b>42057</b>	<b>41480</b>	<b>43734</b>
(7) Interest			
(A) On Central Government Loans	0	0	0
(B) On Foreign Loans	630	1181	148
(C) Others	6051	6288	11385
(D) Less Interest Capitalised	71	414	461
(E) Charged to P & L Account (A+B+C-D)	6610	7055	11072
<b>(8) Profit Before Tax &amp; EP(PBTEP) (6-7E)</b>	<b>35447</b>	<b>34425</b>	<b>32662</b>
(9) Tax Provisions	10957	10934	11412
<b>(10) Net Profit / Loss Before EP (8-9)</b>	<b>24490</b>	<b>23491</b>	<b>21250</b>
(11) Net Extra-Ord. Items	-22	4	92
<b>(12) Net Profit / Loss(-) (10-11)</b>	<b>24512</b>	<b>23487</b>	<b>21158</b>
(13) Dividend Declared	6069	6069	6620
(14) Dividend Tax	984	1008	1125
<b>(15) Retained Profit (12-13-14)</b>	<b>17459</b>	<b>16410</b>	<b>13413</b>

Financial Ratios	2010-11	2009-10	2008-09
(i) Sales : Capital Employed	216.59	177.63	281.37
(ii) Cost of Sales : Sales	96.46	97.08	97.52
(iii) Salary / Wages : Sales	7.27	6.38	4.56
(iv) Net Profit : Net Worth	12.18	12.78	12.65
(v) Debt : Equity	0.24	0.72	0.85
(vi) Current Ratio	2.16	2.25	1.93
(vii) Sundry Debtors : Sales (No. of Days)	59.06	55.57	78.02
(viii) Total Inventory : Sales	35.44	26.5	30.22

## 8 Chemicals and Pharmaceuticals

As on 31.3.2011, there were 11 Central Public Sector Enterprises in the Chemicals and Pharmaceuticals group. The name of these enterprises along with their year of incorporation in chronological order are given below :

Sl. No.	Enterprise	Year of Incorporation
1.	Hindustan Antibiotics Ltd.	1954
2.	Hindustan Insecticides Ltd.	1954
3.	Hindustan Organic Chemicals Ltd.	1960
4.	Indian Drugs & Pharmaceuticals Ltd.	1961
5.	Rajasthan Drugs & Pharmaceuticals Ltd.	1978
6.	Indian Medicines & Pharmaceutical Corpn. Ltd.	1979
7.	Orissa Drugs & Chemicals Ltd.	1979
8.	Bengal Chemicals & Pharmaceuticals Ltd.	1981
9.	Karnataka Antibiotics & Pharmaceuticals Ltd.	1981
10.	Hindustan Fluorocarbons Limited	1983
11.	Bharat Immunologicals & Biologicals Corp. Ltd.	1989

2. The enterprises falling in this group are mainly engaged in producing and selling of pharmaceuticals, surgical instruments, ayurvedic intermediates, pesticide etc.

3. The consolidated financial position, the working results and the important management ratios of these enterprises are appended.

4. **Turnover** : The details of turnover of individual enterprises are given below :

(₹in Crore)

Sl. No.	Enterprise	Turnover	
		2010-11	2009-10
1.	Hindustan Organic Chemicals Ltd.	738.04	520.71
2.	Hindustan Insecticides Ltd.	275.04	248.88
3.	Karnataka Antibiotics & Pharmaceuticals Ltd.	210.04	212.82
4.	Hindustan Antibiotics Ltd.	95.39	117.87
5.	Rajasthan Drugs & Pharmaceuticals Ltd.	80.67	85.35
6.	Bengal Chemicals & Pharmaceuticals Ltd.	59.77	59.36
7.	Indian Drugs & Pharmaceuticals Ltd.	55.00	96.34
8.	Hindustan Fluorocarbons Limited	33.52	18.97
9.	Indian Medicines & Pharmaceutical Corpn. Ltd.	24.41	19.90
10.	Orissa Drugs & Chemicals Ltd.	6.26	4.70
11.	Bharat Immunologicals & Biologicals Corp. Ltd.	2.86	2.84
	<b>Sub Total</b>	<b>1581.00</b>	<b>1387.74</b>

5. **Net Profit/Loss** : The details of the enterprises, which earned net profit or sustained net loss (-) are given below :

(₹in Crore)

Sl. No.	Enterprise	Adjusted Net Profit/Net Loss	
		2010-11	2009-10
1.	Hindustan Organic Chemicals Ltd.	25.72	-83.08
2.	Karnataka Antibiotics & Pharmaceuticals Ltd.	10.56	11.50
3.	Hindustan Fluorocarbons Limited	2.23	3.06
4.	Hindustan Insecticides Ltd.	1.58	3.06
5.	Rajasthan Drugs & Pharmaceuticals Ltd.	1.22	0.99
6.	Orissa Drugs & Chemicals Ltd.	0.29	0.01
7.	Indian Medicines & Pharmaceutical Corpn. Ltd.	0.12	0.39
8.	Bharat Immunologicals & Biologicals Corp. Ltd.	-4.18	-8.79
9.	Bengal Chemicals & Pharmaceuticals Ltd.	-9.16	-10.54
10.	Hindustan Antibiotics Ltd.	-42.42	-49.85
11.	Indian Drugs & Pharmaceuticals Ltd.	-621.83	-513.82
	<b>Sub Total</b>	<b>-635.87</b>	<b>-647.07</b>

6. **Dividend** : The details of the dividend declared by the individual enterprise are given below :

(₹in Crore)

Sl. No.	Enterprise	Dividend	
		2010-11	2009-10
1.	Karnataka Antibiotics & Pharmaceuticals Ltd.	0.90	0.45
	<b>Group Total :</b>	<b>0.90</b>	<b>0.45</b>

7. **Social Overheads and Township** : The total number of persons employed and the expenditure incurred on social overheads and townships are given below :

(₹in Crore)

Sl. No.	Enterprise	Township and Social Overheads	
		2010-11	2009-10
1.	No. of employees (in number)	6197	6347
2.	Social overheads : (Rupees in Crore)		
	(i) Educational,	2.32	2.96
	(ii) Medical Facilities	7.78	6.78
	(iii) Others	2.94	3.71
3.	Capital cost of township (Rupees in Crore)	7.51	2.95
4.	No. of houses constructed (in number)	23368	25467

8. Company wise details in respect of Balance Sheet, Profit and Loss account, Important Indicators and Financial Ratios along with the write up of individual company are given in the pages below.





# Chemicals and Pharmaceuticals

## Balance Sheet

(₹ in Lakhs)

			(₹ in Lakhs)
Particulars	2010-11	2009-10	2008-09
AUTHORISED CAPITAL	85260	75160	80660
<b>(1) SOURCES OF FUND</b>			
(1.1) SHAREHOLDERS FUNDS			
(A) PAID-UP CAPITAL			
CENTRAL GOVT	57617	60759	67067
OTHERS	11218	6984	6975
(B) SHARE APPLICATION MONEY	10557	10167	3053
(C) RESERVES & SURPLUS	30673	28779	26550
<b>TOTAL (A) + (B) + (C)</b>	<b>110065</b>	<b>106689</b>	<b>103645</b>
(1.2) LOAN FUNDS			
(A) SECURED LOANS	246487	171830	175632
(B) UNSECURED LOANS	462682	514906	427311
<b>TOTAL (A) + (B)</b>	<b>709169</b>	<b>686736</b>	<b>602943</b>
(1.3) DEFERRED TAX LIABILITY	17	0	0
<b>TOTAL (1.1) + (1.2) + (1.3)</b>	<b>819251</b>	<b>793425</b>	<b>706588</b>
<b>(2) APPLICATION OF FUNDS</b>			
(2.1) FIXED ASSETS			
(A) GROSS BLOCK	140402	138932	134122
(B) LESS DEPRECIATION	103530	99100	94591
(C) NET BLOCK (A-B)	36872	39832	39531
(D) CAPITAL WORK IN PROGRESS	14265	11065	8687
<b>TOTAL (C) + (D)</b>	<b>51137</b>	<b>50897</b>	<b>48218</b>
(2.2) INVESTMENT	8308	9013	9795
(2.3) CURRENT ASSETS, LOAN & ADVANCES			
(A) INVENTORIES	51954	25940	25682
(B) SUNDRY DEBTORS	39654	38932	35404
(C) CASH & BANK BALANCES	32640	32962	28618
(D) OTHER CURRENT ASSETS	2476	9678	939
(E) LOAN & ADVANCES	22706	27750	30823
<b>TOTAL ((A)+ (B)+ (C)+ (D)+ (E))</b>	<b>149430</b>	<b>135262</b>	<b>121466</b>
(2.4) LESS: CURRENT LIABILITIES & PROVISIONS			
(A) CURRENT LIABILITIES	124154	64732	90241
(B) PROVISIONS	20034	19131	15751
<b>TOTAL (A+B)</b>	<b>144188</b>	<b>83863</b>	<b>105992</b>
(2.5) NET CURRENT ASSETS(2.3-2.4)	5242	51399	15474
(2.6) DEFERRED REVENUE / PRE.EXPENDITURE	29	260	262
(2.7) DEFERRED TAX ASSET	414	532	735
(2.8) PROFIT & LOSS ACCOUNT(DR)	754121	681324	632104
<b>TOTAL (2.1+2.2+2.5+2.6+2.7+2.8)</b>	<b>819251</b>	<b>793425</b>	<b>706588</b>

# Chemicals and Pharmaceuticals

## Profit and Loss Account

(₹ in Lakhs)

			(₹ in Lakhs)
Particulars	2010-11	2009-10	2008-09
(1) INCOME			
(A) SALES/OPERATING	158100	138774	149806
(B) EXCISE DUTY	11396	7588	12509
(C) NET SALES (A-B)	146704	131186	137297
(D) OTHER INCOME/RECEIPTS	5573	6644	10672
<b>(I)TOTAL INCOME (C+D+E)</b>	<b>155462</b>	<b>138177</b>	<b>153732</b>
(2) EXPENDITURE			
(A) PURCHASE OF FINISHED GOODS CONSUMPTION OF RAW MATERIALS	93089	75250	90716
(B) STORES & SPARES	1658	1678	1962
(C) POWER & FUEL	15248	14470	13793
(D) MANUFACTURING / DIRECT / OPERATING EXPENSES	9314	9282	9117
(E)SALARY,WAGES & BENEFITS / EMPLOYEE EXP.	34542	29815	25229
(F)OTHER EXPENSES	16483	7450	7900
(G)PROVISIONS	499	1487	891
<b>(II)TOTAL EXPENDITURE (A to G)</b>	<b>170833</b>	<b>139432</b>	<b>149608</b>
(3) PROFIT BEFORE DEP. INT. TAXES & EP(PBDITEP) (I-II)	-15371	-1255	4124
(4) DEPRECIATION	4686	4504	4448
(5) DRE/PREL EXP WRITTEN OFF	57	27	330
(6) PROFIT BEFORE INT., TAXES & EP (PBITEP) (3-4-5)	-20114	-5786	-654
(7) INTEREST			
(A) ON CENTRALGOVERNMENT LOANS	2528	53341	25489
(B) ON FOREIGN LOANS	0	0	0
(C) OTHERS	37805	4435	26326
(D) LESS INTEREST CAPITALISED	243	45	50
(E) CHARGED TO P & L ACCOUNT (A+B+C-D)	40090	57731	51765
<b>(8)PROFIT BEFORE TAX &amp; EP(PBTEP) (6-7E)</b>	<b>-60204</b>	<b>-63517</b>	<b>-52419</b>
(9) TAX PROVISIONS	2765	1042	465
(10) NET PROFIT / LOSS(-) BEFORE EP (8-9)	-62969	-64559	-52884
(11) NET EXTRA-ORD.ITEMS	618	148	-196
<b>(12) NET PROFIT / LOSS(-) (10-11)</b>	<b>-63587</b>	<b>-64707</b>	<b>-52688</b>
(13) DIVIDEND DECLARED	90	45	37
(14) DIVIDEND TAX	15	7	6
<b>(15) RETAINED PROFIT (12-13-14)</b>	<b>-63692</b>	<b>-64759</b>	<b>-52731</b>

# Chemicals and Pharmaceuticals

## Management Ratio

Particulars	2010-11	2009-10	2008-09
<b>(A.) INDICATORS</b>			
<b>(I) GENERAL(Rs. in Lakhs)</b>			
(i) INVESTMENT	539588	580804	507673
(ii) CAPITAL EMPLOYED	42114	91231	55005
(iii) NET WORTH	-644085	-574895	-528721
(iv) COST OF PRODUCTION	215666	201694	206151
(v) COST OF SALES	212481	201347	200388
(vi) VALUE ADDED	39894	40135	36589
(vii) R AND D EXPENDITURE	278	224	49
<b>(II) HUMAN RESOURCE</b>			
(viii) EMPLOYEES (OTHER THAN CASUAL)(Nos.)	6197	6347	6534
(ix) AVG.MONTHLY EMOLUMENTS PER EMPLOYEE(Rs.)	46450	39146	32177
<b>(B.) MANAGEMENT RATIO</b>			
(i) DEBT : EQUITY	6.44	6.44	5.82
(ii) CURRENT RATIO (CURRENT ASSET:CURRENT- LIABILITY	1.04	1.61	1.15
(iii) PBDITEP : TOTAL EMPLOYEMENT (Rs. in Lakhs)	-2.48	-0.2	0.63
(iv) SUNDRY DEBTORS : SALES (No. of days)	98.66	108.32	94.12
(v) INVENTORY(No. of days)			
(a) TOTAL INVENTORY : SALES	129.26	72.17	68.27
(b) SEMI/FINISHED GOODS : SALES	100.34	44.69	42.86
(vi) INCREMENTAL CAPITAL OUTPUT RATIO(ICOR)	-2.68	-3.14	-1.38
(%)			
(vii) SALES : CAPITAL EMPLOYED	348.35	143.8	249.61
(viii) PBDITEP : CAPITAL EMPLOYED	-36.5	-1.38	7.5
(ix) PBITEP : CAPITAL EMPLOYED	-47.76	-6.34	-1.19
(x) COST OF SALES : SALES	144.84	153.48	145.95
(xi) MATERIAL COST : SALES	63.45	57.36	66.07
(xii) SALARY & WAGES : SALES	23.55	22.73	18.38
(xiii) R & D EXPENDITURE : SALES	0.19	0.17	0.04
(xiv) PBITEP : SALES	-13.71	-4.41	-0.48
(xv) PBTEP : NET WORTH	9.35	11.05	9.91
(xvi) NET PROFIT : NET WORTH	-	-	-
(xvii) GROSS MARGIN : GROSS BLOCK	-10.95	-0.9	3.07

## 8.1 Bengal Chemicals & Pharmaceuticals Limited

Bengal Chemicals & Pharmaceuticals Limited (BCPL) was established in 1901 and incorporated as CPSE on 27-3-1981 with the objective to save the company from closure and to support the health programmes of the Government by providing quality medicines at reasonable price, to bridge the gap between demand and supply of life saving drugs and vaccines and to set up and develop Multi Disciplinary Research and Development Centre, inventing new molecules, processes and home products.

BCPL is a Schedule-'C' BIFR / BRPSE referred, taken over CPSE in Chemicals & Pharmaceuticals Sector, under the administrative control of M/o Chemicals and Fertilizers, D/o Pharmaceuticals with 100% shareholding by the Government of India. Its Registered and Corporate offices are at Kolkata, West Bengal.

### Vision / Mission

The vision of the Company is to bring back its pre-dominant position, which the Company was enjoying once as Industrial Resurgent and to cater the needs of Medicines, Life Saving Drugs, Chemicals and Home Products to millions of people at affordable prices.

The mission of the Company is to set up Good Manufacturing facilities for Pharmaceuticals and Home Products and to manufacture goods at reasonable prices with enhanced market share

### Industrial / Business Operations

BCPL is involved in manufacturing and sale of Pharmaceutical formulation, chemicals and cosmetics and home products. The Company has four factories in Kolkata, Mumbai and Kanpur, nine Depots and two C&F Agents throughout India.

Its products range has been classified in three divisions, viz. (i) Chemicals, (ii) Pharmaceutical Formulations and (iii) Cosmetics & Home Products. The Company produces Ferric Alum under Chemical Division. Life Saving Injectables like Snake Venom Antiserum (AVS), Spirituous & Non-Steroid Anti Inflammatory Drugs in various dosage forms, Systemic Alkaliser, Enzymes, etc. under Pharmaceutical Formulations Division. In Cosmetics & Home Products Division, Cantharidine Hair Oil, Pheneol, Klin Toilet (Toilet Cleaner), Naphthalene Ball are produced. The physical performances of the company for last three years are given below:

Main Product / Services	Unit	Performance During		
		2010-11	2009-10	2008-09
Alumina Ferric	MT	4692	3858	2505
Phenol	KL	2724	1681	2765
Disinfectant	KL	636	621	478
Capsule	Lakhs	436	402	237

### Strategic issue

The revival / restructuring plan was sanctioned by BRPSE on 25<sup>th</sup> August, 2006 and is currently under implementation. As per business restructuring plan, the Company is entering into the 'Real Estate' business to generate perennial income for the company at Mumbai.

All the Pharma units are governed by Drugs & Cosmetics Act. The company had to comply with the norms of Schedule 'M' by December, 2007. Currently most of the production facilities are not functional due to Schedule 'M' implementation / dismantling / renovation / re-construction of factories. The

company has plans for modernization and expansion of its production and other infrastructures facilities at Kolkata and Kanpur. Modernized Plant are being designed in such a way that productivity is expandable to 3 to 4 times and approachable to WHO-GMP or Foreign Quality Audit to qualify for export to the respective country.

### Performance Highlights

The operational performance of the company along with performance indicators and selected financial ratios during the period 2008-09 to 2010-11 can be seen on the opposite page.

The Company registered a reduction of ₹ 6.01 crore in total income during 2010-11 which went down to ₹ 68.58crore in 2010-11 from ₹ 74.59crore during 2009-10. The net loss of the company reduced to ₹ 9.16 crore, a reduction of ₹ 1.38crore over the previous year's loss of ₹ 10.54crore.

The losses are due to higher cost of Raw and Packing Materials, high cost of Salaries & Wages compared to volume of Production/ Sales. Non-availability of most of the production facilities due to Schedule 'M' implementation / dismantling / renovation, re-construction of factories, etc. leading to lower Sales / Turnover. Further high Interest rates have also adversely affected the profitability.

### Human Resource Management

The company employed 689 regular employees as on 31.3.2011. The retirement age in the company is 60 years at Board level and 58 years at below board level.. It is following IDA 1997 pattern of remuneration. Details of employment in last 3 years are given below:

(Nos.)

Particulars	2010-11	2009-10	2008-09
Executives including Non-Unionised Supervisors	125	119	126
Non-Executives #	564	593	622
Total Employees	689	712	748

# Detail break-up of Non-Executive employees is at Statement no. 25 of volume-I of PE Survey.

### Technology Up-gradation, Research, and Development

All formulations are developed in-house in BCPL. Assistance of Jadavpur University, Kolkata and Central Research Institute, Kasauli is being taken for development of production process, serum, vaccines, RISUG etc.

Balance Sheet	(₹ in Lakhs)		
Particulars	2010-11	2009-10	2008-09
Authorised Capital	1400	1400	8000
<b>(1) Sources Of Fund</b>			
<b>(1.1) Shareholders Funds</b>			
(A) Paid-Up Capital			
Central Govt	1396	1396	7696
Others	0	0	0
(B) Share Application Money	6300	6300	0
(C) Reserves & Surplus	7799	7800	7171
<b>Total (A) + (B) + (C)</b>	<b>15495</b>	<b>15496</b>	<b>14867</b>
<b>(1.2) Loan Funds</b>			
(A) Secured Loans	11277	15454	4724
(B) Unsecured Loans	13571	10878	8262
<b>Total (A) + (B)</b>	<b>24848</b>	<b>26332</b>	<b>12986</b>
(1.3) Deferred Tax Liability	0	0	0
<b>Total (1.1) + (1.2) + (1.3)</b>	<b>40343</b>	<b>41828</b>	<b>27853</b>
<b>(2) Application Of Funds</b>			
<b>(2.1) Fixed Assets</b>			
(A) Gross Block	4770	4760	4896
(B) Less Depreciation	2419	2138	1851
<b>(C) Net Block (A-B)</b>	<b>2351</b>	<b>2622</b>	<b>3045</b>
(D) Capital Work In Progress	7399	6349	2296
<b>Total (C) + (D)</b>	<b>9750</b>	<b>8971</b>	<b>5341</b>
(2.2) Investment	0	0	0
<b>(2.3) Current Assets, Loan &amp; Advances</b>			
(A) Inventories	2563	2551	1847
(B) Sundry Debtors	1834	2085	2225
(C) Cash & Bank Balances	16272	20709	12097
(D) Other Current Assets	0	0	0
(E) Loan & Advances	2462	1672	1406
<b>Total (A)+(B)+(C)+(D)+(E)</b>	<b>23131</b>	<b>27017</b>	<b>17575</b>
<b>(2.4) Less: current Liabilities &amp; Provisions</b>			
(A) Current Liabilities	5055	5650	5220
(B) Provisions	1562	1439	1347
<b>Total (A+B)</b>	<b>6617</b>	<b>7089</b>	<b>6567</b>
<b>(2.5) Net Current Assets (2.3-2.4)</b>	<b>16514</b>	<b>19928</b>	<b>11008</b>
(2.6) Deferred Revenue / Pre. Expenditure	0	0	0
(2.7) Deferred Tax Asset	0	0	0
(2.8) Profit & Loss Account(Dr)	14079	12929	11504
<b>Total (2.1+2.2+2.5+2.6+2.7+2.8)</b>	<b>40343</b>	<b>41828</b>	<b>27853</b>

Important Indicators	2010-11	2009-10	2008-09
(i) Investment	21608	19031	16397
(ii) Capital Employed	18865	22550	14053
(iii) Net Worth	1416	2567	3363
(iv) Cost of Production	7774	8491	8998
(v) Cost of Sales	7639	8085	8853
(vi) Gross Value Added (At Market Price)	-	-	-
(vii) Total Employees (Other Than Casuals) (Nos.)	689	712	748
(viii) Avg. Monthly Emoluments Per Employee (Rs.)	22315	18574	16221

Profit & Loss Account	(₹ in Lakhs)		
Particulars	2010-11	2009-10	2008-09
<b>(1) Income</b>			
(A) Sales/Operating Income	5977	5936	7763
(B) Excise Duty	378	624	994
(C) Net Sales (A-B)	5599	5312	6769
(D) Other Income/Receipts	1124	1741	1740
(E) Accretion/Depletion in Stocks	135	406	145
<b>(I) Total Income (C+D+E)</b>	<b>6858</b>	<b>7459</b>	<b>8654</b>
<b>(2) Expenditure</b>			
(A) Purchase of Finished Goods/ Consumption Of Raw Materials	3274	3571	3677
(B) Stores & Spares	85	90	85
(C) Power & Fuel	112	113	137
(D) Manufacturing / Direct / Operating Expenses	641	385	603
(E) Salary, Wages & Benefits / Employee Exp.	1845	1587	1456
(F) Other Expenses	831	905	1221
(G) Provisions	132	182	221
<b>(II) Total Expenditure (A to G)</b>	<b>6920</b>	<b>6833</b>	<b>7400</b>
<b>(3) Profit Before Dep, Int, Taxes &amp; EP (PBDITEP) (I-II)</b>	<b>-62</b>	<b>626</b>	<b>1254</b>
(4) Depreciation	282	286	179
(5) Dre/Prel Exp Written Off	0	0	0
<b>(6) Profit Before Int., Taxes &amp; Ep (PBITEP) (3-4-5)</b>	<b>-344</b>	<b>340</b>	<b>1075</b>
(7) Interest			
(A) On Central Government Loans	364	462	301
(B) On Foreign Loans	0	0	0
(C) Others	208	910	1118
(D) Less Interest Capitalised	0	0	0
(E) Charged to P & L Account (A+B+C-D)	572	1372	1419
<b>(8) Profit Before Tax &amp; EP(PBTEP) (6-7E)</b>	<b>-916</b>	<b>-1032</b>	<b>-344</b>
(9) Tax Provisions	0	0	8
<b>(10) Net Profit / Loss Before EP (8-9)</b>	<b>-916</b>	<b>-1032</b>	<b>-352</b>
(11) Net Extra-Ord. Items	0	22	0
<b>(12) Net Profit / Loss(-) (10-11)</b>	<b>-916</b>	<b>-1054</b>	<b>-352</b>
(13) Dividend Declared	0	0	0
(14) Dividend Tax	0	0	0
<b>(15) Retained Profit (12-13-14)</b>	<b>-916</b>	<b>-1054</b>	<b>-352</b>

Financial Ratios	2010-11	2009-10	2008-09
(i) Sales : Capital Employed	29.68	23.56	48.17
(ii) Cost of Sales : Sales	136.44	152.2	130.79
(iii) Salary / Wages : Sales	32.95	29.88	21.51
(iv) Net Profit : Net Worth	-64.69	-41.06	-10.47
(v) Debt : Equity	1.6	1.7	0.87
(vi) Current Ratio	3.5	3.81	2.68
(vii) Sundry Debtors : Sales (No. of Days)	119.56	143.27	119.98
(viii) Total Inventory : Sales	167.08	175.29	99.59

## 2010-11 PROVISIONAL



## 8.2 Bharat Immunological and Biologicals Corp. Ltd.

Bharat Immunological and Biologicals Corp. Ltd. (BIBCOL) was incorporated on 10.3.1989 with the objective to produce Oral Polio Vaccine (OPV) to support the target of the Government of India to eradicate Poliomyelitis.

BIBCOL is an un-categorized BIFR referred sick but listed CPSE in Chemicals & Pharmaceuticals sector under the administrative control of M/o Science and Technology, D/o Biotechnology with 59% shareholding by the Government of India. Its Registered and Corporate offices are at Bulandshahr, Uttar Pradesh.

### Vision / Mission

The vision of the Company is to become self reliant in the field of Vaccines, Drugs & Pharmaceuticals by affirming values of quality, Integrity, Innovation, and performance, customer focus and leadership to emerge as a reliable, high quality, cost-effective provider of Vaccines & Drugs for India's Public Health sector.

The Mission of the Company is to achieve excellence in the field of production of quality vaccines, biological and health care products.

### Industrial / Business Operations

The main activity of BIBCOL is to manufacture and supply of formulation of Oral Polio Vaccine (OPV) and production of Zinc Dispersible Tablet through its single operating unit at Bulandshahr, Uttar Pradesh. The physical performances of the company for last three years are given below:

Main Product	Unit	Performance During		
		2010-11	2009-10	2008-09
OPV Vaccine / Zinc Tablets	crore	2.86	2.84	7.11

### Strategic issue

BIBCOL was established for supply of OPV for meeting national demand of Government of India in National Immunizations Programme and it contributed significantly till the year 2005. After this the facility was upgraded to meet the WHO Good manufacturing Practice (GMP) & revised schedule M of Drugs & Cosmetics Act and has obtained GMP certification (Revised schedule M) & has produced and sold vaccines in upgraded facility.

With the efforts of Government of India & WHO, polio is at the verge of eradication and to meet the challenges of few cases of polio. Ministry of Health & Family Welfare, Govt. of India, changed its policy of using OPV for eradication of polio through pulse polio programme and has since been using monovalent OPV type 1 & 3 as well as bivalent OPV (type 1 & 3). BIBCOL has also geared up for this and has obtained manufacturing license & schedule M GMP for monovalent vaccine type 1, 2 & 3, and is now in position to bid for government tender for monovalent vaccine and trial batch production of bivalent OPV (type 1 & 3) has been completed & stability studies on bivalent vaccine is under progress.

BIBCOL has also started the development of Mineral Vitamin Mix powder for management of severely malnourished children in a collaborative programme with AIIMS, New Delhi. The project has been funded by Department of Biotechnology (DBT). The development process has started and it is expected that the product shall be formulated shortly for acceptability testing to be conducted by AIIMS, New Delhi.

Further company has added Diarrhea Management Kit (Zinc tablet + ORS) for management of diarrhea among young children. Additionally company has started dialogue with few NGO's for supply of Diarrhea Management Kit.

### Performance Highlights

The operational performance of the company along with performance indicators and selected financial ratios during the period 2008-09 to 2010-11 can be seen on the opposite page.

The Company registered a reduction of ₹ 0.06 crore in total income during 2010-11 which went down to ₹ 3.28 crore in 2010-11 from ₹ 3.34 crore during 2009-10. The net loss of the company reduced to ₹ 4.18 crore, a reduction of ₹ 4.18 crore over the previous year's loss of ₹ 8.79 crore due to effective cost controlling process adopted to reduce Sundry Expenses.

The company is currently supplying its products to various State Governments and NGOs only.

### Human Resource Management

The company employed 125 regular employees as on 31.3.2010. The retirement age in the company is 60 years. It is following CDA 2006 pattern of remuneration. Details of employment in last 3 years are given below:

Particulars	2010-11	2009-10	2008-09
Executives including Non-Unionised Supervisors	N.A.	27	25
Non-Executives #	N.A.	98	106
Total Employees	123	125	131

# Detail break-up of Non-Executive employees is at Statement no. 25 of volume-I of PE Survey.

### Technology Up-gradation, Research and Development

The company has established R&D facility for trial batch production of Iron Folic Acid Tablets and Mineral Vitamin mix. The company has planned to establish facility for Tetanus Toxoid Vaccine production in coming years also.

Balance Sheet	(₹ in Lakhs)		
Particulars	2010-11	2009-10	2008-09
Authorised Capital	5100	5100	5100
<b>(1) Sources Of Fund</b>			
<b>(1.1) Shareholders Funds</b>			
(A) Paid-Up Capital			
Central Govt	2559	2559	2559
Others	1759	1759	1759
(B) Share Application Money	0	0	0
(C) Reserves & Surplus	0	0	0
<b>Total (A) + (B) + (C)</b>	<b>4318</b>	<b>4318</b>	<b>4318</b>
<b>(1.2) Loan Funds</b>			
(A) Secured Loans	0	0	0
(B) Unsecured Loans	0	0	0
<b>Total (A) + (B)</b>	<b>0</b>	<b>0</b>	<b>0</b>
(1.3) Deferred Tax Liability	17	0	0
<b>Total (1.1) + (1.2) + (1.3)</b>	<b>4335</b>	<b>4318</b>	<b>4318</b>
<b>(2) Application Of Funds</b>			
<b>(2.1) Fixed Assets</b>			
(A) Gross Block	4449	4446	4433
(B) Less Depreciation	3473	3336	3180
<b>(C) Net Block (A-B)</b>	<b>976</b>	<b>1110</b>	<b>1253</b>
(D) Capital Work In Progress	57	57	113
<b>Total (C) + (D)</b>	<b>1033</b>	<b>1167</b>	<b>1366</b>
(2.2) Investment	0	0	0
<b>(2.3) Current Assets, Loan &amp; Advances</b>			
(A) Inventories	149	211	117
(B) Sundry Debtors	107	160	160
(C) Cash & Bank Balances	1478	906	1111
(D) Other Current Assets	25	25	44
(E) Loan & Advances	263	305	243
<b>Total (A)+(B)+(C)+(D)+(E)</b>	<b>2022</b>	<b>1607</b>	<b>1675</b>
<b>(2.4) Less: current Liabilities &amp; Provisions</b>			
(A) Current Liabilities	1276	612	563
(B) Provisions	167	150	108
<b>Total (A+B)</b>	<b>1443</b>	<b>762</b>	<b>671</b>
<b>(2.5) Net Current Assets (2.3-2.4)</b>	<b>579</b>	<b>845</b>	<b>1004</b>
(2.6) Deferred Revenue / Pre. Expenditure	0	0	0
(2.7) Deferred Tax Asset	0	0	522
(2.8) Profit & Loss Account(Dr)	2723	2306	1426
<b>Total (2.1+2.2+2.5+2.6+2.7+2.8)</b>	<b>4335</b>	<b>4318</b>	<b>4318</b>

Important Indicators	2010-11	2009-10	2008-09
(i) Investment	4318	4318	4318
(ii) Capital Employed	1555	1955	2257
(iii) Net Worth	1595	2012	2892
(iv) Cost of Production	747	818	1150
(v) Cost of Sales	775	774	1150
(vi) Gross Value Added (At Market Price)	-	-	-
(vii) Total Employees (Other Than Casuals) (Nos.)	123	125	131
(viii) Avg. Monthly Emoluments Per Employee (Rs.)	27371	31333	18702

Profit & Loss Account	(₹ in Lakhs)		
Particulars	2010-11	2009-10	2008-09
<b>(1) Income</b>			
(A) Sales/Operating Income	286	284	711
(B) Excise Duty	52	46	27
(C) Net Sales (A-B)	234	238	684
(D) Other Income/Receipts	122	52	83
(E) Accretion/Depletion in Stocks	-28	44	0
<b>(I) Total Income (C+D+E)</b>	<b>328</b>	<b>334</b>	<b>767</b>
<b>(2) Expenditure</b>			
(A) Purchase of Finished Goods/ Consumption Of Raw Materials	62	56	456
(B) Stores & Spares	38	41	100
(C) Power & Fuel	64	47	56
(D) Manufacturing / Direct / Operating Expenses	12	12	13
(E) Salary, Wages & Benefits / Employee Exp.	404	470	294
(F) Other Expenses	27	37	53
(G) Provisions	0	0	0
<b>(II) Total Expenditure (A to G)</b>	<b>607</b>	<b>663</b>	<b>972</b>
<b>(3) Profit Before Dep, Int, Taxes &amp; EP (PBDITEP) (I-II)</b>	<b>-279</b>	<b>-329</b>	<b>-205</b>
(4) Depreciation	137	155	178
(5) Dre/Prel Exp Written Off	0	0	0
<b>(6) Profit Before Int., Taxes &amp; Ep (PBITEP) (3-4-5)</b>	<b>-416</b>	<b>-484</b>	<b>-383</b>
(7) Interest			
(A) On Central Government Loans	0	0	0
(B) On Foreign Loans	0	0	0
(C) Others	3	0	0
(D) Less Interest Capitalised	0	0	0
(E) Charged to P & L Account (A+B+C-D)	3	0	0
<b>(8) Profit Before Tax &amp; EP(PBTEP) (6-7E)</b>	<b>-419</b>	<b>-484</b>	<b>-383</b>
(9) Tax Provisions	0	522	-11
<b>(10) Net Profit / Loss Before EP (8-9)</b>	<b>-419</b>	<b>-1006</b>	<b>-372</b>
(11) Net Extra-Ord. Items	-1	-127	-20
<b>(12) Net Profit / Loss(-) (10-11)</b>	<b>-418</b>	<b>-879</b>	<b>-352</b>
(13) Dividend Declared	0	0	0
(14) Dividend Tax	0	0	0
<b>(15) Retained Profit (12-13-14)</b>	<b>-418</b>	<b>-879</b>	<b>-352</b>

Financial Ratios	2010-11	2009-10	2008-09
(i) Sales : Capital Employed	15.05	12.17	30.31
(ii) Cost of Sales : Sales	331.2	325.21	168.13
(iii) Salary / Wages : Sales	172.65	197.48	42.98
(iv) Net Profit : Net Worth	-26.21	-43.69	-12.17
(v) Debt : Equity	0	0	0
(vi) Current Ratio	1.4	2.11	2.5
(vii) Sundry Debtors : Sales (No. of Days)	166.9	245.38	85.38
(viii) Total Inventory : Sales	232.41	323.59	62.43

## 8.3 Hindustan Antibiotics Ltd.

Hindustan Antibiotics Ltd. (HAL) was incorporated in 1954 with the objective of manufacturing and marketing of life saving bulk drugs at affordable prices through network of Government Hospitals. The Company has diversified into production of agriculture & veterinary products.

HAL is a Schedule-‘C’ / BIFR / BRPSE referred CPSE in Chemicals & Pharmaceuticals sector under the administrative control of M/o Chemicals and Fertilizers, D/o Pharmaceuticals with 100% shareholding by the Government of India. Its Registered and Corporate offices are at Pune, Maharashtra.

### Vision / Mission

The Vision of the Company is to focus on selected range of products after revamping the product mix as per the market requirements and introduce newer products in the market as a part of the short term, medium term and long term planning, taking into consideration the company’s strength and stress ability.

The Mission of the Company is to make life saving drugs available to the common people of the country at affordable prices.

### Industrial / Business Operations

HAL is engaged in manufacturing and marketing of life saving drugs through its single operating unit at Pune, Maharashtra. It has one joint venture namely Hindustan Max-G.B. Ltd. with 50% equity participation.

The total number of products manufactured by the company is 51. These are distributed in three segments namely Bulk, Formulation and others. The physical performance of company during the last three years is mentioned below:

Main Products	Unit	Performance During		
		2010-11 (Provisional)	2009-10	2008-09
Benzathine Penicillin	MMU	-	4.17	6.79
Vials	No.in Lakhs	148.27	312.00	297.94
Tablets	No. in Lakhs	1158.71	2267.37	2056.21
Capsules	No. in Lakhs	202.55	941.62	1212.87
I.V. Fluids	No. in Lakhs	84.18	96.48	110.72

### Strategic issue

Despite three capital restructuring schemes in 1983, 1988 and 1994, the company became sick in 1997. Government of India approved the 4th Rehabilitation Scheme on the basis of the recommendations of BRPSE on 9.3.2006 with a cash assistance of ₹137.59 crore and non-cash assistance of ₹.267.57 crore. The company started implementation of the Rehabilitation Scheme sanctioned by BIFR vide its order dated 05.06.2007. Most of the funds received by the company have been used for the purpose for which they were sanctioned under the scheme and the company is now in the process of consolidating its operations.

The process for sale of land has been started through the Asset Sale Committee (ASC) constituted by BIFR as per the sanctioned scheme.

### Performance Highlights

The operational performance of the company along with performance indicators and selected financial ratios during the period 2008-09 to 2010-11 can be seen on the opposite page.

The Company registered a reduction of ₹ 36.05 crore in total income during 2010-11 which went down to ₹ 92.08 crore

in 2010-11 from ₹ 128.13 crore during 2009-10 due to fall in production and turnover. The net loss of the company reduced to ₹ 42.42crore, a decrease of ₹ 7.43 crore over the previous year’s loss of ₹ 49.85 crore due to fall in operating expenses.

The prices of the company’s products are controlled under DPCO.

### Human Resource Management

The company employed 1174 regular employees as on 31.3.2011. The retirement age in the company is 60 years. It is following IDA 1997 pattern of remuneration. Details of employment in last 3 years are given below:

Particulars	2010-11	2009-10	2008-09
Executives including Non-Unionised Supervisors	283	286	277
Non-Executives #	891	915	945
Total Employees	1174	1201	1222

# Detail break-up of Non-Executive employees is at Statement no. 25 of volume-I of PE Survey.

Balance Sheet	(₹ in Lakhs)		
Particulars	2010-11	2009-10	2008-09
Authorised Capital	10000	5000	5000
<b>(1) Sources Of Fund</b>			
<b>(1.1) Shareholders Funds</b>			
(A) Paid-Up Capital			
Central Govt	4441	4441	4441
Others	0	0	0
(B) Share Application Money	2731	2731	2731
(C) Reserves & Surplus	2352	1666	101
<b>Total (A) + (B) + (C)</b>	<b>9524</b>	<b>8838</b>	<b>7273</b>
<b>(1.2) Loan Funds</b>			
(A) Secured Loans	11674	9049	7508
(B) Unsecured Loans	18687	17435	16507
<b>Total (A) + (B)</b>	<b>30361</b>	<b>26484</b>	<b>24015</b>
(1.3) Deferred Tax Liability	0	0	0
<b>Total (1.1) + (1.2) + (1.3)</b>	<b>39885</b>	<b>35322</b>	<b>31288</b>
<b>(2) Application Of Funds</b>			
<b>(2.1) Fixed Assets</b>			
(A) Gross Block	21807	21794	20075
(B) Less Depreciation	15725	15175	14541
<b>(C) Net Block (A-B)</b>	<b>6082</b>	<b>6619</b>	<b>5534</b>
(D) Capital Work In Progress	1369	414	1440
<b>Total (C) + (D)</b>	<b>7451</b>	<b>7033</b>	<b>6974</b>
(2.2) Investment	0	1826	1760
<b>(2.3) Current Assets, Loan &amp; Advances</b>			
(A) Inventories	3355	3867	4094
(B) Sundry Debtors	3204	4034	5903
(C) Cash & Bank Balances	5392	4088	4840
(D) Other Current Assets	0	0	0
(E) Loan & Advances	10027	8779	8297
<b>Total (A)+(B)+(C)+(D)+(E)</b>	<b>21978</b>	<b>20768</b>	<b>23134</b>
<b>(2.4) Less: current Liabilities &amp; Provisions</b>			
(A) Current Liabilities	10374	10688	12540
(B) Provisions	1650	1843	1281
<b>Total (A+B)</b>	<b>12024</b>	<b>12531</b>	<b>13821</b>
<b>(2.5) Net Current Assets (2.3-2.4)</b>	<b>9954</b>	<b>8237</b>	<b>9313</b>
(2.6) Deferred Revenue / Pre. Expenditure	0	0	0
(2.7) Deferred Tax Asset	0	0	0
(2.8) Profit & Loss Account(Dr)	22480	18226	13241
<b>Total (2.1+2.2+2.5+2.6+2.7+2.8)</b>	<b>39885</b>	<b>35322</b>	<b>31288</b>

Important Indicators	2010-11	2009-10	2008-09
(i) Investment	25859	24607	21474
(ii) Capital Employed	16036	14856	14847
(iii) Net Worth	-12956	-9388	-5968
(iv) Cost of Production	13450	17570	18266
(v) Cost of Sales	14386	17336	17560
(vi) Gross Value Added (At Market Price)	-	-	-
(vii) Total Employees (Other Than Casuals) (Nos.)	1174	1201	1222
(viii) Avg. Monthly Emoluments Per Employee (Rs.)	23133	24986	19551

Profit & Loss Account	(₹ in Lakhs)		
Particulars	2010-11	2009-10	2008-09
<b>(1) Income</b>			
(A) Sales/Operating Income	9539	11787	14739
(B) Excise Duty	249	362	725
(C) Net Sales (A-B)	9290	11425	14014
(D) Other Income/Receipts	854	1154	1112
(E) Accretion/Depletion in Stocks	-936	234	706
<b>(I) Total Income (C+D+E)</b>	<b>9208</b>	<b>12813</b>	<b>15832</b>
<b>(2) Expenditure</b>			
(A) Purchase of Finished Goods/ Consumption Of Raw Materials	5211	6534	9197
(B) Stores & Spares	109	107	98
(C) Power & Fuel	990	1197	992
(D) Manufacturing / Direct / Operating Expenses	104	1083	1066
(E) Salary, Wages & Benefits / Employee Exp.	3259	3601	2867
(F) Other Expenses	1521	2067	1876
(G) Provisions	6	937	35
<b>(II) Total Expenditure (A to G)</b>	<b>11200</b>	<b>15526</b>	<b>16131</b>
<b>(3) Profit Before Dep, Int, Taxes &amp; EP (PBDITEP) (I-II)</b>	<b>-1992</b>	<b>-2713</b>	<b>-299</b>
(4) Depreciation	825	634	695
(5) Dre/Prel Exp Written Off	0	0	0
<b>(6) Profit Before Int., Taxes &amp; Ep (PBITEP) (3-4-5)</b>	<b>-2817</b>	<b>-3347</b>	<b>-994</b>
(7) Interest			
(A) On Central Government Loans	344	317	314
(B) On Foreign Loans	0	0	0
(C) Others	1081	1093	1126
(D) Less Interest Capitalised	0	0	0
(E) Charged to P & L Account (A+B+C-D)	1425	1410	1440
<b>(8) Profit Before Tax &amp; EP(PBTEP) (6-7E)</b>	<b>-4242</b>	<b>-4757</b>	<b>-2434</b>
(9) Tax Provisions	0	0	13
<b>(10) Net Profit / Loss Before EP (8-9)</b>	<b>-4242</b>	<b>-4757</b>	<b>-2447</b>
(11) Net Extra-Ord. Items	0	228	-238
<b>(12) Net Profit / Loss(-) (10-11)</b>	<b>-4242</b>	<b>-4985</b>	<b>-2209</b>
(13) Dividend Declared	0	0	0
(14) Dividend Tax	0	0	0
<b>(15) Retained Profit (12-13-14)</b>	<b>-4242</b>	<b>-4985</b>	<b>-2209</b>

Financial Ratios	2010-11	2009-10	2008-09
(i) Sales : Capital Employed	57.93	76.9	94.39
(ii) Cost of Sales : Sales	154.85	151.74	125.3
(iii) Salary / Wages : Sales	35.08	31.52	20.46
(iv) Net Profit : Net Worth	-	-	-
(v) Debt : Equity	3.19	3	3.3
(vi) Current Ratio	1.83	1.66	1.67
(vii) Sundry Debtors : Sales (No. of Days)	125.88	128.88	153.75
(viii) Total Inventory : Sales	131.82	123.54	106.63

## 2010-11 PROVISIONAL

## 8.4 Hindustan Fluorocarbons Ltd.

Hindustan Fluorocarbons Ltd. (HFCL) was incorporated on 14.07.1983 (commencement of business in 1987) with the objective to manufacture various grades of Poly Tetra Fluor Ethylene (PTFE) as import substitute and to save foreign exchange.

HFCL is a Schedule-'D' listed BIFR / BRPSE referred CPSE in Chemicals & Pharmaceuticals sector under the administrative control of M/o Chemicals and Fertilizers, D/o Chemicals and Petrochemicals. HFCL's Registered and Corporate offices are at Hyderabad, Andhra Pradesh.

The company is a subsidiary of Hindustan Organic Chemicals Ltd.(HOCL), which holds 56.6% equity of HFCL. The other joint venture partner is the Government of Andhra Pradesh through Andhra Pradesh Industrial Development Corp. (APIDC).

### Industrial / Business Operations

HFCL is engaged in production and marketing of Poly Tetra Fluoro Ethylene (PTFE) and CFM-22 through its single operating unit at Medak, Andhra Pradesh. The physical performances of the company for last three years are given below:

Main Products	Unit	Performance During		
		2010-11	2009-10	2008-09
PTFE	MT	125	86	22
Capital utilization	%	25	18	4
CFM-22	MT	1265	940	-

### Strategic issue

PTFE industry is dominated by large integrated players consisting of both Indian and multi nationals. Compared to global scenario, the capacity is very small and operating with old technology. Hence, the traditional product mix is not competitive. In view of this it is difficult to make any sustainable business only on PTFE. To overcome this, company is focusing on the niche area of Fluoro Speciality Chemicals. Continuous efforts are being made for development of these chemicals. Accordingly, one such product namely TFE-ETHER is already commercialized. Efforts are also being undertaken to increase the capacity of the existing monomer plant by de-bottlenecking and improving the conversion factors. This would help to increase the revenue from CDM for the year 2011-12.

CDM Project got registered on 14.11.2008 by the United Nations Framework Convention on Climate Change (UNFCCC) Executive Board and it was commissioned in January, 2010 and thermal oxidation of 42.5 Metric Tones of CFM-23 was done. UNFCCC had advised HFL to revise the monitoring plan. Accordingly, revised monitoring plan was submitted to validation agency i.e, SGS, Germany. The CERs were awarded by UNFCCC on 11.03.2011. The company has sold all CERs to the highest bidder M/s Mercuria Energy Trading, S.A., Switzerland through Global Tendering process on 26.04.2011. Validation of second lot is in progress and it is expected that issuance for this lot will happen in FY.2011-2012.

The company is registered with BIFR. BRPSE recommended for revival as a PSE on 13.6.2008 and the fresh funds required for revival of the company were to be arranged by HOCL from its own resources and / or through banks / financial institutions. HOCL has submitted a rehabilitation plan for HFL to BIFR. The company's shares are listed at stock exchanges of Hyderabad (HSE) and Mumbai (BSE).

### Performance Highlights

The operational performance of the company along with performance indicators and selected financial ratios during the period 2008-09 to 2010-11 can be seen on the opposite page.

The Company registered an increase of ₹ 11.14 crore in total income during 2010-11 which went up to ₹ 37.74 crore in 2010-11 from ₹ 26.60 crore during 2009-10 due to increase in production. Company has achieved 100% capacity utilization of CFM-22 plant. This will improve the revenue from CDM.

The net profit of the company however reduced to ₹ 2.23 crore, a reduction of ₹ 0.83 crore over the previous year's profit of ₹ 3.06 crore due to increase in operating expenses.

### Human Resource Management

The company employed 154 regular employees as on 31.3.2011. The retirement age in the company is 58 years. It is following IDA 1997 pattern of remuneration. Details of employment in last 3 years are given below:

Particulars	2010-11	2009-10	2008-09
Executives including Non-Unionised Supervisors	75	75	46
Non-Executives #	79	81	113
Total Employees	154	156	159

# Detail break-up of Non-Executive employees is at Statement no. 25 of volume-I of PE Survey.

### Technology Up-gradation, Research and Development

The Company is continuously conducting the Research and Development to deliver goods through innovative development; it is actively involved in collaborative Research Program with Vikram Sarabhai Space Centre (VSSC).



**Hindustan Fluorocarbons Ltd.**

1402, Babukhan Estate Bashirbagh, Hyderabad Andhra Pradesh - 500 001

Balance Sheet	(₹ in Lakhs)		
Particulars	2010-11	2009-10	2008-09
Authorised Capital	2100	2100	2100
<b>(1) Sources Of Fund</b>			
<b>(1.1) Shareholders Funds</b>			
(A) Paid-Up Capital			
Central Govt	0	0	0
Others	1961	1961	1961
(B) Share Application Money	0	0	0
(C) Reserves & Surplus	0	0	0
<b>Total (A) + (B) + (C)</b>	<b>1961</b>	<b>1961</b>	<b>1961</b>
<b>(1.2) Loan Funds</b>			
(A) Secured Loans	4760	4803	4489
(B) Unsecured Loans	145	0	0
<b>Total (A) + (B)</b>	<b>4905</b>	<b>4803</b>	<b>4489</b>
(1.3) Deferred Tax Liability	0	0	0
<b>Total (1.1) + (1.2) + (1.3)</b>	<b>6866</b>	<b>6764</b>	<b>6450</b>
<b>(2) Application Of Funds</b>			
<b>(2.1) Fixed Assets</b>			
(A) Gross Block	6673	5381	5245
(B) Less Depreciation	5063	4968	4941
<b>(C) Net Block (A-B)</b>	<b>1610</b>	<b>413</b>	<b>304</b>
(D) Capital Work In Progress	0	0	58
<b>Total (C) + (D)</b>	<b>1610</b>	<b>413</b>	<b>362</b>
(2.2) Investment	0	0	0
<b>(2.3) Current Assets, Loan &amp; Advances</b>			
(A) Inventories	2081	1844	1085
(B) Sundry Debtors	284	196	9
(C) Cash & Bank Balances	6	8	33
(D) Other Current Assets	0	0	0
(E) Loan & Advances	274	249	184
<b>Total (A)+(B)+(C)+(D)+(E)</b>	<b>2645</b>	<b>2297</b>	<b>1311</b>
<b>(2.4) Less: current Liabilities &amp; Provisions</b>			
(A) Current Liabilities	1795	915	665
(B) Provisions	431	227	179
<b>Total (A+B)</b>	<b>2226</b>	<b>1142</b>	<b>844</b>
<b>(2.5) Net Current Assets (2.3-2.4)</b>	<b>419</b>	<b>1155</b>	<b>467</b>
(2.6) Deferred Revenue / Pre. Expenditure	0	0	0
(2.7) Deferred Tax Asset	0	0	0
(2.8) Profit & Loss Account(Dr)	4837	5196	5621
<b>Total (2.1+2.2+2.5+2.6+2.7+2.8)</b>	<b>6866</b>	<b>6764</b>	<b>6450</b>

Important Indicators	2010-11	2009-10	2008-09
(i) Investment	6081	5971	5558
(ii) Capital Employed	2029	1568	771
(iii) Net Worth	-2876	-3235	-3660
(iv) Cost of Production	3554	2278	2273
(v) Cost of Sales	3374	1528	1329
(vi) Gross Value Added (At Market Price)	-	-	-
(vii) Total Employees (Other Than Casuals) (Nos.)	154	156	159
(viii) Avg. Monthly Emoluments Per Employee (Rs.)	43777	24092	23847

Profit & Loss Account	(₹ in Lakhs)		
Particulars	2010-11	2009-10	2008-09
<b>(1) Income</b>			
(A) Sales/Operating Income	3352	1897	1557
(B) Excise Duty	313	146	176
(C) Net Sales (A-B)	3039	1751	1381
(D) Other Income/Receipts	555	159	39
(E) Accretion/Depletion in Stocks	180	750	944
<b>(I) Total Income (C+D+E)</b>	<b>3774</b>	<b>2660</b>	<b>2364</b>
<b>(2) Expenditure</b>			
(A) Purchase of Finished Goods/ Consumption Of Raw Materials	1477	908	929
(B) Stores & Spares	65	34	8
(C) Power & Fuel	557	303	297
(D) Manufacturing / Direct / Operating Expenses	69	13	51
(E) Salary, Wages & Benefits / Employee Exp.	809	451	455
(F) Other Expenses	204	281	294
(G) Provisions	0	0	0
<b>(II) Total Expenditure (A to G)</b>	<b>3181</b>	<b>1990</b>	<b>2034</b>
<b>(3) Profit Before Dep, Int, Taxes &amp; EP (PBDITEP) (I-II)</b>	<b>593</b>	<b>670</b>	<b>330</b>
(4) Depreciation	94	27	32
(5) Dre/Prel Exp Written Off	0	0	34
<b>(6) Profit Before Int., Taxes &amp; Ep (PBITEP) (3-4-5)</b>	<b>499</b>	<b>643</b>	<b>264</b>
(7) Interest			
(A) On Central Government Loans	0	0	0
(B) On Foreign Loans	0	0	0
(C) Others	279	261	173
(D) Less Interest Capitalised	0	0	0
(E) Charged to P & L Account (A+B+C-D)	279	261	173
<b>(8) Profit Before Tax &amp; EP(PBTEP) (6-7E)</b>	<b>220</b>	<b>382</b>	<b>91</b>
(9) Tax Provisions	0	0	3
<b>(10) Net Profit / Loss Before EP (8-9)</b>	<b>220</b>	<b>382</b>	<b>88</b>
(11) Net Extra-Ord. Items	-3	76	32
<b>(12) Net Profit / Loss(-) (10-11)</b>	<b>223</b>	<b>306</b>	<b>56</b>
(13) Dividend Declared	0	0	0
(14) Dividend Tax	0	0	0
<b>(15) Retained Profit (12-13-14)</b>	<b>223</b>	<b>306</b>	<b>56</b>

Financial Ratios	2010-11	2009-10	2008-09
(i) Sales : Capital Employed	149.78	111.67	179.12
(ii) Cost of Sales : Sales	111.02	87.26	96.23
(iii) Salary / Wages : Sales	26.62	25.76	32.95
(iv) Net Profit : Net Worth	-	-	-
(v) Debt : Equity	2.5	2.45	2.29
(vi) Current Ratio	1.19	2.01	1.55
(vii) Sundry Debtors : Sales (No. of Days)	34.11	40.86	2.38
(viii) Total Inventory : Sales	249.94	384.39	286.77



## 8.5 Hindustan Insecticides Limited

Hindustan Insecticides Limited (HIL) was incorporated in 1954 with the objective to manufacture DDT and its formulations for meeting the demand of National Anti Malaria Programme. The current objective of the Company is to provide quality insecticides and pesticides at reasonable prices for public health and agricultural purposes and earn reasonable return.

HIL is a Schedule-'C' / BIFR referred CPSE in chemical & pharmaceuticals sector under the administrative control of M/o Chemicals and Fertilizers, D/o Chemicals and Petrochemicals with 100% shareholding by the Government of India. Its Registered and Corporate offices are in New Delhi.

### Vision / Mission

The Vision of the Company is to be a global player in the field of Crop Protection and Public Health.

The Mission of the Company is to provide quality products through clean and safe technology which would enhance agriculture productivity & promote Public Health.

### Industrial / Business Operations

The product / service range comprises of technical products such as Endosulfan, Dicofol, Malathion Butachlor, DDVP etc. and 34 agro formulations at its plants at Udyogamandal (near Cochin, Kerala), Rasayani (Maharashtra) and Bhatinda (Punjab). The company also has a well equipped central R&D complex at UdyogVihar, Gurgaon, Haryana along with an experimental farm.

HIL marketing network is spread all over the country with six Regional Sales offices situated in Delhi, Hyderabad, Kolkata Akola, Coimbatore and Ahmedabad. The Company has a well equipped Central R&D Complex at Udyogvihar, Gurgaon along with experimental farm.

The physical performances of the company for last three years are given below:

Main Product	Unit	Performance During		
		2010-11	2009-10	2008-09
DDT Technical	MT	3192	3610	3295
DDT Formulation	MT	5875	6706	6830
Endosulfan Technical	MT	1729	1506	1263
Malathion Technical	MT	536	468	357
Endosulfan Formulation	KL	1430	872	1138
Malathion Formulation	MT	569	824	327

### Strategic issue

The company has initiated steps to retrofit an existing manufacturing facility so that maximum product can be manufactured from the existing plant and thereby improve the capacity utilization. Manufacture of new generation insecticides and certain industrial intermediates are also being pursued. HIL is basically into generic molecules has initiated dialogue with companies like Dupont / Monsanto etc. so as to get access to their newer molecules.

The company has initiated actions to develop its vacant land at Delhi and Udyogmandal under PPP modal / Joint Venture.

HIL aims to target the African markets where Malaria continues to be the giant killer. WHO has already allowed usage of DDT for control of Malaria in 31 countries.

### Performance Highlights

The operational performance of the company along with performance indicators and selected financial ratios during the

period 2008-09 to 2010-11 can be seen on the opposite page.

The Company registered an increase of ₹ 26.26 crore in total income during 2010-11 which went up to ₹ 264.04 crore in 2010-11 from ₹ 237.78 crore during 2009-10. The net profit of the company, however, reduced to ₹ 1.58 crore, a reduction of ₹ 1.48 crore over the previous year profit of ₹ 3.06 crore due to fall in production as a result of lower order quantity of DDT by M/o Health. The reduction in tonnage was also due to non procurement of DDT & Malathion 25% WP by various State Governments.

The company succeeded in getting export orders of DDT 75% from Govt. of Mozambique, Govt. of Namibia against global competition. The company is also exporting Malathion Technical, Endosulfan Technical and Formulation to various countries in Europe, Africa and Latin America.

### Human Resource Management

The company employed 1371 regular employees as on 31.3.2011. The retirement age in the company is 60 years at the board level and 58 at below board level. It is following IDA 1997 pattern of remuneration. Details of employment in last 3 years are given below:

Particulars	2010-11	2009-10	2008-09
Executives including Non-Unionised Supervisors	3	297	302
Non-Executives #	1368	1165	1216
Total Employees	1371	1462	1518

# Detail break-up of Non-Executive employees is at Statement no. 25 of volume-I of PE Survey.

**Hindustan Insecticides Limited**

Scope Complex, Core-6, 2nd Floor, 7 Lodi Road, New Delhi-110003

Balance Sheet	(₹ in Lakhs)		
Particulars	2010-11	2009-10	2008-09
Authorised Capital	10000	10000	10000
<b>(1) Sources Of Fund</b>			
<b>(1.1) Shareholders Funds</b>			
(A) Paid-Up Capital			
Central Govt	9133	9133	9133
Others	0	0	0
(B) Share Application Money	0	0	0
(C) Reserves & Surplus	0	0	0
<b>Total (A) + (B) + (C)</b>	<b>9133</b>	<b>9133</b>	<b>9133</b>
<b>(1.2) Loan Funds</b>			
(A) Secured Loans	922	0	1140
(B) Unsecured Loans	2174	3507	909
<b>Total (A) + (B)</b>	<b>3096</b>	<b>3507</b>	<b>2049</b>
(1.3) Deferred Tax Liability	0	0	0
<b>Total (1.1) + (1.2) + (1.3)</b>	<b>12229</b>	<b>12640</b>	<b>11182</b>
<b>(2) Application Of Funds</b>			
<b>(2.1) Fixed Assets</b>			
(A) Gross Block	11978	11408	11250
(B) Less Depreciation	8996	8656	8318
<b>(C) Net Block (A-B)</b>	<b>2982</b>	<b>2752</b>	<b>2932</b>
(D) Capital Work In Progress	432	94	41
<b>Total (C) + (D)</b>	<b>3414</b>	<b>2846</b>	<b>2973</b>
(2.2) Investment	5	0	5
<b>(2.3) Current Assets, Loan &amp; Advances</b>			
(A) Inventories	6184	5826	6459
(B) Sundry Debtors	12977	12520	8156
(C) Cash & Bank Balances	544	730	617
(D) Other Current Assets	0	0	0
(E) Loan & Advances	2669	2725	2650
<b>Total (A)+(B)+(C)+(D)+(E)</b>	<b>22374</b>	<b>21801</b>	<b>17882</b>
<b>(2.4) Less: current Liabilities &amp; Provisions</b>			
(A) Current Liabilities	9238	7948	6348
(B) Provisions	4946	4842	4464
<b>Total (A+B)</b>	<b>14184</b>	<b>12790</b>	<b>10812</b>
<b>(2.5) Net Current Assets (2.3-2.4)</b>	<b>8190</b>	<b>9011</b>	<b>7070</b>
(2.6) Deferred Revenue / Pre. Expenditure	29	34	79
(2.7) Deferred Tax Asset	0	0	0
(2.8) Profit & Loss Account(Dr)	591	749	1055
<b>Total (2.1+2.2+2.5+2.6+2.7+2.8)</b>	<b>12229</b>	<b>12640</b>	<b>11182</b>

Important Indicators	2010-11	2009-10	2008-09
(i) Investment	11307	12640	10042
(ii) Capital Employed	11172	11763	10002
(iii) Net Worth	8513	8350	7999
(iv) Cost of Production	26114	23390	21440
(v) Cost of Sales	25961	23540	20447
(vi) Gross Value Added (At Market Price)	-	-	-
(vii) Total Employees (Other Than Casuals) (Nos.)	1371	1462	1518
(viii) Avg. Monthly Emoluments Per Employee (Rs.)	58765	43650	38455

Profit & Loss Account	(₹ in Lakhs)		
Particulars	2010-11	2009-10	2008-09
<b>(1) Income</b>			
(A) Sales/Operating Income	27504	24888	22035
(B) Excise Duty	2544	1504	1956
(C) Net Sales (A-B)	24960	23384	20079
(D) Other Income/Receipts	1291	544	747
(E) Accretion/Depletion in Stocks	153	-150	993
<b>(I) Total Income (C+D+E)</b>	<b>26404</b>	<b>23778</b>	<b>21819</b>
<b>(2) Expenditure</b>			
(A) Purchase of Finished Goods/ Consumption Of Raw Materials	10249	9892	10143
(B) Stores & Spares	25	29	22
(C) Power & Fuel	2100	1888	1614
(D) Manufacturing / Direct / Operating Expenses	1560	2169	1456
(E) Salary, Wages & Benefits / Employee Exp.	9668	7658	7005
(F) Other Expenses	1995	931	680
(G) Provisions	48	187	0
<b>(II) Total Expenditure (A to G)</b>	<b>25645</b>	<b>22754</b>	<b>20920</b>
<b>(3) Profit Before Dep, Int, Taxes &amp; EP (PBDITEP) (I-II)</b>	<b>759</b>	<b>1024</b>	<b>899</b>
(4) Depreciation	360	355	343
(5) Dre/Prel Exp Written Off	0	27	48
<b>(6) Profit Before Int., Taxes &amp; Ep (PBITEP) (3-4-5)</b>	<b>399</b>	<b>642</b>	<b>508</b>
(7) Interest			
(A) On Central Government Loans	243	105	123
(B) On Foreign Loans	0	0	0
(C) Others	109	149	6
(D) Less Interest Capitalised	243	0	0
(E) Charged to P & L Account (A+B+C-D)	109	254	129
<b>(8) Profit Before Tax &amp; EP(PBTEP) (6-7E)</b>	<b>290</b>	<b>388</b>	<b>379</b>
(9) Tax Provisions	175	5	18
<b>(10) Net Profit / Loss Before EP (8-9)</b>	<b>115</b>	<b>383</b>	<b>361</b>
(11) Net Extra-Ord. Items	-43	77	90
<b>(12) Net Profit / Loss(-) (10-11)</b>	<b>158</b>	<b>306</b>	<b>271</b>
(13) Dividend Declared	0	0	0
(14) Dividend Tax	0	0	0
<b>(15) Retained Profit (12-13-14)</b>	<b>158</b>	<b>306</b>	<b>271</b>

Financial Ratios	2010-11	2009-10	2008-09
(i) Sales : Capital Employed	223.42	198.79	200.75
(ii) Cost of Sales : Sales	104.01	100.67	101.83
(iii) Salary / Wages : Sales	38.73	32.75	34.89
(iv) Net Profit : Net Worth	1.86	3.66	3.39
(v) Debt : Equity	0.34	0.38	0.22
(vi) Current Ratio	1.58	1.7	1.65
(vii) Sundry Debtors : Sales (No. of Days)	189.77	195.42	148.26
(viii) Total Inventory : Sales	90.43	90.94	117.41

## 8.6 Hindustan Organic Chemicals Ltd.

Hindustan Organic Chemicals Ltd. (HOCL) was incorporated on 12.12.1960 with the objective of attaining self-reliance in basic organic chemicals needs.

HOCL is a Schedule-'B' BIFR / BRPSE referred listed CPSE in Consumer Goods sector under the administrative control of M/o Chemicals and Fertilizers, D/o Chemicals and Petrochemicals with 80% shareholding by the Government of India. Its Registered office is at Rasayani, Raigad District and Corporate office is at Mumbai, Maharashtra.

### Vision / Mission

The Vision of the Company is to produce and market basic chemicals efficiently and economically in an environment friendly manner.

The mission of the Company is to maintain optimum level of efficiency and productivity in the use of resource and secure optimum return on investment.

### Industrial / Business Operations

HOCL is involved in production of chemicals & intermediaries and having a product range of 12 products. It is operating through its two units at Rasayani, Raigad District in Maharashtra and at Ambalamugul, Kochi in Kerala. The Company also has one subsidiary i.e. M/s Hindustan Fluorocarbons Limited with a share holding of 60%. The physical performances of the company for last three years are given below:

Main Segments	Unit	Performance During		
		2010-11	2009-10	2008-09
Total Products	MT	234684	221249	245192
Kochi Unit	MT	166886	137730	164464
Rasayani Unit	MT	67798	83520	80756

### Strategic issue

The revival of company is under implementation as per revival plan sanctioned in 2006. GoI guarantee for loans of ₹ 100.00 crore are extended uptill August 2012.

The company has plans for cost reduction and turnaround of Rasayani unit by changing the feed stock of Hydrogen from Naphtha to Natural Gas and in place of furnace oil, natural gas would be used. For this company has signed the Gas transmission Agreement with M/s GAIL.

### Performance Highlights

The operational performance of the company along with performance indicators and selected financial ratios during the period 2008-09 to 2010-11 can be seen on the opposite page.

The Company registered an increase of ₹ 213.91 crore in total income during 2010-11 which went up to ₹ 707.88 crore in 2010-11 from ₹ 493.97 crore during 2009-10 due to increase in turnover. The net profit of the company correspondingly increased to ₹ 25.72 crore, an increase of ₹ 108.80 crore over the previous year loss of ₹ 83.08 crore due to increase in turnover and income.

### Human Resource Management

The company employed 1368 regular employees as on 31.3.2011. The retirement age in the company is 60 years at

the Board level and 58 for the employees below Board level. It is following IDA 2007 pattern of remuneration. Details of employment in last 3 years are given below:

Particulars	2010-11	2009-10	2008-09
Executives including Non-Unionised Supervisors	781	555	528
Non-Executives #	587	813	840
Total Employees	1368	1368	1368

# Detail break-up of Non-Executive employees is at Statement no. 25 of volume-I of PE Survey.

Balance Sheet	(₹ in Lakhs)		
Particulars	2010-11	2009-10	2008-09
Authorised Capital	37000	37000	37000
<b>(1) Sources Of Fund</b>			
<b>(1.1) Shareholders Funds</b>			
(A) Paid-Up Capital			
Central Govt	27000	30940	30948
Others	6718	2778	2769
(B) Share Application Money	9	9	10
(C) Reserves & Surplus	6577	6478	7725
<b>Total (A) + (B) + (C)</b>	<b>40304</b>	<b>40205</b>	<b>41452</b>
<b>(1.2) Loan Funds</b>			
(A) Secured Loans	3059	7028	6065
(B) Unsecured Loans	19021	18334	17078
<b>Total (A) + (B)</b>	<b>22080</b>	<b>25362</b>	<b>23143</b>
(1.3) Deferred Tax Liability	0	0	0
<b>Total (1.1) + (1.2) + (1.3)</b>	<b>62384</b>	<b>65567</b>	<b>64595</b>
<b>(2) Application Of Funds</b>			
<b>(2.1) Fixed Assets</b>			
(A) Gross Block	71501	70579	70278
(B) Less Depreciation	53831	51378	48734
<b>(C) Net Block (A-B)</b>	<b>17670</b>	<b>19201</b>	<b>21544</b>
(D) Capital Work In Progress	3299	3069	3133
<b>Total (C) + (D)</b>	<b>20969</b>	<b>22270</b>	<b>24677</b>
(2.2) Investment	5125	4858	4703
<b>(2.3) Current Assets, Loan &amp; Advances</b>			
(A) Inventories	11017	7626	6696
(B) Sundry Debtors	5141	4724	3887
(C) Cash & Bank Balances	3106	2895	4641
(D) Other Current Assets	548	622	703
(E) Loan & Advances	3422	3527	4424
<b>Total (A)+(B)+(C)+(D)+(E)</b>	<b>23234</b>	<b>19394</b>	<b>20351</b>
<b>(2.4) Less: current Liabilities &amp; Provisions</b>			
(A) Current Liabilities	11439	9653	7694
(B) Provisions	6783	5151	4216
<b>Total (A+B)</b>	<b>18222</b>	<b>14804</b>	<b>11910</b>
<b>(2.5) Net Current Assets (2.3-2.4)</b>	<b>5012</b>	<b>4590</b>	<b>8441</b>
(2.6) Deferred Revenue / Pre. Expenditure	0	0	183
(2.7) Deferred Tax Asset	0	0	0
(2.8) Profit & Loss Account(Dr)	31278	33849	26591
<b>Total (2.1+2.2+2.5+2.6+2.7+2.8)</b>	<b>62384</b>	<b>65567</b>	<b>64595</b>

Important Indicators	2010-11	2009-10	2008-09
(i) Investment	44017	34077	51749
(ii) Capital Employed	22682	23791	29985
(iii) Net Worth	9026	6356	14678
(iv) Cost of Production	67616	57829	64914
(v) Cost of Sales	64574	58042	62703
(vi) Gross Value Added (At Market Price)	-	-	-
(vii) Total Employees (Other Than Casuals) (Nos.)	1368	1368	1368
(viii) Avg. Monthly Emoluments Per Employee (Rs.)	69816	55056	44530

Profit & Loss Account	(₹ in Lakhs)		
Particulars	2010-11	2009-10	2008-09
<b>(1) Income</b>			
(A) Sales/Operating Income	73804	52071	62091
(B) Excise Duty	7068	4208	7466
(C) Net Sales (A-B)	66736	47863	54625
(D) Other Income/Receipts	1010	1747	5504
(E) Accretion/Depletion in Stocks	3042	-213	2211
<b>(I) Total Income (C+D+E)</b>	<b>70788</b>	<b>49397</b>	<b>62340</b>
<b>(2) Expenditure</b>			
(A) Purchase of Finished Goods/ Consumption Of Raw Materials	37955	30197	38395
(B) Stores & Spares	1258	1293	1499
(C) Power & Fuel	8947	8647	9182
(D) Manufacturing / Direct / Operating Expenses	909	3374	1681
(E) Salary, Wages & Benefits / Employee Exp.	11461	9038	7310
(F) Other Expenses	2179	166	1707
(G) Provisions	244	139	2
<b>(II) Total Expenditure (A to G)</b>	<b>62953</b>	<b>52854</b>	<b>59776</b>
<b>(3) Profit Before Dep, Int, Taxes &amp; EP (PBDITEP) (I-II)</b>	<b>7835</b>	<b>-3457</b>	<b>2564</b>
(4) Depreciation	2518	2652	2680
(5) Dre/Prel Exp Written Off	57	0	248
<b>(6) Profit Before Int., Taxes &amp; Ep (PBITEP) (3-4-5)</b>	<b>5260</b>	<b>-6109</b>	<b>-364</b>
(7) Interest			
(A) On Central Government Loans	1574	614	549
(B) On Foreign Loans	0	0	0
(C) Others	514	1709	1661
(D) Less Interest Capitalised	0	0	0
(E) Charged to P & L Account (A+B+C-D)	2088	2323	2210
<b>(8) Profit Before Tax &amp; EP(PBTEP) (6-7E)</b>	<b>3172</b>	<b>-8432</b>	<b>-2574</b>
(9) Tax Provisions	0	0	39
<b>(10) Net Profit / Loss Before EP (8-9)</b>	<b>3172</b>	<b>-8432</b>	<b>-2613</b>
(11) Net Extra-Ord. Items	600	-124	-85
<b>(12) Net Profit / Loss(-) (10-11)</b>	<b>2572</b>	<b>-8308</b>	<b>-2528</b>
(13) Dividend Declared	0	0	0
(14) Dividend Tax	0	0	0
<b>(15) Retained Profit (12-13-14)</b>	<b>2572</b>	<b>-8308</b>	<b>-2528</b>

Financial Ratios	2010-11	2009-10	2008-09
(i) Sales : Capital Employed	294.22	201.18	182.17
(ii) Cost of Sales : Sales	96.76	121.27	114.79
(iii) Salary / Wages : Sales	17.17	18.88	13.38
(iv) Net Profit : Net Worth	28.5	-130.71	-17.22
(v) Debt : Equity	0.55	0.63	0.56
(vi) Current Ratio	1.28	1.31	1.71
(vii) Sundry Debtors : Sales (No. of Days)	28.12	36.02	25.97
(viii) Total Inventory : Sales	60.26	58.16	44.74

## 8.7 Indian Drugs and Pharmaceuticals Ltd.

Indian Drugs and Pharmaceuticals Ltd. (IDPL) was incorporated on 5.4.1961 with the objective to create self-sufficiency in respect of essential life saving medicines to free the country from dependence on imports and to provide medicines at affordable prices.

IDPL is a Schedule-'B' / BIFR / BRPSE referred CPSE in Chemicals & Pharmaceuticals sector under the administrative control of M/o Chemicals and Fertilizers, D/o Pharmaceuticals with 100% shareholding by the Government of India. Its Registered and Corporate offices are at Gurgaon, Haryana.

### Industrial / Business Operations

IDPL is involved in the production and marketing of drugs / formulations through its 3 units at Rishikesh in Uttarakhand, Hyderabad in Andhra Pradesh and Gurgaon in Haryana.

The company has currently two operating subsidiaries in the states of Tamil Nadu and Orissa in collaboration with the respective State Government Industrial Development Corporations namely IDPL (TN) Ltd. and Orissa Drugs & Chemicals Ltd.

Rajasthan Drugs & Pharmaceuticals Ltd. was a subsidiary of IDPL. However as per revival plan of RDPL, 51% equity shares held by IDPL in the share capital of the RDPL was transferred to President of India on 17.08.10. Further allotments of equity shares worth ₹ 200 lakhs and ₹ 192 lakhs were made to the President of India and Rajasthan Industrial Development and Investment Corporations (RIICO Ltd.). 51% of equity is now held by GOI and 49% by RIICO Ltd, respectively and RDPL is now not a subsidiary of IDPL.

The Bihar Drugs & Organic Chemicals Ltd. (BDOCL), also a subsidiary of IDPL, is under liquidation.

The company has not provided any details of physical performance during last three years.

### Strategic issue

The company is referred to BIFR and BRPSE. BRPSE recommended for revival as a CPSE on 9.3.2007, inter alia, with revival package of ₹ 3222.76 crores (cash assistance of ₹ 361 crores and non-cash assistance of ₹ 2861.76 crores) from Government of India and also merger of its subsidiaries viz. IDPL (Tamil Nadu) Ltd., Chennai & Bihar Drugs & Organic Chemicals Ltd., Muzaffarpur, Bihar into IDPL. Based on recommendations of BRPSE, revival proposal was submitted to Cabinet. It was decided to refer the proposal to GoM. GoM considered the case on 11.2.2007. Based on the suggestion of GoM, a Consultant was appointed for preparation of revival plan. Based on the report of the Consultant, a revival plan sent by the Company is under consideration of the Ministry.

### Performance Highlights

The operational performance of the company along with performance indicators and selected financial ratios during the period 2008-09 to 2010-11 can be seen on the opposite page.

The Company registered a reduction of ₹ 47.80 crore in total income during 2010-11 which went down to ₹ 56.00 crore in 2010-11 from ₹ 103.80 crore during 2009-10 due to fall in turnover. The net loss of the company increased to ₹ 621.83 crore, an increase of ₹ 108.01 crore over the previous year's loss

of ₹ 513.82 crore due to increase in operating expenses and fall in sales.

### Human Resource Management

The company employed 215 regular employees as on 31.3.2011. The retirement age in the company is 58 years. Details of employment in last 3 years are given below:

Particulars	2010-11	2009-10	2008-09
Executives including Non-Unionised Supervisors	93	23	65
Non-Executives #	122	195	270
Total Employees	215	218	335

# Detail break-up of Non-Executive employees is at Statement no. 25 of volume-I of PE Survey.



**Indian Drugs and Pharmaceuticals Ltd.**

IDPL Complex, Delhi-Gurgaon Road, Dundahera, Gurgaon, Haryana - 122 016

Balance Sheet	(₹ in Lakhs)		
Particulars	2010-11	2009-10	2008-09
Authorised Capital	12000	12000	12000
<b>(1) Sources Of Fund</b>			
<b>(1.1) Shareholders Funds</b>			
(A) Paid-Up Capital			
Central Govt	11688	11688	11688
Others	0	0	0
(B) Share Application Money	0	0	0
(C) Reserves & Surplus	6277	6277	6277
<b>Total (A) + (B) + (C)</b>	<b>17965</b>	<b>17965</b>	<b>17965</b>
<b>(1.2) Loan Funds</b>			
(A) Secured Loans	210557	132185	148684
(B) Unsecured Loans	408842	464518	383798
<b>Total (A) + (B)</b>	<b>619399</b>	<b>596703</b>	<b>532482</b>
(1.3) Deferred Tax Liability	0	0	0
<b>Total (1.1) + (1.2) + (1.3)</b>	<b>637364</b>	<b>614668</b>	<b>550447</b>
<b>(2) Application Of Funds</b>			
<b>(2.1) Fixed Assets</b>			
(A) Gross Block	13361	15035	13361
(B) Less Depreciation	11670	11620	11452
<b>(C) Net Block (A-B)</b>	<b>1691</b>	<b>3415</b>	<b>1909</b>
(D) Capital Work In Progress	0	0	730
<b>Total (C) + (D)</b>	<b>1691</b>	<b>3415</b>	<b>2639</b>
(2.2) Investment	2911	2329	3327
<b>(2.3) Current Assets, Loan &amp; Advances</b>			
(A) Inventories	21910	680	1443
(B) Sundry Debtors	2250	500	3038
(C) Cash & Bank Balances	0	250	3127
(D) Other Current Assets	1850	9000	0
(E) Loan & Advances	0	7920	11814
<b>Total (A)+(B)+(C)+(D)+(E)</b>	<b>26010</b>	<b>18350</b>	<b>19422</b>
<b>(2.4) Less:current Liabilities &amp; Provisions</b>			
(A) Current Liabilities	69713	14852	44816
(B) Provisions	0	944	1249
<b>Total (A+B)</b>	<b>69713</b>	<b>15796</b>	<b>46065</b>
<b>(2.5) Net Current Assets (2.3-2.4)</b>	<b>-43703</b>	<b>2554</b>	<b>-26643</b>
(2.6) Deferred Revenue / Pre. Expenditure	0	0	0
(2.7) Deferred Tax Asset	0	0	0
(2.8) Profit & Loss Account(Dr)	676465	606370	571124
<b>Total (2.1+2.2+2.5+2.6+2.7+2.8)</b>	<b>637364</b>	<b>614668</b>	<b>550447</b>

Important Indicators	2010-11	2009-10	2008-09
(i) Investment	420530	476206	395486
(ii) Capital Employed	-42012	5969	-24734
(iii) Net Worth	-658500	-588405	-553159
(iv) Cost of Production	66016	61762	57979
(v) Cost of Sales	65916	61762	57734
(vi) Gross Value Added (At Market Price)	-	-	-
(vii) Total Employees (Other Than Casuals) (Nos.)	215	218	335
(viii) Avg. Monthly Emoluments Per Employee (Rs.)	61047	54358	38358

Profit & Loss Account	(₹ in Lakhs)		
Particulars	2010-11	2009-10	2008-09
<b>(1) Income</b>			
(A) Sales/Operating Income	5500	9634	8553
(B) Excise Duty	0	0	59
(C) Net Sales (A-B)	5500	9634	8494
(D) Other Income/Receipts	0	746	1099
(E) Accretion/Depletion in Stocks	100	0	245
<b>(I)Total Income (C+D+E)</b>	<b>5600</b>	<b>10380</b>	<b>9838</b>
<b>(2) Expenditure</b>			
(A) Purchase of Finished Goods/ Consumption Of Raw Materials	15835	5343	5767
(B) Stores & Spares	0	0	65
(C) Power & Fuel	2000	1900	1161
(D) Manufacturing / Direct / Operating Expenses	3472	200	2578
(E) Salary, Wages & Benefits / Employee Exp.	1575	1422	1542
(F) Other Expenses	7692	926	19
(G) Provisions	0	0	620
<b>(II)Total Expenditure (A to G)</b>	<b>30574</b>	<b>9791</b>	<b>11752</b>
<b>(3) Profit Before Dep, Int, Taxes &amp; EP (PBDITEP) (I-II)</b>	<b>-24974</b>	<b>589</b>	<b>-1914</b>
(4) Depreciation	116	130	108
(5) Dre/Prel Exp Written Off	0	0	0
<b>(6) Profit Before Int., Taxes &amp; Ep (PBITEP) (3-4-5)</b>	<b>-25090</b>	<b>459</b>	<b>-2022</b>
(7) Interest			
(A) On Central Government Loans	0	51841	24200
(B) On Foreign Loans	0	0	0
(C) Others	35326	0	21919
(D) Less Interest Capitalised	0	0	0
(E) Charged to P & L Account (A+B+C-D)	35326	51841	46119
<b>(8) Profit Before Tax &amp; EP(PBTEP) (6-7E)</b>	<b>-60416</b>	<b>-51382</b>	<b>-48141</b>
(9) Tax Provisions	1767	0	0
<b>(10) Net Profit / Loss Before EP (8-9)</b>	<b>-62183</b>	<b>-51382</b>	<b>-48141</b>
(11) Net Extra-Ord. Items	0	0	0
<b>(12) Net Profit / Loss(-) (10-11)</b>	<b>-62183</b>	<b>-51382</b>	<b>-48141</b>
(13) Dividend Declared	0	0	0
(14) Dividend Tax	0	0	0
<b>(15) Retained Profit (12-13-14)</b>	<b>-62183</b>	<b>-51382</b>	<b>-48141</b>

Financial Ratios	2010-11	2009-10	2008-09
(i) Sales : Capital Employed	-13.09	161.4	-34.34
(ii) Cost of Sales : Sales	1198.47	641.08	679.7
(iii) Salary / Wages : Sales	28.64	14.76	18.15
(iv) Net Profit : Net Worth	-	-	-
(v) Debt : Equity	34.48	33.21	29.64
(vi) Current Ratio	0.37	1.16	0.42
(vii) Sundry Debtors : Sales (No. of Days)	149.32	18.94	130.55
(viii) Total Inventory : Sales	1454.03	25.76	62.01

**2010-11 PROVISIONAL**



## 8.8 Indian Medicines Pharmaceutical Corp. Ltd.

Indian Medicines Pharmaceutical Corp. Ltd. (IMPCL) was incorporated on 12.7.1978 with the objective to manufacture Ayurvedic, Unani and Siddha Medicines on the basis of classical principles and approved formulae both in domestic and international Market.

IMPCL is a Schedule-'D' Miniratna CPSE in Chemicals & Pharmaceuticals sector under the administrative control of the M/o Health and Family Welfare, D/o AYUSH with 87.75% shareholding by the Government of India. The remaining equity holding is with state Government of Uttarakhand. Its Registered and Corporate offices are at Mohan (Almora) in Uttarakhand.

### Vision / Mission

The Vision of the company is to become the best Ayurvedic and Unani Medicines manufacturing company in India and contribute to health care through excellence in performance, total customer satisfaction and improved technologies.

The mission of the company is to make available authentic, classical Ayurvedic and Unani medicines and enhance capacity portfolio covering nutraceuticals, health supplements and cosmetics based on herbals.

### Industrial / Business Operations

IMPCL is involved in production of Ayurvedic and Unani Medicines through its single operating unit at Mohan (Almora), Uttarakhand. The installed capacity of the plant is 327 nos. of Ayurvedic and 321 nos of Unani Medicines.

The company has one sale counter at Janakpuri, New Delhi. The Company also has one financial Joint Venture with K.M.V.N. Ltd. (a Uttarakhand State Public Sector Undertaking).

The physical performances of the company for last three years are given below:

Main Products	Unit	Performance During		
		2010-11	2009-10	2008-09
Ayurvedic Medicines	Nos.	172	173	164
Unani Medicines	Nos.	89	89	66
Total Items	Nos.	261	262	230

### Strategic issue

The company is mainly catering to the needs of Central Government Hospitals / CGHS at cost plus pricing system. Steps are being taken for second phase modernization which includes new construction and procurement of new machineries etc. The company has also taken initiative for obtaining ISO certification.

### Performance Highlights

The operational performance of the company along with performance indicators and selected financial ratios during the period 2008-09 to 2010-11 can be seen on the opposite page.

The Company registered an increase of ₹ 3.34 crore in total income during 2010-11 which went up to ₹ 24.57 crore in 2010-11 from ₹ 21.23crore during 2009-10. The net profit of the company however reduced to ₹ 0.12 crore, a reduction of ₹ 0.27 crore over the previous year's profit of ₹ 0.39 crore due to increase in operating expenses.

### Human Resource Management

The company employed 126 regular employees as on 31.3.2011. The retirement age in the company is 58 years. Details of employment in last 3 years are given below:

Particulars	2010-11	2009-10	2008-09
Executives including Non-Unionised Supervisors	62	17	16
Non-Executives #	64	109	111
Total Employees	126	126	127

# Detail break-up of Non-Executive employees is at Statement no. 25 of volume-I of PE Survey.

Balance Sheet	(₹ in Lakhs)		
Particulars	2010-11	2009-10	2008-09
Authorised Capital	5000	700	700
<b>(1) Sources Of Fund</b>			
<b>(1.1) Shareholders Funds</b>			
(A) Paid-Up Capital			
Central Govt	702	602	602
Others	98	98	98
(B) Share Application Money	900	0	0
(C) Reserves & Surplus	495	456	421
<b>Total (A) + (B) + (C)</b>	<b>2195</b>	<b>1156</b>	<b>1121</b>
<b>(1.2) Loan Funds</b>			
(A) Secured Loans	296	149	101
(B) Unsecured Loans	65	57	54
<b>Total (A) + (B)</b>	<b>361</b>	<b>206</b>	<b>155</b>
(1.3) Deferred Tax Liability	0	0	0
<b>Total (1.1) + (1.2) + (1.3)</b>	<b>2556</b>	<b>1362</b>	<b>1276</b>
<b>(2) Application Of Funds</b>			
<b>(2.1) Fixed Assets</b>			
(A) Gross Block	1082	875	310
(B) Less Depreciation	521	233	196
<b>(C) Net Block (A-B)</b>	<b>561</b>	<b>642</b>	<b>114</b>
(D) Capital Work In Progress	0	0	198
<b>Total (C) + (D)</b>	<b>561</b>	<b>642</b>	<b>312</b>
<b>(2.2) Investment</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>(2.3) Current Assets, Loan &amp; Advances</b>			
(A) Inventories	779	681	492
(B) Sundry Debtors	1302	1241	892
(C) Cash & Bank Balances	1150	25	216
(D) Other Current Assets	0	0	7
(E) Loan & Advances	554	541	595
<b>Total (A)+(B)+(C)+(D)+(E)</b>	<b>3785</b>	<b>2488</b>	<b>2202</b>
<b>(2.4) Less: current Liabilities &amp; Provisions</b>			
(A) Current Liabilities	1396	1197	778
(B) Provisions	462	608	502
<b>Total (A+B)</b>	<b>1858</b>	<b>1805</b>	<b>1280</b>
<b>(2.5) Net Current Assets (2.3-2.4)</b>	<b>1927</b>	<b>683</b>	<b>922</b>
(2.6) Deferred Revenue / Pre. Expenditure	0	0	0
(2.7) Deferred Tax Asset	68	37	42
(2.8) Profit & Loss Account(Dr)	0	0	0
<b>Total (2.1+2.2+2.5+2.6+2.7+2.8)</b>	<b>2556</b>	<b>1362</b>	<b>1276</b>

Important Indicators	2010-11	2009-10	2008-09
(i) Investment	1700	700	700
(ii) Capital Employed	2488	1325	1036
(iii) Net Worth	2195	1156	1121
(iv) Cost of Production	2445	2079	1377
(v) Cost of Sales	2439	1959	1392
(vi) Gross Value Added (At Market Price)	-	-	-
(vii) Total Employees (Other Than Casuals) (Nos.)	126	126	127
(viii) Avg. Monthly Emoluments Per Employee (Rs.)	41270	39484	25591

Profit & Loss Account	(₹ in Lakhs)		
Particulars	2010-11	2009-10	2008-09
<b>(1) Income</b>			
(A) Sales/Operating Income	2441	1990	1396
(B) Excise Duty	0	0	0
(C) Net Sales (A-B)	2441	1990	1396
(D) Other Income/Receipts	10	13	27
(E) Accretion/Depletion in Stocks	6	120	-15
<b>(I) Total Income (C+D+E)</b>	<b>2457</b>	<b>2123</b>	<b>1408</b>
<b>(2) Expenditure</b>			
(A) Purchase of Finished Goods/ Consumption Of Raw Materials	1234	1042	679
(B) Stores & Spares	2	2	2
(C) Power & Fuel	139	109	90
(D) Manufacturing / Direct / Operating Expenses	15	58	12
(E) Salary, Wages & Benefits / Employee Exp.	624	597	390
(F) Other Expenses	302	223	172
(G) Provisions	0	0	0
<b>(II) Total Expenditure (A to G)</b>	<b>2316</b>	<b>2031</b>	<b>1345</b>
<b>(3) Profit Before Dep, Int, Taxes &amp; EP (PBDITEP) (I-II)</b>	<b>141</b>	<b>92</b>	<b>63</b>
(4) Depreciation	105	37	26
(5) Dre/Prel Exp Written Off	0	0	0
<b>(6) Profit Before Int., Taxes &amp; Ep (PBITEP) (3-4-5)</b>	<b>36</b>	<b>55</b>	<b>37</b>
(7) Interest			
(A) On Central Government Loans	3	2	2
(B) On Foreign Loans	0	0	0
(C) Others	21	9	4
(D) Less Interest Capitalised	0	0	0
(E) Charged to P & L Account (A+B+C-D)	24	11	6
<b>(8) Profit Before Tax &amp; EP(PBTEP) (6-7E)</b>	<b>12</b>	<b>44</b>	<b>31</b>
(9) Tax Provisions	0	5	8
<b>(10) Net Profit / Loss Before EP (8-9)</b>	<b>12</b>	<b>39</b>	<b>23</b>
(11) Net Extra-Ord. Items	0	0	-1
<b>(12) Net Profit / Loss(-) (10-11)</b>	<b>12</b>	<b>39</b>	<b>24</b>
(13) Dividend Declared	0	0	0
(14) Dividend Tax	0	0	0
<b>(15) Retained Profit (12-13-14)</b>	<b>12</b>	<b>39</b>	<b>24</b>

Financial Ratios	2010-11	2009-10	2008-09
(i) Sales : Capital Employed	98.11	150.19	134.75
(ii) Cost of Sales : Sales	99.92	98.44	99.71
(iii) Salary / Wages : Sales	25.56	30	27.94
(iv) Net Profit : Net Worth	0.55	3.37	2.14
(v) Debt : Equity	0.16	0.18	0.14
(vi) Current Ratio	2.04	1.38	1.72
(vii) Sundry Debtors : Sales (No. of Days)	194.69	227.62	233.22
(viii) Total Inventory : Sales	116.48	124.91	128.64

## 2010-11 PROVISIONAL

## 8.9 Karnataka Antibiotics and Pharmaceuticals Ltd.

Karnataka Antibiotics and Pharmaceuticals Ltd. (KAPL) was incorporated on 13.3.1981 as a joint venture company between Hindustan Antibiotics Ltd., and the Government of Karnataka through Karnataka State Industrial Investment and Development Corporation Ltd. (KSIIDC), under the Companies Act, 1956 with an objective to achieve corporate excellence in the field of quality drugs and health care at globally competitive prices.

KAPL is a Schedule-'C' Miniratna CPSE under the administrative control of M/o Chemicals and Fertilizers D/o Pharmaceuticals having its Registered and Corporate Office at Bangalore, Karnataka. The Share of KAPL are held presently by Government of India (59.16%) and KSIIDC (40.84%).

### Vision/Mission

The Vision of the Company is to achieve excellence in the field of manufacture and marketing of quality drugs and health care products at affordable prices for all.

The Mission of the Company is to have manufacturing facilities complying with international standards, to strengthen the marketing efforts to achieve 10% growth in exports and private trade market every year, to continuously improve the quality of products and services to enhance Customer Satisfaction, to develop highly motivated multi skilled human resources to increase productivity.

### Industrial / Business Operations

KAPL is engaged in manufacturing and marketing of Allopathic Formulations through its operating unit at Bangalore, Karnataka. The company manufacturer's products like injections, capsules, tablets, syrups and suspensions.

The product range of the company comprises of 93 products. The physical performance of the company for last three years are given below:

Main Product	Unit	Performance During		
		2010-11	2009-10	2008-09
Dry Powder Vials	No.in Lacs	615	457	536
Tablets	No.in Lacs	6405	4802	3515
Liquid Parenterals	No.in Lacs	574	486	338
Capsules	No.in Lacs	924	795	580
Dry Syrup & Suspension	No.in Lacs	42	32	28

### Strategic Issues

The Company was basically set up to cater to institutional requirements. However, it is also expanding its presence in retail trade segment and exports in order to ensure sustained growth. As such the company aims to modernize and upgrade the manufacturing facilities, to comply with the international standards, to strengthen its marketing efforts to achieve high growth in Exports and Private Trade Market and to continuously improve the quality of products and services to enhance customer satisfaction.

### Performance Highlights

The operational performance of the company along with performance indicators and selected financial ratios during the period 2008-09 to 2010-11 can be seen on the opposite page.

The Company registered an increase of ₹ 9.24 crore in total income during 2010-11 which went up to ₹ 212.82 crore in 2010-11 from ₹ 203.58 crore during 2009-10. The net profit

of the company however reduced to ₹10.56 crore, a reduction of ₹ 0.94 crore over the previous year profit of ₹ 11.50 crore due to increase in expenditure and higher tax provisions.

The company has enhanced its performance in Branded and Generic segments along with increase in Retail Trade Sales through wider coverage and increase in Institutional sales due to Purchase Preference Policy of Government of India.

The manufacturing facility with respect to non-parenteral products has been upgraded. The company has embarked upon a program of setting up a separate Cephalosporin injectable manufacturing facility at an estimated cost of ₹ 22.23 crore. To improve the sales volume and margin, the Company introduced 7 New Products.

### Human Resource Management

The company employed 715 regular employees as on 31.3.2011. The retirement age in the company is 60 years. It is following IDA 2007 pattern of remuneration. Details of employment in last 3 years are given below:

Particulars	2010-11	2009-10	2008-09
Executives including Non-Unionised Supervisors	214	217	207
Non-Executives #	501	498	488
Total Employees	715	715	695

# Detail break-up of Non-Executive employees is at Statement no. 25 of volume-I of PE Survey.

**Karnataka Antibiotics and Pharmaceuticals Ltd..**

Nirman Bhavan, Dr. Rajkumar Road, 1st Block, Rajaji Nagar Bangalore, Karnataka - 560 010

Balance Sheet	(₹ in Lakhs)		
Particulars	2010-11	2009-10	2008-09
Authorised Capital	1500	1500	400
<b>(1) Sources Of Fund</b>			
<b>(1.1) Shareholders Funds</b>			
(A) Paid-Up Capital			
Central Govt	443	0	0
Others	306	149	149
(B) Share Application Money	600	910	95
(C) Reserves & Surplus	5847	4896	3798
<b>Total (A) + (B) + (C)</b>	<b>7196</b>	<b>5955</b>	<b>4042</b>
<b>(1.2) Loan Funds</b>			
(A) Secured Loans	666	619	670
(B) Unsecured Loans	0	0	0
<b>Total (A) + (B)</b>	<b>666</b>	<b>619</b>	<b>670</b>
(1.3) Deferred Tax Liability	0	0	0
<b>Total (1.1) + (1.2) + (1.3)</b>	<b>7862</b>	<b>6574</b>	<b>4712</b>
<b>(2) Application Of Funds</b>			
<b>(2.1) Fixed Assets</b>			
(A) Gross Block	3635	3563	3457
(B) Less Depreciation	1358	1172	999
<b>(C) Net Block (A-B)</b>	<b>2277</b>	<b>2391</b>	<b>2458</b>
(D) Capital Work In Progress	789	417	76
<b>Total (C) + (D)</b>	<b>3066</b>	<b>2808</b>	<b>2534</b>
(2.2) Investment	0	0	0
<b>(2.3) Current Assets, Loan &amp; Advances</b>			
(A) Inventories	2717	1820	2688
(B) Sundry Debtors	7611	9318	7059
(C) Cash & Bank Balances	4568	3249	1708
(D) Other Current Assets	53	31	30
(E) Loan & Advances	2345	1469	819
<b>Total (A)+(B)+(C)+(D)+(E)</b>	<b>17294</b>	<b>15887</b>	<b>12304</b>
<b>(2.4) Less: current Liabilities &amp; Provisions</b>			
(A) Current Liabilities	8988	8898	8173
(B) Provisions	3707	3618	2083
<b>Total (A+B)</b>	<b>12695</b>	<b>12516</b>	<b>10256</b>
<b>(2.5) Net Current Assets (2.3-2.4)</b>	<b>4599</b>	<b>3371</b>	<b>2048</b>
(2.6) Deferred Revenue / Pre. Expenditure	0	0	0
(2.7) Deferred Tax Asset	197	395	130
(2.8) Profit & Loss Account(Dr)	0	0	0
<b>Total (2.1+2.2+2.5+2.6+2.7+2.8)</b>	<b>7862</b>	<b>6574</b>	<b>4712</b>

Important Indicators	2010-11	2009-10	2008-09
(i) Investment	1744	1500	771
(ii) Capital Employed	6876	5762	4506
(iii) Net Worth	7196	5955	4042
(iv) Cost of Production	19369	18709	21561
(v) Cost of Sales	19101	19592	21013
(vi) Gross Value Added (At Market Price)	-	-	-
(vii) Total Employees (Other Than Casuals) (Nos.)	715	715	695
(viii) Avg. Monthly Emoluments Per Employee (Rs.)	43228	46224	37122

Profit & Loss Account	(₹ in Lakhs)		
Particulars	2010-11	2009-10	2008-09
<b>(1) Income</b>			
(A) Sales/Operating Income	21004	21282	22501
(B) Excise Duty	579	518	830
(C) Net Sales (A-B)	20425	20764	21671
(D) Other Income/Receipts	589	477	311
(E) Accretion/Depletion in Stocks	268	-883	548
<b>(I) Total Income (C+D+E)</b>	<b>21282</b>	<b>20358</b>	<b>22530</b>
<b>(2) Expenditure</b>			
(A) Purchase of Finished Goods/ Consumption Of Raw Materials	11735	11101	15190
(B) Stores & Spares	39	34	49
(C) Power & Fuel	248	200	201
(D) Manufacturing / Direct / Operating Expenses	2048	1864	1532
(E) Salary, Wages & Benefits / Employee Exp.	3709	3966	3096
(F) Other Expenses	1278	1258	1239
(G) Provisions	69	42	13
<b>(II) Total Expenditure (A to G)</b>	<b>19126</b>	<b>18465</b>	<b>21320</b>
<b>(3) Profit Before Dep, Int, Taxes &amp; EP (PBDITEP) (I-II)</b>	<b>2156</b>	<b>1893</b>	<b>1210</b>
(4) Depreciation	194	182	164
(5) Dre/Prel Exp Written Off	0	0	0
<b>(6) Profit Before Int., Taxes &amp; Ep (PBITEP) (3-4-5)</b>	<b>1962</b>	<b>1711</b>	<b>1046</b>
(7) Interest			
(A) On Central Government Loans	0	0	0
(B) On Foreign Loans	0	0	0
(C) Others	49	62	77
(D) Less Interest Capitalised	0	0	0
(E) Charged to P & L Account (A+B+C-D)	49	62	77
<b>(8) Profit Before Tax &amp; EP(PBTEP) (6-7E)</b>	<b>1913</b>	<b>1649</b>	<b>969</b>
(9) Tax Provisions	795	491	368
<b>(10) Net Profit / Loss Before EP (8-9)</b>	<b>1118</b>	<b>1158</b>	<b>601</b>
(11) Net Extra-Ord. Items	62	8	1
<b>(12) Net Profit / Loss(-) (10-11)</b>	<b>1056</b>	<b>1150</b>	<b>600</b>
(13) Dividend Declared	90	45	37
(14) Dividend Tax	15	7	6
<b>(15) Retained Profit (12-13-14)</b>	<b>951</b>	<b>1098</b>	<b>557</b>

Financial Ratios	2010-11	2009-10	2008-09
(i) Sales : Capital Employed	297.05	360.36	480.94
(ii) Cost of Sales : Sales	93.52	94.36	96.96
(iii) Salary / Wages : Sales	18.16	19.1	14.29
(iv) Net Profit : Net Worth	14.67	19.31	14.84
(v) Debt : Equity	0.09	0.1	0.17
(vi) Current Ratio	1.36	1.27	1.2
(vii) Sundry Debtors : Sales (No. of Days)	136.01	163.8	118.89
(viii) Total Inventory : Sales	48.55	31.99	45.27

## 8.10 Orissa Drugs & Chemicals Ltd.

Orissa Drugs & Chemicals Ltd. (ODCL) was incorporated on 1.5.1979 as a joint venture of Indian Drugs & Pharmaceuticals Ltd. (IDPL) and Industrial Promotion and Investment Corporation of Orissa Limited (IPICOL) with the objective to manufacture and supply quality life saving drugs to the State Government of Orissa and adjoining States at reasonable price. The Company started its commercial production in September, 1983.

ODCL is a Schedule-'D' BIFR referred CPSE in Chemicals & Pharmaceuticals sector under the administrative control of M/o Chemicals and Fertilizers, D/o Pharmaceuticals. Its Registered and Corporate offices are at Bhubaneswar, Orissa. The company is a subsidiary of IDPL, which holds 51.12% of its equity.

### Industrial / Business Operations

ODCL is involved in manufacturing of pharmaceutical formulation in the form of Tablets, Capsules, Injections, Powder and Liquid orals through its single operating unit at Bhubaneswar in Orissa. Despite the recommendation of BIFR for its winding up and order for liquidation by the High Court of Orissa, the company continued its operations. The company has not provided any details of physical performance during last three years.

### Strategic issue

BIFR recommended winding up of the company and Orissa High court also ordered for liquidation of the company. However, the holding company IDPL has taken initiative for the revival of the unit and submitted a fresh Revival Project report for ODCL before the Hon'ble High Court of Orissa on 5.8.2010.

### Performance Highlights

The operational performance of the company along with performance indicators and selected financial ratios during the period 2008-09 to 2010-11 can be seen on the opposite page.

The Company registered an increase of ₹ 1.02crore in total income during 2010-11 which went up to ₹ 6.27crore in 2010-11 from ₹ 5.25crore during 2009-10. The net profit of the company correspondingly increased to ₹ 0.29crore, an increase of ₹ 0.28crore over the previous year due to increase in turnover.

### Human Resource Management

The company employed 71 regular employees as on 31.3.2011. The retirement age in the company is 60 years at board level and 58 years at below board level. Details of employment in last 3 years are given below:

Particulars	2010-11	2009-10	2008-09
Executives including Non-Unionised Supervisors	13	14	15
Non-Executives #	58	59	64
Total Employees	71	73	79

# Detail break-up of Non-Executive employees is at Statement no. 25 of volume-I of PE Survey.

**Orissa Drugs & Chemicals Ltd.**

1, Kancheswar Industrial Estate, Bhubuneshwar-751010

Balance Sheet	(₹ in Lakhs)		
Particulars	2010-11	2009-10	2008-09
Authorised Capital	160	160	160
<b>(1) Sources Of Fund</b>			
<b>(1.1) Shareholders Funds</b>			
(A) Paid-Up Capital			
Central Govt	0	0	0
Others	132	132	132
(B) Share Application Money	17	17	17
(C) Reserves & Surplus	0	0	0
<b>Total (A) + (B) + (C)</b>	<b>149</b>	<b>149</b>	<b>149</b>
<b>(1.2) Loan Funds</b>			
(A) Secured Loans	1047	996	326
(B) Unsecured Loans	177	177	703
<b>Total (A) + (B)</b>	<b>1224</b>	<b>1173</b>	<b>1029</b>
(1.3) Deferred Tax Liability	0	0	0
<b>Total (1.1) + (1.2) + (1.3)</b>	<b>1373</b>	<b>1322</b>	<b>1178</b>
<b>(2) Application Of Funds</b>			
<b>(2.1) Fixed Assets</b>			
(A) Gross Block	178	176	166
(B) Less Depreciation	136	134	130
<b>(C) Net Block (A-B)</b>	<b>42</b>	<b>42</b>	<b>36</b>
(D) Capital Work In Progress	0	0	0
<b>Total (C) + (D)</b>	<b>42</b>	<b>42</b>	<b>36</b>
<b>(2.2) Investment</b>	<b>267</b>	<b>0</b>	<b>0</b>
<b>(2.3) Current Assets, Loan &amp; Advances</b>			
(A) Inventories	66	96	38
(B) Sundry Debtors	113	119	110
(C) Cash & Bank Balances	15	12	18
(D) Other Current Assets	0	0	155
(E) Loan & Advances	57	58	47
<b>Total (A)+(B)+(C)+(D)+(E)</b>	<b>251</b>	<b>285</b>	<b>368</b>
<b>(2.4) Less: current Liabilities &amp; Provisions</b>			
(A) Current Liabilities	855	930	768
(B) Provisions	0	0	0
<b>Total (A+B)</b>	<b>855</b>	<b>930</b>	<b>768</b>
<b>(2.5) Net Current Assets (2.3-2.4)</b>	<b>-604</b>	<b>-645</b>	<b>-400</b>
(2.6) Deferred Revenue / Pre. Expenditure	0	226	0
(2.7) Deferred Tax Asset	0	0	0
(2.8) Profit & Loss Account(Dr)	1668	1699	1542
<b>Total (2.1+2.2+2.5+2.6+2.7+2.8)</b>	<b>1373</b>	<b>1322</b>	<b>1178</b>

Important Indicators	2010-11	2009-10	2008-09
(i) Investment	1143	1092	422
(ii) Capital Employed	-562	-603	-364
(iii) Net Worth	-1519	-1776	-1393
(iv) Cost of Production	598	524	453
(v) Cost of Sales	582	458	443
(vi) Gross Value Added (At Market Price)	-	-	-
(vii) Total Employees (Other Than Casuals) (Nos.)	71	73	79
(viii) Avg. Monthly Emoluments Per Employee (Rs.)	14789	13470	9916

Profit & Loss Account	(₹ in Lakhs)		
Particulars	2010-11	2009-10	2008-09
<b>(1) Income</b>			
(A) Sales/Operating Income	626	470	384
(B) Excise Duty	16	12	2
(C) Net Sales (A-B)	610	458	382
(D) Other Income/Receipts	1	1	0
(E) Accretion/Depletion in Stocks	16	66	10
<b>(I) Total Income (C+D+E)</b>	<b>627</b>	<b>525</b>	<b>392</b>
<b>(2) Expenditure</b>			
(A) Purchase of Finished Goods/ Consumption Of Raw Materials	361	315	190
(B) Stores & Spares	2	2	4
(C) Power & Fuel	17	15	17
(D) Manufacturing / Direct / Operating Expenses	36	18	2
(E) Salary, Wages & Benefits / Employee Exp.	126	118	94
(F) Other Expenses	0	0	90
(G) Provisions	0	0	0
<b>(II) Total Expenditure (A to G)</b>	<b>542</b>	<b>468</b>	<b>397</b>
<b>(3) Profit Before Dep, Int, Taxes &amp; EP (PBDITEP) (I-II)</b>	<b>85</b>	<b>57</b>	<b>-5</b>
(4) Depreciation	4	4	4
(5) Dre/Prel Exp Written Off	0	0	0
<b>(6) Profit Before Int., Taxes &amp; Ep (PBITEP) (3-4-5)</b>	<b>81</b>	<b>53</b>	<b>-9</b>
(7) Interest			
(A) On Central Government Loans	0	0	0
(B) On Foreign Loans	0	0	0
(C) Others	52	52	52
(D) Less Interest Capitalised	0	0	0
(E) Charged to P & L Account (A+B+C-D)	52	52	52
<b>(8) Profit Before Tax &amp; EP(PBTEP) (6-7E)</b>	<b>29</b>	<b>1</b>	<b>-61</b>
(9) Tax Provisions	0	0	0
<b>(10) Net Profit / Loss Before EP (8-9)</b>	<b>29</b>	<b>1</b>	<b>-61</b>
(11) Net Extra-Ord. Items	0	0	0
<b>(12) Net Profit / Loss(-) (10-11)</b>	<b>29</b>	<b>1</b>	<b>-61</b>
(13) Dividend Declared	0	0	0
(14) Dividend Tax	0	0	0
<b>(15) Retained Profit (12-13-14)</b>	<b>29</b>	<b>1</b>	<b>-61</b>

Financial Ratios	2010-11	2009-10	2008-09
(i) Sales : Capital Employed	-108.54	-75.95	-104.95
(ii) Cost of Sales : Sales	95.41	100	115.97
(iii) Salary / Wages : Sales	20.66	25.76	24.61
(iv) Net Profit : Net Worth	-	-	-
(v) Debt : Equity	8.21	7.87	6.91
(vi) Current Ratio	0.29	0.31	0.48
(vii) Sundry Debtors : Sales (No. of Days)	67.61	94.84	105.1
(viii) Total Inventory : Sales	39.49	76.51	36.31

**2010-11 PROVISIONAL**



## 8.11 Rajasthan Drugs and Pharmaceuticals Limited

Rajasthan Drugs & Pharmaceuticals Ltd. (RDPL) was incorporated on 2.11.1978 with the objective to supply life saving and other essential drugs to the State Government Medical Health Departments.

RDPL was a subsidiary of IDPL. However as per revival plan of RDPL 51% equity shares held by IDPL in the share capital of the RDPL was transferred to President of India on 17.08.10. Further allotments of equity shares worth ₹ 200 lakhs and ₹ 192 lakhs were made to the President of India and Rajasthan Industrial Development and Investment Corporations (RIICO Ltd.). 51% of equity is now held by GOI and 49% by RIICO Ltd, respectively and RDPL is now not a subsidiary of IDPL.

RDPL is a Schedule-‘D’ CPSE in Chemicals & Pharmaceuticals sector under the administrative control of M/o Chemicals and Fertilizers, D/o Pharmaceuticals. Its Registered and Corporate offices are at Jaipur, Rajasthan.

### Vision / Mission

The Vision of the company is to make RDPL a vibrant company manufacturing Allopathic Medicines conforming to WHO- GMP norms and also Ayurvedic and Veterinary medicines to make it's presence felt at the National level.

The mission of the company is to manufacture essential medicines and generic (unbranded) drugs for supply to Central/ State Government organizations and also branded drugs for open market, to provide essential and generic medicines to all, at reasonable price. It also strives to meet emergency needs of the country for supply of medicines during natural calamities like epidemics, earthquakes and in disaster management.

### Industrial / Business Operations

RDPL is engaged in manufacturing and trading of drugs & pharmaceutical through its single operating unit at Jaipur, Rajasthan. The physical performances of the company for last three years are given below:

Main Product	Unit	Performance During		
		2010-11	2009-10	2008-09
Tablets	Million	673.52	555.32	497.77
Capsules	Million	127.67	104.71	157.35
Liquids	K.L.	414.47	244.84	232.31
Powder	M.T.	189.51	166.24	155.49
Vials/Ampoules	Lac Nos.	5.25	3.72	2.02

### Strategic issue

In the interest of continued growth and development of the company, Government has delinked RDPL from holding company IDPL (the original promoter). The company has since then enhanced its manufacturing capacities by installing new machines.

The expiry of Preferential Purchase Policy (PPP) of Government of India and change in Government of Rajasthan Rate Contract system whereby some purchase preference was available to the company may affect the company's ongoing business. However, the renewal of PPP of Govt. of India for a further period of 5 years is under consideration of the Administrative Ministry.

### Performance Highlights

The operational performance of the company along with performance indicators and selected financial ratios during the

period 2008-09 to 2010-11 can be seen on the opposite page.

The Company registered a reduction of ₹ 2.14crore in total income during 2010-11 which went down to ₹ 81.36crore in 2010-11 from ₹ 83.50crore during 2009-10. The net profit of the company however increased to ₹ 1.22crore, an increase of ₹ 0.23crore over the previous year due to higher productivity.

The slight decline in the turnover of the company was due to non receipt of bulk orders of ₹ 15 crores from M/o Health & Family Welfare during 2010-11 as compared to 2009-10.

### Human Resource Management

The company employed 191 regular employees as on 31.3.2011. The retirement age in the company is 60 years. It is following IDA 2007 and CDA 2006 pattern of remuneration. Details of employment in last 3 years are given below:

Particulars	2010-11	2009-10	2008-09
Executives including Non-Unionised Supervisors	75	76	66
Non-Executives #	116	115	86
Total Employees	191	191	152

# Detail break-up of Non-Executive employees is at Statement no. 25 of volume-I of PE Survey.

Balance Sheet	(₹ in Lakhs)		
Particulars	2010-11	2009-10	2008-09
Authorised Capital	1000	200	200
<b>(1) Sources Of Fund</b>			
<b>(1.1) Shareholders Funds</b>			
(A) Paid-Up Capital			
Central Govt	255	0	0
Others	244	107	107
(B) Share Application Money	0	200	200
(C) Reserves & Surplus	1326	1206	1057
<b>Total (A) + (B) + (C)</b>	<b>1825</b>	<b>1513</b>	<b>1364</b>
<b>(1.2) Loan Funds</b>			
(A) Secured Loans	2229	1547	1925
(B) Unsecured Loans	0	0	0
<b>Total (A) + (B)</b>	<b>2229</b>	<b>1547</b>	<b>1925</b>
(1.3) Deferred Tax Liability	0	0	0
<b>Total (1.1) + (1.2) + (1.3)</b>	<b>4054</b>	<b>3060</b>	<b>3289</b>
<b>(2) Application Of Funds</b>			
<b>(2.1) Fixed Assets</b>			
(A) Gross Block	968	915	651
(B) Less Depreciation	338	290	249
<b>(C) Net Block (A-B)</b>	<b>630</b>	<b>625</b>	<b>402</b>
(D) Capital Work In Progress	920	665	602
<b>Total (C) + (D)</b>	<b>1550</b>	<b>1290</b>	<b>1004</b>
(2.2) Investment	0	0	0
<b>(2.3) Current Assets, Loan &amp; Advances</b>			
(A) Inventories	1133	738	723
(B) Sundry Debtors	4831	4035	3965
(C) Cash & Bank Balances	109	90	210
(D) Other Current Assets	0	0	0
(E) Loan & Advances	633	505	344
<b>Total (A)+(B)+(C)+(D)+(E)</b>	<b>6706</b>	<b>5368</b>	<b>5242</b>
<b>(2.4) Less: current Liabilities &amp; Provisions</b>			
(A) Current Liabilities	4025	3389	2676
(B) Provisions	326	309	322
<b>Total (A+B)</b>	<b>4351</b>	<b>3698</b>	<b>2998</b>
<b>(2.5) Net Current Assets (2.3-2.4)</b>	<b>2355</b>	<b>1670</b>	<b>2244</b>
(2.6) Deferred Revenue / Pre. Expenditure	0	0	0
(2.7) Deferred Tax Asset	149	100	41
(2.8) Profit & Loss Account(Dr)	0	0	0
<b>Total (2.1+2.2+2.5+2.6+2.7+2.8)</b>	<b>4054</b>	<b>3060</b>	<b>3289</b>

Important Indicators	2010-11	2009-10	2008-09
(i) Investment	1281	662	756
(ii) Capital Employed	2985	2295	2646
(iii) Net Worth	1825	1513	1364
(iv) Cost of Production	7983	8244	7740
(v) Cost of Sales	7734	8271	7764
(vi) Gross Value Added (At Market Price)	-	-	-
(vii) Total Employees (Other Than Casuals) (Nos.)	191	191	152
(viii) Avg. Monthly Emoluments Per Employee (Rs.)	46335	39572	39474

Profit & Loss Account	(₹ in Lakhs)		
Particulars	2010-11	2009-10	2008-09
<b>(1) Income</b>			
(A) Sales/Operating Income	8067	8535	8076
(B) Excise Duty	197	168	274
(C) Net Sales (A-B)	7870	8367	7802
(D) Other Income/Receipts	17	10	10
(E) Accretion/Depletion in Stocks	249	-27	-24
<b>(I) Total Income (C+D+E)</b>	<b>8136</b>	<b>8350</b>	<b>7788</b>
<b>(2) Expenditure</b>			
(A) Purchase of Finished Goods/ Consumption Of Raw Materials	5696	6291	6093
(B) Stores & Spares	35	46	30
(C) Power & Fuel	74	51	46
(D) Manufacturing / Direct / Operating Expenses	448	106	123
(E) Salary, Wages & Benefits / Employee Exp.	1062	907	720
(F) Other Expenses	454	656	549
(G) Provisions	0	0	0
<b>(II) Total Expenditure (A to G)</b>	<b>7769</b>	<b>8057</b>	<b>7561</b>
<b>(3) Profit Before Dep, Int, Taxes &amp; EP (PBDITEP) (I-II)</b>	<b>367</b>	<b>293</b>	<b>227</b>
(4) Depreciation	51	42	39
(5) Dre/Prel Exp Written Off	0	0	0
<b>(6) Profit Before Int., Taxes &amp; Ep (PBITEP) (3-4-5)</b>	<b>316</b>	<b>251</b>	<b>188</b>
(7) Interest			
(A) On Central Government Loans	0	0	0
(B) On Foreign Loans	0	0	0
(C) Others	163	190	190
(D) Less Interest Capitalised	0	45	50
(E) Charged to P & L Account (A+B+C-D)	163	145	140
<b>(8) Profit Before Tax &amp; EP(PBTEP) (6-7E)</b>	<b>153</b>	<b>106</b>	<b>48</b>
(9) Tax Provisions	28	19	19
<b>(10) Net Profit / Loss Before EP (8-9)</b>	<b>125</b>	<b>87</b>	<b>29</b>
(11) Net Extra-Ord. Items	3	-12	25
<b>(12) Net Profit / Loss(-) (10-11)</b>	<b>122</b>	<b>99</b>	<b>4</b>
(13) Dividend Declared	0	0	0
(14) Dividend Tax	0	0	0
<b>(15) Retained Profit (12-13-14)</b>	<b>122</b>	<b>99</b>	<b>4</b>

Financial Ratios	2010-11	2009-10	2008-09
(i) Sales : Capital Employed	263.65	364.58	294.86
(ii) Cost of Sales : Sales	98.27	98.85	99.51
(iii) Salary / Wages : Sales	13.49	10.84	9.23
(iv) Net Profit : Net Worth	6.68	6.54	0.29
(v) Debt : Equity	1.22	1.02	1.41
(vi) Current Ratio	1.54	1.45	1.75
(vii) Sundry Debtors : Sales (No. of Days)	224.06	176.02	185.49
(viii) Total Inventory : Sales	52.55	32.19	33.82

## 9 Heavy Engineering

As on 31.3.2011, there were 9 Central Public Sector Enterprises in the Heavy Engineering group. The name of these enterprises along with their year of incorporation in chronological order are given below :

Sl. No.	Enterprise	Year of Incorporation
1.	Heavy Engineering Corpn. Ltd.	1958
2.	Tungabhadra Steel Products Ltd.	1960
3.	Bharat Heavy Electricals Ltd.	1964
4.	Triveni Structural Ltd.	1965
5.	Bharat Heavy Plate & Vessels Ltd.	1966
6.	Braithwaite & Co. Ltd.	1976
7.	Burn Standard Company Ltd.	1976
8.	Bharat Wagon & Engg. Co. Ltd.	1978
9.	Bharat Bhari Udyog Nigam Ltd.	1986

2. The enterprises falling in this group are mainly engaged in producing and selling of capital goods required by Steel, Fertilizers, Petroleum, Chemicals, Mining, Power Generation compaies/complexes etc.

3. The consolidated financial position, the working results and the important management ratios of these enterprises are appended.

4. **Turnover** : The details of turnover of individual enterprises are given below :

(₹in Crore)

Sl. No.	Enterprise	Turnover	
		2010-11	2009-10
1.	Bharat Heavy Electricals Ltd.	43337.00	34153.76
2.	Heavy Engineering Corpn. Ltd.	689.69	538.42
3.	Braithwaite & Co. Ltd.	169.71	127.61
4.	Burn Standard Company Ltd.	151.63	222.77
5.	Bharat Heavy Plate & Vessels Ltd.	136.98	104.31
6.	Bharat Wagon & Engg. Co. Ltd.	37.54	28.41
7.	Bharat Bhari Udyog Nigam Ltd.	11.51	3.97
8.	Tungabhadra Steel Products Ltd.	3.30	2.19
9.	Triveni Structural Ltd.	2.20	3.34
	<b>Sub Total</b>	<b>44539.56</b>	<b>35184.78</b>

5. **Net Profit/Loss** : The details of the enterprises, which earned net profit or sustained net loss (-) are given below :

(₹in Crore)

Sl. No.	Enterprise	Adjusted Net Profit/Net Loss	
		2010-11	2009-10
1.	Bharat Heavy Electricals Ltd.	6011.20	4310.65
2.	Burn Standard Company Ltd.	1165.68	-136.36
3.	Heavy Engineering Corpn. Ltd.	38.14	44.27
4.	Bharat Heavy Plate & Vessels Ltd.	8.78	-8.60
5.	Braithwaite & Co. Ltd.	6.18	1.75
6.	Bharat Bhari Udyog Nigam Ltd.	0.02	0.41
7.	Bharat Wagon & Engg. Co. Ltd.	-9.99	-9.08
8.	Tungabhadra Steel Products Ltd.	-26.12	-25.77
9.	Triveni Structural Ltd.	-53.18	-56.22
	<b>Sub Total</b>	<b>7140.71</b>	<b>4121.05</b>

6. **Dividend** : The details of the dividend declared by the individual enterprise are given below :

(₹in Crore)

Sl. No.	Enterprise	Dividend	
		2010-11	2009-10
1.	Bharat Heavy Electricals Ltd.	1524.85	1140.58
2.	Bharat Bhari Udyog Nigam Ltd.	0.00	0.05
	<b>Group Total</b>	<b>1,524.85</b>	<b>1,140.63</b>

7. **Social Overheads and Township** : The total number of persons employed and the expenditure incurred on social overheads and townships are given below :

(₹in Crore)

Sl. No.	Enterprise	Township and Social Overheads	
		2010-11	2009-10
1.	No. of employees (in number)	53111	53393
2.	Social overheads : (Rupees in Crore)		
	(i) Educational,	68.75	78.70
	(ii) Medical Facilities	227.57	225.79
	(iii) Others	107.42	94.67
3.	Capital cost of township (Rupees in Crore)	217.12	243.34
4.	No. of houses constructed (in number)	43644	43644

8. Company wise details in respect of Balance Sheet, Profit and Loss account, Important Indicators and Financial Ratios along with the write up of individual company are given in the pages below.



# Heavy Engineering

## Balance Sheet

(₹ in Lakhs)

			(₹ in Lakhs)
Particulars	2010-11	2009-10	2008-09
AUTHORISED CAPITAL	366310	366310	366673
<b>(1) SOURCES OF FUND</b>			
(1.1) SHAREHOLDERS FUNDS			
(A) PAID-UP CAPITAL			
CENTRAL GOVT	109695	130677	116667
OTHERS	32618	34293	33913
(B) SHARE APPLICATION MONEY	4715	11493	26122
(C) RESERVES & SURPLUS	1978808	1555609	1266092
<b>TOTAL (A) + (B) + (C)</b>	<b>2125836</b>	<b>1732072</b>	<b>1442794</b>
(1.2) LOAN FUNDS			
(A) SECURED LOANS	18131	22272	10722
(B) UNSECURED LOANS	211170	402498	367598
<b>TOTAL (A) + (B)</b>	<b>229301</b>	<b>424770</b>	<b>378320</b>
(1.3) DEFERRED TAX LIABILITY	0	0	0
<b>TOTAL (1.1) + (1.2) + (1.3)</b>	<b>2355137</b>	<b>2156842</b>	<b>1821114</b>
<b>(2) APPLICATION OF FUNDS</b>			
(2.1) FIXED ASSETS			
(A) GROSS BLOCK	910160	724265	587550
(B) LESS DEPRECIATION	514875	469502	427470
(C) NET BLOCK (A-B)	395285	254763	160080
(D) CAPITAL WORK IN PROGRESS	180272	157510	120051
<b>TOTAL (C) + (D)</b>	<b>575557</b>	<b>412273</b>	<b>280131</b>
(2.2) INVESTMENT	72982	51811	45116
(2.3) CURRENT ASSETS, LOAN & ADVANCES			
(A) INVENTORIES	1130734	949529	808841
(B) SUNDRY DEBTORS	2807431	2123278	1633885
(C) CASH & BANK BALANCES	971019	1005779	1044647
(D) OTHER CURRENT ASSETS	39318	49878	44621
(E) LOAN & ADVANCES	367218	462982	415873
<b>TOTAL ((A) + (B) + (C) + (D) + (E))</b>	<b>5315720</b>	<b>4591446</b>	<b>3947867</b>
(2.4) LESS: CURRENT LIABILITIES & PROVISIONS			
(A) CURRENT LIABILITIES	3268052	2976842	2499119
(B) PROVISIONS	784543	463507	513797
<b>TOTAL (A+B)</b>	<b>4052595</b>	<b>3440349</b>	<b>3012916</b>
(2.5) NET CURRENT ASSETS(2.3-2.4)	1263125	1151097	934951
(2.6) DEFERRED REVENUE / PRE-EXPENDITURE	1084	1413	464
(2.7) DEFERRED TAX ASSET	217812	152723	184030
(2.8) PROFIT & LOSS ACCOUNT(DR)	224577	387525	376422
<b>TOTAL (2.1+2.2+2.5+2.6+2.7+2.8)</b>	<b>2355137</b>	<b>2156842</b>	<b>1821114</b>

# Heavy Engineering

## Profit and Loss Account

(₹ in Lakhs)

			(₹ in Lakhs)
Particulars	2010-11	2009-10	2008-09
(1) INCOME			
(A) SALES/OPERATING	4453956	3518478	2885572
(B) EXCISE DUTY	182839	134115	187967
(C) NET SALES (A-B)	4271117	3384363	2697605
(D) OTHER INCOME/RECEIPTS	173814	183515	158292
<b>(I)TOTAL INCOME (C+D+E)</b>	<b>4463645</b>	<b>3647361</b>	<b>2971559</b>
(2) EXPENDITURE			
(A) PURCHASE OF FINISHED GOODS CONSUMPTION OF RAW MATERIALS	1983577	1764357	1540743
(B) STORES & SPARES	70016	57455	51520
(C) POWER & FUEL	46741	42082	41485
(D) MANUFACTURING / DIRECT / OPERATING EXPENSES	461117	373439	269809
(E)SALARY,WAGES & BENEFITS / EMPLOYEE EXP.	565548	670909	324150
(F)OTHER EXPENSES	98423	107619	91410
(G)PROVISIONS	273332	-91571	133809
<b>(II)TOTAL EXPENDITURE (A to G)</b>	<b>3498754</b>	<b>2924290</b>	<b>2452926</b>
(3) PROFIT BEFORE DEP. INT. TAXES & EP(PBDITEP) (I-II)	964891	723071	518633
(4) DEPRECIATION	55505	46951	35311
(5) DRE/PREL EXP WRITTEN OFF	179	0	0
(6) PROFIT BEFORE INT., TAXES & EP (PBITEP) (3-4-5)	909207	676120	483322
(7) INTEREST			
(A) ON CENTRALGOVERNMENT LOANS	7192	20234	12571
(B) ON FOREIGN LOANS	0	0	0
(C) OTHERS	6294	17089	11152
(D) LESS INTEREST CAPITALISED	0	0	0
(E) CHARGED TO P & L ACCOUNT (A+B+C-D)	13486	37323	23723
<b>(8)PROFIT BEFORE TAX &amp; EP(PBTEP) (6-7E)</b>	<b>895721</b>	<b>638797</b>	<b>459599</b>
(9) TAX PROVISIONS	298132	228156	171194
(10) NET PROFIT / LOSS(-) BEFORE EP (8-9)	597589	410641	288405
(11) NET EXTRA-ORD.ITEMS	-116482	-1464	-13888
<b>(12) NET PROFIT / LOSS(-) (10-11)</b>	<b>714071</b>	<b>412105</b>	<b>302293</b>
(13) DIVIDEND DECLARED	152485	114063	83223
(14) DIVIDEND TAX	24988	19152	14144
<b>(15) RETAINED PROFIT (12-13-14)</b>	<b>536598</b>	<b>278890</b>	<b>204926</b>



# Heavy Engineering

## Management Ratio

Particulars	2010-11	2009-10	2008-09
<b>(A.) INDICATORS</b>			
<b>(I) GENERAL(Rs. in Lakhs)</b>			
(i) INVESTMENT	332544	530224	485297
(ii) CAPITAL EMPLOYED	1658410	1405860	1095031
(iii) NET WORTH	1900175	1343134	1065908
(iv) COST OF PRODUCTION	3567924	3008564	2511960
(v) COST OF SALES	3549210	2929081	2396298
(vi) VALUE ADDED	2189497	1599952	1179519
(vii) R AND D EXPENDITURE	98295	83055	69074
<b>(II) HUMAN RESOURCE</b>			
(viii) EMPLOYEES (OTHER THAN CASUAL)(Nos.)	53111	53393	53063
(ix) AVG.MONTHLY EMOLUMENTS PER EMPLOYEE(Rs.)	88737	104712	50906
<b>(B.) MANAGEMENT RATIO</b>			
(i) DEBT : EQUITY	0.11	0.25	0.26
(ii) CURRENT RATIO (CURRENT ASSET:CURRENT- LIABILITY	1.31	1.33	1.31
(iii) PBDITEP : TOTAL EMPLOYEMENT (Rs. in Lakhs)	18.17	13.54	9.77
(iv) SUNDRY DEBTORS : SALES (No. of days)	239.92	228.99	221.07
(v) INVENTORY(No. of days)			
(a) TOTAL INVENTORY : SALES	96.63	102.41	109.44
(b) SEMI/FINISHED GOODS : SALES	45.82	55.83	59.21
(vi) INCREMENTAL CAPITAL OUTPUT RATIO(ICOR)	0.31	0.48	0.12
(%)			
(vii) SALES : CAPITAL EMPLOYED	257.54	240.73	246.35
(viii) PBDITEP : CAPITAL EMPLOYED	58.18	51.43	47.36
(ix) PBITEP : CAPITAL EMPLOYED	54.82	48.09	44.14
(x) COST OF SALES : SALES	83.1	86.55	88.83
(xi) MATERIAL COST : SALES	46.44	52.13	57.12
(xii) SALARY & WAGES : SALES	13.24	19.82	12.02
(xiii) R & D EXPENDITURE : SALES	2.3	2.45	2.56
(xiv) PBITEP : SALES	21.29	19.98	17.92
(xv) PBTEP : NET WORTH	47.14	47.56	43.12
(xvi) NET PROFIT : NET WORTH	37.58	30.68	28.36
(xvii) GROSS MARGIN : GROSS BLOCK	106.01	99.84	88.27

## 9.1 Heavy Engineering Corporation Ltd.

Heavy Engineering Corporation Ltd. (HEC) was incorporated on 13.12.1958 with an objective to achieve self-reliance and self-sufficiency in the field of designing and manufacturing of equipment and machinery for Iron and Steel Industry and other core sector industries.

HEC is a Schedule-‘A’ / BIFR / BRPSE referred CPSE in Heavy Engineering sector under the administrative control of M/o Heavy Industries and Public Enterprises, D/o Heavy Industry with 100% shareholding by the Government of India. Its Registered and Corporate offices are at Ranchi, Jharkhand.

### Vision / Mission

The Vision of the Company is to be a major Heavy Engineering Company in India providing quality products and services to Steel, Mining, Coal, Railways and other Strategic Sectors.

The Mission of the Company is to acquire and maintain leading position as suppliers of quality equipment, spares, systems & services for the Steel, Mining, Coal, Railways and other Strategic Sectors and to make the Revival Plan sustainable and expand business into allied areas and other priority sectors of the economy.

### Industrial / Business Operations

HEC is engaged in Manufacturing and supply of steel plant equipment, mining equipment like Coke Oven, Rolling Mills, Sintering Plants, Blast Furnaces, Converters, EOT Cranes, Excavators, Draglines, OB Drills and Crushers, Conventional and CNC Machine Tools, Medium / Heavy Castings / Forgings, Railway Crankshafts from its 3 operating units. Turnkey jobs in Bulk Material Handling, Coal Washeries etc. are being handled by Turnkey Project Division. All the Plants are located at Ranchi, Jharkhand.

The company has entered into collaboration with M/s Hegenscheidt of Germany for manufacture of new generation railway machine tools.

The product / service range of the company include castings, forgings, services and others, mining equipment/spares, EOT cranes, other equipment / spares, machine tools, accessories, jobbing etc. The physical performances of the company for last three years are given below:

Main Products	Unit	Performance During		
		2010-11	2009-10	2008-09
Medium & Heavy Steel Castings	in Tons	4379	4374	3830
5 Cum Rope Shovel	in Tons	1593	3728	2986
EOT Cranes	in Tons	3399	3231	2057
Forging & Forged Rolls	in Tons	2211	2287	2953
Steel Plant Replacement items	in Tons	445	966	1948
Mining Spares	in Tons	283	723	619
Steel Plant Spares	in Tons	748	660	667
Machine Tools & Accessories	in Tons	415	373	333
Crushing & Grinding Machine	in Tons	NA	59	501
24/96 Dragline	In Tons	1650	-	-

### Strategic issue

As a strategic measure, Company is putting more thrust on business of turnkey projects and tied up with M/s Schenck Process

for design of Coal Washeries. Company has been successful in securing an order worth ₹ 260 crore.

The company has also developed special forgings for Nuclear Sector and this sector has been identified as a potential business area.

### Performance Highlights

The operational performance of the company along with performance indicators and selected financial ratios during the period 2008-09 to 2010-11 can be seen on the opposite page.

The Company registered an increase of ₹ 158.19 crore in total income during 2010-11 which went up to ₹ 721.74 crore in 2010-11 from ₹ 563.55 crore during 2009-10. The net profit of the company however reduced to ₹ 38.14 crore, a reduction of ₹ 6.13 crore over the previous year profit of ₹ 44.27 crore due to increase in operating expenses.

### Human Resource Management

The company employed 2769 regular employees as on 31.3.2011. The retirement age in the company is 60 years. It is following IDA 2007 and CDA 1996 pattern of remuneration. Details of employment in last 3 years are given below:

Particulars	2010-11	2009-10	2008-09
Executives including Non-Unionised Supervisors	1861	1670	1637
Non-Executives #	908	1200	1231
Total Employees	2769	2870	2868

# Detail break-up of Non-Executive employees is at Statement no. 25 of volume-I of PE Survey.

### Technology Up-gradation, Research, and Development

Company developed modified Coke Quenching Car for RSP, Rourkela and got it patented. Patent is for 20 years from 21 March 2005 and was granted on 6 Dec 2010. The improved coke quenching car is having a bottom quenching and an outer gate opening arrangement to supply water from side as well as to retain water for a preset period for uniform quenching to ensure that the moisture content in quenched coke less than 4%. Company also modified the Opening closing of Top Cover Assembly of Primary, Secondary Hammer Crusher. Now it will be operated through Hydraulic cylinder and Hydraulic Power Pack with solenoid control valve. This system has been successfully tested in HEC.

Balance Sheet	(₹ in Lakhs)		
Particulars	2010-11	2009-10	2008-09
Authorised Capital	100000	100000	100000
<b>(1) Sources Of Fund</b>			
<b>(1.1) Shareholders Funds</b>			
(A) Paid-Up Capital			
Central Govt	60608	60608	45323
Others	0	0	0
(B) Share Application Money	0	0	15285
(C) Reserves & Surplus	12295	12746	21118
<b>Total (A) + (B) + (C)</b>	<b>72903</b>	<b>73354</b>	<b>81726</b>
<b>(1.2) Loan Funds</b>			
(A) Secured Loans	8966	11207	55
(B) Unsecured Loans	0	0	0
<b>Total (A) + (B)</b>	<b>8966</b>	<b>11207</b>	<b>55</b>
(1.3) Deferred Tax Liability	0	0	0
<b>Total (1.1) + (1.2) + (1.3)</b>	<b>81869</b>	<b>84561</b>	<b>81781</b>
<b>(2) Application Of Funds</b>			
<b>(2.1) Fixed Assets</b>			
(A) Gross Block	34082	33799	33705
(B) Less Depreciation	28381	27975	27619
<b>(C) Net Block (A-B)</b>	<b>5701</b>	<b>5824</b>	<b>6086</b>
(D) Capital Work In Progress	2537	2495	2152
<b>Total (C) + (D)</b>	<b>8238</b>	<b>8319</b>	<b>8238</b>
<b>(2.2) Investment</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>(2.3) Current Assets, Loan &amp; Advances</b>			
(A) Inventories	23455	15931	12306
(B) Sundry Debtors	50267	33497	20460
(C) Cash & Bank Balances	2448	17699	5531
(D) Other Current Assets	0	0	0
(E) Loan & Advances	2914	2123	1511
<b>Total (A)+(B)+(C)+(D)+(E)</b>	<b>79084</b>	<b>69250</b>	<b>39808</b>
<b>(2.4) Less: current Liabilities &amp; Provisions</b>			
(A) Current Liabilities	78552	72204	62535
(B) Provisions	17527	15330	10655
<b>Total (A+B)</b>	<b>96079</b>	<b>87534</b>	<b>73190</b>
<b>(2.5) Net Current Assets (2.3-2.4)</b>	<b>-16995</b>	<b>-18284</b>	<b>-33382</b>
(2.6) Deferred Revenue / Pre. Expenditure	306	392	464
(2.7) Deferred Tax Asset	0	0	0
(2.8) Profit & Loss Account(Dr)	90320	94134	106461
<b>Total (2.1+2.2+2.5+2.6+2.7+2.8)</b>	<b>81869</b>	<b>84561</b>	<b>81781</b>

Important Indicators	2010-11	2009-10	2008-09
(i) Investment	60608	60608	60608
(ii) Capital Employed	-11294	-12460	-27296
(iii) Net Worth	-17723	-21172	-25199
(iv) Cost of Production	68412	53345	40875
(v) Cost of Sales	63295	50219	41722
(vi) Gross Value Added (At Market Price)	-	-	-
(vii) Total Employees (Other Than Casuals) (Nos.)	2769	2870	2868
(viii) Avg. Monthly Emoluments Per Employee (Rs.)	45522	43339	32215

Profit & Loss Account	(₹ in Lakhs)		
Particulars	2010-11	2009-10	2008-09
<b>(1) Income</b>			
(A) Sales/Operating Income	68969	53842	46443
(B) Excise Duty	4031	3197	3848
(C) Net Sales (A-B)	64938	50645	42595
(D) Other Income/Receipts	2119	2584	1085
(E) Accretion/Depletion in Stocks	5117	3126	-847
<b>(I) Total Income (C+D+E)</b>	<b>72174</b>	<b>56355</b>	<b>42833</b>
<b>(2) Expenditure</b>			
(A) Purchase of Finished Goods/ Consumption Of Raw Materials	14871	12370	9665
(B) Stores & Spares	21497	9850	6239
(C) Power & Fuel	2799	2538	2524
(D) Manufacturing / Direct / Operating Expenses	11668	10783	1045
(E) Salary, Wages & Benefits / Employee Exp.	15126	14926	11087
(F) Other Expenses	657	1720	6803
(G) Provisions	1339	773	1108
<b>(II) Total Expenditure (A to G)</b>	<b>67957</b>	<b>52960</b>	<b>38471</b>
<b>(3) Profit Before Dep, Int, Taxes &amp; EP (PBDITEP) (I-II)</b>	<b>4217</b>	<b>3395</b>	<b>4362</b>
(4) Depreciation	363	338	363
(5) Dre/Prel Exp Written Off	0	0	0
<b>(6) Profit Before Int., Taxes &amp; Ep (PBITEP) (3-4-5)</b>	<b>3854</b>	<b>3057</b>	<b>3999</b>
(7) Interest			
(A) On Central Government Loans	0	0	1022
(B) On Foreign Loans	0	0	0
(C) Others	92	47	1019
(D) Less Interest Capitalised	0	0	0
(E) Charged to P & L Account (A+B+C-D)	92	47	2041
<b>(8) Profit Before Tax &amp; EP(PBTEP) (6-7E)</b>	<b>3762</b>	<b>3010</b>	<b>1958</b>
(9) Tax Provisions	0	0	36
<b>(10) Net Profit / Loss Before EP (8-9)</b>	<b>3762</b>	<b>3010</b>	<b>1922</b>
(11) Net Extra-Ord. Items	-52	-1417	85
<b>(12) Net Profit / Loss(-) (10-11)</b>	<b>3814</b>	<b>4427</b>	<b>1837</b>
(13) Dividend Declared	0	0	0
(14) Dividend Tax	0	0	0
<b>(15) Retained Profit (12-13-14)</b>	<b>3814</b>	<b>4427</b>	<b>1837</b>

Financial Ratios	2010-11	2009-10	2008-09
(i) Sales : Capital Employed	-574.98	-406.46	-156.05
(ii) Cost of Sales : Sales	97.47	99.16	97.95
(iii) Salary / Wages : Sales	23.29	29.47	26.03
(iv) Net Profit : Net Worth	-	-	-
(v) Debt : Equity	0.12	0.15	0
(vi) Current Ratio	0.82	0.79	0.54
(vii) Sundry Debtors : Sales (No. of Days)	282.54	241.41	175.32
(viii) Total Inventory : Sales	131.83	114.82	105.45

## 2010-11 PROVISIONAL

## 9.2 Bharat Bhari Udyog Nigam Ltd.

Bharat Bhari Udyog Nigam Ltd. (BBUNL) was incorporated on 17.9.1986 with the objective of functioning as a 'Holding Company' as to coordinate the activities of the subsidiary companies and monitor their performance, provide need based, time bound services and expertise aimed at establishing principles and practices of sound corporate management & governance, ensuring cohesive working of the group companies and eliminating cross-competition among subsidiaries against same tender. It also functions as an arm of Department of Heavy Industry (DHI) to monitor the implementation of government policies, guidelines, directives, rules & regulations, Acts etc. by the subsidiaries.

BBUNL is a Schedule- 'A' CPSE in Heavy Engineering sector under the administrative control of M/o Heavy Industries and Public Enterprises, D/o Heavy Industry with 100% shareholding by the Government of India. Its Registered and Corporate offices are at Kolkata, West Bengal.

### Vision/Mission

The Vision of the Company is to be a leader in the field of infrastructure development and all types of Steel bridges.

The Mission of the Company is to enhance the turnover five times in next five years.

### Industrial / Business Operations

BBUNL, as holding company does not have any manufacturing activities of its own. BBUNL Group's major products are Steel bridges, civil construction, cranes etc. It is also carrying on business or trade of construction, manufacturing, operating, and processing, fabricating, transporting, installing and commissioning, buying, selling, importing, exporting and otherwise dealing in, directly or through its now single subsidiary company namely Braithwaite Burn & Jessop (BBJ) Construction Co. Ltd. (BBJ).

During the year administrative control of Burn Standard Co. Ltd. (BSCL) and Braithwaite and Co. Ltd. (BCL) has been transferred to Ministry of Railway (MoR).

The company also has two Joint Ventures namely Lagan Engg. Co. Ltd. and Jessop and Co. Ltd. (JCL), where in it hold equity of 18.31% and 4.16% respectively after issuance of Right Share.

### Strategic Issues

The other objectives of the company are to achieve minimum 20% growth in turnover in 2011-12.

### Performance Highlights

The operational performance of the company along with performance indicators and selected financial ratios during the period 2008-09 to 2010-11 can be seen on the opposite page.

The Company registered a reduction of ₹ 123.70 crore in total income during 2010-11 which went down to 13.87 crore in 2010-11 from ₹ 137.57 crore during 2009-10. The net profit of the company correspondingly reduced to ₹ 0.02 crore, a reduction of ₹ 0.39 crore over the previous year profit of ₹ 0.41 crore due to fall in other income.

### Human Resource Management

The company employed 27 regular employees as on 31.3.2011. The retirement age in the company is 58 years. It is following IDA 1997 pattern of remuneration. Details of employment in last 3 years are given below:

Particulars	2010-11	2009-10	2008-09
Executives including Non-Unionised Supervisors	20	25	28
Non-Executives #	7	7	7
Total Employees	27	32	35

# Detail break-up of Non-Executive employees is at Statement no. 25 of volume-I of PE Survey.

Balance Sheet	(₹ in Lakhs)		
Particulars	2010-11	2009-10	2008-09
Authorised Capital	34810	34810	35173
<b>(1) Sources Of Fund</b>			
<b>(1.1) Shareholders Funds</b>			
(A) Paid-Up Capital			
Central Govt	10373	33898	35173
Others	0	0	0
(B) Share Application Money	1713	10167	9012
(C) Reserves & Surplus	75	73	39
<b>Total (A) + (B) + (C)</b>	<b>12161</b>	<b>44138</b>	<b>44224</b>
<b>(1.2) Loan Funds</b>			
(A) Secured Loans	0	0	0
(B) Unsecured Loans	42484	162866	148528
<b>Total (A) + (B)</b>	<b>42484</b>	<b>162866</b>	<b>148528</b>
(1.3) Deferred Tax Liability	0	0	0
<b>Total (1.1) + (1.2) + (1.3)</b>	<b>54645</b>	<b>207004</b>	<b>192752</b>
<b>(2) Application Of Funds</b>			
<b>(2.1) Fixed Assets</b>			
(A) Gross Block	78	77	75
(B) Less Depreciation	71	69	67
<b>(C) Net Block (A-B)</b>	<b>7</b>	<b>8</b>	<b>8</b>
(D) Capital Work In Progress	0	0	0
<b>Total (C) + (D)</b>	<b>7</b>	<b>8</b>	<b>8</b>
<b>(2.2) Investment</b>	<b>5112</b>	<b>20050</b>	<b>19670</b>
<b>(2.3) Current Assets, Loan &amp; Advances</b>			
(A) Inventories	92	27	0
(B) Sundry Debtors	639	174	134
(C) Cash & Bank Balances	1573	3516	4327
(D) Other Current Assets	6948	7311	7369
(E) Loan & Advances	42959	184422	170398
<b>Total (A)+ (B)+ (C)+ (D)+ (E)</b>	<b>52211</b>	<b>195450</b>	<b>182228</b>
<b>(2.4) Less: current Liabilities &amp; Provisions</b>			
(A) Current Liabilities	2645	8453	9109
(B) Provisions	40	51	45
<b>Total (A+B)</b>	<b>2685</b>	<b>8504</b>	<b>9154</b>
<b>(2.5) Net Current Assets (2.3-2.4)</b>	<b>49526</b>	<b>186946</b>	<b>173074</b>
(2.6) Deferred Revenue / Pre. Expenditure	0	0	0
(2.7) Deferred Tax Asset	0	0	0
(2.8) Profit & Loss Account(Dr)	0	0	0
<b>Total (2.1+2.2+2.5+2.6+2.7+2.8)</b>	<b>54645</b>	<b>207004</b>	<b>192752</b>

Important Indicators	2010-11	2009-10	2008-09
(i) Investment	54570	206931	192713
(ii) Capital Employed	49533	186954	173082
(iii) Net Worth	12161	44138	44224
(iv) Cost of Production	1385	13702	5691
(v) Cost of Sales	1319	13675	5691
(vi) Gross Value Added (At Market Price)	-	-	-
(vii) Total Employees (Other Than Casuals) (Nos.)	27	32	35
(viii) Avg. Monthly Emoluments Per Employee (Rs.)	67284	46615	38333

Profit & Loss Account	(₹ in Lakhs)		
Particulars	2010-11	2009-10	2008-09
<b>(1) Income</b>			
(A) Sales/Operating Income	1151	397	346
(B) Excise Duty	0	0	0
(C) Net Sales (A-B)	1151	397	346
(D) Other Income/Receipts	170	13333	5366
(E) Accretion/Depletion in Stocks	66	27	0
<b>(I) Total Income (C+D+E)</b>	<b>1387</b>	<b>13757</b>	<b>5712</b>
<b>(2) Expenditure</b>			
(A) Purchase of Finished Goods/ Consumption Of Raw Materials	5	40	7
(B) Stores & Spares	0	0	0
(C) Power & Fuel	6	7	5
(D) Manufacturing / Direct / Operating Expenses	1056	189	330
(E) Salary, Wages & Benefits / Employee Exp.	218	179	161
(F) Other Expenses	54	61	83
(G) Provisions	0	0	0
<b>(II) Total Expenditure (A to G)</b>	<b>1339</b>	<b>476</b>	<b>586</b>
<b>(3) Profit Before Dep, Int, Taxes &amp; EP (PBDITEP) (I-II)</b>	<b>48</b>	<b>13281</b>	<b>5126</b>
(4) Depreciation	2	3	2
(5) Dre/Prel Exp Written Off	0	0	0
<b>(6) Profit Before Int., Taxes &amp; Ep (PBITEP) (3-4-5)</b>	<b>46</b>	<b>13278</b>	<b>5124</b>
(7) Interest			
(A) On Central Government Loans	44	13223	5103
(B) On Foreign Loans	0	0	0
(C) Others	0	0	0
(D) Less Interest Capitalised	0	0	0
(E) Charged to P & L Account (A+B+C-D)	44	13223	5103
<b>(8) Profit Before Tax &amp; EP(PBTEP) (6-7E)</b>	<b>2</b>	<b>55</b>	<b>21</b>
(9) Tax Provisions	1	14	8
<b>(10) Net Profit / Loss Before EP (8-9)</b>	<b>1</b>	<b>41</b>	<b>13</b>
(11) Net Extra-Ord. Items	-1	0	0
<b>(12) Net Profit / Loss(-) (10-11)</b>	<b>2</b>	<b>41</b>	<b>13</b>
(13) Dividend Declared	0	5	5
(14) Dividend Tax	0	1	1
<b>(15) Retained Profit (12-13-14)</b>	<b>2</b>	<b>35</b>	<b>7</b>

Financial Ratios	2010-11	2009-10	2008-09
(i) Sales : Capital Employed	2.32	0.21	0.2
(ii) Cost of Sales : Sales	114.6	3444.58	1644.8
(iii) Salary / Wages : Sales	18.94	45.09	46.53
(iv) Net Profit : Net Worth	0.02	0.09	0.03
(v) Debt : Equity	3.49	3.69	3.36
(vi) Current Ratio	19.45	22.98	19.91
(vii) Sundry Debtors : Sales (No. of Days)	202.64	159.97	141.36
(viii) Total Inventory : Sales	29.17	24.82	0



## 9.3 Bharat Heavy Electricals Limited

Bharat Heavy Electrical Ltd. (BHEL) was incorporated on 13.11.1964 with an objective to have indigenous Heavy Electrical Equipment industry in India. It is a Schedule-A / listed Navratna CPSE in Heavy Engineering sector under the administrative control of Ministry of Heavy Industries and Public Enterprises, Department of Heavy Industries with 67.72% shareholding by the Government of India. Its Registered and Corporate office are at New Delhi.

### Vision / Mission

The vision of the Company is to be a world class Engineering Enterprise committed to enhancing stakeholder value.

The Mission of the Company is to be an Indian Multinational Engineering Enterprise providing Total Business Solutions through Quality Products and Services in the fields of Energy, Industry, Transportation, Infrastructure and other potential areas.

### Industrial / Business Operations

BHEL is the largest engineering and manufacturing enterprise of India in the energy & infrastructure related sectors. BHEL is amongst world's rarest few who have the capability to manufacture entire range of power plant equipment besides establishing substantial inroads in select segment of products in Industrial sector and Railways. The company has realised the capability to deliver 15,000 MW power equipment capacity per annum and further expansion program to reach 20,000 MW p.a by 2012 is underway.

BHEL caters to core sectors of the Indian Economy viz., Power Generation and Transmission, Industry, Transportation, Renewable Energy, Defence, etc. The wide network of BHEL's, 15 manufacturing divisions, 2 repair units, 4 power sector regions, 8 service centres, 15 regional offices, 2 subsidiaries and a large number of Project Sites spread all over India and abroad enables the company to provide most suitable products, systems and services, efficiently and at competitive prices.

The company has entered into seven strategic joint ventures in supercritical coal fired power plants to leverage equipment sales besides living up to the commitment for green energy initiatives. The name of these JVs are "BHEL GE Gas Turbine Services Ltd." with GEP, Mauritius, "Power Plant Performance Improvement Ltd." with Siemens AG of Germany, "NTPC BHEL Power Projects Pvt. Ltd." with NTPC, Udangudi Power Corporation Ltd. with Tamil Nadu Electricity Board, Barak Power Pvt. Ltd. with PTC India Ltd., Raichur Power Corporation Ltd. with Karnataka Power Corporation Ltd. and Dada Dhuniwale Khandwa Power Ltd. with 50% equity held by each.

BHEL's operations are organised around three business sectors, namely Power, Industry including Transmission, Transportation, Telecommunication & Renewable Energy and International Operations.

The product range of the company comprises of 180 products. The physical performance of the company during the period 2008-09 to 2010-11 is mentioned below:

Main Product	Unit	Performance During		
		2010-11	2009-10	2008-09
Boiler, Valves and Boiler Auxiliaries	MT	891624	790672	639376
Steam Turbine / Generators	MW Completion	16059/11458	10595/9760	7572/7239

Power Transformers	MVA	26202	19197	21705
Traction Machines	Nos.	2351	2379	3122

### Strategic Issues

To expand International footprint, BHEL would be consolidating its presence in existing international markets and also tapping opportunities in new markets. Focus would be on EPC opportunities, augmentation of EPC capabilities & gearing-up the organisation accordingly.

### Performance Highlights

The operational performance of the company along with performance indicators and selected financial ratios during the period 2008-09 to 2010-11 can be seen on the opposite page.

The company registered an increase of ₹ 8098.2 crore in income which went up to ₹ 43,394.58 crore in 2010-11 from ₹ 35296.38 crore in 2009-10. Correspondingly, net profit of the company increased to ₹ 6011.20 crore, an increase of ₹ 1700.55 crore over the previous year. Increase in turnover alongwith savings in material cost over previous year has contributed to the better financial performance during the year. Power segment and industry segment contributed 79% and 21% respectively for the total revenue of the company.

The company is continuing to invest in building capacities and capabilities not only to cope with rising demand, but also in view of its drive to strengthen its engineering character. A Capital Investment of ₹1655 crore and R&D expenditure of ₹982 was made during the year.

### Human Resource Management

The Company employed 46748 regular employees as on 31.03.2011. The retirement age in the company is 60 years. It is following IDA 2007 pattern of remuneration. Details of employment in last 3 years are given below:

(In Nos.)

Particulars	2010-11	2009-10	2008-09
Executives including Non-Unionised Supervisors	13511	12801	19910
Non-Executives #	33237	33473	25756
Total Employees	46748	46274	45666

# Detail break-up of Non-Executive employees is at Statement no. 25 of volume-I of PE Survey.

### Technology Up-gradation, Research & Development

BHEL's products and systems are technology intensive and R&D / technology development is of strategic importance in its endeavour to become an all-inclusive engineering enterprise. A total of 91 patents and copyrights were granted during the year enhancing the intellectual capital to 1,438 patents & copyrights-31% growth in IPR capital. Significantly, BHEL was ranked as the number one company in terms of filing patents and second highest investor in R&D in India by Economic Times Intelligence Group. The company won the coveted CII-Thompson Reuters Innovation Award-2010 in the 'Hi Tech Corporate' category in recognition of its innovation and entrepreneurship in India.



Balance Sheet	(₹ in Lakhs)		
Particulars	2010-11	2009-10	2008-09
Authorised Capital	200000	200000	200000
<b>(1) Sources Of Fund</b>			
<b>(1.1) Shareholders Funds</b>			
(A) Paid-Up Capital			
Central Govt	33151	33151	33151
Others	15801	15801	15801
(B) Share Application Money	0	0	0
(C) Reserves & Surplus	1966432	1542784	1244929
<b>Total (A) + (B) + (C)</b>	<b>2015384</b>	<b>1591736</b>	<b>1293881</b>
<b>(1.2) Loan Funds</b>			
(A) Secured Loans	0	0	0
(B) Unsecured Loans	16335	12775	14937
<b>Total (A) + (B)</b>	<b>16335</b>	<b>12775</b>	<b>14937</b>
(1.3) Deferred Tax Liability	0	0	0
<b>Total (1.1) + (1.2) + (1.3)</b>	<b>2031719</b>	<b>1604511</b>	<b>1308818</b>
<b>(2) Application Of Funds</b>			
<b>(2.1) Fixed Assets</b>			
(A) Gross Block	804974	658014	522487
(B) Less Depreciation	464882	416474	375447
<b>(C) Net Block (A-B)</b>	<b>340092</b>	<b>241540</b>	<b>147040</b>
(D) Capital Work In Progress	176218	152955	115697
<b>Total (C) + (D)</b>	<b>516310</b>	<b>394495</b>	<b>262737</b>
(2.2) Investment	65847	29738	23423
<b>(2.3) Current Assets, Loan &amp; Advances</b>			
(A) Inventories	1096303	923546	783702
(B) Sundry Debtors	2735462	2068875	1597550
(C) Cash & Bank Balances	963015	979008	1031467
(D) Other Current Assets	30963	40685	35021
(E) Loan & Advances	301801	259613	224178
<b>Total (A)+(B)+(C)+(D)+(E)</b>	<b>5127544</b>	<b>4271727</b>	<b>3671918</b>
<b>(2.4) Less: current Liabilities &amp; Provisions</b>			
(A) Current Liabilities	3134657	2802374	2335732
(B) Provisions	759680	441798	497558
<b>Total (A+B)</b>	<b>3894337</b>	<b>3244172</b>	<b>2833290</b>
<b>(2.5) Net Current Assets (2.3-2.4)</b>	<b>1233207</b>	<b>1027555</b>	<b>838628</b>
(2.6) Deferred Revenue / Pre. Expenditure	0	0	0
(2.7) Deferred Tax Asset	216355	152723	184030
(2.8) Profit & Loss Account(Dr)	0	0	0
<b>Total (2.1+2.2+2.5+2.6+2.7+2.8)</b>	<b>2031719</b>	<b>1604511</b>	<b>1308818</b>

Important Indicators	2010-11	2009-10	2008-09
(i) Investment	65287	61727	48952
(ii) Capital Employed	1573299	1269095	985668
(iii) Net Worth	2015384	1591736	1293881
(iv) Cost of Production	3438712	2871299	2402427
(v) Cost of Sales	3425977	2792634	2287273
(vi) Gross Value Added (At Market Price)	-	-	-
(vii) Total Employees (Other Than Casuals) (Nos.)	46748	46274	45666
(viii) Avg. Monthly Emoluments Per Employee (Rs.)	96202	116141	54448

Profit & Loss Account	(₹ in Lakhs)		
Particulars	2010-11	2009-10	2008-09
<b>(1) Income</b>			
(A) Sales/Operating Income	4333700	3415376	2803319
(B) Excise Duty	177087	129232	182086
(C) Net Sales (A-B)	4156613	3286144	2621233
(D) Other Income/Receipts	170110	164829	149736
(E) Accretion/Depletion in Stocks	12735	78665	115154
<b>(I) Total Income (C+D+E)</b>	<b>4339458</b>	<b>3529638</b>	<b>2886123</b>
<b>(2) Expenditure</b>			
(A) Purchase of Finished Goods/ Consumption Of Raw Materials	1941759	1729534	1514894
(B) Stores & Spares	46986	45740	43849
(C) Power & Fuel	40286	33799	34182
(D) Manufacturing / Direct / Operating Expenses	443536	359901	264761
(E) Salary, Wages & Benefits / Employee Exp.	539671	644917	298368
(F) Other Expenses	95076	101672	81778
(G) Provisions	271513	-93415	128097
<b>(II) Total Expenditure (A to G)</b>	<b>3378827</b>	<b>2822148</b>	<b>2365929</b>
<b>(3) Profit Before Dep, Int, Taxes &amp; EP (PBDITEP) (I-II)</b>	<b>960631</b>	<b>707490</b>	<b>520194</b>
(4) Depreciation	54412	45801	33427
(5) Dre/Prel Exp Written Off	0	0	0
<b>(6) Profit Before Int., Taxes &amp; Ep (PBITEP) (3-4-5)</b>	<b>906219</b>	<b>661689</b>	<b>486767</b>
(7) Interest			
(A) On Central Government Loans	0	0	0
(B) On Foreign Loans	0	0	0
(C) Others	5473	3350	3071
(D) Less Interest Capitalised	0	0	0
(E) Charged to P & L Account (A+B+C-D)	5473	3350	3071
<b>(8) Profit Before Tax &amp; EP(PBTEP) (6-7E)</b>	<b>900746</b>	<b>658339</b>	<b>483696</b>
(9) Tax Provisions	299447	228001	171064
<b>(10) Net Profit / Loss Before EP (8-9)</b>	<b>601299</b>	<b>430338</b>	<b>312632</b>
(11) Net Extra-Ord. Items	179	-727	-1189
<b>(12) Net Profit / Loss(-) (10-11)</b>	<b>601120</b>	<b>431065</b>	<b>313821</b>
(13) Dividend Declared	152485	114058	83218
(14) Dividend Tax	24988	19151	14143
<b>(15) Retained Profit (12-13-14)</b>	<b>423647</b>	<b>297856</b>	<b>216460</b>

Financial Ratios	2010-11	2009-10	2008-09
(i) Sales : Capital Employed	264.2	258.94	265.93
(ii) Cost of Sales : Sales	82.42	84.98	87.26
(iii) Salary / Wages : Sales	12.98	19.63	11.38
(iv) Net Profit : Net Worth	29.83	27.08	24.25
(v) Debt : Equity	0.01	0.01	0.01
(vi) Current Ratio	1.32	1.32	1.3
(vii) Sundry Debtors : Sales (No. of Days)	240.21	229.79	222.45
(viii) Total Inventory : Sales	96.27	102.58	109.13

## 9.4 Bharat Heavy Plate Vessels Ltd.

BHPV was incorporated in the year 1966 under Companies Act, 1956 with the objective of supplying cost effective international quality products and related services for process & other industries through latest technology.

BHPV is a schedule 'B' BIFR/ BRPSE referred CPSE in Heavy Engineering sector under the Administrative control of M/o Heavy Industries & Public Enterprises, D/o Heavy Industry. Its registered & corporate offices are at Visakhapatnam, Andhra Pradesh.

BHPV is now a 100% subsidiary of BHEL Ltd. after it's takeover on 10.05.08.

### Vision/Mission

The vision / mission of the company is to develop the Organization into a viable and profit making EPC company, with a view to becoming an important player supplying international quality and cost effective products for Process Plants, Power, Nuclear, Space and other industries.

### Industrial / Business Operations

Main activities of the company are engineering, procurement, manufacturing, supply, erection & commissioning of process plants, cryogenics and combustion systems through its single manufacturing plant at Visakhapatnam, Andhra Pradesh.

Consequent to the take over by BHEL, focused efforts are being made to upgrade the engineering skills in Bubbling Fluidised Bed Combustion (BFBC) & Heat Recovery Steam Generating (HRSG) Boilers as a part of diversification of its existing business. The physical performance of Company for the last three years are given below:

Main Product	Unit	Performance During		
		2010-11	2009-10	2008-09
Fertiliser & chemical equipments including Air & Gas Separation Plants, Multilayer Vessels, Industrial Boilers etc.	MT	12316	5101	6129

The average Capacity Utilisation Factor for all products/ services of the company taken together was 53.06% of 23,210 MT (original installed capacity) during 2010-11.

### Strategic Issues

The company is registered with BRPSE and BIFR. BRPSE recommended its Rehabilitation Scheme in 2007, which was approved by Government in 2008 and BIFR sanctioned the same in 2010. The scheme calls for Modernisation & Capacity expansion of plant & machinery in the coming years. Accordingly, the company planned investment towards capital expenditure for plants & equipments and infrastructure. As a part of the revival package, the holding company (BHEL) is investing ₹ 230.91 crore towards modernisation and capacity expansion. For improving turnover, BHEL's total support has been taken as a strategic initiative to enhance Industrial Boiler & HRSG capability, by sharing the load of Trichy.

### Performance Highlights

The operational performance of the company along with performance indicators and selected financial ratios during the period 2008-09 to 2010-11 can be seen on the opposite page.

The Company registered an increase of ₹ 38.77 crore in total income during 2010-11 which went up to ₹ 130.85 crore in 2010-11 from ₹ 92.08 crore during 2009-10. The net profit

of the company correspondingly increased to ₹ 8.78 crore, an increase of ₹ 17.38 crore over the previous year loss of ₹ 8.60 crore due to better functioning along with reduction in manufacturing / direct operating expenses by making efforts for lower energy consumption, technology up gradation etc.

### Human Resource Management

The company employed 1109 regular employees as on 31.3.2011. The retirement age in the company is 58 years. It is following IDA 1992 pattern of remuneration. Details of employment in last 3 years are given below:

Particulars	2010-11	2009-10	2008-09
Executives including Non-Unionised Supervisors	257	322	381
Non-Executives #	852	928	989
Total Employees	1109	1250	1370

# Detail break-up of Non-Executive employees is at Statement no. 25 of volume-I of PE Survey.

Balance Sheet	(₹ in Lakhs)		
Particulars	2010-11	2009-10	2008-09
Authorised Capital	3500	3500	3500
<b>(1) Sources Of Fund</b>			
<b>(1.1) Shareholders Funds</b>			
(A) Paid-Up Capital			
Central Govt	0	0	0
Others	3380	3380	3380
(B) Share Application Money	0	0	0
(C) Reserves & Surplus	2	2	2
<b>Total (A) + (B) + (C)</b>	<b>3382</b>	<b>3382</b>	<b>3382</b>
<b>(1.2) Loan Funds</b>			
(A) Secured Loans	0	183	0
(B) Unsecured Loans	26048	26897	23840
<b>Total (A) + (B)</b>	<b>26048</b>	<b>27080</b>	<b>23840</b>
(1.3) Deferred Tax Liability	0	0	0
<b>Total (1.1) + (1.2) + (1.3)</b>	<b>29430</b>	<b>30462</b>	<b>27222</b>
<b>(2) Application Of Funds</b>			
<b>(2.1) Fixed Assets</b>			
(A) Gross Block	8153	8064	7999
(B) Less Depreciation	7713	7603	7477
<b>(C) Net Block (A-B)</b>	<b>440</b>	<b>461</b>	<b>522</b>
(D) Capital Work In Progress	0	0	0
<b>Total (C) + (D)</b>	<b>440</b>	<b>461</b>	<b>522</b>
<b>(2.2) Investment</b>	<b>1</b>	<b>1</b>	<b>1</b>
<b>(2.3) Current Assets, Loan &amp; Advances</b>			
(A) Inventories	5284	4569	5348
(B) Sundry Debtors	9560	9321	6463
(C) Cash & Bank Balances	694	1564	441
(D) Other Current Assets	0	0	0
(E) Loan & Advances	8100	7213	8007
<b>Total (A)+(B)+(C)+(D)+(E)</b>	<b>23638</b>	<b>22667</b>	<b>20259</b>
<b>(2.4) Less: current Liabilities &amp; Provisions</b>			
(A) Current Liabilities	18295	17793	18287
(B) Provisions	2712	2109	1649
<b>Total (A+B)</b>	<b>21007</b>	<b>19902</b>	<b>19936</b>
<b>(2.5) Net Current Assets (2.3-2.4)</b>	<b>2631</b>	<b>2765</b>	<b>323</b>
(2.6) Deferred Revenue / Pre. Expenditure	0	0	0
(2.7) Deferred Tax Asset	0	0	0
(2.8) Profit & Loss Account(Dr)	26358	27235	26376
<b>Total (2.1+2.2+2.5+2.6+2.7+2.8)</b>	<b>29430</b>	<b>30462</b>	<b>27222</b>

Important Indicators	2010-11	2009-10	2008-09
(i) Investment	4274	30277	27220
(ii) Capital Employed	3071	3226	845
(iii) Net Worth	-22976	-23853	-22994
(iv) Cost of Production	12982	9959	22139
(v) Cost of Sales	13088	11011	21541
(vi) Gross Value Added (At Market Price)	-	-	-
(vii) Total Employees (Other Than Casuals) (Nos.)	1109	1250	1370
(viii) Avg. Monthly Emoluments Per Employee (Rs.)	35024	29300	53437

Profit & Loss Account	(₹ in Lakhs)		
Particulars	2010-11	2009-10	2008-09
<b>(1) Income</b>			
(A) Sales/Operating Income	13698	10431	8439
(B) Excise Duty	951	700	795
(C) Net Sales (A-B)	12747	9731	7644
(D) Other Income/Receipts	444	529	647
(E) Accretion/Depletion in Stocks	-106	-1052	598
<b>(I) Total Income (C+D+E)</b>	<b>13085</b>	<b>9208</b>	<b>8889</b>
<b>(2) Expenditure</b>			
(A) Purchase of Finished Goods/ Consumption Of Raw Materials	6252	3918	4640
(B) Stores & Spares	183	185	256
(C) Power & Fuel	342	270	257
(D) Manufacturing / Direct / Operating Expenses	238	948	595
(E) Salary, Wages & Benefits / Employee Exp.	4661	4395	8785
(F) Other Expenses	820	371	1333
(G) Provisions	236	14	4321
<b>(II) Total Expenditure (A to G)</b>	<b>12732</b>	<b>10101</b>	<b>20187</b>
<b>(3) Profit Before Dep, Int, Taxes &amp; EP (PBDITEP) (I-II)</b>	<b>353</b>	<b>-893</b>	<b>-11298</b>
(4) Depreciation	110	126	848
(5) Dre/Prel Exp Written Off	0	0	0
<b>(6) Profit Before Int., Taxes &amp; Ep (PBITEP) (3-4-5)</b>	<b>243</b>	<b>-1019</b>	<b>-12146</b>
(7) Interest			
(A) On Central Government Loans	0	0	0
(B) On Foreign Loans	0	0	0
(C) Others	140	-268	1104
(D) Less Interest Capitalised	0	0	0
(E) Charged to P & L Account (A+B+C-D)	140	-268	1104
<b>(8) Profit Before Tax &amp; EP(PBTEP) (6-7E)</b>	<b>103</b>	<b>-751</b>	<b>-13250</b>
(9) Tax Provisions	0	109	57
<b>(10) Net Profit / Loss Before EP (8-9)</b>	<b>103</b>	<b>-860</b>	<b>-13307</b>
(11) Net Extra-Ord. Items	-775	0	-22943
<b>(12) Net Profit / Loss(-) (10-11)</b>	<b>878</b>	<b>-860</b>	<b>9636</b>
(13) Dividend Declared	0	0	0
(14) Dividend Tax	0	0	0
<b>(15) Retained Profit (12-13-14)</b>	<b>878</b>	<b>-860</b>	<b>9636</b>

Financial Ratios	2010-11	2009-10	2008-09
(i) Sales : Capital Employed	415.08	301.64	904.62
(ii) Cost of Sales : Sales	102.68	113.15	281.8
(iii) Salary / Wages : Sales	36.57	45.16	114.93
(iv) Net Profit : Net Worth	-	-	-
(v) Debt : Equity	7.7	8.01	7.05
(vi) Current Ratio	1.13	1.14	1.02
(vii) Sundry Debtors : Sales (No. of Days)	273.74	349.62	308.61
(viii) Total Inventory : Sales	151.3	171.38	255.37

## 9.5 Bharat Wagon & Engineering Company Limited

Bharat Wagon & Engineering Company Limited (BWEL) was incorporated on 04.12.1978 with the objective of taking over the assets and interest of the erstwhile Arthur Butter & Co. Muzaffarpur and Britanica Engg. Works, Mokameh. The main objective of the company is to be a leading Engineering unit with a brand image and eminence in the field of manufacturing of Railway Wagons.

BWEL is a Schedule-‘C’ / BIFR / BRPSE referred CPSE in Heavy Engineering sector under the administrative control of the M/o Railway with 100% shareholding by the Government of India. Its Registered and Corporate Offices are at Patna, Bihar and the Regional Office is in New Delhi.

### Vision / Mission

The vision of the company is to become ‘state of the art’ wagon builder and fabricator in the country with competitive and cost effective prices.

The mission of the company is to achieve 10% market share in wagon manufacturing in the country and to become a significant player in the area of steel fabrication.

### Industrial / Business Operations

BWEL is engaged in manufacturing of Railway Wagons & Steel Fabrication through its two operating units at Mokama and Muzaffarpur in Bihar. One unit at Muzaffarpur which was manufacturing cylinder, fuel storage and tanks is not in operation. The physical performances of the company for last three years are given below:

Major Product	Unit	2010-11	2009-10	2008-09
Railway Wagons	VU	197	254	176
Capacity Utilization	%	22%	29%	20%

### Strategic issue

The financial restructuring of the company has been approved by DHI, Govt. of India as per the recommendations of BRPSE. As per restructuring plan, the administrative control of company is transferred to M/o Railway (MoR) from D/o Heavy Industries (DHI) since the year 2008-09.

The company has drawn a revised revival proposal estimated at ₹ 108.65 crores ( ₹ 67 crore further fund support from GoI & ₹ 40.70 crore fund support from MoR), for onward submission to the BIFR which also includes a sum of ₹ 45 crores on account of proposed implementation of 1997 pay revision.

### Performance Highlights

The operational performance of the company along with performance indicators and selected financial ratios during the period 2008-09 to 2010-11 can be seen on the opposite page.

The Company registered an increase of ₹ 6.93 crore in total income during 2010-11 which went up to ₹ 36.93 crore in 2010-11 from ₹ 30.00 crore during 2009-10 due to increase in price of wagon. The net loss of the company however increased to ₹ 9.99 crore, an increase of ₹ 0.91 crore over the previous year's loss of ₹ 9.08 core due to increase in operating cost.

### Human Resource Management

The company employed 860 regular employees as on 31.3.2011. The retirement age in the company is 58 years. It is following IDA 1992 pattern of remuneration. Details of employment in last 3 years are given below:

Particulars	2010-11	2009-10	2008-09
Executives including Non-Unionised Supervisors	109	95	101
Non-Executives #	751	787	796
Total Employees	860	882	897

# Detail break-up of Non-Executive employees is at Statement no. 25 of volume-I of PE Survey.

**Bharat Wagon & Engineering Company Limited**

‘C’Block, 5th floor, Maurya Lok Complex, Dak Bunglow Road, Patna-800001

Balance Sheet	(₹ in Lakhs)		
Particulars	2010-11	2009-10	2008-09
Authorised Capital	1000	1000	1000
<b>(1) Sources Of Fund</b>			
<b>(1.1) Shareholders Funds</b>			
(A) Paid-Up Capital			
Central Govt	907	224	224
Others	0	0	0
(B) Share Application Money	0	683	683
(C) Reserves & Surplus	0	0	0
<b>Total (A) + (B) + (C)</b>	<b>907</b>	<b>907</b>	<b>907</b>
<b>(1.2) Loan Funds</b>			
(A) Secured Loans	441	373	0
(B) Unsecured Loans	500	500	500
<b>Total (A) + (B)</b>	<b>941</b>	<b>873</b>	<b>500</b>
(1.3) Deferred Tax Liability	0	0	0
<b>Total (1.1) + (1.2) + (1.3)</b>	<b>1848</b>	<b>1780</b>	<b>1407</b>
<b>(2) Application Of Funds</b>			
<b>(2.1) Fixed Assets</b>			
(A) Gross Block	2244	2048	1841
(B) Less Depreciation	1392	1347	1309
<b>(C) Net Block (A-B)</b>	<b>852</b>	<b>701</b>	<b>532</b>
(D) Capital Work In Progress	0	11	45
<b>Total (C) + (D)</b>	<b>852</b>	<b>712</b>	<b>577</b>
<b>(2.2) Investment</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>(2.3) Current Assets, Loan &amp; Advances</b>			
(A) Inventories	919	784	655
(B) Sundry Debtors	260	364	466
(C) Cash & Bank Balances	493	763	1210
(D) Other Current Assets	114	5	12
(E) Loan & Advances	683	615	1045
<b>Total (A)+(B)+(C)+(D)+(E)</b>	<b>2469</b>	<b>2531</b>	<b>3388</b>
<b>(2.4) Less: current Liabilities &amp; Provisions</b>			
(A) Current Liabilities	3066	2175	2449
(B) Provisions	940	822	734
<b>Total (A+B)</b>	<b>4006</b>	<b>2997</b>	<b>3183</b>
<b>(2.5) Net Current Assets (2.3-2.4)</b>	<b>-1537</b>	<b>-466</b>	<b>205</b>
(2.6) Deferred Revenue / Pre. Expenditure	0	0	0
(2.7) Deferred Tax Asset	0	0	0
(2.8) Profit & Loss Account(Dr)	2533	1534	625
<b>Total (2.1+2.2+2.5+2.6+2.7+2.8)</b>	<b>1848</b>	<b>1780</b>	<b>1407</b>

Important Indicators	2010-11	2009-10	2008-09
(i) Investment	907	907	907
(ii) Capital Employed	-685	235	737
(iii) Net Worth	-1626	-627	282
(iv) Cost of Production	4682	3921	2662
(v) Cost of Sales	4784	3853	2502
(vi) Gross Value Added (At Market Price)	-	-	-
(vii) Total Employees (Other Than Casuals) (Nos.)	860	882	897
(viii) Avg. Monthly Emoluments Per Employee (Rs.)	12548	11026	9913

Profit & Loss Account	(₹ in Lakhs)		
Particulars	2010-11	2009-10	2008-09
<b>(1) Income</b>			
(A) Sales/Operating Income	3754	2841	1243
(B) Excise Duty	8	1	7
(C) Net Sales (A-B)	3746	2840	1236
(D) Other Income/Receipts	49	92	405
(E) Accretion/Depletion in Stocks	-102	68	160
<b>(I) Total Income (C+D+E)</b>	<b>3693</b>	<b>3000</b>	<b>1801</b>
<b>(2) Expenditure</b>			
(A) Purchase of Finished Goods/ Consumption Of Raw Materials	2908	2227	1074
(B) Stores & Spares	15	31	17
(C) Power & Fuel	185	231	281
(D) Manufacturing / Direct / Operating Expenses	44	67	32
(E) Salary, Wages & Benefits / Employee Exp.	1295	1167	1067
(F) Other Expenses	119	86	91
(G) Provisions	0	7	0
<b>(II) Total Expenditure (A to G)</b>	<b>4566</b>	<b>3816</b>	<b>2562</b>
<b>(3) Profit Before Dep, Int, Taxes &amp; EP (PBDITEP) (I-II)</b>	<b>-873</b>	<b>-816</b>	<b>-761</b>
(4) Depreciation	45	42	38
(5) Dre/Prel Exp Written Off	0	0	0
<b>(6) Profit Before Int., Taxes &amp; Ep (PBITEP) (3-4-5)</b>	<b>-918</b>	<b>-858</b>	<b>-799</b>
(7) Interest			
(A) On Central Government Loans	0	0	0
(B) On Foreign Loans	0	0	0
(C) Others	71	63	62
(D) Less Interest Capitalised	0	0	0
(E) Charged to P & L Account (A+B+C-D)	71	63	62
<b>(8) Profit Before Tax &amp; EP(PBTEP) (6-7E)</b>	<b>-989</b>	<b>-921</b>	<b>-861</b>
(9) Tax Provisions	0	0	2
<b>(10) Net Profit / Loss Before EP (8-9)</b>	<b>-989</b>	<b>-921</b>	<b>-863</b>
(11) Net Extra-Ord. Items	10	-13	0
<b>(12) Net Profit / Loss(-) (10-11)</b>	<b>-999</b>	<b>-908</b>	<b>-863</b>
(13) Dividend Declared	0	0	0
(14) Dividend Tax	0	0	0
<b>(15) Retained Profit (12-13-14)</b>	<b>-999</b>	<b>-908</b>	<b>-863</b>

Financial Ratios	2010-11	2009-10	2008-09
(i) Sales : Capital Employed	-546.86	1208.51	167.71
(ii) Cost of Sales : Sales	127.71	135.67	202.43
(iii) Salary / Wages : Sales	34.57	41.09	86.33
(iv) Net Profit : Net Worth	-	-	-306.03
(v) Debt : Equity	1.04	0.96	0.55
(vi) Current Ratio	0.62	0.84	1.06
(vii) Sundry Debtors : Sales (No. of Days)	25.33	46.78	137.61
(viii) Total Inventory : Sales	89.54	100.76	193.43

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## 9.6 Braithwaite & Co.Ltd.

Braithwaite and Co. Ltd. (BCL) was incorporated on 1.12.1976 when the assets acquired by the Government of India under “Braithwaite and Company (India) Limited (Acquisition and Transfer of Undertakings) Act, 1976” were vested with BCL after its take over by the Government.

BCL is a Schedule-‘B’ / BIFR / BRPSE referred, sick taken over CPSE in Heavy Engineering sector under the administrative control of M/o Railways having its Registered and Corporate offices at Kolkata, West Bengal. The administrative control of BCL was transferred from D/o Heavy Industry to M/o Railway from 6.8.2010.

### Vision / Mission

The Vision of the Company is to leader in the filed wagon manufacture and diversifies into engineering and infrastructure business.

The Mission of the Company is to double the existing (10-11) Wagon production by 2014-15; to become a Schedule ‘A’ company by 2014-15; to establish the state of the Art Steel Foundry and to enter in the technology area by leveraging internal resources for manufacturing of BTFNL and BRN22.9 wagons & collaboration for Aluminium wagons.

### Industrial / Business Operations

BCL is mainly engaged in the production of Various Engineering products, mainly Railway rolling stocks at its three Works viz. Clive Works & Victoria Works situated in Kolkata and Angus works at Bhadreswar, West Bengal. The physical performances of the company for last three years are given below:

Main Product	Unit	Performance During		
		2010-11	2009-10	2008-09
<b>Wagon</b>	<b>VU</b>	<b>1059</b>	<b>1001</b>	<b>631</b>
Bogies	Nos	590	1024	1174
Couplers	Nos	0	232	325
Structural	MT	4311	0	0
Castings	Nos	1417	1938	1193

### Strategic Issue

The company is registered with BIFR since 1992 and also referred to BRPSE. As a result of implementation of the revival scheme as approved by BRPSE and GoI the company has been making profits. Ongoing capital projects would be started in 2011-12 with the help of planned fund sanctioned by M/o Railway.

The company is trying to strengthen its operations to achieve doubling of the value of production in next five years through increase in capacity utilization and performance and to focus on modernisation / up-gradation of manufacturing facilities and to update product design, manufacturing technology and production facilities.

### Performance Highlights

The operational performance of the company along with performance indicators and selected financial ratios during the period 2008-09 to 2010-11 can be seen on the opposite page.

The Company registered an increase of ₹ 41.13 crore in total income during 2010-11 which went up to ₹ 173.69 crore in 2010-11 from ₹ 132.56 crore during 2009-10. The net profit of the company correspondingly increased to ₹ 6.18 crore, an increase of ₹ 4.43 crore over the previous year due to increase in production and turnover. The company has received bulk order of Wagons from Railways during 2010-11.

### Human Resource Management

The company employed 412 regular employees as on 31.3.2011. The retirement age in the company is 58 years. It is following IDA 1997 pattern of remuneration. Details of employment in last 3 years are given below:

Particulars	2010-11	2009-10	2008-09
Executives including Non-Unionised Supervisors	76	87	90
Non-Executives #	336	357	382
Total Employees	412	444	472

# Detail break-up of Non-Executive employees is at Statement no. 25 of volume-I of PE Survey.



Balance Sheet	(₹ in Lakhs)		
Particulars	2010-11	2009-10	2008-09
Authorised Capital	9500	9500	9500
<b>(1) Sources Of Fund</b>			
<b>(1.1) Shareholders Funds</b>			
(A) Paid-Up Capital			
Central Govt	1860	0	0
Others	0	1675	1675
(B) Share Application Money	0	184	304
(C) Reserves & Surplus	4	4	4
<b>Total (A) + (B) + (C)</b>	<b>1864</b>	<b>1863</b>	<b>1983</b>
<b>(1.2) Loan Funds</b>			
(A) Secured Loans	1351	2220	2438
(B) Unsecured Loans	829	745	666
<b>Total (A) + (B)</b>	<b>2180</b>	<b>2965</b>	<b>3104</b>
(1.3) Deferred Tax Liability	0	0	0
<b>Total (1.1) + (1.2) + (1.3)</b>	<b>4044</b>	<b>4828</b>	<b>5087</b>
<b>(2) Application Of Funds</b>			
<b>(2.1) Fixed Assets</b>			
(A) Gross Block	5349	5116	5076
(B) Less Depreciation	3419	3262	3250
<b>(C) Net Block (A-B)</b>	<b>1930</b>	<b>1854</b>	<b>1826</b>
(D) Capital Work In Progress	383	371	304
<b>Total (C) + (D)</b>	<b>2313</b>	<b>2225</b>	<b>2130</b>
(2.2) Investment	1	2	1
<b>(2.3) Current Assets, Loan &amp; Advances</b>			
(A) Inventories	1965	1910	1913
(B) Sundry Debtors	7784	5229	2887
(C) Cash & Bank Balances	1351	397	357
(D) Other Current Assets	805	1453	1746
(E) Loan & Advances	1406	1876	1862
<b>Total (A)+(B)+(C)+(D)+(E)</b>	<b>13311</b>	<b>10865</b>	<b>8765</b>
<b>(2.4) Less:current Liabilities &amp; Provisions</b>			
(A) Current Liabilities	10774	8310	6153
(B) Provisions	988	752	628
<b>Total (A+B)</b>	<b>11762</b>	<b>9062</b>	<b>6781</b>
<b>(2.5) Net Current Assets (2.3-2.4)</b>	<b>1549</b>	<b>1803</b>	<b>1984</b>
(2.6) Deferred Revenue / Pre. Expenditure	0	0	0
(2.7) Deferred Tax Asset	0	0	0
(2.8) Profit & Loss Account(Dr)	181	798	972
<b>Total (2.1+2.2+2.5+2.6+2.7+2.8)</b>	<b>4044</b>	<b>4828</b>	<b>5087</b>

Important Indicators	2010-11	2009-10	2008-09
(i) Investment	2689	2604	2645
(ii) Capital Employed	3479	3657	3810
(iii) Net Worth	1683	1065	1011
(iv) Cost of Production	16604	12966	6178
(v) Cost of Sales	16276	13132	6242
(vi) Gross Value Added (At Market Price)	-	-	-
(vii) Total Employees (Other Than Casuals) (Nos.)	412	444	472
(viii) Avg. Monthly Emoluments Per Employee (Rs.)	26011	21378	18785

Profit & Loss Account	(₹ in Lakhs)		
Particulars	2010-11	2009-10	2008-09
<b>(1) Income</b>			
(A) Sales/Operating Income	16971	12761	6788
(B) Excise Duty	397	224	443
(C) Net Sales (A-B)	16574	12537	6345
(D) Other Income/Receipts	467	885	102
(E) Accretion/Depletion in Stocks	328	-166	-64
<b>(I) Total Income (C+D+E)</b>	<b>17369</b>	<b>13256</b>	<b>6383</b>
<b>(2) Expenditure</b>			
(A) Purchase of Finished Goods/ Consumption Of Raw Materials	10220	8299	2545
(B) Stores & Spares	351	459	302
(C) Power & Fuel	556	543	454
(D) Manufacturing / Direct / Operating Expenses	3040	1120	634
(E) Salary, Wages & Benefits / Employee Exp.	1286	1139	1064
(F) Other Expenses	626	916	516
(G) Provisions	51	25	156
<b>(II) Total Expenditure (A to G)</b>	<b>16130</b>	<b>12501</b>	<b>5671</b>
<b>(3) Profit Before Dep, Int, Taxes &amp; EP (PBDITEP) (I-II)</b>	<b>1239</b>	<b>755</b>	<b>712</b>
(4) Depreciation	176	173	176
(5) Dre/Prel Exp Written Off	0	0	0
<b>(6) Profit Before Int., Taxes &amp; Ep (PBITEP) (3-4-5)</b>	<b>1063</b>	<b>582</b>	<b>536</b>
(7) Interest			
(A) On Central Government Loans	0	0	0
(B) On Foreign Loans	0	0	0
(C) Others	298	292	331
(D) Less Interest Capitalised	0	0	0
(E) Charged to P & L Account (A+B+C-D)	298	292	331
<b>(8) Profit Before Tax &amp; EP(PBTEP) (6-7E)</b>	<b>765</b>	<b>290</b>	<b>205</b>
(9) Tax Provisions	141	32	21
<b>(10) Net Profit / Loss Before EP (8-9)</b>	<b>624</b>	<b>258</b>	<b>184</b>
(11) Net Extra-Ord. Items	6	83	34
<b>(12) Net Profit / Loss(-) (10-11)</b>	<b>618</b>	<b>175</b>	<b>150</b>
(13) Dividend Declared	0	0	0
(14) Dividend Tax	0	0	0
<b>(15) Retained Profit (12-13-14)</b>	<b>618</b>	<b>175</b>	<b>150</b>

Financial Ratios	2010-11	2009-10	2008-09
(i) Sales : Capital Employed	476.4	342.82	166.54
(ii) Cost of Sales : Sales	98.2	104.75	98.38
(iii) Salary / Wages : Sales	7.76	9.09	16.77
(iv) Net Profit : Net Worth	36.72	16.43	14.84
(v) Debt : Equity	1.17	1.59	1.57
(vi) Current Ratio	1.13	1.2	1.29
(vii) Sundry Debtors : Sales (No. of Days)	171.42	152.24	166.08
(viii) Total Inventory : Sales	43.27	55.61	110.05

## 9.7 Burn Standard Co. Ltd.

Burn Standard Co. Ltd. (BSCL) was incorporated on 01.12.1976 with the objective to take over the assets of nationalized private companies namely Burn and Co. Ltd and Indian Standard Wagon Ltd. under "The Burn Company and The Indian Standard Wagon Company (Nationalisation) Act, 1976". The current objective of the company is to maintain leadership as largest wagon builder in the country and to expand business horizon in engineering, refractory and turn key projects.

BSCL is a Schedule-'B', BIFR / BRPSE referred taken over CPSE in Ministry of Railways(MoR) having its registered office at Kolkatta, West Bengal.

### Vision / Mission

The vision of BSCL is to be a leader in the field of wagon manufacture and would gradually establish the company as a Global player.

The mission of the company is to be cross the ₹ 450 crore turnover mark by next five years viz. 2015-16, to firm up core sector performance and diversify into non-core sector activities as per Road Map envisaged in the Corporate Plan, to enter in the new technology area especially through collaboration with reputed global players or through suitable technology tie-up for technology up-gradation and diversification of business.

### Industrial / Business Operations

BSCL is engaged in the production of Railway engineering items namely Freight Wagons for Indian Railways at two of its works at Howrah and Burnpur in West Bengal. The physical performances of the company for last three years are given below:

Main Product	Unit	Performance During		
		2010-11	2009-10	2008-09
Wagon	No.	1053	810	781
Bogies	No.	1095	921	764
Coupler	No.	106	176	413

### Strategic issue

GoI, Ministry of Heavy Industries and Public Enterprises, conveyed the approval of Financial Restructuring of BBUNL Group. The measures include transfer of two wagon manufacturing units of BSCL to Ministry of Railway and transfer of refractory unit of BSCL at SALEM Refractory in Tamil Nadu(producing basic Mag Carbon Bricks and Bulk Refractories for Steel Plant Converter Operations) to M/s SAIL under Ministry of Steel. The administrative control of BSCL transferred to MoR as well as refractory unit of BSCL both w.e.f 15th September 2010 from D/o Heavy Industry.

### Performance Highlights

The operational performance of the company along with performance indicators and selected financial ratios during the period 2008-09 to 2010-11 can be seen on the opposite page.

The Company registered a reduction of ₹ 56.48crore in total income during 2010-11 which went down to ₹ 157.4crore in 2010-11 from ₹ 213.88crore during 2009-10 due to fall in turnover. The company however showed a profit of ₹ 1165.68 crore during 2010-11 as against a loss of ₹ 136.36 crore over previous year due to fall in interest expenses and Non-recurring/ Extra-Ordinary Income(EOI) of ₹ 1159.80crore during the year as per revival plan. The restructuring of the company has been done by way of waiver of GOI loans and interest.

The fall in turnover was due to hiving of SALEM unit from the company since 15.9.2010. Manufacturing of Stainless steel wagon started on bulk production in 2010-11.

### Human Resource Management

The company employed 946 regular employees as on 31.3.2011. The retirement age in the company is 58 years. It is following IDA 1997 pattern of remuneration. Details of employment in last 3 years are given below:

Particulars	2010-11	2009-10	2008-09
Executives including Non-Unionised Supervisors	62	117	121
Non-Executives #	884	1281	1334
Total Employees	946	1398	1455

# Detail break-up of Non-Executive employees is at Statement no. 25 of volume-I of PE Survey.

Balance Sheet		(₹ in Lakhs)	
Particulars	2010-11	2009-10	2008-09
Authorised Capital	13500	13500	13500
<b>(1) Sources Of Fund</b>			
<b>(1.1) Shareholders Funds</b>			
(A) Paid-Up Capital			
Central Govt	0	0	0
Others	13262	13262	12882
(B) Share Application Money	3002	459	838
(C) Reserves & Surplus	0	0	0
<b>Total (A) + (B) + (C)</b>	<b>16264</b>	<b>13721</b>	<b>13720</b>
<b>(1.2) Loan Funds</b>			
(A) Secured Loans	1430	2272	2002
(B) Unsecured Loans	44165	125521	113256
<b>Total (A) + (B)</b>	<b>45595</b>	<b>127793</b>	<b>115258</b>
(1.3) Deferred Tax Liability	0	0	0
<b>Total (1.1) + (1.2) + (1.3)</b>	<b>61859</b>	<b>141514</b>	<b>128978</b>
<b>(2) Application Of Funds</b>			
<b>(2.1) Fixed Assets</b>			
(A) Gross Block	51228	13096	12321
(B) Less Depreciation	5766	9608	9226
<b>(C) Net Block (A-B)</b>	<b>45462</b>	<b>3488</b>	<b>3095</b>
(D) Capital Work In Progress	1134	1678	1853
<b>Total (C) + (D)</b>	<b>46596</b>	<b>5166</b>	<b>4948</b>
(2.2) Investment	2021	2020	2021
<b>(2.3) Current Assets, Loan &amp; Advances</b>			
(A) Inventories	2252	2213	4360
(B) Sundry Debtors	1903	4047	3949
(C) Cash & Bank Balances	1039	1922	800
(D) Other Current Assets	488	424	473
(E) Loan & Advances	8860	6634	7378
<b>Total (A)+(B)+(C)+(D)+(E)</b>	<b>14542</b>	<b>15240</b>	<b>16960</b>
<b>(2.4) Less: current Liabilities &amp; Provisions</b>			
(A) Current Liabilities	11237	56203	55765
(B) Provisions	2103	2104	1924
<b>Total (A+B)</b>	<b>13340</b>	<b>58307</b>	<b>57689</b>
<b>(2.5) Net Current Assets (2.3-2.4)</b>	<b>1202</b>	<b>-43067</b>	<b>-40729</b>
(2.6) Deferred Revenue / Pre. Expenditure	778	1021	0
(2.7) Deferred Tax Asset	1457	0	0
(2.8) Profit & Loss Account(Dr)	9805	176374	162738
<b>Total (2.1+2.2+2.5+2.6+2.7+2.8)</b>	<b>61859</b>	<b>141514</b>	<b>128978</b>

Important Indicators	2010-11	2009-10	2008-09
(i) Investment	60429	139242	126976
(ii) Capital Employed	46664	-39579	-37634
(iii) Net Worth	5681	-163674	-149018
(iv) Cost of Production	16609	34481	24221
(v) Cost of Sales	15882	35689	23486
(vi) Gross Value Added (At Market Price)	-	-	-
(vii) Total Employees (Other Than Casuals) (Nos.)	946	1398	1455
(viii) Avg. Monthly Emoluments Per Employee (Rs.)	23564	18449	16838

Profit & Loss Account		(₹ in Lakhs)	
Particulars	2010-11	2009-10	2008-09
<b>(1) Income</b>			
(A) Sales/Operating Income	15163	22277	18352
(B) Excise Duty	340	749	776
(C) Net Sales (A-B)	14823	21528	17576
(D) Other Income/Receipts	190	1068	210
(E) Accretion/Depletion in Stocks	727	-1208	735
<b>(I) Total Income (C+D+E)</b>	<b>15740</b>	<b>21388</b>	<b>18521</b>
<b>(2) Expenditure</b>			
(A) Purchase of Finished Goods/ Consumption Of Raw Materials	7341	7929	7834
(B) Stores & Spares	984	1058	806
(C) Power & Fuel	2486	4622	3712
(D) Manufacturing / Direct / Operating Expenses	1496	361	2314
(E) Salary, Wages & Benefits / Employee Exp.	2675	3095	2940
(F) Other Expenses	871	2630	576
(G) Provisions	50	802	122
<b>(II) Total Expenditure (A to G)</b>	<b>15903</b>	<b>20497</b>	<b>18304</b>
<b>(3) Profit Before Dep, Int, Taxes &amp; EP (PBDITEP) (I-II)</b>	<b>-163</b>	<b>891</b>	<b>217</b>
(4) Depreciation	308	379	364
(5) Dre/Prel Exp Written Off	179	0	0
<b>(6) Profit Before Int., Taxes &amp; Ep (PBITEP) (3-4-5)</b>	<b>-650</b>	<b>512</b>	<b>-147</b>
(7) Interest			
(A) On Central Government Loans	0	0	0
(B) On Foreign Loans	0	0	0
(C) Others	219	13605	5553
(D) Less Interest Capitalised	0	0	0
(E) Charged to P & L Account (A+B+C-D)	219	13605	5553
<b>(8) Profit Before Tax &amp; EP(PBTEP) (6-7E)</b>	<b>-869</b>	<b>-13093</b>	<b>-5700</b>
(9) Tax Provisions	-1457	0	4
<b>(10) Net Profit / Loss Before EP (8-9)</b>	<b>588</b>	<b>-13093</b>	<b>-5704</b>
(11) Net Extra-Ord. Items	-115980	543	10055
<b>(12) Net Profit / Loss(-) (10-11)</b>	<b>116568</b>	<b>-13636</b>	<b>-15759</b>
(13) Dividend Declared	0	0	0
(14) Dividend Tax	0	0	0
<b>(15) Retained Profit (12-13-14)</b>	<b>116568</b>	<b>-13636</b>	<b>-15759</b>

Financial Ratios	2010-11	2009-10	2008-09
(i) Sales : Capital Employed	31.77	-54.39	-46.7
(ii) Cost of Sales : Sales	107.14	165.78	133.63
(iii) Salary / Wages : Sales	18.05	14.38	16.73
(iv) Net Profit : Net Worth	2051.89	-	-
(v) Debt : Equity	2.8	9.31	8.4
(vi) Current Ratio	1.09	0.26	0.29
(vii) Sundry Debtors : Sales (No. of Days)	46.86	68.62	82.01
(viii) Total Inventory : Sales	55.45	37.52	90.54

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## 9.8 Triveni Structurals Ltd.

Triveni Structurals Ltd. (TSL) situated at Naini, Allahabad, was established in July 1965 as a Joint Venture of the Government of India and Voest-Alpine, Austria, with a view to develop the backward area of Naini – Allahabad as well as cater to the need of infra-structure requirement of core sectors e.g., Power Plants, Steel Plants, Nuclear, Defence, Fertilizers, Petrochemicals & Chemical Industries.

TSL is a Scheduled-‘C’ BIFR / BRPSE referred CPSE in Heavy Engineering sector under the administrative control of M/o Heavy Industries & Public Enterprises, D/o Heavy Industry with its Registered and Corporate offices at Allahabad, Uttar Pradesh.

### Industrial / Business Operations

TSL is engaged in Design, Fabrication and Erection Hydraulic Gates & its allied equipments, Pressure Vessels, Pipes & Penstocks Buildin Structures, T.V. Towers, M.W. Towers and Transmission Towers and other miscellaneous Equipments e.g., Satellite Launching Platforms, Defence Projects, Skylark, Passenger Ropeways at Nainital & Joshimath, Railway Wagons and parts for Diesel Wngines for DLW, Varanasi, Misc. jobs of BHEL and fabrication erection of Gas Holders. The physical performance of Company for last three years is given below:

Products / Services	Unit	Performance During		
		2010-11	2009-10	2008-09
Building Structures	M.T.	-	110	299
Miscellaneous	M.T.	66	43	28

### Strategic Issues

The company was declared sick and was on the verge of closure vide BIFR decision passed on 4<sup>th</sup> June 2003. BRPSE, however, recommended for its revival as a PSE on 11.6.2006, inter alia, with revival package of ₹ 384.47 crores (cash assistance of ₹ 93.74 crores and non-cash assistance of ₹ 290.73 crores) from Government of India. The efforts for revival through JV were explored but the same have not been fruitful till date. The company's revival case is under consideration of the Government.

### Performance Highlights

The operational performance of the company along with performance indicators and selected financial ratios during the period 2008-09 to 2010-11 can be seen on the opposite page.

The Company registered a reduction of ₹ 1.2 crore in total income during 2010-11 which went down to ₹ 2.28 crore in 2010-11 from ₹ 3.48 crore during 2009-10. The net loss of the company reduced to ₹ 53.51 crore, a reduction of ₹ 2.71 crore over the previous year loss of ₹ 56.22 crore. The company incurred losses due to Government interest and other liquidity problems.

TSL have been able to generate Funds by way of execution of current orders, by selling scrap and realization of other long pending payments from its clients to meet day to day expenses like Travelling Expenses, Labour welfare, consumables for fabrication works, Security payments, Electricity Bills since October 2006 except for security in recent past.

### Human Resource Management

The company employed 140 regular employees as on 31.3.2011. The retirement age in the company is 58 years. It is following IDA 1992 pattern of remuneration. Details of

employment in last 3 years are given below:

Particulars	2010-11	2009-10	2008-09
Executives including Non-Unionised Supervisors	28	37	65
Non-Executives #	112	105	131
Total Employees	140	142	196

# Detail break-up of Non-Executive employees is at Statement no. 25 of volume-I of PE Survey.

Balance Sheet	(₹ in Lakhs)		
Particulars	2010-11	2009-10	2008-09
Authorised Capital	3000	3000	3000
<b>(1) Sources Of Fund</b>			
<b>(1.1) Shareholders Funds</b>			
(A) Paid-Up Capital			
Central Govt	2127	2127	2127
Others	0	0	0
(B) Share Application Money	0	0	0
(C) Reserves & Surplus	0	0	0
<b>Total (A) + (B) + (C)</b>	<b>2127</b>	<b>2127</b>	<b>2127</b>
<b>(1.2) Loan Funds</b>			
(A) Secured Loans	4255	4255	4255
(B) Unsecured Loans	53135	48237	43566
<b>Total (A) + (B)</b>	<b>57390</b>	<b>52492</b>	<b>47821</b>
(1.3) Deferred Tax Liability	0	0	0
<b>Total (1.1) + (1.2) + (1.3)</b>	<b>59517</b>	<b>54619</b>	<b>49948</b>
<b>(2) Application Of Funds</b>			
<b>(2.1) Fixed Assets</b>			
(A) Gross Block	1965	1964	1959
(B) Less Depreciation	1668	1636	1604
<b>(C) Net Block (A-B)</b>	<b>297</b>	<b>328</b>	<b>355</b>
(D) Capital Work In Progress	0	0	0
<b>Total (C) + (D)</b>	<b>297</b>	<b>328</b>	<b>355</b>
<b>(2.2) Investment</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>(2.3) Current Assets, Loan &amp; Advances</b>			
(A) Inventories	407	468	500
(B) Sundry Debtors	1118	1261	1497
(C) Cash & Bank Balances	133	650	188
(D) Other Current Assets	0	0	0
(E) Loan & Advances	340	319	1299
<b>Total (A)+(B)+(C)+(D)+(E)</b>	<b>1998</b>	<b>2698</b>	<b>3484</b>
<b>(2.4) Less: current Liabilities &amp; Provisions</b>			
(A) Current Liabilities	5873	6179	5948
(B) Provisions	335	340	432
<b>Total (A+B)</b>	<b>6208</b>	<b>6519</b>	<b>6380</b>
<b>(2.5) Net Current Assets (2.3-2.4)</b>	<b>-4210</b>	<b>-3821</b>	<b>-2896</b>
(2.6) Deferred Revenue / Pre. Expenditure	0	0	0
(2.7) Deferred Tax Asset	0	0	0
(2.8) Profit & Loss Account(Dr)	63430	58112	52489
<b>Total (2.1+2.2+2.5+2.6+2.7+2.8)</b>	<b>59517</b>	<b>54619</b>	<b>49948</b>

Important Indicators	2010-11	2009-10	2008-09
(i) Investment	55262	2127	2127
(ii) Capital Employed	-3913	-3493	-2541
(iii) Net Worth	-61303	-55985	-50362
(iv) Cost of Production	5441	5955	5111
(v) Cost of Sales	5468	5976	5201
(vi) Gross Value Added (At Market Price)	-	-	-
(vii) Total Employees (Other Than Casuals) (Nos.)	140	142	196
(viii) Avg. Monthly Emoluments Per Employee (Rs.)	21012	49413	19388

Profit & Loss Account	(₹ in Lakhs)		
Particulars	2010-11	2009-10	2008-09
<b>(1) Income</b>			
(A) Sales/Operating Income	220	334	520
(B) Excise Duty	7	12	12
(C) Net Sales (A-B)	213	322	508
(D) Other Income/Receipts	42	47	66
(E) Accretion/Depletion in Stocks	-27	-21	-90
<b>(I) Total Income (C+D+E)</b>	<b>228</b>	<b>348</b>	<b>484</b>
<b>(2) Expenditure</b>			
(A) Purchase of Finished Goods/ Consumption Of Raw Materials	52	40	84
(B) Stores & Spares	0	65	18
(C) Power & Fuel	67	60	60
(D) Manufacturing / Direct / Operating Expenses	24	21	83
(E) Salary, Wages & Benefits / Employee Exp.	353	842	456
(F) Other Expenses	126	114	125
(G) Provisions	143	222	5
<b>(II) Total Expenditure (A to G)</b>	<b>765</b>	<b>1364</b>	<b>831</b>
<b>(3) Profit Before Dep, Int, Taxes &amp; EP (PBDITEP) (I-II)</b>	<b>-537</b>	<b>-1016</b>	<b>-347</b>
(4) Depreciation	33	32	33
(5) Dre/Prel Exp Written Off	0	0	0
<b>(6) Profit Before Int., Taxes &amp; Ep (PBITEP) (3-4-5)</b>	<b>-570</b>	<b>-1048</b>	<b>-380</b>
(7) Interest			
(A) On Central Government Loans	4642	4559	4245
(B) On Foreign Loans	0	0	0
(C) Others	1	0	2
(D) Less Interest Capitalised	0	0	0
(E) Charged to P & L Account (A+B+C-D)	4643	4559	4247
<b>(8) Profit Before Tax &amp; EP(PBTEP) (6-7E)</b>	<b>-5213</b>	<b>-5607</b>	<b>-4627</b>
(9) Tax Provisions	0	0	1
<b>(10) Net Profit / Loss Before EP (8-9)</b>	<b>-5213</b>	<b>-5607</b>	<b>-4628</b>
(11) Net Extra-Ord. Items	105	15	70
<b>(12) Net Profit / Loss(-) (10-11)</b>	<b>-5318</b>	<b>-5622</b>	<b>-4698</b>
(13) Dividend Declared	0	0	0
(14) Dividend Tax	0	0	0
<b>(15) Retained Profit (12-13-14)</b>	<b>-5318</b>	<b>-5622</b>	<b>-4698</b>

Financial Ratios	2010-11	2009-10	2008-09
(i) Sales : Capital Employed	-5.44	-9.22	-19.99
(ii) Cost of Sales : Sales	2567.14	1855.9	1023.82
(iii) Salary / Wages : Sales	165.73	261.49	89.76
(iv) Net Profit : Net Worth	-	-	-
(v) Debt : Equity	26.98	24.68	22.48
(vi) Current Ratio	0.32	0.41	0.55
(vii) Sundry Debtors : Sales (No. of Days)	1915.82	1429.39	1075.6
(viii) Total Inventory : Sales	697.44	530.5	359.25



## 9.9 Tungabhadra Steel Products Limited

Tungabhadra Steel Products Limited (TSPL) was incorporated on 20-02-1960 under the Companies Act, 1956 as a Joint Venture Project of Government of Karnataka and Andhra Pradesh with an objective to manufacture gates & hoists required for spillways, sluices and canal gates of Tungabhadra Dam. After completing the gates required for Tungabhadra Project, it was felt desirable to utilize indigenous know how and skills development in manufacturing of Hydro Mechanical equipment into a commercial company. The Company was converted to CPSE in 1967 when Government of India subscribed 50.5% of its paid up capital.

TSPL is a Schedule 'C' BIFR / BRPSE referred CPSE under the Ministry of Heavy Industries and Public Enterprises, Department of Heavy Industry and has its registered and corporate office at Tungabhadra Dam, Bellary District, Karnataka.

### Vision / Mission

The vision of the Company is to meet the services required in the core sectors of the economy with increased customer satisfaction through timely supply of quality products and services.

The mission of the Company is to achieve viable status in the field of Hydro mechanical and power generation equipment with increased customer satisfaction.

### Industrial / Business Operations

TSPL is engaged in designing, fabrication, supply and erection of Hydro mechanical and power generation equipment for irrigation, power and other core sectors. The company is also generating power at Malaprabha Mini Hydel Plant.

The product range of the company comprises of radial gates, stop-log gates, penstock pipes, EOT cranes and other products required for Hydro Mechanical equipments and power generation equipments. The physical performances of the company for last three years are given below:

Main Product / Services	Unit	Performance During (% capacity utilization)		
		2010-11	2009-10	2008-09
Hydro Mechanical and Power generation equipments	MT	297 (3.61)	141 (1.71)	121 (1.50)
Power generation	lakh units	38.58 (75.79)	50.24 (98.71)	31.71 (62.30)

### Strategic issue

The company has been referred to BIFR / BRPSE due to continuous losses. The restructuring proposal of the company is pending with government. The company is at inquiry stage with BIFR. An inter-Ministerial Group has been constituted to finalize Joint Venture Process of the Company with other Public Sector Undertakings.

### Performance Highlights

The operational performance of the company along with performance indicators and selected financial ratios during the period 2008-09 to 2010-11 can be seen on the opposite page.

The Company registered an increase of ₹ one crore in total income during 2010-11 which went up to ₹ 5.11 crore in 2010-11 from ₹ 4.11 crore during 2009-10. The net loss of the company however increased to ₹ 26.12 crore, an increase of ₹ 0.35 crore over the previous year's loss of ₹ 25.77 crore due to interest burden of Government loans along with increase in

competition and banking problems.

All the sales of the company were made to Government Departments / organizations / agencies. During the year 2010-11 the company received a non-plan assistance of ₹ 2.43 crore for payment of wages & salary to employees. The cumulative Government guarantee was ₹ 5.00 crore as on 31.03.2011.

### Human Resource Management

The company employed 100 regular employees as on 31.3.2011. The retirement age in the company is 58 years. It is following IDA 1992 pattern of remuneration. Details of employment in last 3 years are given below:

Particulars	2010-11	2009-10	2008-09
Executives including Non-Unionised Supervisors	32	25	28
Non-Executives #	68	76	76
Total Employees	100	101	104

# Detail break-up of Non-Executive employees is at Statement no. 25 of volume-I of PE Survey.



Balance Sheet	(₹ in Lakhs)		
Particulars	2010-11	2009-10	2008-09
Authorised Capital	1000	1000	1000
<b>(1) Sources Of Fund</b>			
<b>(1.1) Shareholders Funds</b>			
(A) Paid-Up Capital			
Central Govt	669	669	669
Others	175	175	175
(B) Share Application Money	0	0	0
(C) Reserves & Surplus	0	0	0
<b>Total (A) + (B) + (C)</b>	<b>844</b>	<b>844</b>	<b>844</b>
<b>(1.2) Loan Funds</b>			
(A) Secured Loans	1688	1762	1972
(B) Unsecured Loans	27674	24957	22305
<b>Total (A) + (B)</b>	<b>29362</b>	<b>26719</b>	<b>24277</b>
(1.3) Deferred Tax Liability	0	0	0
<b>Total (1.1) + (1.2) + (1.3)</b>	<b>30206</b>	<b>27563</b>	<b>25121</b>
<b>(2) Application Of Funds</b>			
<b>(2.1) Fixed Assets</b>			
(A) Gross Block	2087	2087	2087
(B) Less Depreciation	1583	1528	1471
<b>(C) Net Block (A-B)</b>	<b>504</b>	<b>559</b>	<b>616</b>
(D) Capital Work In Progress	0	0	0
<b>Total (C) + (D)</b>	<b>504</b>	<b>559</b>	<b>616</b>
<b>(2.2) Investment</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>(2.3) Current Assets, Loan &amp; Advances</b>			
(A) Inventories	57	81	57
(B) Sundry Debtors	438	510	479
(C) Cash & Bank Balances	273	260	326
(D) Other Current Assets	0	0	0
(E) Loan & Advances	155	167	195
<b>Total (A)+(B)+(C)+(D)+(E)</b>	<b>923</b>	<b>1018</b>	<b>1057</b>
<b>(2.4) Less: current Liabilities &amp; Provisions</b>			
(A) Current Liabilities	2953	3151	3141
(B) Provisions	218	201	172
<b>Total (A+B)</b>	<b>3171</b>	<b>3352</b>	<b>3313</b>
<b>(2.5) Net Current Assets (2.3-2.4)</b>	<b>-2248</b>	<b>-2334</b>	<b>-2256</b>
(2.6) Deferred Revenue / Pre. Expenditure	0	0	0
(2.7) Deferred Tax Asset	0	0	0
(2.8) Profit & Loss Account(Dr)	31950	29338	26761
<b>Total (2.1+2.2+2.5+2.6+2.7+2.8)</b>	<b>30206</b>	<b>27563</b>	<b>25121</b>

Important Indicators	2010-11	2009-10	2008-09
(i) Investment	28518	25801	23149
(ii) Capital Employed	-1744	-1775	-1640
(iii) Net Worth	-31106	-28494	-25917
(iv) Cost of Production	3097	2936	2656
(v) Cost of Sales	3121	2892	2640
(vi) Gross Value Added (At Market Price)	-	-	-
(vii) Total Employees (Other Than Casuals) (Nos.)	100	101	104
(viii) Avg. Monthly Emoluments Per Employee (Rs.)	21917	20545	17788

Profit & Loss Account	(₹ in Lakhs)		
Particulars	2010-11	2009-10	2008-09
<b>(1) Income</b>			
(A) Sales/Operating Income	330	219	122
(B) Excise Duty	18	0	0
(C) Net Sales (A-B)	312	219	122
(D) Other Income/Receipts	223	148	675
(E) Accretion/Depletion in Stocks	-24	44	16
<b>(I) Total Income (C+D+E)</b>	<b>511</b>	<b>411</b>	<b>813</b>
<b>(2) Expenditure</b>			
(A) Purchase of Finished Goods/ Consumption Of Raw Materials	169	0	0
(B) Stores & Spares	0	67	33
(C) Power & Fuel	14	12	10
(D) Manufacturing / Direct / Operating Expenses	15	49	15
(E) Salary, Wages & Benefits / Employee Exp.	263	249	222
(F) Other Expenses	74	49	105
(G) Provisions	0	1	0
<b>(II) Total Expenditure (A to G)</b>	<b>535</b>	<b>427</b>	<b>385</b>
<b>(3) Profit Before Dep, Int, Taxes &amp; EP (PBDITEP) (I-II)</b>	<b>-24</b>	<b>-16</b>	<b>428</b>
(4) Depreciation	56	57	60
(5) Dre/Prel Exp Written Off	0	0	0
<b>(6) Profit Before Int., Taxes &amp; Ep (PBITEP) (3-4-5)</b>	<b>-80</b>	<b>-73</b>	<b>368</b>
(7) Interest			
(A) On Central Government Loans	2506	2452	2201
(B) On Foreign Loans	0	0	0
(C) Others	0	0	10
(D) Less Interest Capitalised	0	0	0
(E) Charged to P & L Account (A+B+C-D)	2506	2452	2211
<b>(8) Profit Before Tax &amp; EP(PBTEP) (6-7E)</b>	<b>-2586</b>	<b>-2525</b>	<b>-1843</b>
(9) Tax Provisions	0	0	1
<b>(10) Net Profit / Loss Before EP (8-9)</b>	<b>-2586</b>	<b>-2525</b>	<b>-1844</b>
(11) Net Extra-Ord. Items	26	52	0
<b>(12) Net Profit / Loss(-) (10-11)</b>	<b>-2612</b>	<b>-2577</b>	<b>-1844</b>
(13) Dividend Declared	0	0	0
(14) Dividend Tax	0	0	0
<b>(15) Retained Profit (12-13-14)</b>	<b>-2612</b>	<b>-2577</b>	<b>-1844</b>

Financial Ratios	2010-11	2009-10	2008-09
(i) Sales : Capital Employed	-17.89	-12.34	-7.44
(ii) Cost of Sales : Sales	1000.32	1320.55	2163.93
(iii) Salary / Wages : Sales	84.29	113.7	181.97
(iv) Net Profit : Net Worth	-	-	-
(v) Debt : Equity	34.79	31.66	28.76
(vi) Current Ratio	0.29	0.3	0.32
(vii) Sundry Debtors : Sales (No. of Days)	512.4	850	1433.07
(viii) Total Inventory : Sales	66.68	135	170.53

# 10 Medium & Light Engineering

As on 31.3.2011, there were 21 Central Public Sector Enterprises in the Medium & Light Engineering group. The name of these enterprises along with their year of incorporation in chronological order are given below :

Sl. No.	Enterprise	Year of Incorporation
1.	Biecco Lawrie & Co. Ltd.	1919
2.	Balmer Lawrie & Co. Ltd.	1924
3.	I T I Ltd.	1950
4.	HMT Ltd.	1953
5.	Bharat Electronics Ltd.	1954
6.	Instrumentation Ltd.	1964
7.	Electronics Corpn. Of India Ltd.	1967
8.	Bharat Pumps & Compressors Ltd.	1970
9.	Bharat Dynamics Ltd.	1970
10.	Hindustan Cables Ltd.	1972
11.	Richardson & Cruddas(1972) Ltd.	1972
12.	Central Electronics Ltd.	1974
13.	Andrew Yule & Company Ltd.	1979
14.	Rajasthan Electronics And Instruments Ltd.	1981
15.	HMT Bearings Ltd.	1981
16.	Vignyan Industries Ltd.	1984
17.	BEL Optronics Devices Ltd.	1990
18.	IDPL (Tamilnadu) Ltd.	1994
19.	HMT Watches Ltd.	1999
20.	HMT Machine Tools Ltd.	1999
21.	HMT Chinara Watches Ltd.	1999

2. The enterprises falling in this group are mainly engaged in manufacturing of barrels, drums, containers, switch gears, electric motors, exhausters, air-brakes, LPG cylinders, components and instruments, cables, machine tools, watches, tractors, lamps, telephones, teleprinters etc.

3. The consolidated financial position, the working results and the important management ratios of these enterprises are appended.

4. **Turnover** : The details of turnover of individual enterprises are given below :

(₹in Crore)

Sl. No.	Enterprise	Turnover	
		2010-11	2009-10
1.	Bharat Electronics Ltd.	5529.69	5219.77
2.	I T I Ltd.	2138.93	4660.32
3.	Balmer Lawrie & Co. Ltd.	2084.33	1691.24
4.	Electronics Corpn. Of India Ltd.	1381.70	1187.40
5.	Bharat Dynamics Ltd.	938.27	627.23
6.	Instrumentation Ltd.	250.16	328.27
7.	Andrew Yule & Company Ltd.	239.46	190.39
8.	Bharat Pumps & Compressors Ltd.	210.21	271.12
9.	HMT Machine Tools Ltd.	209.02	209.61
10.	HMT Ltd.	200.86	193.12
11.	Central Electronics Ltd.	152.99	114.52

12.	Rajasthan Electronics And Instruments Ltd.	133.14	99.42
13.	Richardson & Cruddas(1972) Ltd.	84.60	84.93
14.	Biecco Lawrie & Co. Ltd.	84.43	65.68
15.	BEL Optronics Devices Ltd.	52.36	58.74
16.	Vignyan Industries Ltd.	33.82	35.91
17.	Hmt Bearings Ltd.	11.48	6.84
18.	Hmt Watches Ltd.	8.82	10.54
19.	IDPL (Tamilnadu) Ltd.	8.82	8.82
20.	Hindustan Cables Ltd.	0.20	0.36
21.	HMT Chinara Watches Ltd.	0.10	0.73
<b>Sub Total</b>		<b>13753.39</b>	<b>15064.96</b>

5. **Net Profit/Loss** : The details of the enterprises, which earned net profit or sustained net loss (-) are given below :

(₹in Crore)

Sl. No.	Enterprise	Adjusted Net Profit/Net Loss	
		2010-11	2009-10
1.	Bharat Electronics Ltd.	861.47	720.87
2.	Balmer Lawrie & Co. Ltd.	121.09	117.29
3.	Bharat Dynamics Ltd.	51.70	33.77
4.	Andrew Yule & Company Ltd.	41.32	75.38
5.	Electronics Corpn. Of India Ltd.	22.86	42.01
6.	Bharat Pumps & Compressors Ltd.	9.53	25.65
7.	Rajasthan Electronics And Instruments Ltd.	5.03	1.83
8.	BEL Optronics Devices Ltd.	4.45	2.27
9.	Biecco Lawrie & Co. Ltd.	3.75	1.73
10.	IDPL (Tamilnadu) Ltd.	-0.52	-0.52
11.	Vignyan Industries Ltd.	-1.73	1.71
12.	Central Electronics Ltd.	-17.25	0.12
13.	HMT Bearings Ltd.	-21.32	-15.31
14.	Richardson & Cruddas(1972) Ltd.	-21.55	-27.38
15.	Instrumentation Ltd.	-36.56	333.62
16.	HMT Chinara Watches Ltd.	-45.40	-49.94
17.	HMT Ltd.	-79.24	-52.91
18.	HMT Machine Tools Ltd.	-93.06	-45.80
19.	HMT Watches Ltd.	-253.74	-168.34
20.	I T I Ltd.	-357.75	-458.76
21.	Hindustan Cables Ltd.	-607.39	-459.32
<b>Sub Total</b>		<b>-414.31</b>	<b>77.97</b>

6. **Dividend** : The details of the dividend declared by the individual enterprise are given below :

(₹in Crore)

Sl. No.	Enterprise	Dividend	
		2010-11	2009-10
1.	Bharat Electronics Ltd.	172.80	153.60
2.	Balmer Lawrie & Co. Ltd.	42.34	37.46
3.	Bharat Dynamics Ltd.	23.00	23.00
4.	Electronics Corpn. Of India Ltd.	8.00	14.70
5.	Rajasthan Electronics And Instruments Ltd.	0.90	0.73
6.	Bharat Pumps & Compressors Ltd.	0.54	0.54
7.	Vignyan Industries Ltd.	0.00	0.21
	<b>Group Total</b>	<b>247.58</b>	<b>230.24</b>

7. **Social Overheads and Township** : The total number of persons employed and the expenditure incurred on social overheads and townships are given below :

(₹in Crore)

Sl. No.	Enterprise	Township and Social Overheads	
		2010-11	2009-10
1.	No. of employees (in number)	59151	64867
2.	Social overheads : (Rupees in Crore)		
	(i) Educational,	152.64	156.63
	(ii) Medical Facilities	28.19	37.27
	(iii) Others	53.63	55.21
3.	Capital cost of township (Rupees in Crore)	1085.09	1178.41
4.	No. of houses constructed (in number)	17550	18034

8. Company wise details in respect of Balance Sheet, Profit and Loss account, Important Indicators and Financial Ratios along with the write up of individual company are given in the pages below.

# Medium & Light Engineering

## Balance Sheet

(₹ in Lakhs)

			(₹ in Lakhs)
Particulars	2010-11	2009-10	2008-09
AUTHORISED CAPITAL	430700	429750	429750
<b>(1) SOURCES OF FUND</b>			
(1.1) SHAREHOLDERS FUNDS			
(A) PAID-UP CAPITAL			
CENTRAL GOVT	234522	234032	233832
OTHERS	88439	88233	17843
(B) SHARE APPLICATION MONEY	58885	58371	124087
(C) RESERVES & SURPLUS	1183382	1090681	780987
<b>TOTAL (A) + (B) + (C)</b>	<b>1565228</b>	<b>1471317</b>	<b>1156749</b>
(1.2) LOAN FUNDS			
(A) SECURED LOANS	267154	238615	355358
(B) UNSECURED LOANS	466762	402866	427760
<b>TOTAL (A) + (B)</b>	<b>733916</b>	<b>641481</b>	<b>783118</b>
(1.3) DEFERRED TAX LIABILITY	1390	1658	5962
<b>TOTAL (1.1) + (1.2) + (1.3)</b>	<b>2300534</b>	<b>2114456</b>	<b>1945829</b>
<b>(2) APPLICATION OF FUNDS</b>			
(2.1) FIXED ASSETS			
(A) GROSS BLOCK	829407	811172	785273
(B) LESS DEPRECIATION	427785	406157	385240
(C) NET BLOCK (A-B)	401622	405015	400033
(D) CAPITAL WORK IN PROGRESS	23712	18853	14169
<b>TOTAL (C) + (D)</b>	<b>425334</b>	<b>423868</b>	<b>414202</b>
(2.2) INVESTMENT	138358	144182	141764
(2.3) CURRENT ASSETS, LOAN & ADVANCES			
(A) INVENTORIES	377948	402380	412833
(B) SUNDRY DEBTORS	1048781	963857	712516
(C) CASH & BANK BALANCES	1152797	639193	535723
(D) OTHER CURRENT ASSETS	2250	1204	1268
(E) LOAN & ADVANCES	171948	158515	179555
<b>TOTAL [(A) + (B) + (C) + (D) + (E)]</b>	<b>2753724</b>	<b>2165149</b>	<b>1841895</b>
(2.4) LESS: CURRENT LIABILITIES & PROVISIONS			
(A) CURRENT LIABILITIES	2109299	1569334	1291589
(B) PROVISIONS	178631	163321	154561
<b>TOTAL (A+B)</b>	<b>2287930</b>	<b>1732655</b>	<b>1446150</b>
(2.5) NET CURRENT ASSETS(2.3-2.4)	465794	432494	395745
(2.6) DEFERRED REVENUE / PRE-EXPENDITURE	7432	2576	2706
(2.7) DEFERRED TAX ASSET	26466	22495	18968
(2.8) PROFIT & LOSS ACCOUNT(DR)	1237150	1088841	972444
<b>TOTAL (2.1+2.2+2.5+2.6+2.7+2.8)</b>	<b>2300534</b>	<b>2114456</b>	<b>1945829</b>

# Medium & Light Engineering

## Profit and Loss Account

(₹ in Lakhs)

			(₹ in Lakhs)
Particulars	2010-11	2009-10	2008-09
(1) INCOME			
(A) SALES/OPERATING	1375339	1506496	1111462
(B) EXCISE DUTY	32339	31911	33502
(C) NET SALES (A-B)	1343000	1474585	1077960
(D) OTHER INCOME/RECEIPTS	85789	123828	84941
<b>(I)TOTAL INCOME (C+D+E)</b>	<b>1418161</b>	<b>1604150</b>	<b>1238297</b>
(2) EXPENDITURE			
(A) PURCHASE OF FINISHED GOODS CONSUMPTION OF RAW MATERIALS	833155	966687	653154
(B) STORES & SPARES	12491	10330	17098
(C) POWER & FUEL	13769	12397	12167
(D) MANUFACTURING / DIRECT / OPERATING EXPENSES	50150	137021	124498
(E)SALARY,WAGES & BENEFITS / EMPLOYEE EXP.	290586	278570	229709
(F)OTHER EXPENSES	80077	58357	69449
(G)PROVISIONS	25614	29752	22878
<b>(II)TOTAL EXPENDITURE (A to G)</b>	<b>1305842</b>	<b>1493114</b>	<b>1128953</b>
(3) PROFIT BEFORE DEP. INT. TAXES & EP(PBDITEP) (I-II)	112319	111036	109344
(4) DEPRECIATION	23400	21733	20091
(5) DRE/PREL EXP WRITTEN OFF	1217	789	4322
(6) PROFIT BEFORE INT., TAXES & EP (PBITEP) (3-4-5)	87702	88514	84931
(7) INTEREST			
(A) ON CENTRALGOVERNMENT LOANS	39218	34545	28561
(B) ON FOREIGN LOANS	382	0	0
(C) OTHERS	44209	41817	59163
(D) LESS INTEREST CAPITALISED	1940	990	816
(E) CHARGED TO P & L ACCOUNT (A+B+C-D)	81869	75372	86908
<b>(8)PROFIT BEFORE TAX &amp; EP(PBTEP) (6-7E)</b>	<b>5833</b>	<b>13142</b>	<b>-1977</b>
(9) TAX PROVISIONS	39603	39659	44169
(10) NET PROFIT / LOSS(-) BEFORE EP (8-9)	-33770	-26517	-46146
(11) NET EXTRA-ORD.ITEMS	7661	-34314	-20561
<b>(12) NET PROFIT / LOSS(-) (10-11)</b>	<b>-41431</b>	<b>7797</b>	<b>-25585</b>
(13) DIVIDEND DECLARED	24758	23024	21046
(14) DIVIDEND TAX	4039	3843	3577
<b>(15) RETAINED PROFIT (12-13-14)</b>	<b>-70228</b>	<b>-19070</b>	<b>-50208</b>

# Medium & Light Engineering

## Management Ratio

Particulars	2010-11	2009-10	2008-09
<b>(A.) INDICATORS</b>			
<b>(I) GENERAL(Rs. in Lakhs)</b>			
(i) INVESTMENT	726969	822534	791546
(ii) CAPITAL EMPLOYED	867416	837509	795778
(iii) NET WORTH	320646	379900	181599
(iv) COST OF PRODUCTION	1412328	1591008	1240274
(v) COST OF SALES	1422956	1585271	1164878
(vi) VALUE ADDED	472957	490908	470937
(vii) R AND D EXPENDITURE	43588	38740	32044
<b>(II) HUMAN RESOURCE</b>			
(viii) EMPLOYEES (OTHER THAN CASUAL)(Nos.)	59151	64867	64811
(ix) AVG.MONTHLY EMOLUMENTS PER EMPLOYEE(Rs.)	40938	35787	29536
<b>(B.) MANAGEMENT RATIO</b>			
(i) DEBT : EQUITY	0.47	0.44	0.68
(ii) CURRENT RATIO (CURRENT ASSET:CURRENT- LIABILITY	1.2	1.25	1.27
(iii) PBDITEP : TOTAL EMPLOYEMENT (Rs. in Lakhs)	1.9	1.71	1.69
(iv) SUNDRY DEBTORS : SALES (No. of days)	285.04	238.58	241.26
(v) INVENTORY(No. of days)			
(a) TOTAL INVENTORY : SALES	102.72	99.6	139.79
(b) SEMI/FINISHED GOODS : SALES	47.15	46.48	61.69
(vi) INCREMENTAL CAPITAL OUTPUT RATIO(ICOR)	-0.2	0.13	-0.13
		(%)	
(vii) SALES : CAPITAL EMPLOYED	154.83	176.07	135.46
(viii) PBDITEP : CAPITAL EMPLOYED	12.95	13.26	13.74
(ix) PBITEP : CAPITAL EMPLOYED	10.11	10.57	10.67
(x) COST OF SALES : SALES	105.95	107.51	108.06
(xi) MATERIAL COST : SALES	62.04	65.56	60.59
(xii) SALARY & WAGES : SALES	21.64	18.89	21.31
(xiii) R & D EXPENDITURE : SALES	3.25	2.63	2.97
(xiv) PBITEP : SALES	6.53	6	7.88
(xv) PBTEP : NET WORTH	1.82	3.46	-1.09
(xvi) NET PROFIT : NET WORTH	-12.92	2.05	-14.09
(xvii) GROSS MARGIN : GROSS BLOCK	13.54	13.69	13.92



# 10.1 Andrew Yule & Company Limited

Andrew Yule & Company Limited (AYCL) was incorporated on 02.06.1919 in the private sector with an objective to work as managing agency. With the abolition of managing agency system, the Company lost its traditional business and Government of India acquired the Company in 1979.

AYCL is a Schedule-"B" listed BIFR referred CPSE in Medium and Light Engineering sector (together with Tea producing and manufacturing business) under the administrative control of M/o. Heavy Industries and Public Enterprises D/o Heavy Industry with 93.14% shareholding by the Government. Its Registered Office is at Kolkata, West Bengal.

## Vision / Mission

The Vision of the company is to achieve continuous growth.

The Mission of the Company is to carry on the business of manufacturing of and dealing in tea machinery items, industrial fans and blowers, air pollution and water pollution control equipments etc. under engineering division and various switchgear items, electro magnetic contactors, moulded case circuit breakers, pole mounted sectionalizer / capacitor switch power voltage regulator, power transformer, rectifiers, etc. under electrical division and tea growing, planting, uprooting, etc. under tea division of the Company.

## Industrial / Business Operations

AYCL is one of the nationalised enterprises. It is in the business of both manufacturing and sale of Black Tea, Transformers, Regulators / Rectifiers, Circuit Breakers, Switches, Industrial Fans, Tea Machinery, Turnkey jobs etc. It has six (6) Operating Units at Kalyani, Kolkata (3 Units), Togami and South 24 Parganas in West Bengal and one unit at Chennai in Tamilnadu.

The Company is functioning in three main sectors namely Engineering, Electrical and Tea. Tea Division of the Company has 15 Tea Estates of which 10 are located in Assam, 4 in Dooars and 1 in Darjeeling. As regards Engineering business, the Company is the pioneer of industrial fan technology and has a strong market presence with over 5,000 installations in power, steel, petroleum, cement and other core sectors. The Engineering Division's business also includes Air Pollution Control Equipment & Systems and Effluent Treatment Plant. The Electrical Division of the Company manufactures Switchgears, Transformers and Automatic Voltage Regulators.

AYCL has one wholly owned operational subsidiary namely Hooghly Printing Co. Ltd. As per the revival plan of the company, two subsidiaries namely Yule Engineering Co. Ltd. and Yule Electrical Co. Ltd. have been incorporated. However, transfer of assets & liabilities of these two subsidiaries from AYCL is still pending and transactions of Engineering & Electrical divisions continue to be reflected in the books of accounts of AYCL for the year 2010-11. The physical performance of Company for last three years is given below:

Major Products	Unit	Production during (% Capacity Utilization)		
		2010-11	2009-10	2008-09
Black Tea	000 Kgs .	10847 (97.00)	10552 (94.22)	9137 (81.58)
Transformer	KVA	563590 (112.72)	322000 (64.40)	605774 (112)
Regulators/ Rectifiers	KVA	76193 (32.42)	70300 (29.91)	64903 (27.62)

## Strategic issue

The Company, due to successive losses incurred, was declared "Sick" by BIFR in 2004. The revival package for the Company was approved by BIFR in October 2007. The impact of most of the reliefs and concession given by stakeholders as per the approved Rehabilitation scheme has been considered in the books of accounts for the year 2007-08, 2009-10 and 2010-11. Balance will be considered in the Books of Accounts for the year 2011-12.

The business operations were strengthened through modernization, up-gradation and product development along with focus on quality with which the Company was able to regain the confidence of all stakeholders. The performance of all Divisions of the Company has substantially improved mainly due to Revival package received from the Government of India in terms of BIFR approval of Rehabilitation Scheme. All the three Divisions of company namely Tea, Engineering and Electrical Divisions operate on profit centre concept.

## Performance Highlights

The operational performance of the company along with performance indicators and selected financial ratios during the period 2008-09 to 2010-11 can be seen on the opposite page.

The Company registered a reduction of ₹ 10.24 crore in total income during 2010-11 which went down to ₹ 288.25 crore in 2010-11 from ₹ 298.49 crore during 2009-10 due to fall in other income. The net profit of the company reduced to ₹ 41.32 crore, a reduction of ₹ 34.06 crore over the previous year's profit of ₹ 75.38 crore due to increase in operating cost and fall in other income.

## Human Resource Management

The company employed 15107 regular employees as on 31.3.2011. The retirement age in the company is 58 years. It is following IDA 1997 pattern of remuneration. Details of employment in last 3 years are given below:

Particulars	2010-11	2009-10	2008-09
Executives including Non-Unionised Supervisors	304	324	322
Non-Executives #	14803	14967	15253
Total Employees	15107	15291	15575

# Detail break-up of Non-Executive employees is at Statement no. 25 of volume-I of PE Survey.

Balance Sheet	(₹ in Lakhs)		
Particulars	2010-11	2009-10	2008-09
Authorised Capital	7500	7500	7500
<b>(1) Sources Of Fund</b>			
<b>(1.1) Shareholders Funds</b>			
(A) Paid-Up Capital			
Central Govt	5936	5596	5596
Others	437	331	331
(B) Share Application Money	300	847	741
(C) Reserves & Surplus	10937	10946	10874
<b>Total (A) + (B) + (C)</b>	<b>17610</b>	<b>17720</b>	<b>17542</b>
<b>(1.2) Loan Funds</b>			
(A) Secured Loans	8938	10650	13310
(B) Unsecured Loans	6173	7440	15270
<b>Total (A) + (B)</b>	<b>15111</b>	<b>18090</b>	<b>28580</b>
(1.3) Deferred Tax Liability	342	338	312
<b>Total (1.1) + (1.2) + (1.3)</b>	<b>33063</b>	<b>36148</b>	<b>46434</b>
<b>(2) Application Of Funds</b>			
<b>(2.1) Fixed Assets</b>			
(A) Gross Block	23136	22919	22334
(B) Less Depreciation	6176	5911	5646
<b>(C) Net Block (A-B)</b>	<b>16960</b>	<b>17008</b>	<b>16688</b>
(D) Capital Work In Progress	366	317	875
<b>Total (C) + (D)</b>	<b>17326</b>	<b>17325</b>	<b>17563</b>
<b>(2.2) Investment</b>	<b>3604</b>	<b>888</b>	<b>2067</b>
<b>(2.3) Current Assets, Loan &amp; Advances</b>			
(A) Inventories	3712	3070	2932
(B) Sundry Debtors	4265	3215	4392
(C) Cash & Bank Balances	10615	12918	11884
(D) Other Current Assets	1	1	0
(E) Loan & Advances	2129	4254	4368
<b>Total (A)+(B)+(C)+(D)+(E)</b>	<b>20722</b>	<b>23458</b>	<b>23576</b>
<b>(2.4) Less: current Liabilities &amp; Provisions</b>			
(A) Current Liabilities	12328	13122	11968
(B) Provisions	1457	1730	1671
<b>Total (A+B)</b>	<b>13785</b>	<b>14852</b>	<b>13639</b>
<b>(2.5) Net Current Assets (2.3-2.4)</b>	<b>6937</b>	<b>8606</b>	<b>9937</b>
(2.6) Deferred Revenue / Pre. Expenditure	9	9	9
(2.7) Deferred Tax Asset	0	0	0
(2.8) Profit & Loss Account(Dr)	5187	9320	16858
<b>Total (2.1+2.2+2.5+2.6+2.7+2.8)</b>	<b>33063</b>	<b>36148</b>	<b>46434</b>

Important Indicators	2010-11	2009-10	2008-09
(i) Investment	15894	17729	10951
(ii) Capital Employed	23897	25614	26625
(iii) Net Worth	12414	8391	675
(iv) Cost of Production	25096	22725	24043
(v) Cost of Sales	24933	22494	23835
(vi) Gross Value Added (At Market Price)	-	-	-
(vii) Total Employees (Other Than Casuals) (Nos.)	15107	15291	15575
(viii) Avg. Monthly Emoluments Per Employee (Rs.)	5262	4955	3908

Profit & Loss Account	(₹ in Lakhs)		
Particulars	2010-11	2009-10	2008-09
<b>(1) Income</b>			
(A) Sales/Operating Income	23946	19039	18979
(B) Excise Duty	734	393	922
(C) Net Sales (A-B)	23212	18646	18057
(D) Other Income/Receipts	5450	10972	6941
(E) Accretion/Depletion in Stocks	163	231	208
<b>(I) Total Income (C+D+E)</b>	<b>28825</b>	<b>29849</b>	<b>25206</b>
<b>(2) Expenditure</b>			
(A) Purchase of Finished Goods/ Consumption Of Raw Materials	6950	3825	6859
(B) Stores & Spares	1440	1817	0
(C) Power & Fuel	1692	1311	1238
(D) Manufacturing / Direct / Operating Expenses	1334	1008	1544
(E) Salary, Wages & Benefits / Employee Exp.	9539	9092	7304
(F) Other Expenses	1988	2290	4286
(G) Provisions	57	738	199
<b>(II) Total Expenditure (A to G)</b>	<b>23000</b>	<b>20081</b>	<b>21430</b>
<b>(3) Profit Before Dep, Int, Taxes &amp; EP (PBDITEP) (I-II)</b>	<b>5825</b>	<b>9768</b>	<b>3776</b>
(4) Depreciation	423	386	368
(5) Dre/Prel Exp Written Off	0	7	4
<b>(6) Profit Before Int., Taxes &amp; Ep (PBITEP) (3-4-5)</b>	<b>5402</b>	<b>9375</b>	<b>3404</b>
(7) Interest			
(A) On Central Government Loans	503	677	650
(B) On Foreign Loans	0	0	0
(C) Others	1170	1574	1591
(D) Less Interest Capitalised	0	0	0
(E) Charged to P & L Account (A+B+C-D)	1673	2251	2241
<b>(8) Profit Before Tax &amp; EP(PBTEP) (6-7E)</b>	<b>3729</b>	<b>7124</b>	<b>1163</b>
(9) Tax Provisions	7	11	239
<b>(10) Net Profit / Loss Before EP (8-9)</b>	<b>3722</b>	<b>7113</b>	<b>924</b>
(11) Net Extra-Ord. Items	-410	-425	-2012
<b>(12) Net Profit / Loss(-) (10-11)</b>	<b>4132</b>	<b>7538</b>	<b>2936</b>
(13) Dividend Declared	0	0	0
(14) Dividend Tax	0	0	0
<b>(15) Retained Profit (12-13-14)</b>	<b>4132</b>	<b>7538</b>	<b>2936</b>

Financial Ratios	2010-11	2009-10	2008-09
(i) Sales : Capital Employed	97.13	72.8	67.82
(ii) Cost of Sales : Sales	107.41	120.64	132
(iii) Salary / Wages : Sales	41.1	48.76	40.45
(iv) Net Profit : Net Worth	33.29	89.83	434.96
(v) Debt : Equity	0.86	1.02	1.63
(vi) Current Ratio	1.5	1.58	1.73
(vii) Sundry Debtors : Sales (No. of Days)	67.07	62.93	88.78
(viii) Total Inventory : Sales	58.37	60.1	59.27

## 10.2 Balmer Lawrie & Co. Ltd.

Balmer Lawrie & Co. Ltd. (BL) incorporated in 1867 as a partnership firm, became a Private Ltd. Co. in 1924 under the Companies Act, 1913 and was later converted to Public Ltd. Co. in 1936. Subsequently it became a subsidiary of IBP Co. Ltd. in 1972. However, in terms of a scheme of arrangement and reconstruction made under Companies Act, 1956 between IBP and Balmer Lawrie Investments Ltd. (BLIL), BL became a subsidiary of BLIL, w.e.f. 15.10.2001 which holds 61.8% of its equity.

The company is a Schedule – ‘B’ listed Mini-ratna, Category-1 CPSE in Medium and Light Engineering sector under the administrative control of Ministry of Petroleum & Natural Gas, with its Registered Office at Kolkata, West Bengal.

### Vision/Mission

The Vision of the Company is to be a leading diversified corporate entity having market leadership with global footprints. The Mission of the Company is to gain market leadership in all business segments, make them robust through innovative business process, selective restructuring and efficient / effective use of resources.

### Industrial / Business Operations

The company is engaged in manufacturing of barrels and drums, greases and lubricants and performance chemicals and providing services in the areas of tours and travel, logistics services, logistics infrastructure, etc., through its 50 plants, sales offices, branch offices, technical services centres spread all over India. It also has one overseas 100% subsidiary namely Balmer Lawrie (UK) Ltd. (BLUK). The company has 4 joint ventures companies namely Balmer Lawrie (UAE) LLC, Balmer Lawrie Van Leer Ltd. (BLVL), Transafe Services Ltd. (TSL) and Avi-Oil India Private Ltd. with a share holding of 49%, 40.12%, 50% and 25% respectively. Further, the wholly owned subsidiary of the Company i.e., BLUK has a joint venture in Indonesia viz. PT Balmer Lawrie Indonesia where it holds 50% of the share capital of the Company.

The product / service range of the company comprises of eight products / services and 4 major segments namely Industrial Packaging, Logistics Infrastructure & Services, Tours & Travel and Greases & Lubricants. The physical performance of the company for last three years are given below:

Main Product / Services	Unit	Performance During (% Capacity Utilisation)		
		2010-11	2009-10	2008-09
Barrels & Drums	No./ Lakhs	36.09 (86)	39.20 (100)	30.63 (78)
Greases & Lubricants	MT/KL Lakhs	0.45 (78)	0.43 (58)	0.35 (49)
Leather Chemicals	MT	6994 (200)	5964 (153)	5222 (156)

### Performance Highlights

The operational performance of the company along with performance indicators and selected financial ratios during the period 2008-09 to 2010-11 can be seen on the opposite page.

The Company registered an increase of ₹ 382.16 crore in total income during 2010-11 which went up to ₹ 2060.04 crore in 2010-11 from ₹ 1677.88 crore during 2009-10. The net profit of the company correspondingly increased to ₹ 121.09 crore, an increase of ₹ 3.80 crore over the previous year due to 15% growth in the revenue from the manufacturing activities and Services activities respectively which was partly offset by reduction in lower earnings from investment of short term surplus funds of

the company.

The major contribution in the turnover of the company is Tours & Travel (44%) followed by Industrial Packaging (13%), Greases & Lubricants (17%) and Logistics Infrastructure & Services (7%).

### Human Resource Management

The company employed 1417 regular employees as on 31.3.2011. The retirement age in the company is 60 years. It is following IDA 2007 pattern of remuneration. Details of employment in last 3 years are given below:

Particulars	2010-11	2009-10	2008-09
Executives including Non-Unionised Supervisors	655	631	618
Non-Executives #	835	784	807
Total Employees	1490	1415	1425

# Detail break-up of Non-Executive employees is at Statement no. 25 of volume-I of PE Survey.

### Technology Up-gradation, Research & Development

R&D and technology upgradation is one of the key objectives of the company. The efforts in R&D are directed at maintaining technological & cost leadership leading to customer satisfaction. During the year, the company had taken R&D initiatives for development of lubricants, leather chemicals and industrial packaging. These R&D efforts have helped the company to introduce new product range as also to remain cost effective in existing products. R&D expenditure of the company constituted 0.19% of the turnover during 2010-11.

Balance Sheet	(₹ in Lakhs)		
Particulars	2010-11	2009-10	2008-09
Authorised Capital	3000	3000	3000
<b>(1) Sources Of Fund</b>			
<b>(1.1) Shareholders Funds</b>			
(A) Paid-Up Capital			
Central Govt	0	0	0
Others	1629	1629	1629
(B) Share Application Money	0	0	0
(C) Reserves & Surplus	51755	44567	37206
<b>Total (A) + (B) + (C)</b>	<b>53384</b>	<b>46196</b>	<b>38835</b>
<b>(1.2) Loan Funds</b>			
(A) Secured Loans	0	0	0
(B) Unsecured Loans	0	0	0
<b>Total (A) + (B)</b>	<b>0</b>	<b>0</b>	<b>0</b>
(1.3) Deferred Tax Liability	765	1100	530
<b>Total (1.1) + (1.2) + (1.3)</b>	<b>54149</b>	<b>47296</b>	<b>39365</b>
<b>(2) Application Of Funds</b>			
<b>(2.1) Fixed Assets</b>			
(A) Gross Block	33573	30970	30004
(B) Less Depreciation	14724	13473	13086
<b>(C) Net Block (A-B)</b>	<b>18849</b>	<b>17497</b>	<b>16918</b>
(D) Capital Work In Progress	3446	2190	386
<b>Total (C) + (D)</b>	<b>22295</b>	<b>19687</b>	<b>17304</b>
<b>(2.2) Investment</b>	<b>5724</b>	<b>4394</b>	<b>5006</b>
<b>(2.3) Current Assets, Loan &amp; Advances</b>			
(A) Inventories	11932	9170	7885
(B) Sundry Debtors	30910	24467	22853
(C) Cash & Bank Balances	26698	26717	24873
(D) Other Current Assets	0	0	0
(E) Loan & Advances	8593	9043	6838
<b>Total (A)+(B)+(C)+(D)+(E)</b>	<b>78133</b>	<b>69397</b>	<b>62449</b>
<b>(2.4) Less: current Liabilities &amp; Provisions</b>			
(A) Current Liabilities	42221	37387	33898
(B) Provisions	9782	8795	11496
<b>Total (A+B)</b>	<b>52003</b>	<b>46182</b>	<b>45394</b>
<b>(2.5) Net Current Assets (2.3-2.4)</b>	<b>26130</b>	<b>23215</b>	<b>17055</b>
(2.6) Deferred Revenue / Pre. Expenditure	0	0	0
(2.7) Deferred Tax Asset	0	0	0
(2.8) Profit & Loss Account(Dr)	0	0	0
<b>Total (2.1+2.2+2.5+2.6+2.7+2.8)</b>	<b>54149</b>	<b>47296</b>	<b>39365</b>

Important Indicators	2010-11	2009-10	2008-09
(i) Investment	1629	1629	1629
(ii) Capital Employed	44979	40712	33973
(iii) Net Worth	53384	46196	38835
(iv) Cost of Production	187886	152445	154494
(v) Cost of Sales	186870	151915	154492
(vi) Gross Value Added (At Market Price)	-	-	-
(vii) Total Employees (Other Than Casuals) (Nos.)	1490	1415	1425
(viii) Avg. Monthly Emoluments Per Employee (Rs.)	72606	69494	59205

Profit & Loss Account	(₹ in Lakhs)		
Particulars	2010-11	2009-10	2008-09
<b>(1) Income</b>			
(A) Sales/Operating Income	208433	169124	171799
(B) Excise Duty	9817	7792	7922
(C) Net Sales (A-B)	198616	161332	163877
(D) Other Income/Receipts	6372	5926	5780
(E) Accretion/Depletion in Stocks	1016	530	2
<b>(I) Total Income (C+D+E)</b>	<b>206004</b>	<b>167788</b>	<b>169659</b>
<b>(2) Expenditure</b>			
(A) Purchase of Finished Goods/ Consumption Of Raw Materials	159295	48891	43593
(B) Stores & Spares	491	422	394
(C) Power & Fuel	2061	1790	1611
(D) Manufacturing / Direct / Operating Expenses	4403	81302	90142
(E) Salary, Wages & Benefits / Employee Exp.	12982	11800	10124
(F) Other Expenses	6734	5374	6414
(G) Provisions	408	1450	622
<b>(II) Total Expenditure (A to G)</b>	<b>186374</b>	<b>151029</b>	<b>152900</b>
<b>(3) Profit Before Dep, Int, Taxes &amp; EP (PBDITEP) (I-II)</b>	<b>19630</b>	<b>16759</b>	<b>16759</b>
(4) Depreciation	1213	1161	1052
(5) Dre/Prel Exp Written Off	0	0	24
<b>(6) Profit Before Int., Taxes &amp; Ep (PBITEP) (3-4-5)</b>	<b>18417</b>	<b>15598</b>	<b>15683</b>
(7) Interest			
(A) On Central Government Loans	0	0	0
(B) On Foreign Loans	0	0	0
(C) Others	299	255	518
(D) Less Interest Capitalised	0	0	0
(E) Charged to P & L Account (A+B+C-D)	299	255	518
<b>(8) Profit Before Tax &amp; EP(PBTEP) (6-7E)</b>	<b>18118</b>	<b>15343</b>	<b>15165</b>
(9) Tax Provisions	5995	3569	4995
<b>(10) Net Profit / Loss Before EP (8-9)</b>	<b>12123</b>	<b>11774</b>	<b>10170</b>
(11) Net Extra-Ord. Items	14	45	9
<b>(12) Net Profit / Loss(-) (10-11)</b>	<b>12109</b>	<b>11729</b>	<b>10161</b>
(13) Dividend Declared	4234	3746	3257
(14) Dividend Tax	687	622	554
<b>(15) Retained Profit (12-13-14)</b>	<b>7188</b>	<b>7361</b>	<b>6350</b>

Financial Ratios	2010-11	2009-10	2008-09
(i) Sales : Capital Employed	441.57	396.28	482.37
(ii) Cost of Sales : Sales	94.09	94.16	94.27
(iii) Salary / Wages : Sales	6.54	7.31	6.18
(iv) Net Profit : Net Worth	22.68	25.39	26.16
(v) Debt : Equity	0	0	0
(vi) Current Ratio	1.5	1.5	1.38
(vii) Sundry Debtors : Sales (No. of Days)	56.8	55.35	50.9
(viii) Total Inventory : Sales	21.93	20.75	17.56

## 10.3 BEL Optronicon Devices Ltd.

BEL Optronicon Devices Ltd. (BELOP) was earlier a joint venture company promoted by M/s Bharat Electronics Limited (BEL) and M/s Delft Instruments International (DII) of Netherlands. BEL acquired the shares of DII on 30<sup>th</sup> July 2002 and consequently the company became Government Company w.e.f. 30<sup>th</sup> July 2002.

BELOP is an un-categorised CPSE in the medium and Light Engineering sector under the administrative control of Ministry of Defence. It is a subsidiary of BEL which holds 92.79% of its equity. Its Registered and Corporate offices are at Pune (Maharashtra).

### Vision/Mission

The Mission of the Company is to be a customer focussed technology driven company in the field of Image Intensifiers and other chosen areas.

### Industrial / Business Operations

BELOP is engaged in the production of Image Intensifier Tubes and Associated Power Supply Units with its single operating unit at Pune. Image Intensifier Tube (I.I. Tube) is a specialised product used in optical instrument for night vision capability.

The Government of India, Ministry of Company Affairs through notification No S.O. 301(E) dated 8<sup>th</sup> February 2011 exempted Companies producing defence equipments from compliance of Para 3 (i) (a), 3(ii) (a), 3(ii) (d), 4 D(a), 4 D (c) of Part II of Schedule VI to the Companies Act 1956, for the financial year ended on 31st March 2011.

### Strategic Issues

In order to cater to the requirements of its main customer, the Indian Army, BELOP has entered into agreements with M/s Photonis, France during May 2011 for transfer of technology for manufacture of Higher Specification Tubes at BELOP. With the acquisition of the capability to manufacture Higher Specification I.I. Tubes, BELOP is expected to have a bright future.

### Performance Highlights

The operational performance of the company along with performance indicators and selected financial ratios during the period 2008-09 to 2010-11 can be seen on the opposite page.

The Company registered a decrease of ₹ 15.19 crore in total income during 2010-11 which went down to ₹ 48.39 crore in 2010-11 from ₹ 63.58 crore during 2009-10. The net profit of the company however increase to ₹ 4.45 crore, an increase of ₹ 2.18 crore over the previous year profit of ₹ 22.7 crore due to higher productivity along with reduction in manufacturing / direct operating expenses.

The Domestic sale of Company's product is only to Defence and Para Military forces. There are no other manufacturers of these products in India.

### Human Resource Management

The company employed 119 regular employees as on 31.3.2011. The retirement age in the Company is 60 years at Board level and 58 years below Board level. It is following IDA 2007 pattern of remuneration. Details of employment in last 3 years are given below:

Particulars	2010-11	2009-10	2008-09
Executives including Non-Unionised Supervisors	35	38	39
Non-Executives #	84	85	87
Total Employees	119	123	126

# Detail break-up of Non-Executive employees is at Statement no. 25 of volume-I of PE Survey.

### Technology Up-gradation, Research & Development

The Company's in-house R & D Unit recognised by Department of Scientific & Industrial Research (DSIR) is involved in product & process related developments. The company has developed the two new products during 2010-11 namely 18mm Auto-gated Power Supply Unit and ANVIS Type Power Supply Unit (PSU) with reduced Input Current.



Balance Sheet	(₹ in Lakhs)		
Particulars	2010-11	2009-10	2008-09
Authorised Capital	3500	3500	3500
<b>(1) Sources Of Fund</b>			
<b>(1.1) Shareholders Funds</b>			
(A) Paid-Up Capital			
Central Govt	0	0	0
Others	1832	1832	1832
(B) Share Application Money	0	0	0
(C) Reserves & Surplus	1825	1398	1202
<b>Total (A) + (B) + (C)</b>	<b>3657</b>	<b>3230</b>	<b>3034</b>
<b>(1.2) Loan Funds</b>			
(A) Secured Loans	3	3	4
(B) Unsecured Loans	0	0	0
<b>Total (A) + (B)</b>	<b>3</b>	<b>3</b>	<b>4</b>
(1.3) Deferred Tax Liability	0	19	40
<b>Total (1.1) + (1.2) + (1.3)</b>	<b>3660</b>	<b>3252</b>	<b>3078</b>
<b>(2) Application Of Funds</b>			
<b>(2.1) Fixed Assets</b>			
(A) Gross Block	5026	5011	4930
(B) Less Depreciation	4356	4218	3943
<b>(C) Net Block (A-B)</b>	<b>670</b>	<b>793</b>	<b>987</b>
(D) Capital Work In Progress	0	7	36
<b>Total (C) + (D)</b>	<b>670</b>	<b>800</b>	<b>1023</b>
<b>(2.2) Investment</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>(2.3) Current Assets, Loan &amp; Advances</b>			
(A) Inventories	548	975	1056
(B) Sundry Debtors	1432	1423	1160
(C) Cash & Bank Balances	1413	789	1529
(D) Other Current Assets	139	106	53
(E) Loan & Advances	396	399	906
<b>Total (A)+(B)+(C)+(D)+(E)</b>	<b>3928</b>	<b>3692</b>	<b>4704</b>
<b>(2.4) Less:current Liabilities &amp; Provisions</b>			
(A) Current Liabilities	549	773	1771
(B) Provisions	390	467	878
<b>Total (A+B)</b>	<b>939</b>	<b>1240</b>	<b>2649</b>
<b>(2.5) Net Current Assets (2.3-2.4)</b>	<b>2989</b>	<b>2452</b>	<b>2055</b>
(2.6) Deferred Revenue / Pre. Expenditure	0	0	0
(2.7) Deferred Tax Asset	1	0	0
(2.8) Profit & Loss Account(Dr)	0	0	0
<b>Total (2.1+2.2+2.5+2.6+2.7+2.8)</b>	<b>3660</b>	<b>3252</b>	<b>3078</b>

Important Indicators	2010-11	2009-10	2008-09
(i) Investment	1832	1832	1832
(ii) Capital Employed	3659	3245	3042
(iii) Net Worth	3657	3230	3034
(iv) Cost of Production	4163	6104	3736
(v) Cost of Sales	4534	5804	3697
(vi) Gross Value Added (At Market Price)	-	-	-
(vii) Total Employees (Other Than Casuals) (Nos.)	119	123	126
(viii) Avg. Monthly Emoluments Per Employee (Rs.)	34104	28659	26257

Profit & Loss Account	(₹ in Lakhs)		
Particulars	2010-11	2009-10	2008-09
<b>(1) Income</b>			
(A) Sales/Operating Income	5236	5874	3115
(B) Excise Duty	163	72	33
(C) Net Sales (A-B)	5073	5802	3082
(D) Other Income/Receipts	137	256	144
(E) Accretion/Depletion in Stocks	-371	300	39
<b>(I)Total Income (C+D+E)</b>	<b>4839</b>	<b>6358</b>	<b>3265</b>
<b>(2) Expenditure</b>			
(A) Purchase of Finished Goods/ Consumption Of Raw Materials	3179	5113	2603
(B) Stores & Spares	93	71	41
(C) Power & Fuel	95	77	65
(D) Manufacturing / Direct / Operating Expenses	77	72	105
(E) Salary, Wages & Benefits / Employee Exp.	487	423	397
(F) Other Expenses	73	68	122
(G) Provisions	20	3	0
<b>(II)Total Expenditure (A to G)</b>	<b>4024</b>	<b>5827</b>	<b>3333</b>
<b>(3) Profit Before Dep, Int, Taxes &amp; EP (PBDITEP) (I-II)</b>	<b>815</b>	<b>531</b>	<b>-68</b>
(4) Depreciation	138	276	402
(5) Dre/Prel Exp Written Off	0	0	0
<b>(6) Profit Before Int., Taxes &amp; Ep (PBITEP) (3-4-5)</b>	<b>677</b>	<b>255</b>	<b>-470</b>
(7) Interest			
(A) On Central Government Loans	0	0	0
(B) On Foreign Loans	0	0	0
(C) Others	1	1	1
(D) Less Interest Capitalised	0	0	0
(E) Charged to P & L Account (A+B+C-D)	1	1	1
<b>(8) Profit Before Tax &amp; EP(PBTEP) (6-7E)</b>	<b>676</b>	<b>254</b>	<b>-471</b>
(9) Tax Provisions	223	31	-114
<b>(10) Net Profit / Loss Before EP (8-9)</b>	<b>453</b>	<b>223</b>	<b>-357</b>
(11) Net Extra-Ord. Items	8	-4	1
<b>(12) Net Profit / Loss(-) (10-11)</b>	<b>445</b>	<b>227</b>	<b>-358</b>
(13) Dividend Declared	0	0	0
(14) Dividend Tax	0	0	0
<b>(15) Retained Profit (12-13-14)</b>	<b>445</b>	<b>227</b>	<b>-358</b>

Financial Ratios	2010-11	2009-10	2008-09
(i) Sales : Capital Employed	138.64	178.8	101.31
(ii) Cost of Sales : Sales	89.38	100.03	119.95
(iii) Salary / Wages : Sales	9.6	7.29	12.88
(iv) Net Profit : Net Worth	12.17	7.03	-11.8
(v) Debt : Equity	0	0	0
(vi) Current Ratio	4.18	2.98	1.78
(vii) Sundry Debtors : Sales (No. of Days)	103.03	89.52	137.38
(viii) Total Inventory : Sales	39.43	61.34	125.06



## 10.4 Bharat Dynamics Ltd.

Bharat Dynamics Limited (BDL) was incorporated on 16.7.1970 with the objective of becoming self reliant and competitive in Guided Missile and Underwater Guided Weapon Technology and production.

BDL is a Schedule-‘B’ Mini-ratna CPSE in Medium and Light Engineering sector under the administrative control of M/o Defence, D/o Defence Production and Supplies with 100% shareholding by the Government of India. Its Registered and Corporate Offices are at Hyderabad, Andhra Pradesh.

### Vision / Mission

The Vision of the Company is to be the world class enterprise in the defence industry.

The Mission of the Company is to establish itself as the leading manufacturer in the aerospace and underwater weapons industry in the country and emerge as a world class, sophisticated, state-of-art global enterprise providing total solution to the security system needs of the Nation.

### Industrial / Business Operations

BDL is engaged in manufacturing of sophisticated State of art weapon systems for the Armed Forces through its three operating units at Hyderabad, Bhanur in Medak District and Visakhapatnam in Andhra Pradesh. The product range of the company comprises of Anti Tank Missiles, Air Defence Missiles, Strategic Missiles, Torpedoes, Mines and Deception Device. The company is exempted from furnishing production details that are classified information.

### Strategic issue

To ensure a sustained growth of BDL to attain sales turnover of ₹ 1500 crore by the year 2011-12, constantly striving to convert the planned induction of missiles into actual indents, to be proactive and work in close collaboration with DRDO and to involve in the design of missiles and associated products developed by DRDO, to become self-reliant and competitive in Guided Missile Technology and Production, to maximize utilization of existing production capacities, to establish modern and cost effective production facilities for new projects, to meet production commitments and maximize customer satisfaction, to maximize share holder wealth (@ of 20% Growth per Annum), to upgrade the company to schedule-A by 2012 and to develop and nurture Human Resources.

### Performance Highlights

The operational performance of the company along with performance indicators and selected financial ratios during the period 2008-09 to 2010-11 can be seen on the opposite page.

The Company registered an increase of ₹ 264.42 crore in total income during 2010-11 which went up to ₹ 1051.72 crore in 2010-11 from ₹ 787.30 crore during 2009-10. The net profit of the company increased to ₹ 51.70 crore, an increase of ₹ 17.93 Crore over the previous year due to growth in operations.

### Human Resource Management

The company employed 2897 regular employees as on 31.3.2011. The retirement age in the company is 60 years. It is following IDA 2007 pattern of remuneration. Details of employment in last 3 years are given below:

Particulars	2010-11	2009-10	2008-09
Executives including Non-Unionised Supervisors	658	688	701
Non-Executives #	2239	2206	2087
Total Employees	2897	2894	2788

# Detail break-up of Non-Executive employees is at Statement no. 25 of volume-I of PE Survey.

Balance Sheet	(₹ in Lakhs)		
Particulars	2010-11	2009-10	2008-09
Authorised Capital	12500	12500	12500
<b>(1) Sources Of Fund</b>			
<b>(1.1) Shareholders Funds</b>			
(A) Paid-Up Capital			
Central Govt	11500	11500	11500
Others	0	0	0
(B) Share Application Money	0	0	0
(C) Reserves & Surplus	43705	41208	40513
<b>Total (A) + (B) + (C)</b>	<b>55205</b>	<b>52708</b>	<b>52013</b>
<b>(1.2) Loan Funds</b>			
(A) Secured Loans	0	151	0
(B) Unsecured Loans	5085	0	0
<b>Total (A) + (B)</b>	<b>5085</b>	<b>151</b>	<b>0</b>
(1.3) Deferred Tax Liability	0	0	4721
<b>Total (1.1) + (1.2) + (1.3)</b>	<b>60290</b>	<b>52859</b>	<b>56734</b>
<b>(2) Application Of Funds</b>			
<b>(2.1) Fixed Assets</b>			
(A) Gross Block	39539	37205	31809
(B) Less Depreciation	25426	22884	21414
<b>(C) Net Block (A-B)</b>	<b>14113</b>	<b>14321</b>	<b>10395</b>
(D) Capital Work In Progress	2210	717	284
<b>Total (C) + (D)</b>	<b>16323</b>	<b>15038</b>	<b>10679</b>
<b>(2.2) Investment</b>	<b>54</b>	<b>54</b>	<b>54</b>
<b>(2.3) Current Assets, Loan &amp; Advances</b>			
(A) Inventories	50219	57026	62310
(B) Sundry Debtors	4515	3358	6410
(C) Cash & Bank Balances	402083	153332	167957
(D) Other Current Assets	0	0	0
(E) Loan & Advances	30033	30512	26882
<b>Total (A)+(B)+(C)+(D)+(E)</b>	<b>486850</b>	<b>244228</b>	<b>263559</b>
<b>(2.4) Less: current Liabilities &amp; Provisions</b>			
(A) Current Liabilities	438400	198019	209137
(B) Provisions	12329	10165	8421
<b>Total (A+B)</b>	<b>450729</b>	<b>208184</b>	<b>217558</b>
<b>(2.5) Net Current Assets (2.3-2.4)</b>	<b>36121</b>	<b>36044</b>	<b>46001</b>
(2.6) Deferred Revenue / Pre. Expenditure	4944	0	0
(2.7) Deferred Tax Asset	2848	1723	0
(2.8) Profit & Loss Account(Dr)	0	0	0
<b>Total (2.1+2.2+2.5+2.6+2.7+2.8)</b>	<b>60290</b>	<b>52859</b>	<b>56734</b>

Important Indicators	2010-11	2009-10	2008-09
(i) Investment	16585	11651	11500
(ii) Capital Employed	50234	50365	56396
(iii) Net Worth	50261	52708	52013
(iv) Cost of Production	97339	73668	62804
(v) Cost of Sales	100157	72613	56050
(vi) Gross Value Added (At Market Price)	-	-	-
(vii) Total Employees (Other Than Casuals) (Nos.)	2897	2894	2788
(viii) Avg. Monthly Emoluments Per Employee (Rs.)	67463	51497	45182

Profit & Loss Account	(₹ in Lakhs)		
Particulars	2010-11	2009-10	2008-09
<b>(1) Income</b>			
(A) Sales/Operating Income	93827	62723	46482
(B) Excise Duty	212	90	151
(C) Net Sales (A-B)	93615	62633	46331
(D) Other Income/Receipts	14375	15042	17139
(E) Accretion/Depletion in Stocks	-2818	1055	6754
<b>(I) Total Income (C+D+E)</b>	<b>105172</b>	<b>78730</b>	<b>70224</b>
<b>(2) Expenditure</b>			
(A) Purchase of Finished Goods/ Consumption Of Raw Materials	57672	43516	36358
(B) Stores & Spares	343	285	34
(C) Power & Fuel	710	541	647
(D) Manufacturing / Direct / Operating Expenses	2808	1686	1682
(E) Salary, Wages & Benefits / Employee Exp.	23453	17884	15116
(F) Other Expenses	4850	4612	4598
(G) Provisions	4922	3638	3490
<b>(II) Total Expenditure (A to G)</b>	<b>94758</b>	<b>72162</b>	<b>61925</b>
<b>(3) Profit Before Dep, Int, Taxes &amp; EP (PBDITEP) (I-II)</b>	<b>10414</b>	<b>6568</b>	<b>8299</b>
(4) Depreciation	2574	1504	817
(5) Dre/Prel Exp Written Off	0	0	0
<b>(6) Profit Before Int., Taxes &amp; Ep (PBITEP) (3-4-5)</b>	<b>7840</b>	<b>5064</b>	<b>7482</b>
(7) Interest			
(A) On Central Government Loans	0	0	0
(B) On Foreign Loans	0	0	0
(C) Others	7	2	62
(D) Less Interest Capitalised	0	0	0
(E) Charged to P & L Account (A+B+C-D)	7	2	62
<b>(8) Profit Before Tax &amp; EP(PBTEP) (6-7E)</b>	<b>7833</b>	<b>5062</b>	<b>7420</b>
(9) Tax Provisions	2746	1685	2656
<b>(10) Net Profit / Loss Before EP (8-9)</b>	<b>5087</b>	<b>3377</b>	<b>4764</b>
(11) Net Extra-Ord. Items	-83	0	-3
<b>(12) Net Profit / Loss(-) (10-11)</b>	<b>5170</b>	<b>3377</b>	<b>4767</b>
(13) Dividend Declared	2300	2300	2300
(14) Dividend Tax	373	382	391
<b>(15) Retained Profit (12-13-14)</b>	<b>2497</b>	<b>695</b>	<b>2076</b>

Financial Ratios	2010-11	2009-10	2008-09
(i) Sales : Capital Employed	186.36	124.36	82.15
(ii) Cost of Sales : Sales	106.99	115.93	120.98
(iii) Salary / Wages : Sales	25.05	28.55	32.63
(iv) Net Profit : Net Worth	10.29	6.41	9.17
(v) Debt : Equity	0.09	0	0
(vi) Current Ratio	1.08	1.17	1.21
(vii) Sundry Debtors : Sales (No. of Days)	17.6	19.57	50.5
(viii) Total Inventory : Sales	195.8	332.32	490.88

## 10.5 Bharat Electronics Ltd.

Bharat Electronics Limited (BEL) was established on 21.04.1954 with the technical collaboration from CSF, France for manufacturing of Trans-receivers, used by the Indian Army for radio communication.

BEL is a Schedule – “A” listed Navratna CPSE in the Medium & Light Engineering sector under the administrative control of Ministry of Defence with 75.86% shareholding of Government of India. It's registered and Corporate Office is at Bangalore.

### Vision/Mission

The Vision of the Company is to be a world class enterprise in professional electronics. The Mission of the Company is to be a customer focused globally competitive company in defence electronics and in other chosen areas of professional electronics, through quality, technology and innovation.

### Industrial / Business Operations

The company has pioneered the growth of the Electronic Components industry in the country. With a small beginning in the field of Radio Communication, it has become a multi-technology and multi-product company.

BEL has 9 operating units at Bangalore, Ghaziabad, Pune, Machilipatnam, Panchkula, Kotdwara, Navi Mumbai, Chennai and Hyderabad and all units are ISO 9001:2000 certified. It has one subsidiary namely BEL Optronic Devices Ltd. and two financial joint ventures namely GE BE Ltd. and BEL Multitone Pvt. Ltd. with equity participation of 26% and 49% respectively. These JVs were formed in 1996 and 1997 respectively with an objective of Manufacturing of X-Ray Tubes for Medical Diagnostic Imaging equipment and for supply, distribution, installation, commissioning and maintenance in India and abroad of Private Paging System respectively.

BEL has a product range of more than 350 products, which are broadly classified into 8 core business groups including Radars and Sonars, Communication, C<sup>4</sup>I, Electronic Warfare Systems, Electro Optics, Tank electronics, Telecommunication and Broadcasting and Components. About 80% turnover of the company comes from defence business. Being mostly classified information, segment-wise information, are not published.

### Strategic Issues

Under the liberalized business environment, increased global competition and rapid technology changes, it became imperative for BEL to evolve an organizational structure to effectively respond to the dynamic condition of the environment. As a step towards achieving enhanced business performance, increased customer satisfaction, faster response time, the biggest Unit of BEL at Bangalore was restructured into six Strategic Business Units with a clear product/ business focus on major business segment in the year 2000.

### Performance Highlights

The operational performance of the company along with performance indicators and selected financial ratios during the period 2008-09 to 2010-11 can be seen on the opposite page.

The Company registered an increase of ₹ 267.21 crores in total income during 2010-11 which went up to ₹ 5852.16 crores in 2010-11 from ₹ 5584.95 crores during 2009-10. The net profit of the company increased to ₹ 861.47 crores, an increase of ₹ 140.60 crores over the previous year is mainly due to higher VoP ( Variation of Price / Value of Production) and increase in interest income.

### Human Resource Management

The company employed 11180 regular employees as on 31.3.2011. The retirement age in the company is 60 years. It is following IDA 2007 pattern of remuneration. Details of employment in last 3 years are given below:

Particulars	2010-11	2009-10	2008-09
Executives including Non-Unionised Supervisors	5503	5387	5204
Non-Executives #	5677	9209	6757
Total Employees	11180	14596	11961

# Detail break-up of Non-Executive employees is at Statement no. 25 of volume-I of PE Survey.

### Technology Up-gradation, Research & Development

BEL formally established in-house Research & Development departments since 1960. It has set up in-house Research & Development groups in all the Units to look into development of new products in the respective areas of business. BEL also has set up a Central-D&E at Bangalore to develop various core technology modules required for product development by in-house R&D units. In addition, the company has set up two Central Research Laboratories (CRL) at Bangalore and Ghaziabad for undertaking research in futuristic areas with a view to identify and realise latest technologies relevant to the company's products. BEL is spending about 6% to 7% of its annual turnover every year on R&D. BEL closely works with DRDO and other national laboratories. During 2010-11, about 78% of BEL's turnover is from products manufactured based on indigenous technology.

**Bharat Electronics Ltd.**

Outer Ring Road, Nagavara, Bangalore, Karnataka – 560 045

Balance Sheet	(₹ in Lakhs)		
Particulars	2010-11	2009-10	2008-09
Authorised Capital	10000	10000	10000
<b>(1) Sources Of Fund</b>			
<b>(1.1) Shareholders Funds</b>			
(A) Paid-Up Capital			
Central Govt	6069	6069	6069
Others	1931	1931	1931
(B) Share Application Money	0	0	0
(C) Reserves & Surplus	492257	426567	372712
<b>Total (A) + (B) + (C)</b>	<b>500257</b>	<b>434567</b>	<b>380712</b>
<b>(1.2) Loan Funds</b>			
(A) Secured Loans	41	73	121
(B) Unsecured Loans	0	0	0
<b>Total (A) + (B)</b>	<b>41</b>	<b>73</b>	<b>121</b>
(1.3) Deferred Tax Liability	0	0	0
<b>Total (1.1) + (1.2) + (1.3)</b>	<b>500298</b>	<b>434640</b>	<b>380833</b>
<b>(2) Application Of Funds</b>			
<b>(2.1) Fixed Assets</b>			
(A) Gross Block	178900	170217	157990
(B) Less Depreciation	130529	121221	111245
<b>(C) Net Block (A-B)</b>	<b>48371</b>	<b>48996</b>	<b>46745</b>
(D) Capital Work In Progress	5899	3143	4672
<b>Total (C) + (D)</b>	<b>54270</b>	<b>52139</b>	<b>51417</b>
(2.2) Investment	1198	1198	1198
<b>(2.3) Current Assets, Loan &amp; Advances</b>			
(A) Inventories	246077	244871	241791
(B) Sundry Debtors	290324	216836	227820
(C) Cash & Bank Balances	651935	357840	264195
(D) Other Current Assets	0	0	0
(E) Loan & Advances	55531	43333	49767
<b>Total (A)+(B)+(C)+(D)+(E)</b>	<b>1243867</b>	<b>862880</b>	<b>783573</b>
<b>(2.4) Less: current Liabilities &amp; Provisions</b>			
(A) Current Liabilities	759742	443102	426023
(B) Provisions	57360	54149	43994
<b>Total (A+B)</b>	<b>817102</b>	<b>497251</b>	<b>470017</b>
<b>(2.5) Net Current Assets (2.3-2.4)</b>	<b>426765</b>	<b>365629</b>	<b>313556</b>
(2.6) Deferred Revenue / Pre. Expenditure	0	0	0
(2.7) Deferred Tax Asset	18065	15674	14662
(2.8) Profit & Loss Account(Dr)	0	0	0
<b>Total (2.1+2.2+2.5+2.6+2.7+2.8)</b>	<b>500298</b>	<b>434640</b>	<b>380833</b>

Important Indicators	2010-11	2009-10	2008-09
(i) Investment	8041	8073	8121
(ii) Capital Employed	475136	414625	360301
(iii) Net Worth	500257	434567	380712
(iv) Cost of Production	471109	450837	428837
(v) Cost of Sales	471998	448026	363879
(vi) Gross Value Added (At Market Price)	-	-	-
(vii) Total Employees (Other Than Casuals) (Nos.)	11180	14596	11961
(viii) Avg. Monthly Emoluments Per Employee (Rs.)	77658	57640	52657

Profit & Loss Account	(₹ in Lakhs)		
Particulars	2010-11	2009-10	2008-09
<b>(1) Income</b>			
(A) Sales/Operating Income	552969	521977	462409
(B) Excise Duty	5795	3934	4054
(C) Net Sales (A-B)	547174	518043	458355
(D) Other Income/Receipts	38931	37641	22957
(E) Accretion/Depletion in Stocks	-889	2811	64958
<b>(I) Total Income (C+D+E)</b>	<b>585216</b>	<b>558495</b>	<b>546270</b>
<b>(2) Expenditure</b>			
(A) Purchase of Finished Goods/ Consumption Of Raw Materials	310555	298319	300162
(B) Stores & Spares	3022	4135	3887
(C) Power & Fuel	2769	2722	2598
(D) Manufacturing / Direct / Operating Expenses	13861	6625	7865
(E) Salary, Wages & Benefits / Employee Exp.	104186	100958	75579
(F) Other Expenses	11376	15917	17252
(G) Provisions	13093	10514	9857
<b>(II) Total Expenditure (A to G)</b>	<b>458862</b>	<b>439190</b>	<b>417200</b>
<b>(3) Profit Before Dep, Int, Taxes &amp; EP (PBDITEP) (I-II)</b>	<b>126354</b>	<b>119305</b>	<b>129070</b>
(4) Depreciation	12204	11594	10560
(5) Dre/Prel Exp Written Off	0	0	0
<b>(6) Profit Before Int., Taxes &amp; Ep (PBITEP) (3-4-5)</b>	<b>114150</b>	<b>107711</b>	<b>118510</b>
(7) Interest			
(A) On Central Government Loans	0	0	0
(B) On Foreign Loans	0	0	0
(C) Others	43	53	1077
(D) Less Interest Capitalised	0	0	0
(E) Charged to P & L Account (A+B+C-D)	43	53	1077
<b>(8) Profit Before Tax &amp; EP(PBTEP) (6-7E)</b>	<b>114107</b>	<b>107658</b>	<b>117433</b>
(9) Tax Provisions	29968	32415	35108
<b>(10) Net Profit / Loss Before EP (8-9)</b>	<b>84139</b>	<b>75243</b>	<b>82325</b>
(11) Net Extra-Ord. Items	-2008	3156	7749
<b>(12) Net Profit / Loss(-) (10-11)</b>	<b>86147</b>	<b>72087</b>	<b>74576</b>
(13) Dividend Declared	17280	15360	14960
(14) Dividend Tax	2822	2570	2542
<b>(15) Retained Profit (12-13-14)</b>	<b>66045</b>	<b>54157</b>	<b>57074</b>

Financial Ratios	2010-11	2009-10	2008-09
(i) Sales : Capital Employed	115.16	124.94	127.21
(ii) Cost of Sales : Sales	86.26	86.48	79.39
(iii) Salary / Wages : Sales	19.04	19.49	16.49
(iv) Net Profit : Net Worth	17.22	16.59	19.59
(v) Debt : Equity	0	0	0
(vi) Current Ratio	1.52	1.74	1.67
(vii) Sundry Debtors : Sales (No. of Days)	193.66	152.78	181.42
(viii) Total Inventory : Sales	164.15	172.53	192.54

## 10.6 Bharat Pumps & Compressors Limited

Bharat Pumps and Compressor Ltd. (BPCL) was incorporated on 01-01-1970 as an import substitution unit for manufacture of sophisticated process pumps and compressors for core sector industries which were hitherto being imported by them.

It is a schedule-'B' BIFR referred Miniratna CPSE under the administrative control of M/o Heavy Industries & Public Enterprises, D/o Heavy Industry. Its registered & corporate offices are at Naini, Allahabad, Uttar Pradesh.

### Vision / Mission

The Vision of the Company is to become an Indian MNC in the field of Fluid Handling, Gas Compression, Gas Storage Equipment, Services and Project Management.

The Mission of the Company are to provide quality products and services to core sector industries with special thrust on Oil and Natural Gas, Petro-chemicals, Refineries, Nuclear and Thermal Power Plants, Fertilizers and Public Transport Services complying to Health and Safety norms.

### Industrial / Business Operations

The company is engaged in manufacturing and supply of heavy duty Centrifugal Pumps, Reciprocating Pumps, Reciprocating Compressors and High Pressure Seamless Industrial/ CNG Gas Cylinders and Cascades to cater the need of Oil Exploration and Exploitation, Refineries, Petro-chemicals, Chemicals and Fertilizers, Power (including Nuclear Power) Sectors and other process downstream industries from its single operating unit at Allahabad, U.P. The physical performances of the company for last three years are given below:

Main Products	Unit	Performance During		
		2010-11	2009-10	2008-09
Centrifugal and Reciprocating Pumps	Numbers	74	84	93
Compressors	Numbers	18	25	22
Gas Cylinders	Numbers	34240	23464	11290

### Strategic issue

BPCL was a sick company till 2004-05 having suffered losses since inception. A restructuring / revival / rehabilitation Plan for BPCL was approved by the Government (of India) in December 2006, which comprised measures such as management support and infusion of equity by BHEL, financial support by ONGC and technology support by EIL and waiver of Plan and Non-Plan loan including interest due and budgetary support to clear outstanding dues, etc.

### Performance Highlights

The operational performance of the company along with performance indicators and selected financial ratios during the period 2008-09 to 2010-11 can be seen on the opposite page.

The Company registered a reduction of ₹ 69.00 crore in total income during 2010-11 which went down to ₹ 208.01 crore in 2010-11 from ₹ 277.01 crore during 2009-10. The net profit of the company correspondingly reduced to ₹ 9.53 crore, a reduction of ₹ 16.12 crore over the previous year's profit of ₹ 25.65 crore due to fall in production and turnover.

The company has been conferred Miniratna status in September, 2010. During the year 2010-11, BPCL has signed an agreement with GE Oil & Gas, Italy, which will give additional business to BPCL for higher range of Centrifugal Pumps.

### Human Resource Management

The company employed 1072 regular employees as on 31.3.2011. The retirement age in the company is 60 years. It is following IDA 1997 pattern of remuneration. Details of employment in last 3 years are given below:

Particulars	2010-11	2009-10	2008-09
Executives including Non-Unionised Supervisors	268	268	249
Non-Executives #	804	809	813
Total Employees	1072	1077	1062

# Detail break-up of Non-Executive employees is at Statement no. 25 of volume-I of PE Survey.



Balance Sheet	(₹ in Lakhs)		
Particulars	2010-11	2009-10	2008-09
Authorised Capital	6500	6500	6500
<b>(1) Sources Of Fund</b>			
<b>(1.1) Shareholders Funds</b>			
(A) Paid-Up Capital			
Central Govt	5353	5353	5353
Others	0	0	0
(B) Share Application Money	0	0	0
(C) Reserves & Surplus	8771	7880	5374
<b>Total (A) + (B) + (C)</b>	<b>14124</b>	<b>13233</b>	<b>10727</b>
<b>(1.2) Loan Funds</b>			
(A) Secured Loans	0	54	645
(B) Unsecured Loans	4440	7840	11088
<b>Total (A) + (B)</b>	<b>4440</b>	<b>7894</b>	<b>11733</b>
(1.3) Deferred Tax Liability	0	0	0
<b>Total (1.1) + (1.2) + (1.3)</b>	<b>18564</b>	<b>21127</b>	<b>22460</b>
<b>(2) Application Of Funds</b>			
<b>(2.1) Fixed Assets</b>			
(A) Gross Block	7003	5138	3801
(B) Less Depreciation	3300	3038	2760
<b>(C) Net Block (A-B)</b>	<b>3703</b>	<b>2100</b>	<b>1041</b>
(D) Capital Work In Progress	2891	1057	591
<b>Total (C) + (D)</b>	<b>6594</b>	<b>3157</b>	<b>1632</b>
(2.2) Investment	0	0	0
<b>(2.3) Current Assets, Loan &amp; Advances</b>			
(A) Inventories	5176	6713	6511
(B) Sundry Debtors	7949	8281	8159
(C) Cash & Bank Balances	7471	11171	16765
(D) Other Current Assets	0	0	0
(E) Loan & Advances	3140	3068	3160
<b>Total (A)+(B)+(C)+(D)+(E)</b>	<b>23736</b>	<b>29233</b>	<b>34595</b>
<b>(2.4) Less: current Liabilities &amp; Provisions</b>			
(A) Current Liabilities	6318	7814	10467
(B) Provisions	6531	4277	3442
<b>Total (A+B)</b>	<b>12849</b>	<b>12091</b>	<b>13909</b>
<b>(2.5) Net Current Assets (2.3-2.4)</b>	<b>10887</b>	<b>17142</b>	<b>20686</b>
(2.6) Deferred Revenue / Pre. Expenditure	0	119	142
(2.7) Deferred Tax Asset	1083	709	0
(2.8) Profit & Loss Account(Dr)	0	0	0
<b>Total (2.1+2.2+2.5+2.6+2.7+2.8)</b>	<b>18564</b>	<b>21127</b>	<b>22460</b>

Important Indicators	2010-11	2009-10	2008-09
(i) Investment	9793	13193	16441
(ii) Capital Employed	14590	19242	21727
(iii) Net Worth	14124	13114	10585
(iv) Cost of Production	18898	23650	19338
(v) Cost of Sales	19011	22568	18976
(vi) Gross Value Added (At Market Price)	-	-	-
(vii) Total Employees (Other Than Casuals) (Nos.)	1072	1077	1062
(viii) Avg. Monthly Emoluments Per Employee (Rs.)	47201	33511	32298

Profit & Loss Account	(₹ in Lakhs)		
Particulars	2010-11	2009-10	2008-09
<b>(1) Income</b>			
(A) Sales/Operating Income	21021	27112	23636
(B) Excise Duty	1175	1962	2314
(C) Net Sales (A-B)	19846	25150	21322
(D) Other Income/Receipts	1068	1469	1538
(E) Accretion/Depletion in Stocks	-113	1082	362
<b>(I) Total Income (C+D+E)</b>	<b>20801</b>	<b>27701</b>	<b>23222</b>
<b>(2) Expenditure</b>			
(A) Purchase of Finished Goods/ Consumption Of Raw Materials	9471	14815	11514
(B) Stores & Spares	176	153	103
(C) Power & Fuel	474	421	307
(D) Manufacturing / Direct / Operating Expenses	212	229	315
(E) Salary, Wages & Benefits / Employee Exp.	6072	4331	4116
(F) Other Expenses	1528	2758	879
(G) Provisions	0	3	1021
<b>(II) Total Expenditure (A to G)</b>	<b>17933</b>	<b>22710</b>	<b>18255</b>
<b>(3) Profit Before Dep, Int, Taxes &amp; EP (PBDITEP) (I-II)</b>	<b>2868</b>	<b>4991</b>	<b>4967</b>
(4) Depreciation	320	216	170
(5) Dre/Prel Exp Written Off	119	50	45
<b>(6) Profit Before Int., Taxes &amp; Ep (PBITEP) (3-4-5)</b>	<b>2429</b>	<b>4725</b>	<b>4752</b>
(7) Interest			
(A) On Central Government Loans	0	0	0
(B) On Foreign Loans	0	0	0
(C) Others	526	674	868
(D) Less Interest Capitalised	0	0	0
(E) Charged to P & L Account (A+B+C-D)	526	674	868
<b>(8) Profit Before Tax &amp; EP(PBTEP) (6-7E)</b>	<b>1903</b>	<b>4051</b>	<b>3884</b>
(9) Tax Provisions	473	544	107
<b>(10) Net Profit / Loss Before EP (8-9)</b>	<b>1430</b>	<b>3507</b>	<b>3777</b>
(11) Net Extra-Ord. Items	477	942	1921
<b>(12) Net Profit / Loss(-) (10-11)</b>	<b>953</b>	<b>2565</b>	<b>1856</b>
(13) Dividend Declared	54	54	0
(14) Dividend Tax	9	9	0
<b>(15) Retained Profit (12-13-14)</b>	<b>890</b>	<b>2502</b>	<b>1856</b>

Financial Ratios	2010-11	2009-10	2008-09
(i) Sales : Capital Employed	136.02	130.7	98.14
(ii) Cost of Sales : Sales	95.79	89.73	89
(iii) Salary / Wages : Sales	30.6	17.22	19.3
(iv) Net Profit : Net Worth	6.75	19.56	17.53
(v) Debt : Equity	0.31	0.6	1.09
(vi) Current Ratio	1.85	2.42	2.49
(vii) Sundry Debtors : Sales (No. of Days)	146.19	120.18	139.67
(viii) Total Inventory : Sales	95.2	97.43	111.46



## 10.7 BIECCO Lawrie Ltd.

Biecco Lawrie Limited (BLL), formally known as British India Electric Construction Company Ltd. (BIECCO), was established on 23.12.1919. In 1972, it became a Government company after Balmer Lawrie & Co. (a CPSE), acquired majority shares in the Company and the Company was renamed as BLL. In 1979, the Government of India acquired majority shares of this company and it became an independent CPSE.

BLL is a Schedule-'C' CPSE in Medium and Light Engineering sector under the administrative control of M/o Petroleum and Natural Gas with 99.57% shareholding by the Government of India (POI=32.24% and OI=67.33%). Registered and Corporate offices of the company are located at Kolkata, West Bengal. BLL's manufacturing facilities are located at Kolkata and it has marketing branches at Delhi, Mumbai, Chennai and Lucknow.

### Vision/Mission

The Vision of the Company is to be a growing company, and help in sharing energy nation-wide, for improved quality of life. The Mission of the Company is to be an electrical engineering company, improving continuously the quality and technology of its products.

### Industrial / Business Operations

BLL is a medium sized engineering Company, has two manufacturing units, located in Kolkata. The four main business divisions of the Company are manufacturing & marketing of medium voltage Switchgear, Turnkey Electrical Projects, Lube oil blending & filling and Repair of Electrical Rotating machinery. The physical performance of the company for last three years are given below:

Main Product	Unit	Performance During		
		2010-11	2009-10	2008-09
Switchgear Panels	Nos	1223	1167	1403
Capacity utilisation	%	89%	85%	102%
Electrical Repair Sales	Rs L	1104	908	751
Project Sales	Rs L	4130	2614	471
Lube oil blending & filling	Rs L	1979	1687	1687

The company is engaged in the business of turn-key Electrical Projects execution, like, 33/66 KV sub-stations, switchyards, micro/small Hydel Projects etc. BLL is executing various mini & micro hydel projects both Greenfield as well as Renovation & Modernisation at Arunachal Pradesh. The company has been awarded rate contracts by a number of PSUs in steel sector for repair of rotating machineries and transformers in addition to various Coalfields all-over the country.

Electrical repair business has registered remarkable growth during the last three years. Company's traditional business i.e. manufactures and supply of medium-voltage Switchgears & Spares is operating in a stiffly competitive market environment. Being a REC approved inspection and certification agency, the company is also participating in Govt. of India's RGGVY Ph-II as Third Party Inspection Agency (TPIA) for inspection and certification of various projects. Lube Oil filling operations are carried out at its Plant located at Kolkata. The company also provides security solutions through WiMax-based Wireless Video Surveillance System.

### Strategic Issues

In May-2011, Govt. of India has approved financial restructuring of the company for Strengthening, Modernizing, Reviving and Restructuring of the company as recommended by the BRPSE. Consequent to such approval and issue of shares, OI has become major shareholder of the company.

Company's Switchgear business requires continuous scaling up of technology and capital investments for increased range, upgraded variants as well as vertical integration, which the company is unable to make. Moreover, due to a mushroom like growth of manufacturers in medium voltage segment, supply exceeds demand and there has been a steep fall in prices and profitability.

In line with recent technology trends in power sector distribution management, the company has entered *Un-manned Substations projects* in different states, in collaboration with Entech, a South Korea-based company.

In the recent years, the Company has been looking into additional areas of business in consonance with the national investment plans in power sector infrastructure as well as small hydropower projects. Thus it is participating in APDRP, RAPDRP and RGGVY schemes of the Government either as a contractor/supplier or as a third party inspection agency for REC.

### Performance Highlights

The operational performance of the company along with performance indicators and selected financial ratios during the period 2008-09 to 2010-11 can be seen on the opposite page.

The Company registered an increase of ₹ 18.49 crore in total income during 2010-11 which went up to ₹ 83.29 crore in 2010-11 from ₹ 64.80 crore during 2009-10. The net profit of the company correspondingly increased to ₹ 3.75 crore, an increase of ₹ 2.02 crore over the previous year due to the increase in the volume of the projects and electrical repair business.

### Human Resource Management

The company employed 396 regular employees as on 31.3.2011. The retirement age in the company is 60 years at Board level and 58 years at below Board level. It is following IDA 2007 pattern of remuneration. Details of employment in last 3 years are given below:

Particulars	2010-11	2009-10	2008-09
Executives including Non-Unionised Supervisors	86	79	79
Non-Executives #	310	327	339
Total Employees	396	406	418

# Detail break-up of Non-Executive employees is at Statement no. 25 of volume-I of PE Survey.

### Technology Up-gradation, Research & Development

R&D activities of the company are mainly on applications research in the utilization of vacuum circuit breaking technology and development of upgraded variants of switching devices.

Balance Sheet	(₹ in Lakhs)		
Particulars	2010-11	2009-10	2008-09
Authorised Capital	5000	5000	5000
<b>(1) Sources Of Fund</b>			
<b>(1.1) Shareholders Funds</b>			
(A) Paid-Up Capital			
Central Govt	2410	2410	2410
Others	1790	1790	1790
(B) Share Application Money	0	0	0
(C) Reserves & Surplus	31	31	31
<b>Total (A) + (B) + (C)</b>	<b>4231</b>	<b>4231</b>	<b>4231</b>
<b>(1.2) Loan Funds</b>			
(A) Secured Loans	927	656	504
(B) Unsecured Loans	4116	4056	3996
<b>Total (A) + (B)</b>	<b>5043</b>	<b>4712</b>	<b>4500</b>
(1.3) Deferred Tax Liability	0	0	0
<b>Total (1.1) + (1.2) + (1.3)</b>	<b>9274</b>	<b>8943</b>	<b>8731</b>
<b>(2) Application Of Funds</b>			
<b>(2.1) Fixed Assets</b>			
(A) Gross Block	1763	1734	1728
(B) Less Depreciation	1218	1151	1102
<b>(C) Net Block (A-B)</b>	<b>545</b>	<b>583</b>	<b>626</b>
(D) Capital Work In Progress	0	0	0
<b>Total (C) + (D)</b>	<b>545</b>	<b>583</b>	<b>626</b>
<b>(2.2) Investment</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>(2.3) Current Assets, Loan &amp; Advances</b>			
(A) Inventories	1214	1070	1070
(B) Sundry Debtors	4900	3824	2914
(C) Cash & Bank Balances	1399	1153	1110
(D) Other Current Assets	0	0	0
(E) Loan & Advances	1705	870	374
<b>Total (A)+(B)+(C)+(D)+(E)</b>	<b>9218</b>	<b>6917</b>	<b>5468</b>
<b>(2.4) Less:current Liabilities &amp; Provisions</b>			
(A) Current Liabilities	5318	3762	2742
(B) Provisions	23	23	23
<b>Total (A+B)</b>	<b>5341</b>	<b>3785</b>	<b>2765</b>
<b>(2.5) Net Current Assets (2.3-2.4)</b>	<b>3877</b>	<b>3132</b>	<b>2703</b>
(2.6) Deferred Revenue / Pre. Expenditure	0	0	0
(2.7) Deferred Tax Asset	366	367	368
(2.8) Profit & Loss Account(Dr)	4486	4861	5034
<b>Total (2.1+2.2+2.5+2.6+2.7+2.8)</b>	<b>9274</b>	<b>8943</b>	<b>8731</b>

Important Indicators	2010-11	2009-10	2008-09
(i) Investment	5769	5709	5749
(ii) Capital Employed	4422	3715	3329
(iii) Net Worth	-255	-630	-803
(iv) Cost of Production	7950	6305	4935
(v) Cost of Sales	7940	6324	5129
(vi) Gross Value Added (At Market Price)	-	-	-
(vii) Total Employees (Other Than Casuals) (Nos.)	396	406	418
(viii) Avg. Monthly Emoluments Per Employee (Rs.)	35816	30603	27352

Profit & Loss Account	(₹ in Lakhs)		
Particulars	2010-11	2009-10	2008-09
<b>(1) Income</b>			
(A) Sales/Operating Income	8443	6568	5791
(B) Excise Duty	295	243	483
(C) Net Sales (A-B)	8148	6325	5308
(D) Other Income/Receipts	171	174	57
(E) Accretion/Depletion in Stocks	10	-19	-194
<b>(I)Total Income (C+D+E)</b>	<b>8329</b>	<b>6480</b>	<b>5171</b>
<b>(2) Expenditure</b>			
(A) Purchase of Finished Goods/ Consumption Of Raw Materials	2394	2197	2530
(B) Stores & Spares	31	41	41
(C) Power & Fuel	111	100	90
(D) Manufacturing / Direct / Operating Expenses	3018	1798	371
(E) Salary, Wages & Benefits / Employee Exp.	1702	1491	1372
(F) Other Expenses	458	520	381
(G) Provisions	10	9	10
<b>(II)Total Expenditure (A to G)</b>	<b>7724</b>	<b>6156</b>	<b>4795</b>
<b>(3) Profit Before Dep, Int, Taxes &amp; EP (PBDITEP) (I-II)</b>	<b>605</b>	<b>324</b>	<b>376</b>
(4) Depreciation	66	67	62
(5) Dre/Prel Exp Written Off	0	0	0
<b>(6) Profit Before Int., Taxes &amp; Ep (PBITEP) (3-4-5)</b>	<b>539</b>	<b>257</b>	<b>314</b>
(7) Interest			
(A) On Central Government Loans	0	0	1
(B) On Foreign Loans	0	0	0
(C) Others	160	82	77
(D) Less Interest Capitalised	0	0	0
(E) Charged to P & L Account (A+B+C-D)	160	82	78
<b>(8) Profit Before Tax &amp; EP(PBTEP) (6-7E)</b>	<b>379</b>	<b>175</b>	<b>236</b>
(9) Tax Provisions	2	1	7
<b>(10) Net Profit / Loss Before EP (8-9)</b>	<b>377</b>	<b>174</b>	<b>229</b>
(11) Net Extra-Ord. Items	2	1	6
<b>(12) Net Profit / Loss(-) (10-11)</b>	<b>375</b>	<b>173</b>	<b>223</b>
(13) Dividend Declared	0	0	0
(14) Dividend Tax	0	0	0
<b>(15) Retained Profit (12-13-14)</b>	<b>375</b>	<b>173</b>	<b>223</b>

Financial Ratios	2010-11	2009-10	2008-09
(i) Sales : Capital Employed	184.26	170.26	159.45
(ii) Cost of Sales : Sales	97.45	99.98	96.63
(iii) Salary / Wages : Sales	20.89	23.57	25.85
(iv) Net Profit : Net Worth	-	-	-
(v) Debt : Equity	1.19	1.11	1.06
(vi) Current Ratio	1.73	1.83	1.98
(vii) Sundry Debtors : Sales (No. of Days)	219.5	220.67	200.38
(viii) Total Inventory : Sales	54.38	61.75	73.58

## 10.8 Central Electronics Ltd.

Central Electronics Ltd. (CEL) was incorporated on 26.06.1974 with the an objective of developing and productionising various electronic materials components and sophisticated systems for which know how on a laboratory scale had been demonstrated in the CSIR, DRDO and other National Laboratories..

CEL is a Schedule-'B' CPSE in Medium & Light Engineering sector under the administrative control of M/o Science and Technology, D/o Scientific and Industrial Research with 100% shareholding by the Government of India. Its registered office is at New Delhi and Corporate office at Ghaziabad, U.P.

### Vision / Mission

The vision of the company is to be a market leader in the field of Solar Photovoltaic Energy sources, particularly for rural applications, as also in Railway Safety and Signaling Electronics and Microwave Phase Control Modules.

The mission of the company is to achieve excellence in technology, manufacture and marketing of renewable energy systems and selected materials, components and systems.

### Industrial / Business Operations

CEL is engaged in production and marketing of Solar Photovoltaic Products, Railway Electronics, Cathodic Protection Systems, Microwave Electronics and PZT Alumina through its only one operating unit at Sahibabad, U.P.

The product range of the company comprises of solar cells, modules and railway electronics products. The physical performances of the company for last three years are given below:

Main Products	Unit	Performance During (% capacity utilization)		
		2010-11	2009-10	2008-09
Solar PV Modules	KW	3196 (32)	2002 (20)	2906 (29)
Axle Counters	Nos.	622 (62)	1660 (176)	1521 (152)

### Strategic issue

The strengths of CEL are; Pioneer in India in Photovoltaic, Railway Signaling & safety equipments, C-Band & X-Band phase shifters & Electronic Ceramics; Capability to meet competition in India and abroad; State-of-the-art solar cell process technology; Latest infrastructure & equipment for processing silicon solar cells & modules and First in India to undertake turnkey village electrification projects

### Performance Highlights

The operational performance of the company along with performance indicators and selected financial ratios during the period 2008-09 to 2010-11 can be seen on the opposite page.

The Company registered an increase of ₹ 31.91 crore in total income during 2010-11 which went up to ₹ 153.41 crore in 2010-11 from ₹ 121.50 crore during 2009-10 due to increase in turnover. The company however showed a net loss of ₹ 17.25 crore as against a profit of 0.12 crore during the previous year due to Net Non-recurring/Extra-Ordinary expenditure of 16.35 crores.

### Human Resource Management

The company employed 637 regular employees as on 31.3.2011. The retirement age in the company is 60 years. It is following IDA 2007 pattern of remuneration. Details of

employment in last 3 years are given below:

(in Nos.)

Particulars	2010-11	2009-10	2008-09
Executives including Non-Unionised Supervisors	245	237	245
Non-Executives #	392	415	425
Total Employees	637	652	670

# Detail break-up of Non-Executive employees is at Statement no. 25 of volume-I of PE Survey.

### Technology Up-gradation, Research and Development

CEL has developed a number of products for the first time in the country through its own R&D efforts and in close association with the premier National & International Laboratories including Defense Laboratories. In recognition of all these efforts, CEL has been awarded a number of times with prestigious awards including "National Award for R&D by DSIR". CEL is pioneer in the country in the field of Solar Photovoltaic (SPV) and it has developed state-of-the-art technology with its own R&D efforts. Its Solar products have been qualified to International Standards EC503/IEC1215 by the European Commission, Joint Research Centre, and ISPRA, ITALY.

CEL, is also a pioneer in the field of Railways Safety & Signaling, has been identified as a major indigenous agency for design and development of modern electronic Signaling and Safety equipment by Indian Railways.

CEL has developed a number of critical components for strategic applications and is supplying these items to Defence

Balance Sheet		(₹ in Lakhs)	
Particulars	2010-11	2009-10	2008-09
Authorised Capital	6000	6000	6000
(1) Sources Of Fund			
(1.1) Shareholders Funds			
(A) Paid-Up Capital			
Central Govt	5327	5177	4977
Others	0	0	0
(B) Share Application Money	0	0	0
(C) Reserves & Surplus	0	0	0
Total (A) + (B) + (C)	5327	5177	4977
(1.2) Loan Funds			
(A) Secured Loans	1987	2962	2257
(B) Unsecured Loans	2129	2399	2410
Total (A) + (B)	4116	5361	4667
(1.3) Deferred Tax Liability	0	0	0
Total (1.1) + (1.2) + (1.3)	9443	10538	9644
(2) Application Of Funds			
(2.1) Fixed Assets			
(A) Gross Block	5106	4956	4673
(B) Less Depreciation	2311	2070	1830
(C) Net Block (A-B)	2795	2886	2843
(D) Capital Work In Progress	81	150	14
Total (C) + (D)	2876	3036	2857
(2.2) Investment	0	0	0
(2.3) Current Assets, Loan & Advances			
(A) Inventories	4850	4410	3684
(B) Sundry Debtors	8076	7967	7321
(C) Cash & Bank Balances	995	996	1906
(D) Other Current Assets	19	31	49
(E) Loan & Advances	1522	855	816
Total (A)+(B)+(C)+(D)+(E)	15462	14259	13776
(2.4) Less:current Liabilities & Provisions			
(A) Current Liabilities	8650	6725	7083
(B) Provisions	3329	1391	1277
Total (A+B)	11979	8116	8360
(2.5) Net Current Assets (2.3-2.4)	3483	6143	5416
(2.6) Deferred Revenue / Pre. Expenditure	0	0	0
(2.7) Deferred Tax Asset	0	0	0
(2.8) Profit & Loss Account(Dr)	3084	1359	1371
Total (2.1+2.2+2.5+2.6+2.7+2.8)	9443	10538	9644

Important Indicators	2010-11	2009-10	2008-09
(i) Investment	7456	7628	7491
(ii) Capital Employed	6278	9029	8259
(iii) Net Worth	2243	3818	3606
(iv) Cost of Production	15291	12093	14830
(v) Cost of Sales	14862	11210	13867
(vi) Gross Value Added (At Market Price)	-	-	-
(vii) Total Employees (Other Than Casuals) (Nos.)	637	652	670
(viii) Avg. Monthly Emoluments Per Employee (Rs.)	57653	43367	37898

Profit & Loss Account		(₹ in Lakhs)	
Particulars	2010-11	2009-10	2008-09
(1) Income			
(A) Sales/Operating Income	15299	11452	14606
(B) Excise Duty	469	378	550
(C) Net Sales (A-B)	14830	11074	14056
(D) Other Income/Receipts	82	193	177
(E) Accretion/Depletion in Stocks	429	883	963
(I)Total Income (C+D+E)	15341	12150	15196
(2) Expenditure			
(A) Purchase of Finished Goods/ Consumption Of Raw Materials	8759	6463	10199
(B) Stores & Spares	183	87	82
(C) Power & Fuel	166	156	124
(D) Manufacturing / Direct / Operating Expenses	582	524	582
(E) Salary, Wages & Benefits / Employee Exp.	4407	3393	3047
(F) Other Expenses	545	732	252
(G) Provisions	87	65	4
(II)Total Expenditure (A to G)	14729	11420	14290
(3) Profit Before Dep, Int, Taxes & EP (PBDITEP) (I-II)	612	730	906
(4) Depreciation	241	240	207
(5) Dre/Prel Exp Written Off	0	0	0
(6) Profit Before Int., Taxes & Ep (PBITEP) (3-4-5)	371	490	699
(7) Interest			
(A) On Central Government Loans	89	83	65
(B) On Foreign Loans	0	0	0
(C) Others	232	350	268
(D) Less Interest Capitalised	0	0	0
(E) Charged to P & L Account (A+B+C-D)	321	433	333
(8) Profit Before Tax & EP(PBTEP) (6-7E)	50	57	366
(9) Tax Provisions	104	24	116
(10) Net Profit / Loss Before EP (8-9)	-54	33	250
(11) Net Extra-Ord. Items	1671	21	121
(12) Net Profit / Loss(-) (10-11)	-1725	12	129
(13) Dividend Declared	0	0	0
(14) Dividend Tax	0	0	0
(15) Retained Profit (12-13-14)	-1725	12	129

Financial Ratios	2010-11	2009-10	2008-09
(i) Sales : Capital Employed	236.22	122.65	170.19
(ii) Cost of Sales : Sales	100.22	101.23	98.66
(iii) Salary / Wages : Sales	29.72	30.64	21.68
(iv) Net Profit : Net Worth	-76.91	0.31	3.58
(v) Debt : Equity	0.77	1.04	0.94
(vi) Current Ratio	1.29	1.76	1.65
(vii) Sundry Debtors : Sales (No. of Days)	198.77	262.59	190.11
(viii) Total Inventory : Sales	119.37	145.35	95.66

## 10.9 Electronics Corporation of India Ltd.

Electronics Corporation of India Ltd. (ECIL) was incorporated on 11.04.1967 as the electronics arm of the Department of Atomic Energy with the objective to make the country self-sufficient in the field of Control & Instrumentation for Nuclear Power Plants and emerge as an important National asset in the field of Strategic sectors like Electronics, Nuclear, Defence, Space, Aviation and Security in addition to various other fields of strategic and economic significance to the country.

The company is a Schedule-'A' CPSE under the administrative control of D/o Atomic Energy with 100% shareholding by the Government of India. Its Registered and Corporate offices are at Hyderabad, Andhra Pradesh.

### Vision / Mission

The vision of the company is to help the country achieve Self-reliance in Strategic Electronics.

The mission of the company is to strengthen its status as a valued technological asset to the Nation in the area of Strategic Electronics meeting the requirements of Atomic Energy, Defence, Space, Civil Aviation, Security and such other sectors of strategic, economic and social importance.

### Industrial / Business Operations

ECIL is engaged in meeting the control and instrumentation requirements of nuclear power programme and also in developing & supply of various products and systems to cater to the requirements of Defence, Civil Aviation, Telecommunication, Oil & Gas, Power, Space, Steel & Coal, Agriculture etc.

ECIL has steadily evolved as multi-product, multi-technology company serving various sections of Indian economy through its two operating units at Hyderabad and Tirupati in Andhra Pradesh and 14 Business Divisions handling different kinds of products. It has many regional maintenance Centers spread across the country. The company has a financial joint venture namely ECIL-Rapiscan Ltd. with a share holding of 49%.

The company is exempted by Department of Company Affairs from disclosure of quantitative particulars in the annual accounts as required under schedule VI of the Companies Act, 1956 due to the strategic nature of the company's activities in accordance with section 211 (3b) of the Companies Act, 1956.

### Strategic issue

It proposes to have business development and Certification EMS 14000 enhancement through appropriate tie-ups.

### Performance Highlights

The operational performance of the company along with performance indicators and selected financial ratios during the period 2008-09 to 2010-11 can be seen on the opposite page.

The Company registered an increase of ₹ 106.89 crore in total income during 2010-11 which went up to ₹ 1339.39 crore in 2010-11 from ₹ 1232.50 crore during 2009-10. The net profit of the company reduced to ₹ 22.86 crore, a reduction of ₹ 19.15 crore over the previous year's profit of ₹ 42.01 crore due to increase in operating expenses.

### Human Resource Management

The company employed 4332 regular employees as on 31.3.2011. The retirement age in the company is 60 years. It is following IDA 2007 pattern of remuneration. Details of employment in last 3 years are given below:

Particulars	2010-11	2009-10	2008-09
Executives including Non-Unionised Supervisors	2712	3001	3073
Non-Executives #	1620	1693	1739
Total Employees	4332	4694	4812

# Detail break-up of Non-Executive employees is at Statement no. 25 of volume-I of PE Survey.



Balance Sheet	(₹ in Lakhs)		
Particulars	2010-11	2009-10	2008-09
Authorised Capital	20000	20000	20000
<b>(1) Sources Of Fund</b>			
<b>(1.1) Shareholders Funds</b>			
(A) Paid-Up Capital			
Central Govt	16337	16337	16337
Others	0	0	0
(B) Share Application Money	0	0	0
(C) Reserves & Surplus	44299	42945	40459
<b>Total (A) + (B) + (C)</b>	<b>60636</b>	<b>59282</b>	<b>56796</b>
<b>(1.2) Loan Funds</b>			
(A) Secured Loans	13944	10019	20250
(B) Unsecured Loans	20072	15029	5042
<b>Total (A) + (B)</b>	<b>34016</b>	<b>25048</b>	<b>25292</b>
(1.3) Deferred Tax Liability	0	0	0
<b>Total (1.1) + (1.2) + (1.3)</b>	<b>94652</b>	<b>84330</b>	<b>82088</b>
<b>(2) Application Of Funds</b>			
<b>(2.1) Fixed Assets</b>			
(A) Gross Block	24154	23677	23170
(B) Less Depreciation	14295	14224	14077
<b>(C) Net Block (A-B)</b>	<b>9859</b>	<b>9453</b>	<b>9093</b>
(D) Capital Work In Progress	3147	4650	394
<b>Total (C) + (D)</b>	<b>13006</b>	<b>14103</b>	<b>9487</b>
<b>(2.2) Investment</b>	<b>165</b>	<b>165</b>	<b>165</b>
<b>(2.3) Current Assets, Loan &amp; Advances</b>			
(A) Inventories	15660	19468	12681
(B) Sundry Debtors	143887	141745	143601
(C) Cash & Bank Balances	27800	31147	23319
(D) Other Current Assets	915	0	0
(E) Loan & Advances	16137	14580	34668
<b>Total (A)+(B)+(C)+(D)+(E)</b>	<b>204399</b>	<b>206940</b>	<b>214269</b>
<b>(2.4) Less:current Liabilities &amp; Provisions</b>			
(A) Current Liabilities	116323	128722	119442
(B) Provisions	10698	12178	26329
<b>Total (A+B)</b>	<b>127021</b>	<b>140900</b>	<b>145771</b>
<b>(2.5) Net Current Assets (2.3-2.4)</b>	<b>77378</b>	<b>66040</b>	<b>68498</b>
(2.6) Deferred Revenue / Pre. Expenditure	0	0	0
(2.7) Deferred Tax Asset	4103	4022	3938
(2.8) Profit & Loss Account(Dr)	0	0	0
<b>Total (2.1+2.2+2.5+2.6+2.7+2.8)</b>	<b>94652</b>	<b>84330</b>	<b>82088</b>

Important Indicators	2010-11	2009-10	2008-09
(i) Investment	16337	16337	29063
(ii) Capital Employed	87237	75493	77591
(iii) Net Worth	60636	59282	56796
(iv) Cost of Production	131650	117749	103422
(v) Cost of Sales	135611	112141	101523
(vi) Gross Value Added (At Market Price)	-	-	-
(vii) Total Employees (Other Than Casuals) (Nos.)	4332	4694	4812
(viii) Avg. Monthly Emoluments Per Employee (Rs.)	73571	52517	55097

Profit & Loss Account	(₹ in Lakhs)		
Particulars	2010-11	2009-10	2008-09
<b>(1) Income</b>			
(A) Sales/Operating Income	138170	118740	105862
(B) Excise Duty	5720	6898	8615
(C) Net Sales (A-B)	132450	111842	97247
(D) Other Income/Receipts	5450	5800	6141
(E) Accretion/Depletion in Stocks	-3961	5608	1899
<b>(I)Total Income (C+D+E)</b>	<b>133939</b>	<b>123250</b>	<b>105287</b>
<b>(2) Expenditure</b>			
(A) Purchase of Finished Goods/ Consumption Of Raw Materials	71974	71032	60237
(B) Stores & Spares	854	443	180
(C) Power & Fuel	516	288	401
(D) Manufacturing / Direct / Operating Expenses	4019	2743	3237
(E) Salary, Wages & Benefits / Employee Exp.	38245	29582	31815
(F) Other Expenses	11961	10502	4220
(G) Provisions	350	289	160
<b>(II)Total Expenditure (A to G)</b>	<b>127919</b>	<b>114879</b>	<b>100250</b>
<b>(3) Profit Before Dep, Int, Taxes &amp; EP (PBDITEP) (I-II)</b>	<b>6020</b>	<b>8371</b>	<b>5037</b>
(4) Depreciation	882	840	1015
(5) Dre/Prel Exp Written Off	0	0	0
<b>(6) Profit Before Int., Taxes &amp; Ep (PBITEP) (3-4-5)</b>	<b>5138</b>	<b>7531</b>	<b>4022</b>
(7) Interest			
(A) On Central Government Loans	0	0	0
(B) On Foreign Loans	0	0	0
(C) Others	2849	2030	2157
(D) Less Interest Capitalised	0	0	0
(E) Charged to P & L Account (A+B+C-D)	2849	2030	2157
<b>(8) Profit Before Tax &amp; EP(PBTEP) (6-7E)</b>	<b>2289</b>	<b>5501</b>	<b>1865</b>
(9) Tax Provisions	-50	1241	542
<b>(10) Net Profit / Loss Before EP (8-9)</b>	<b>2339</b>	<b>4260</b>	<b>1323</b>
(11) Net Extra-Ord. Items	53	59	-25
<b>(12) Net Profit / Loss(-) (10-11)</b>	<b>2286</b>	<b>4201</b>	<b>1348</b>
(13) Dividend Declared	800	1470	472
(14) Dividend Tax	133	244	80
<b>(15) Retained Profit (12-13-14)</b>	<b>1353</b>	<b>2487</b>	<b>796</b>

Financial Ratios	2010-11	2009-10	2008-09
(i) Sales : Capital Employed	151.83	148.15	125.33
(ii) Cost of Sales : Sales	102.39	100.27	104.4
(iii) Salary / Wages : Sales	28.88	26.45	32.72
(iv) Net Profit : Net Worth	3.77	7.09	2.37
(v) Debt : Equity	0.56	0.42	0.45
(vi) Current Ratio	1.61	1.47	1.47
(vii) Sundry Debtors : Sales (No. of Days)	396.52	462.59	538.98
(viii) Total Inventory : Sales	43.16	63.53	47.6



## 10.10 Hindustan Cables Ltd.

Hindustan Cables Ltd. (HCL) was incorporated on 04.08.1952 with the objective of making the country self reliant in the manufacturing and supply of various types of telecommunication wires and cables.

HCL is a Schedule-‘B’ / BIFR / BRPSE referred CPSE in Medium and Light Engineering Sector under the administrative control of M/o Heavy Industries and Public Enterprises, D/o Heavy Industry with 99.60% shareholding by the Government of India. HCL is a listed company but its shares are not traded. Its Registered and Corporate Officers are at Kolkata, West Bengal.

### Industrial / Business Operations

HCL is engaged in manufacturing and supply of telecommunication jelly filled cables, optic fiber cables and telecom turnkey services through its 4 operational units, at Burdwan and Narendrapur in West Bengal, Allahabad in U.P. and Hyderabad in Andhra Pradesh. It also has one R&D centre in Hyderabad.

The product range of the company comprises of two segments namely Telecom Cables and Turnkey Projects. The physical performances of the company for last three years are given below:

Main Products	Unit	Performance During		
		2010-11	2009-10	2008-09
Turnkey activity (sales)	Cr	0.20	0.36	1.23
Jelly filled cables	LCKM	nil	nil	nil

### Strategic issue

On the basis of recommendation of BRPSE, the company has invited many CPSEs to form a Joint Venture with HCL. The negotiation in this regards are going on.

In the absence of orders at remunerative price and advance, the operations in all the units of the Company have been totally stopped. Due to introduction of various wireless services, there has been a drastic reduction in laying of Jelly Filled & Optical Fibre Cables in external plant network of BSNL/MTNL. Thus, the chances of getting purchase orders from BSNL / MTNL at remunerative price along with advance is very remote. Various project like FRLS cables and instrumentation and control cables, high count optical fibre cables, power cables using XLPE technology, HDPE tarpauline and HDPE pipe may be considered for product diversification if external fund support is provided to the Company.

### Performance Highlights

The operational performance of the company along with performance indicators and selected financial ratios during the period 2008-09 to 2010-11 can be seen on the opposite page.

The Company registered an increase of ₹ 0.23 crore in total income during 2010-11 which went up to ₹ 2.44 crore in 2010-11 from ₹ 2.21 crore during 2009-10. The net loss of the company increased to ₹ 607.39 crore, an increase of ₹ 148.07 crore over the previous year's loss of ₹ 459.32 crore.

The increase in losses is attributed to increase in finance charges. The reasons for falling performance are attributed to absence of orders from BSNL, disproportionate employee cost and non-availability of working capital. As such, production in all the units has come to a halt. During the year, the Company received a non-plan assistance of ₹ 72.29 crores for payment of wages and salaries. The Company has availed of a cumulative Government Guarantee of ₹ 112 crore as on 31.3.2011.

### Human Resource Management

The company employed 2141 regular employees as on 31.3.2011. The retirement age in the company is 58 years. It is following IDA 1997 pattern of remuneration. Details of employment in last 3 years are given below:

Particulars	2010-11	2009-10	2008-09
Executives including Non-Unionised Supervisors	296	327	380
Non-Executives #	1845	2062	2529
Total Employees	2141	2389	2909

# Detail break-up of Non-Executive employees is at Statement no. 25 of volume-I of PE Survey.

**Hindustan Cables Ltd.**

9 Elgin Road, Kolkata, West Bengal - 700 020

Balance Sheet	(₹ in Lakhs)		
Particulars	2010-11	2009-10	2008-09
Authorised Capital	45000	45000	45000
<b>(1) Sources Of Fund</b>			
<b>(1.1) Shareholders Funds</b>			
(A) Paid-Up Capital			
Central Govt	41769	41769	41769
Others	167	167	167
(B) Share Application Money	0	0	0
(C) Reserves & Surplus	5674	5674	5674
<b>Total (A) + (B) + (C)</b>	<b>47610</b>	<b>47610</b>	<b>47610</b>
<b>(1.2) Loan Funds</b>			
(A) Secured Loans	171943	150081	132013
(B) Unsecured Loans	151225	127404	113136
<b>Total (A) + (B)</b>	<b>323168</b>	<b>277485</b>	<b>245149</b>
(1.3) Deferred Tax Liability	0	0	0
<b>Total (1.1) + (1.2) + (1.3)</b>	<b>370778</b>	<b>325095</b>	<b>292759</b>
<b>(2) Application Of Funds</b>			
<b>(2.1) Fixed Assets</b>			
(A) Gross Block	52545	52545	52541
(B) Less Depreciation	45903	44705	43478
<b>(C) Net Block (A-B)</b>	<b>6642</b>	<b>7840</b>	<b>9063</b>
(D) Capital Work In Progress	4295	5301	5301
<b>Total (C) + (D)</b>	<b>10937</b>	<b>13141</b>	<b>14364</b>
(2.2) Investment	0	0	0
<b>(2.3) Current Assets, Loan &amp; Advances</b>			
(A) Inventories	2761	2764	2805
(B) Sundry Debtors	10768	14039	16927
(C) Cash & Bank Balances	1617	3289	5620
(D) Other Current Assets	0	0	0
(E) Loan & Advances	2556	2580	2837
<b>Total (A)+ (B)+ (C)+ (D)+ (E)</b>	<b>17702</b>	<b>22672</b>	<b>28189</b>
<b>(2.4) Less: current Liabilities &amp; Provisions</b>			
(A) Current Liabilities	76620	72128	68675
(B) Provisions	6779	3389	0
<b>Total (A+B)</b>	<b>83399</b>	<b>75517</b>	<b>68675</b>
<b>(2.5) Net Current Assets (2.3-2.4)</b>	<b>-65697</b>	<b>-52845</b>	<b>-40486</b>
(2.6) Deferred Revenue / Pre. Expenditure	0	0	14
(2.7) Deferred Tax Asset	0	0	0
(2.8) Profit & Loss Account(Dr)	425538	364799	318867
<b>Total (2.1+2.2+2.5+2.6+2.7+2.8)</b>	<b>370778</b>	<b>325095</b>	<b>292759</b>

Important Indicators	2010-11	2009-10	2008-09
(i) Investment	259169	226694	204602
(ii) Capital Employed	-59055	-45005	-31423
(iii) Net Worth	-377928	-317189	-271271
(iv) Cost of Production	60709	50826	44436
(v) Cost of Sales	60704	50862	44824
(vi) Gross Value Added (At Market Price)	-	-	-
(vii) Total Employees (Other Than Casuals) (Nos.)	2141	2389	2909
(viii) Avg. Monthly Emoluments Per Employee (Rs.)	48961	31858	24493

Profit & Loss Account	(₹ in Lakhs)		
Particulars	2010-11	2009-10	2008-09
<b>(1) Income</b>			
(A) Sales/Operating Income	20	36	123
(B) Excise Duty	0	0	0
(C) Net Sales (A-B)	20	36	123
(D) Other Income/Receipts	219	221	228
(E) Accretion/Depletion in Stocks	5	-36	-388
<b>(I) Total Income (C+D+E)</b>	<b>244</b>	<b>221</b>	<b>-37</b>
<b>(2) Expenditure</b>			
(A) Purchase of Finished Goods/ Consumption Of Raw Materials	0	0	10
(B) Stores & Spares	1	1	60
(C) Power & Fuel	288	377	363
(D) Manufacturing / Direct / Operating Expenses	101	103	103
(E) Salary, Wages & Benefits / Employee Exp.	12579	9133	8550
(F) Other Expenses	412	373	965
(G) Provisions	4083	2919	0
<b>(II) Total Expenditure (A to G)</b>	<b>17464</b>	<b>12906</b>	<b>10051</b>
<b>(3) Profit Before Dep, Int, Taxes &amp; EP (PBDITEP) (I-II)</b>	<b>-17220</b>	<b>-12685</b>	<b>-10088</b>
(4) Depreciation	1199	1210	1250
(5) Dre/Prel Exp Written Off	0	14	21
<b>(6) Profit Before Int., Taxes &amp; Ep (PBITEP) (3-4-5)</b>	<b>-18419</b>	<b>-13909</b>	<b>-11359</b>
(7) Interest			
(A) On Central Government Loans	16592	14350	14069
(B) On Foreign Loans	0	0	0
(C) Others	25454	22346	19045
(D) Less Interest Capitalised	0	0	0
(E) Charged to P & L Account (A+B+C-D)	42046	36696	33114
<b>(8) Profit Before Tax &amp; EP(PBTEP) (6-7E)</b>	<b>-60465</b>	<b>-50605</b>	<b>-44473</b>
(9) Tax Provisions	0	0	2
<b>(10) Net Profit / Loss Before EP (8-9)</b>	<b>-60465</b>	<b>-50605</b>	<b>-44475</b>
(11) Net Extra-Ord. Items	274	-4673	62
<b>(12) Net Profit / Loss(-) (10-11)</b>	<b>-60739</b>	<b>-45932</b>	<b>-44537</b>
(13) Dividend Declared	0	0	0
(14) Dividend Tax	0	0	0
<b>(15) Retained Profit (12-13-14)</b>	<b>-60739</b>	<b>-45932</b>	<b>-44537</b>

Financial Ratios	2010-11	2009-10	2008-09
(i) Sales : Capital Employed	-0.03	-0.08	-0.39
(ii) Cost of Sales : Sales	303520	141283.33	36442.28
(iii) Salary / Wages : Sales	62895	25369.44	6951.22
(iv) Net Profit : Net Worth	-	-	-
(v) Debt : Equity	6.79	5.83	5.15
(vi) Current Ratio	0.21	0.3	0.41
(vii) Sundry Debtors : Sales (No. of Days)	196516	142339.86	50230.53
(viii) Total Inventory : Sales	50388.25	28023.89	8323.78

## 10.11 HMT Bearings Ltd.

HMT Bearings Ltd. (HMTB) was incorporated on 24.10.1964 under the Factories Act 1948 as Indo Nippon Precision Bearings Ltd. The project however, could not take off till Andhra Pradesh Industrial Development Corporation (APIDC) intervened and implemented it in the year 1970 in collaboration with M/s Koyo Seiko Co Ltd, Japan. The commercial production began in 1971. Production started with three lines one each for Ball Bearing, Taper Roller Bearing and Cylindrical Roller Bearing. The initial installed capacity was 11 Lac nos. per annum. The company was taken over by HMT Ltd. in the year 1981.

It is a Schedule-'C' sick BIFR / BRPSE referred CPSE in Medium & Light Engineering sector under the administrative control of M/o Heavy Industries and Public Enterprises, D/o Heavy Industry with its Registered office at Hyderabad and Corporate office at Karnatka. It is a subsidiary of HMT Limited which is holding its 97% equity shares.

### Vision / Mission

The Vision of the company is to produce & market bearings and other engineering components of world-class excellence through total performance leadership.

The mission of the company is to establish itself as one of the world's premier companies in the engineering field having strong international competitiveness, to achieve market leadership in India through ensuring customer satisfaction by supplying internationally competitive products and services and to achieve sustained growth in the earnings on behalf of shareholders.

### Industrial / Business Operations

HBL is engaged in manufacturing and selling of Ball and Taper Roller bearings & Cylindrical Roller Bearings through its single operating unit and Marketing Head Quarter at Hyderabad and Regional Sales Offices at Chennai, Kolkata, Delhi and Pune. The physical performances of the company for last three years are given below:

Main Product / Services	Unit	Performance During (% capacity utilization)		
		2010-11	2009-10	2008-09
Bearings	Lakh Nos.	5.61 (27)	2.60 (13)	-
Domestic Market Share	%	1 %	1 %	-

### Strategic issue

Bearing is an essential intermediate engineering product. It supports radial and axial loads and minimises friction in moving parts. HMTB is present in BB, TRB & CRB in size range of minimum inner dia (ID) of 20mm to a maximum outer dia (OD) of 240mm. The initially collaborated design size range is only upto OD 120mm and the rest are developed through in-house efforts. The products are manufactured with normal (P-0) class which finds applications mainly in Tractors, Automobiles apart from other general engineering applications. The product range does not cover many of the applications for Railways which are normally having outer dia exceeding 240mm. In the competitive market there is dumping of Bearing by China and Un-organized sector.

The Company becomes a Sick Company under Section 15(1) of Sick Industrial Companies (Special Provisions) Act, 1985 during the year 2007-08. Company had sought time from BIFR for disinvestment through JV route on approval by the Government of India and BIFR kept in abeyance its order based

on the submission by DHI / Company to revive the Company through IMG route.

During July 2010, based on the statement of DHI that a resolution is being brought in the parliament for privatisation of the Company, BIFR decided to wait for decision of parliament before taking any view on the matter. During February 2011, DHI sought fresh formulation of Business plans by an experienced consultant with focus on growth. M/s PWC were appointed as consultants during March 2011. PWC submitted the Business Plans during August 2011. Revised proposal is being submitted to DHI for consideration of BRPSE.

### Performance Highlights

The operational performance of the company along with performance indicators and selected financial ratios during the period 2008-09 to 2010-11 can be seen on the opposite page.

The Company registered an increase of ₹ 8.54 crore in total income during 2010-11 which went up to ₹ 13.66 crore in 2010-11 from ₹ 5.12 crore during 2009-10. The net loss of the company however increase to ₹ 21.32 crore, an increase of ₹ 6.01 crore over the previous year's loss of ₹ 15.31 core due to inadequate availability of Raw Material arising out of shortage of funds, shortage of capacity for the out-sourced components, continuous hike in steel prices etc.

In 2010-11, the turnover doubled after the Plant was restarted in 2009-10, after it had reached an all time low in 2008-09, when all machines were without any input material. During the year company focus on widening the product range with higher value added products. The Personnel cost is being reduced by offering VRS.

### Human Resource Management

The company employed 197 regular employees as on 31.3.2011. The retirement age in the company is 58 years. It is following IDA 1992 pattern of remuneration. Details of employment in last 3 years are given below:

Particulars	2010-11	2009-10	2008-09
Executives including Non-Unionised Supervisors	128	49	25
Non-Executives #	69	185	238
Total Employees	197	234	263

# Detail break-up of Non-Executive employees is at Statement no. 25 of volume-I of PE Survey.

Due to Non implementation of revised pay scale & stagnation of increments; the company has been unable to attract young talent and retain skilled officers and this has also affected the morale of the employees. There is skill manpower shortage in the core areas especially in the Finance, Design, R & D, Marketing and Maintenance.

**HMT Bearings Ltd.**

HMT' Bhavan, 59, Bellary Road, Bangalore, Karnatka-560032

Balance Sheet	(₹ in Lakhs)		
Particulars	2010-11	2009-10	2008-09
Authorised Capital	4500	4500	4500
<b>(1) Sources Of Fund</b>			
<b>(1.1) Shareholders Funds</b>			
(A) Paid-Up Capital			
Central Govt	0	0	0
Others	3771	3771	3771
(B) Share Application Money	0	0	0
(C) Reserves & Surplus	0	0	0
<b>Total (A) + (B) + (C)</b>	<b>3771</b>	<b>3771</b>	<b>3771</b>
<b>(1.2) Loan Funds</b>			
(A) Secured Loans	1775	1666	1779
(B) Unsecured Loans	4700	2571	790
<b>Total (A) + (B)</b>	<b>6475</b>	<b>4237</b>	<b>2569</b>
(1.3) Deferred Tax Liability	0	0	0
<b>Total (1.1) + (1.2) + (1.3)</b>	<b>10246</b>	<b>8008</b>	<b>6340</b>
<b>(2) Application Of Funds</b>			
<b>(2.1) Fixed Assets</b>			
(A) Gross Block	3023	3023	3024
(B) Less Depreciation	2814	2765	2718
<b>(C) Net Block (A-B)</b>	<b>209</b>	<b>258</b>	<b>306</b>
(D) Capital Work In Progress	0	0	0
<b>Total (C) + (D)</b>	<b>209</b>	<b>258</b>	<b>306</b>
<b>(2.2) Investment</b>	<b>201</b>	<b>201</b>	<b>201</b>
<b>(2.3) Current Assets, Loan &amp; Advances</b>			
(A) Inventories	324	321	752
(B) Sundry Debtors	439	262	562
(C) Cash & Bank Balances	406	596	278
(D) Other Current Assets	0	0	1
(E) Loan & Advances	295	291	138
<b>Total (A)+(B)+(C)+(D)+(E)</b>	<b>1464</b>	<b>1470</b>	<b>1731</b>
<b>(2.4) Less: current Liabilities &amp; Provisions</b>			
(A) Current Liabilities	1710	1826	2268
(B) Provisions	163	207	211
<b>Total (A+B)</b>	<b>1873</b>	<b>2033</b>	<b>2479</b>
<b>(2.5) Net Current Assets (2.3-2.4)</b>	<b>-409</b>	<b>-563</b>	<b>-748</b>
(2.6) Deferred Revenue / Pre. Expenditure	0	0	0
(2.7) Deferred Tax Asset	0	0	0
(2.8) Profit & Loss Account(Dr)	10245	8112	6581
<b>Total (2.1+2.2+2.5+2.6+2.7+2.8)</b>	<b>10246</b>	<b>8008</b>	<b>6340</b>

Important Indicators	2010-11	2009-10	2008-09
(i) Investment	3771	4160	4688
(ii) Capital Employed	-200	-305	-442
(iii) Net Worth	-6474	-4341	-2810
(iv) Cost of Production	2435	1925	1779
(v) Cost of Sales	2374	2074	1889
(vi) Gross Value Added (At Market Price)	-	-	-
(vii) Total Employees (Other Than Casuals) (Nos.)	197	234	263
(viii) Avg. Monthly Emoluments Per Employee (Rs.)	23646	25427	25380

Profit & Loss Account	(₹ in Lakhs)		
Particulars	2010-11	2009-10	2008-09
<b>(1) Income</b>			
(A) Sales/Operating Income	1148	684	871
(B) Excise Duty	128	63	96
(C) Net Sales (A-B)	1020	621	775
(D) Other Income/Receipts	285	40	46
(E) Accretion/Depletion in Stocks	61	-149	-110
<b>(I) Total Income (C+D+E)</b>	<b>1366</b>	<b>512</b>	<b>711</b>
<b>(2) Expenditure</b>			
(A) Purchase of Finished Goods/ Consumption Of Raw Materials	715	300	253
(B) Stores & Spares	71	47	48
(C) Power & Fuel	77	37	52
(D) Manufacturing / Direct / Operating Expenses	8	63	19
(E) Salary, Wages & Benefits / Employee Exp.	559	714	801
(F) Other Expenses	140	98	66
(G) Provisions	0	79	6
<b>(II) Total Expenditure (A to G)</b>	<b>1570</b>	<b>1338</b>	<b>1245</b>
<b>(3) Profit Before Dep, Int, Taxes &amp; EP (PBDITEP) (I-II)</b>	<b>-204</b>	<b>-826</b>	<b>-534</b>
(4) Depreciation	48	47	103
(5) Dre/Prel Exp Written Off	0	0	0
<b>(6) Profit Before Int., Taxes &amp; Ep (PBITEP) (3-4-5)</b>	<b>-252</b>	<b>-873</b>	<b>-637</b>
(7) Interest			
(A) On Central Government Loans	0	127	77
(B) On Foreign Loans	382	0	0
(C) Others	435	413	354
(D) Less Interest Capitalised	0	0	0
(E) Charged to P & L Account (A+B+C-D)	817	540	431
<b>(8) Profit Before Tax &amp; EP(PBTEP) (6-7E)</b>	<b>-1069</b>	<b>-1413</b>	<b>-1068</b>
(9) Tax Provisions	0	0	39
<b>(10) Net Profit / Loss Before EP (8-9)</b>	<b>-1069</b>	<b>-1413</b>	<b>-1107</b>
(11) Net Extra-Ord. Items	1063	118	0
<b>(12) Net Profit / Loss(-) (10-11)</b>	<b>-2132</b>	<b>-1531</b>	<b>-1107</b>
(13) Dividend Declared	0	0	0
(14) Dividend Tax	0	0	0
<b>(15) Retained Profit (12-13-14)</b>	<b>-2132</b>	<b>-1531</b>	<b>-1107</b>

Financial Ratios	2010-11	2009-10	2008-09
(i) Sales : Capital Employed	-510	-203.61	-175.34
(ii) Cost of Sales : Sales	232.75	333.98	243.74
(iii) Salary / Wages : Sales	54.8	114.98	103.35
(iv) Net Profit : Net Worth	-	-	-
(v) Debt : Equity	1.72	1.12	0.68
(vi) Current Ratio	0.78	0.72	0.7
(vii) Sundry Debtors : Sales (No. of Days)	157.09	153.99	264.68
(viii) Total Inventory : Sales	115.94	188.67	354.17

## 10.12 HMT Chinar Watches Ltd.

HMT Chinar Watches Ltd. (HCWL) was incorporated in the year 2000-01 with the objective to de-merge the units engaged in the watch business from the HMT Ltd. (as per the restructuring plan of HMT Ltd.) and to boost industrial activity in the state of J&K.

HCWL is a Schedule-'C'/ sick BRPSE referred CPSE under the administrative control of M/o Heavy Industries and Public Enterprises, D/O Heavy Industry (DHI). Its Registered office is at Bari Brahmani, Jammu (J&K) and Corporate office at Bangalore, Karnataka. It is a 100% subsidiary of HMT Ltd.

### Industrial / Business Operations

HCWL is engaged in manufacturing of hand wound mechanical and quartz watches at their two watch factories located at Zainakot (Srinagar) and watch assembly unit at Bari Brahmani (Jammu). The physical performances of the company for last three years are given below:

Main Product	Unit	Performance During		
		2010-11	2009-10	2008-09
Watches	Nos	1201	8478	9832
Capacity Utilization	%	0.24	1.70	1.96

### Strategic issue

The BRPSE in its recommendations submitted to DHI have proposed handing over of the subsidiary to the Govt. of Jammu & Kashmir as one of its first option. The DHI has accordingly submitted the proposal to the State Government for take over of the company. The proposal is under their consideration.

### Performance Highlights

The operational performance of the company along with performance indicators and selected financial ratios during the period 2008-09 to 2010-11 can be seen on the opposite page.

The Company registered a reduction of ₹ 5.02 crore in total income during 2010-11 which went down to ₹ 0.22crore in 2010-11 from ₹ 5.24 crore during 2009-10 due to fall in production as a result of shortage of working capital. The net loss of the company reduced to ₹ 45.40 crore, a reduction of ₹ 4.54 crore over the previous year's loss of ₹ 49.94 crore due to lower level of operations and corresponding fall in operating expenditure. The decrease in the level of operation of company is also due to lack of availability of Manpower, as majority of the employees have opted for VRS.

### Human Resource Management

The company employed 112 regular employees as on 31.3.2011. The retirement age in the company is 58 years. It is following IDA 1992 pattern of remuneration. Details of employment in last 3 years are given below:

Particulars	2010-11	2009-10	2008-09
Executives including Non-Unionised Supervisors	38	47	32
Non-Executives #	74	100	196
Total Employees	112	147	228

# Detail break-up of Non-Executive employees is at Statement no. 25 of volume-I of PE Survey.



Balance Sheet	(₹ in Lakhs)		
Particulars	2010-11	2009-10	2008-09
Authorised Capital	200	200	200
<b>(1) Sources Of Fund</b>			
<b>(1.1) Shareholders Funds</b>			
(A) Paid-Up Capital			
Central Govt	0	0	0
Others	166	166	166
(B) Share Application Money	0	0	0
(C) Reserves & Surplus	0	0	0
<b>Total (A) + (B) + (C)</b>	<b>166</b>	<b>166</b>	<b>166</b>
<b>(1.2) Loan Funds</b>			
(A) Secured Loans	0	0	9
(B) Unsecured Loans	35137	31220	25884
<b>Total (A) + (B)</b>	<b>35137</b>	<b>31220</b>	<b>25893</b>
(1.3) Deferred Tax Liability	0	0	0
<b>Total (1.1) + (1.2) + (1.3)</b>	<b>35303</b>	<b>31386</b>	<b>26059</b>
<b>(2) Application Of Funds</b>			
<b>(2.1) Fixed Assets</b>			
(A) Gross Block	1215	1216	1216
(B) Less Depreciation	1007	1007	994
<b>(C) Net Block (A-B)</b>	<b>208</b>	<b>209</b>	<b>222</b>
(D) Capital Work In Progress	0	0	0
<b>Total (C) + (D)</b>	<b>208</b>	<b>209</b>	<b>222</b>
<b>(2.2) Investment</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>(2.3) Current Assets, Loan &amp; Advances</b>			
(A) Inventories	680	683	745
(B) Sundry Debtors	35	36	41
(C) Cash & Bank Balances	0	404	102
(D) Other Current Assets	277	0	0
(E) Loan & Advances	73	395	190
<b>Total (A)+(B)+(C)+(D)+(E)</b>	<b>1065</b>	<b>1518</b>	<b>1078</b>
<b>(2.4) Less: current Liabilities &amp; Provisions</b>			
(A) Current Liabilities	4198	4065	3368
(B) Provisions	637	612	1214
<b>Total (A+B)</b>	<b>4835</b>	<b>4677</b>	<b>4582</b>
<b>(2.5) Net Current Assets (2.3-2.4)</b>	<b>-3770</b>	<b>-3159</b>	<b>-3504</b>
(2.6) Deferred Revenue / Pre. Expenditure	0	0	0
(2.7) Deferred Tax Asset	0	0	0
(2.8) Profit & Loss Account(Dr)	38865	34336	29341
<b>Total (2.1+2.2+2.5+2.6+2.7+2.8)</b>	<b>35303</b>	<b>31386</b>	<b>26059</b>

Important Indicators	2010-11	2009-10	2008-09
(i) Investment	35303	31386	26050
(ii) Capital Employed	-3562	-2950	-3282
(iii) Net Worth	-38699	-34170	-29175
(iv) Cost of Production	4562	4210	7419
(v) Cost of Sales	4562	4262	7349
(vi) Gross Value Added (At Market Price)	-	-	-
(vii) Total Employees (Other Than Casuals) (Nos.)	112	147	228
(viii) Avg. Monthly Emoluments Per Employee (Rs.)	35342	32370	32858

Profit & Loss Account	(₹ in Lakhs)		
Particulars	2010-11	2009-10	2008-09
<b>(1) Income</b>			
(A) Sales/Operating Income	10	73	109
(B) Excise Duty	0	4	47
(C) Net Sales (A-B)	10	69	62
(D) Other Income/Receipts	12	507	340
(E) Accretion/Depletion in Stocks	0	-52	70
<b>(I) Total Income (C+D+E)</b>	<b>22</b>	<b>524</b>	<b>472</b>
<b>(2) Expenditure</b>			
(A) Purchase of Finished Goods/ Consumption Of Raw Materials	0	8	20
(B) Stores & Spares	0	0	4
(C) Power & Fuel	3	5	12
(D) Manufacturing / Direct / Operating Expenses	2	20	6
(E) Salary, Wages & Benefits / Employee Exp.	475	571	899
(F) Other Expenses	17	337	317
(G) Provisions	5	5	31
<b>(II) Total Expenditure (A to G)</b>	<b>502</b>	<b>946</b>	<b>1289</b>
<b>(3) Profit Before Dep, Int, Taxes &amp; EP (PBDITEP) (I-II)</b>	<b>-480</b>	<b>-422</b>	<b>-817</b>
(4) Depreciation	0	12	13
(5) Dre/Prel Exp Written Off	345	0	3500
<b>(6) Profit Before Int., Taxes &amp; Ep (PBITEP) (3-4-5)</b>	<b>-825</b>	<b>-434</b>	<b>-4330</b>
(7) Interest			
(A) On Central Government Loans	3346	2895	2278
(B) On Foreign Loans	0	0	0
(C) Others	369	357	339
(D) Less Interest Capitalised	0	0	0
(E) Charged to P & L Account (A+B+C-D)	3715	3252	2617
<b>(8) Profit Before Tax &amp; EP(PBTEP) (6-7E)</b>	<b>-4540</b>	<b>-3686</b>	<b>-6947</b>
(9) Tax Provisions	0	0	1
<b>(10) Net Profit / Loss Before EP (8-9)</b>	<b>-4540</b>	<b>-3686</b>	<b>-6948</b>
(11) Net Extra-Ord. Items	0	1308	0
<b>(12) Net Profit / Loss(-) (10-11)</b>	<b>-4540</b>	<b>-4994</b>	<b>-6948</b>
(13) Dividend Declared	0	0	0
(14) Dividend Tax	0	0	0
<b>(15) Retained Profit (12-13-14)</b>	<b>-4540</b>	<b>-4994</b>	<b>-6948</b>

Financial Ratios	2010-11	2009-10	2008-09
(i) Sales : Capital Employed	-0.28	-2.34	-1.89
(ii) Cost of Sales : Sales	45620	6176.81	11853.23
(iii) Salary / Wages : Sales	4750	827.54	1450
(iv) Net Profit : Net Worth	-	-	-
(v) Debt : Equity	211.67	188.07	155.98
(vi) Current Ratio	0.22	0.32	0.24
(vii) Sundry Debtors : Sales (No. of Days)	1277.5	190.43	241.37
(viii) Total Inventory : Sales	24820	3612.97	4385.89



## 10.13 HMT Limited

HMT Limited (HMT) was incorporated on 07.02.1953 with the objective to manufacture and sell Tractors and Food Processing Machines.

The Company is a Schedule-‘A’ BRPSE referred listed CPSE under the administrative control of M/o Heavy Industries and Public Enterprises, D/o Heavy Industry with 98.88% shareholding by the Government of India

### Vision / Mission

The Vision of the Company is to be an engineering company of repute, providing best of products and services with contemporary technologies, to suit customer needs.

The Mission of the Company is to serve the country's strategic sector through development of high technology products and to achieve sustained growth and profitability. It also seeks to ensure stakeholders satisfaction in all its businesses and to develop and upgrade skills and capabilities of employees through Human Resource Development.

### Industrial / Business Operations

HMT is engaged in manufacturing and selling of Tractors and Food Processing Machines (FPM) from its 4 units (two manufacturing units and two service divisions) at Pinjore, Mohali, Hyderabad and Aurangabad and 15 Area Offices of Tractor Division.

It has five subsidiaries namely HMT Bearings Limited, HMT Chinara Watches Limited, HMT (International) Limited, HMT Machine Tools Limited and HMT Watches Limited.

The physical performances of the company for last three years are given below:

Main Product / Services	Unit	Performance During (capacity utilization)		
		2010-11	2009-10	2008-09
Tractors	Nos.	4812 (57)	4652 (55)	3651 (41)
Food Processing Machineries	Nos.	247 (84)	152 (52)	135 (46)

### Strategic issue

The Revival Plan proposal as recommended by BRPSE has been under consideration of GoI. The total cash and non-cash assistance sought under financial restructuring is ₹ 980.21 crore.

### Performance Highlights

The operational performance of the company along with performance indicators and selected financial ratios during the period 2008-09 to 2010-11 can be seen on the opposite page.

The Company registered an increase of ₹ 23.24 crore in total income during 2010-11 which went up to ₹ 213.47crore in 2010-11 from ₹ 190.23crore during 2009-10 due to increase in turnover. The net loss of the company however increased to ₹ 79.24 crore, an increase of ₹ 26.33crore over the previous year's loss of ₹ 52.91crore due to increase in operating expensesand interest burden on GoI loans.

The average capacity utilization during the year 2010-11 was 57% in respect of Tractors and 84% in respect of Food Processing Machineries.

### Human Resource Management

The company employed 1904 regular employees as on 31.3.2011. The retirement age in the company is 58 years. It is following IDA 1992 pattern of remuneration. Details of employment in last 3 years are given below:

Particulars	2010-11	2009-10	2008-09
Executives including Non-Unionised Supervisors	381	421	407
Non-Executives #	1523	1667	1798
Total Employees	1904	2088	2205

# Detail break-up of Non-Executive employees is at Statement no. 25 of volume-I of PE Survey.

### Technology Up-gradation, Research and Development

The development of 55 HP Tractor Engines has been proposed.

Balance Sheet	(₹ in Lakhs)		
Particulars	2010-11	2009-10	2008-09
Authorised Capital	145000	145000	145000
<b>(1) Sources Of Fund</b>			
<b>(1.1) Shareholders Funds</b>			
(A) Paid-Up Capital			
Central Govt	75185	75185	75185
Others	850	850	850
(B) Share Application Money	44300	44300	44300
(C) Reserves & Surplus	0	0	0
<b>Total (A) + (B) + (C)</b>	<b>120335</b>	<b>120335</b>	<b>120335</b>
<b>(1.2) Loan Funds</b>			
(A) Secured Loans	14372	25465	34170
(B) Unsecured Loans	45499	36626	23142
<b>Total (A) + (B)</b>	<b>59871</b>	<b>62091</b>	<b>57312</b>
(1.3) Deferred Tax Liability	0	0	0
<b>Total (1.1) + (1.2) + (1.3)</b>	<b>180206</b>	<b>182426</b>	<b>177647</b>
<b>(2) Application Of Funds</b>			
<b>(2.1) Fixed Assets</b>			
(A) Gross Block	13648	13639	13248
(B) Less Depreciation	10040	9693	9342
<b>(C) Net Block (A-B)</b>	<b>3608</b>	<b>3946</b>	<b>3906</b>
(D) Capital Work In Progress	260	82	187
<b>Total (C) + (D)</b>	<b>3868</b>	<b>4028</b>	<b>4093</b>
<b>(2.2) Investment</b>	<b>126728</b>	<b>136921</b>	<b>132711</b>
<b>(2.3) Current Assets, Loan &amp; Advances</b>			
(A) Inventories	2835	2900	4038
(B) Sundry Debtors	7249	6864	7444
(C) Cash & Bank Balances	383	438	1166
(D) Other Current Assets	87	111	110
(E) Loan & Advances	4830	1990	2181
<b>Total (A)+(B)+(C)+(D)+(E)</b>	<b>15384</b>	<b>12303</b>	<b>14939</b>
<b>(2.4) Less: current Liabilities &amp; Provisions</b>			
(A) Current Liabilities	16755	14256	12425
(B) Provisions	7554	7181	7020
<b>Total (A+B)</b>	<b>24309</b>	<b>21437</b>	<b>19445</b>
<b>(2.5) Net Current Assets (2.3-2.4)</b>	<b>-8925</b>	<b>-9134</b>	<b>-4506</b>
(2.6) Deferred Revenue / Pre. Expenditure	0	0	29
(2.7) Deferred Tax Asset	0	0	0
(2.8) Profit & Loss Account(Dr)	58535	50611	45320
<b>Total (2.1+2.2+2.5+2.6+2.7+2.8)</b>	<b>180206</b>	<b>182426</b>	<b>177647</b>

Important Indicators	2010-11	2009-10	2008-09
(i) Investment	174135	167647	163331
(ii) Capital Employed	-5317	-5188	-600
(iii) Net Worth	61800	69724	74986
(iv) Cost of Production	29271	24309	23156
(v) Cost of Sales	29361	25532	24346
(vi) Gross Value Added (At Market Price)	-	-	-
(vii) Total Employees (Other Than Casuals) (Nos.)	1904	2088	2205
(viii) Avg. Monthly Emoluments Per Employee (Rs.)	36638	26988	24063

Profit & Loss Account	(₹ in Lakhs)		
Particulars	2010-11	2009-10	2008-09
<b>(1) Income</b>			
(A) Sales/Operating Income	20086	19312	16215
(B) Excise Duty	156	144	192
(C) Net Sales (A-B)	19930	19168	16023
(D) Other Income/Receipts	1507	1078	1425
(E) Accretion/Depletion in Stocks	-90	-1223	-1190
<b>(I) Total Income (C+D+E)</b>	<b>21347</b>	<b>19023</b>	<b>16258</b>
<b>(2) Expenditure</b>			
(A) Purchase of Finished Goods/ Consumption Of Raw Materials	12521	10885	9373
(B) Stores & Spares	1214	1198	1223
(C) Power & Fuel	444	397	444
(D) Manufacturing / Direct / Operating Expenses	1568	512	529
(E) Salary, Wages & Benefits / Employee Exp.	8371	6762	6367
(F) Other Expenses	364	1383	1256
(G) Provisions	357	654	2151
<b>(II) Total Expenditure (A to G)</b>	<b>24839</b>	<b>21791</b>	<b>21343</b>
<b>(3) Profit Before Dep, Int, Taxes &amp; EP (PBDITEP) (I-II)</b>	<b>-3492</b>	<b>-2768</b>	<b>-5085</b>
(4) Depreciation	387	392	340
(5) Dre/Prel Exp Written Off	174	158	239
<b>(6) Profit Before Int., Taxes &amp; Ep (PBITEP) (3-4-5)</b>	<b>-4053</b>	<b>-3318</b>	<b>-5664</b>
(7) Interest			
(A) On Central Government Loans	5010	2587	1649
(B) On Foreign Loans	0	0	0
(C) Others	474	-619	-415
(D) Less Interest Capitalised	1613	0	0
(E) Charged to P & L Account (A+B+C-D)	3871	1968	1234
<b>(8) Profit Before Tax &amp; EP(PBTEP) (6-7E)</b>	<b>-7924</b>	<b>-5286</b>	<b>-6898</b>
(9) Tax Provisions	0	0	181
<b>(10) Net Profit / Loss Before EP (8-9)</b>	<b>-7924</b>	<b>-5286</b>	<b>-7079</b>
(11) Net Extra-Ord. Items	0	5	0
<b>(12) Net Profit / Loss(-) (10-11)</b>	<b>-7924</b>	<b>-5291</b>	<b>-7079</b>
(13) Dividend Declared	0	0	0
(14) Dividend Tax	0	0	0
<b>(15) Retained Profit (12-13-14)</b>	<b>-7924</b>	<b>-5291</b>	<b>-7079</b>

Financial Ratios	2010-11	2009-10	2008-09
(i) Sales : Capital Employed	-374.84	-369.47	-2670.5
(ii) Cost of Sales : Sales	147.32	133.2	151.94
(iii) Salary / Wages : Sales	42	35.28	39.74
(iv) Net Profit : Net Worth	-12.82	-7.59	-9.44
(v) Debt : Equity	0.5	0.52	0.48
(vi) Current Ratio	0.63	0.57	0.77
(vii) Sundry Debtors : Sales (No. of Days)	132.76	130.71	169.57
(viii) Total Inventory : Sales	51.92	55.22	91.98

## 2010-11 PROVISIONAL

## 10.14 HMT Machine Tools Ltd.

HMT Machine Tools Ltd. (HMTL) was incorporated on 09.08.1998 with the objective of providing manufacturing solutions and manufacturing/marketing of machine tools, as 100% subsidiary of HMT Ltd. under the Companies Act, 1956 as a part of restructuring plan of HMT.

It is a Schedule-‘B’ / sick BIFR / BRPSE referred CPSE in Medium & Light Engineering sector under the administrative control of M/o Heavy Industries and Public Enterprises, D/o Heavy Industry. Its Registered and Corporate offices are at Bangalore, Karnataka.

### Vision/Mission

The vision and mission and of the company is to provide quality manufacturing solutions.

### Industrial / Business Operations

HMTL (including praga Tools Division) is engaged in manufacturing of wide range of products catering to the requirement of advanced manufacturing like machine tools, Industrial machinery, peripherals etc. as well as providing services in reconditioning and refurbishing of machines, project consultancy etc. through its 6 operating units at Bangalore in Karnataka, Pinjore in Haryana, Kalamassery in Kerala, Hyderabad in Andhra Pradesh and Ajmer in Rajasthan. The physical performances of the company for last three years are given below:

Main Product	Unit	Performance During		
		2010-11	2009-10	2008-09
Machine Tools	No	503	510	595

### Strategic Issues

During the year 2007, a revival plan envisaging infusion of funds by way of preferential and equity capital, conversion of long term loan into equity capital and waiver of interest was sanctioned by the Government of India with a view to address the negative net-worth of the company. Simultaneously steps to be taken for JV formation with majority shareholding being held by JV partner

The revival plan is under implementation. The company was to pay ₹ 443 crore to the Government against money received towards Preference Share Capital by 31st March, 2010 out of sale of identified surplus assets, in line with the revival plan and BIFR order. The company has requested the Government for extension of one year for the redemption of Preference Shares i.e. up to 31st march 2011.

### Performance Highlights

The operational performance of the company along with performance indicators and selected financial ratios during the period 2008-09 to 2010-11 can be seen on the opposite page.

The Company registered a reduction of ₹ 14.00 crore in total income during 2010-11 which went down to ₹ 189.26 crore in 2010-11 from ₹ 203.26 crore during 2009-10. The net loss of the company increased to ₹ 93.06 crore, an increase of ₹ 47.26 crore over the previous year loss of ₹ 45.80 due to reduction in turnover & other income and increase in operating expenses & provision towards Gratuity due to enhancement in ceiling limit etc..

### Human Resource Management

The company employed 3652 regular employees as on 31.3.2011. The retirement age in the Company is 58 years. It is following IDA 1992 and CDA 1996 pattern of remuneration. Details of employment in last 3 years are given below:

Particulars	2010-11	2009-10	2008-09
Executives including Non-Unionised Supervisors	1140	1216	866
Non-Executives #	2512	2592	2960
Total Employees	3652	3808	3826

# Detail break-up of Non-Executive employees is at Statement no. 25 of volume-I of PE Survey.

**HMT Machine Tools Ltd.**

'HMT' Bhaan, 59, Bellary Road, Bangalore, Karnataka -560032

Balance Sheet	(₹ in Lakhs)		
Particulars	2010-11	2009-10	2008-09
Authorised Capital	80000	80000	80000
<b>(1) Sources Of Fund</b>			
<b>(1.1) Shareholders Funds</b>			
(A) Paid-Up Capital			
Central Govt	0	0	0
Others	71960	71960	1570
(B) Share Application Money	0	0	70390
(C) Reserves & Surplus	2270	2271	2270
<b>Total (A) + (B) + (C)</b>	<b>74230</b>	<b>74231</b>	<b>74230</b>
<b>(1.2) Loan Funds</b>			
(A) Secured Loans	5156	2954	2423
(B) Unsecured Loans	7520	7029	6651
<b>Total (A) + (B)</b>	<b>12676</b>	<b>9983</b>	<b>9074</b>
(1.3) Deferred Tax Liability	0	0	0
<b>Total (1.1) + (1.2) + (1.3)</b>	<b>86906</b>	<b>84214</b>	<b>83304</b>
<b>(2) Application Of Funds</b>			
<b>(2.1) Fixed Assets</b>			
(A) Gross Block	32900	31329	28490
(B) Less Depreciation	23857	22977	22201
<b>(C) Net Block (A-B)</b>	<b>9043</b>	<b>8352</b>	<b>6289</b>
(D) Capital Work In Progress	339	1080	1086
<b>Total (C) + (D)</b>	<b>9382</b>	<b>9432</b>	<b>7375</b>
<b>(2.2) Investment</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>(2.3) Current Assets, Loan &amp; Advances</b>			
(A) Inventories	7816	9576	11740
(B) Sundry Debtors	5046	6278	6422
(C) Cash & Bank Balances	3906	4692	8133
(D) Other Current Assets	270	310	253
(E) Loan & Advances	4634	4665	4898
<b>Total (A)+(B)+(C)+(D)+(E)</b>	<b>21672</b>	<b>25521</b>	<b>31446</b>
<b>(2.4) Less:current Liabilities &amp; Provisions</b>			
(A) Current Liabilities	15460	14161	14065
(B) Provisions	14110	12695	12993
<b>Total (A+B)</b>	<b>29570</b>	<b>26856</b>	<b>27058</b>
<b>(2.5) Net Current Assets (2.3-2.4)</b>	<b>-7898</b>	<b>-1335</b>	<b>4388</b>
(2.6) Deferred Revenue / Pre. Expenditure	4	5	9
(2.7) Deferred Tax Asset	0	0	0
(2.8) Profit & Loss Account(Dr)	85418	76112	71532
<b>Total (2.1+2.2+2.5+2.6+2.7+2.8)</b>	<b>86906</b>	<b>84214</b>	<b>83304</b>

Important Indicators	2010-11	2009-10	2008-09
(i) Investment	79480	78989	78539
(ii) Capital Employed	1145	7017	10677
(iii) Net Worth	-11192	-1886	2689
(iv) Cost of Production	27813	24903	23755
(v) Cost of Sales	29419	26309	22966
(vi) Gross Value Added (At Market Price)	-	-	-
(vii) Total Employees (Other Than Casuals) (Nos.)	3652	3808	3826
(viii) Avg. Monthly Emoluments Per Employee (Rs.)	34794	27158	27091

Profit & Loss Account	(₹ in Lakhs)		
Particulars	2010-11	2009-10	2008-09
<b>(1) Income</b>			
(A) Sales/Operating Income	20902	20961	20060
(B) Excise Duty	1812	1575	1977
(C) Net Sales (A-B)	19090	19386	18083
(D) Other Income/Receipts	1442	2346	2238
(E) Accretion/Depletion in Stocks	-1606	-1406	789
<b>(I) Total Income (C+D+E)</b>	<b>18926</b>	<b>20326</b>	<b>21110</b>
<b>(2) Expenditure</b>			
(A) Purchase of Finished Goods/ Consumption Of Raw Materials	4331	7602	4477
(B) Stores & Spares	2777	0	3648
(C) Power & Fuel	905	803	838
(D) Manufacturing / Direct / Operating Expenses	490	0	363
(E) Salary, Wages & Benefits / Employee Exp.	15248	12410	12438
(F) Other Expenses	1352	2561	1272
(G) Provisions	946	0	403
<b>(II) Total Expenditure (A to G)</b>	<b>26049</b>	<b>23376</b>	<b>23439</b>
<b>(3) Profit Before Dep, Int, Taxes &amp; EP (PBDITEP) (I-II)</b>	<b>-7123</b>	<b>-3050</b>	<b>-2329</b>
(4) Depreciation	985	788	565
(5) Dre/Prel Exp Written Off	2	0	0
<b>(6) Profit Before Int., Taxes &amp; Ep (PBITEP) (3-4-5)</b>	<b>-8110</b>	<b>-3838</b>	<b>-2894</b>
(7) Interest			
(A) On Central Government Loans	429	404	0
(B) On Foreign Loans	0	0	0
(C) Others	675	840	567
(D) Less Interest Capitalised	327	505	816
(E) Charged to P & L Account (A+B+C-D)	777	739	-249
<b>(8) Profit Before Tax &amp; EP(PBTEP) (6-7E)</b>	<b>-8887</b>	<b>-4577</b>	<b>-2645</b>
(9) Tax Provisions	0	0	60
<b>(10) Net Profit / Loss Before EP (8-9)</b>	<b>-8887</b>	<b>-4577</b>	<b>-2705</b>
(11) Net Extra-Ord. Items	419	3	1012
<b>(12) Net Profit / Loss(-) (10-11)</b>	<b>-9306</b>	<b>-4580</b>	<b>-3717</b>
(13) Dividend Declared	0	0	0
(14) Dividend Tax	0	0	0
<b>(15) Retained Profit (12-13-14)</b>	<b>-9306</b>	<b>-4580</b>	<b>-3717</b>

Financial Ratios	2010-11	2009-10	2008-09
(i) Sales : Capital Employed	1667.25	276.27	169.36
(ii) Cost of Sales : Sales	154.11	135.71	127
(iii) Salary / Wages : Sales	79.87	64.02	68.78
(iv) Net Profit : Net Worth	-	-	-138.23
(v) Debt : Equity	0.17	0.13	0.12
(vi) Current Ratio	0.73	0.95	1.16
(vii) Sundry Debtors : Sales (No. of Days)	96.48	118.2	129.63
(viii) Total Inventory : Sales	149.44	180.3	236.97

## 10.15 HMT Watches Ltd.

HMT Watches Ltd. (HWL) was incorporated on 09.08.1999 with the objective of acquiring all the assets, properties and liabilities of watch business of HMT Ltd, as a part of Restructuring Plan of the Holding Company.

HWL is a Schedule-‘B’ CPSE in Medium & Light Engineering sector under the administrative control of M/o Heavy Industries and Public Enterprises, D/o Heavy Industry. It is a 100% subsidiary of HMT Ltd. and its Registered and Corporate offices are at Bangalore, Karnataka.

### Industrial / Business Operations

HWL is engaged in manufacturing of all kinds of watches and their components through 4 operating units at Bangalore and Tumkur in Karnataka and Ranibagh (Nanital) in Uttarakhand. The physical performances of the company for last three years are given below:

Main Product / Services	Unit	Performance During		
		2010-11	2009-10	2008-09
Watches	Nos. (lakhs)	N.A.	2.18	2.32

N.A.: Not Available

### Strategic issue

The company has drawn various strategies and action plans to improve the performance of the company during 2010-11. In this direction, the Company submitted Revival / Restructuring proposal to Government of India, revalidated by a consultant as per the direction from DHI after incorporating the recommendations from them on the strategy to be adopted for improvement.

### Performance Highlights

The operational performance of the company along with performance indicators and selected financial ratios during the period 2008-09 to 2010-11 can be seen on the opposite page.

The Company registered a reduction of ₹ 2.50 crore in total income during 2010-11 which went down to ₹ 15.78 crore in 2010-11 from ₹ 18.28crore during 2009-10 due to lack of working capital. The net loss of the company increased to ₹ 253.74crore, an increase of ₹ 85.40 crore over the previous year's loss of ₹ 168.34 crore due to fall in turnover, increase in operating expenditure and high interest burden.

Institutional sales contributed 30% of total sales of the company.

### Human Resource Management

The company employed 1417regular employees as on 31.3.2011. The retirement age in the company is 58 years. It is following IDA 1992 pattern of remuneration. Details of employment in last 3 years are given below:

Particulars	2010-11	2009-10	2008-09
Executives including Non-Unionised Supervisors	285	237	417
Non-Executives #	1132	1183	1633
Total Employees	1417	1420	2050

# Detail break-up of Non-Executive employees is at Statement no. 25 of volume-I of PE Survey.

**HMT Watches Ltd.**

HMT Bhavan, 59, Bellary Road, Bangalore, Karnataka-560032

Balance Sheet	(₹ in Lakhs)		
Particulars	2010-11	2009-10	2008-09
Authorised Capital	700	700	700
<b>(1) Sources Of Fund</b>			
<b>(1.1) Shareholders Funds</b>			
(A) Paid-Up Capital			
Central Govt	0	0	0
Others	649	649	649
(B) Share Application Money	0	0	0
(C) Reserves & Surplus	0	0	0
<b>Total (A) + (B) + (C)</b>	<b>649</b>	<b>649</b>	<b>649</b>
<b>(1.2) Loan Funds</b>			
(A) Secured Loans	0	0	669
(B) Unsecured Loans	135581	113273	98111
<b>Total (A) + (B)</b>	<b>135581</b>	<b>113273</b>	<b>98780</b>
(1.3) Deferred Tax Liability	0	0	0
<b>Total (1.1) + (1.2) + (1.3)</b>	<b>136230</b>	<b>113922</b>	<b>99429</b>
<b>(2) Application Of Funds</b>			
<b>(2.1) Fixed Assets</b>			
(A) Gross Block	18910	19006	19006
(B) Less Depreciation	17889	17878	17770
<b>(C) Net Block (A-B)</b>	<b>1021</b>	<b>1128</b>	<b>1236</b>
(D) Capital Work In Progress	0	7	7
<b>Total (C) + (D)</b>	<b>1021</b>	<b>1135</b>	<b>1243</b>
<b>(2.2) Investment</b>	<b>0</b>	<b>0</b>	<b>1</b>
<b>(2.3) Current Assets, Loan &amp; Advances</b>			
(A) Inventories	3274	3231	3937
(B) Sundry Debtors	160	152	358
(C) Cash & Bank Balances	377	614	289
(D) Other Current Assets	20	10	10
(E) Loan & Advances	1453	1766	1854
<b>Total (A)+(B)+(C)+(D)+(E)</b>	<b>5284</b>	<b>5773</b>	<b>6448</b>
<b>(2.4) Less: current Liabilities &amp; Provisions</b>			
(A) Current Liabilities	17860	15502	14128
(B) Provisions	7478	7373	7190
<b>Total (A+B)</b>	<b>25338</b>	<b>22875</b>	<b>21318</b>
<b>(2.5) Net Current Assets (2.3-2.4)</b>	<b>-20054</b>	<b>-17102</b>	<b>-14870</b>
(2.6) Deferred Revenue / Pre. Expenditure	0	0	0
(2.7) Deferred Tax Asset	0	0	0
(2.8) Profit & Loss Account(Dr)	155263	129889	113055
<b>Total (2.1+2.2+2.5+2.6+2.7+2.8)</b>	<b>136230</b>	<b>113922</b>	<b>99429</b>

Important Indicators	2010-11	2009-10	2008-09
(i) Investment	649	104080	649
(ii) Capital Employed	-19033	-15974	-13634
(iii) Net Worth	-154614	-129240	-112406
(iv) Cost of Production	20387	18655	17561
(v) Cost of Sales	20404	18889	17867
(vi) Gross Value Added (At Market Price)	-	-	-
(vii) Total Employees (Other Than Casuals) (Nos.)	1417	1420	2050
(viii) Avg. Monthly Emoluments Per Employee (Rs.)	35903	32858	21703

Profit & Loss Account	(₹ in Lakhs)		
Particulars	2010-11	2009-10	2008-09
<b>(1) Income</b>			
(A) Sales/Operating Income	882	1054	1353
(B) Excise Duty	76	76	149
(C) Net Sales (A-B)	806	978	1204
(D) Other Income/Receipts	789	1084	359
(E) Accretion/Depletion in Stocks	-17	-234	-306
<b>(I) Total Income (C+D+E)</b>	<b>1578</b>	<b>1828</b>	<b>1257</b>
<b>(2) Expenditure</b>			
(A) Purchase of Finished Goods/ Consumption Of Raw Materials	0	431	204
(B) Stores & Spares	255	0	152
(C) Power & Fuel	107	138	111
(D) Manufacturing / Direct / Operating Expenses	165	45	162
(E) Salary, Wages & Benefits / Employee Exp.	6105	5599	5339
(F) Other Expenses	865	1033	845
(G) Provisions	0	239	642
<b>(II) Total Expenditure (A to G)</b>	<b>7497</b>	<b>7485</b>	<b>7455</b>
<b>(3) Profit Before Dep, Int, Taxes &amp; EP (PBDITEP) (I-II)</b>	<b>-5919</b>	<b>-5657</b>	<b>-6198</b>
(4) Depreciation	92	109	123
(5) Dre/Prel Exp Written Off	0	0	0
<b>(6) Profit Before Int., Taxes &amp; Ep (PBITEP) (3-4-5)</b>	<b>-6011</b>	<b>-5766</b>	<b>-6321</b>
(7) Interest			
(A) On Central Government Loans	9872	10116	6764
(B) On Foreign Loans	0	0	0
(C) Others	2926	1430	3219
(D) Less Interest Capitalised	0	485	0
(E) Charged to P & L Account (A+B+C-D)	12798	11061	9983
<b>(8) Profit Before Tax &amp; EP(PBTEP) (6-7E)</b>	<b>-18809</b>	<b>-16827</b>	<b>-16304</b>
(9) Tax Provisions	0	0	22
<b>(10) Net Profit / Loss Before EP (8-9)</b>	<b>-18809</b>	<b>-16827</b>	<b>-16326</b>
(11) Net Extra-Ord. Items	6565	7	79
<b>(12) Net Profit / Loss(-) (10-11)</b>	<b>-25374</b>	<b>-16834</b>	<b>-16405</b>
(13) Dividend Declared	0	0	0
(14) Dividend Tax	0	0	0
<b>(15) Retained Profit (12-13-14)</b>	<b>-25374</b>	<b>-16834</b>	<b>-16405</b>

Financial Ratios	2010-11	2009-10	2008-09
(i) Sales : Capital Employed	-4.23	-6.12	-8.83
(ii) Cost of Sales : Sales	2531.51	1931.39	1483.97
(iii) Salary / Wages : Sales	757.44	572.49	443.44
(iv) Net Profit : Net Worth	-	-	-
(v) Debt : Equity	208.91	174.53	152.2
(vi) Current Ratio	0.21	0.25	0.3
(vii) Sundry Debtors : Sales (No. of Days)	72.46	56.73	108.53
(viii) Total Inventory : Sales	1482.64	1205.84	1193.53



## 10.16 ITI Limited

ITI was incorporated on 25.01.1950 under the Companies Act 1956 and was the first Public sector undertaking set up by the Government of India to assist the Government in sensitive and strategic Telecommunication fields as also to tap the opportunities of convergence of Communications, Internet and entertainment business.

The company is a Schedule "A" listed / BIFR / BRPSE referred CPSE in Medium and Light Engineering Sector under the administrative control of Ministry of Telecommunication and Information Technology, D/o Telecommunication with 92.87% share holding by the Government of India. Its registered and Corporate Office are at Bangalore, Karnataka.

### Vision / Mission

The Mission of the Company is to attain leadership in manufacturing and supply of telecom products based on state-of-the-art technology and also to retain status of top turnkey solution provider.

### Industrial / Business Operations

ITI is involved in manufacturing and supply of Telecom equipments covering whole spectrum of switching Equipments, Transmission products like GSM (BTS), C-DoT products, TRU expansion, SMPS, STM etc. through its 6 operating Units at Bangalore (Karnataka), Mankapur (UP), Naini (UP), Rae Bareilly (UP), Palakkad (Kerala) and Srinagar (J&K).

As per ITI diversification and sustainable business plan, it is also working on the projects related to National Population Register (NPR), Solar Panel, LED based products, Broad Band to rural Panchayats, Network for Spectrum (NFS) for defence, Banking Products etc. *ITI also has one Joint Venture namely India Satcom Ltd. with 49% share holding with M/s Chris Tech Systems Pvt. Ltd. (CTSPL). The physical performances of the company for last three years are given below:*

Main Products	Unit	Performance During		
		2010-11	2009-10	2008-09
GSM-WZ	₹ crore	909.09	1139.79	-
GSM-SZ	₹ crore	593.08	2003.36	-
ROs/ CCO/IT	₹ crore	125.28	89.25	194.09
G-PoN	₹ crore	119.98	240.14	-
DWDM	₹ crore	56.96	8.25	-
Optic Fiber Equipments	₹ crore	45.67	191.96	-
ADSL – CPE	₹ crore	37.47	19.78	-
Diversified Products	₹ crore	32.84	8.45	-

ITI has implemented GSM Network for BSNL (West Zone (WZ) and South Zone (SZ)) and also MTNL Network at Mumbai. For the first time in the country, ITI has deployed the G-PoN technology in BSNL Network with the collaboration of M/s Alphion, USA and also setup State-of-the-Art Tier - 3 + Data Centre facility at Bangalore.

### Strategic issue

Based on the recommendation of BRPSE, the Ministry had submitted a proposal to Cabinet Committee on Economic Affairs (CCEA) for sanction of financial assistance to ITI to clean up its Balance Sheet. In this regard, the Government has accorded non-plan financial assistance to ITI as grant for discharging the liabilities of the Company from 2002-03 to 2010-11.

### Performance Highlights

The operational performance of the company along with performance indicators and selected financial ratios during the period 2008-09 to 2010-11 can be seen on the opposite page.

The Company registered a reduction of ₹ 2817.08 crore in total income during 2010-11 which went down to ₹ 2143.70 crore in 2010-11 from ₹ 4960.78 crore during 2009-10 due to decline in overall orders from ITI major customers namely MTNL & BSNL. The net loss of the company however reduced to ₹ 357.75 crore, a reduction of ₹ 101.01 crore over the previous year's loss of ₹ 458.76 crore.

### Human Resource Management

The company employed 10616 regular employees as on 31.3.2011. The retirement age in the company is 60 years for Board level and 58 years for below Board level employees. The company is following IDA 1997 pattern of remuneration. Details of employment in last 3 years are given below:

(in Nos.)

Particulars	2010-11	2009-10	2008-09
Executives including Non-Unionised Supervisors	4819	5264	5503
Non-Executives #	5797	6473	7053
Total Employees	10616	11737	12556

# Detail break-up of Non-Executive employees is at Statement no. 25 of volume-I of PE Survey.

Balance Sheet	(₹ in Lakhs)		
Particulars	2010-11	2009-10	2008-09
Authorised Capital	70000	70000	70000
<b>(1) Sources Of Fund</b>			
<b>(1.1) Shareholders Funds</b>			
(A) Paid-Up Capital			
Central Govt	56747	56747	56747
Others	2053	2053	2053
(B) Share Application Money	0	0	0
(C) Reserves & Surplus	519381	504942	262664
<b>Total (A) + (B) + (C)</b>	<b>578181</b>	<b>563742</b>	<b>321464</b>
<b>(1.2) Loan Funds</b>			
(A) Secured Loans	34332	25852	134994
(B) Unsecured Loans	0	1969	79398
<b>Total (A) + (B)</b>	<b>34332</b>	<b>27821</b>	<b>214392</b>
(1.3) Deferred Tax Liability	0	0	0
<b>Total (1.1) + (1.2) + (1.3)</b>	<b>612513</b>	<b>591563</b>	<b>535856</b>
<b>(2) Application Of Funds</b>			
<b>(2.1) Fixed Assets</b>			
(A) Gross Block	368390	368116	367861
(B) Less Depreciation	113623	108935	103960
<b>(C) Net Block (A-B)</b>	<b>254767</b>	<b>259181</b>	<b>263901</b>
(D) Capital Work In Progress	689	133	178
<b>Total (C) + (D)</b>	<b>255456</b>	<b>259314</b>	<b>264079</b>
(2.2) Investment	41	41	41
<b>(2.3) Current Assets, Loan &amp; Advances</b>			
(A) Inventories	11789	28422	40335
(B) Sundry Debtors	497883	492127	226817
(C) Cash & Bank Balances	9368	29724	1903
(D) Other Current Assets	0	0	0
(E) Loan & Advances	31581	33313	33133
<b>Total (A)+(B)+(C)+(D)+(E)</b>	<b>550621</b>	<b>583586</b>	<b>302188</b>
<b>(2.4) Less: current Liabilities &amp; Provisions</b>			
(A) Current Liabilities	553129	577475	329040
(B) Provisions	37996	36148	23282
<b>Total (A+B)</b>	<b>591125</b>	<b>613623</b>	<b>352322</b>
<b>(2.5) Net Current Assets (2.3-2.4)</b>	<b>-40504</b>	<b>-30037</b>	<b>-50134</b>
(2.6) Deferred Revenue / Pre. Expenditure	0	0	0
(2.7) Deferred Tax Asset	0	0	0
(2.8) Profit & Loss Account(Dr)	397520	362245	321870
<b>Total (2.1+2.2+2.5+2.6+2.7+2.8)</b>	<b>612513</b>	<b>591563</b>	<b>535856</b>

Important Indicators	2010-11	2009-10	2008-09
(i) Investment	58800	61497	160036
(ii) Capital Employed	214263	229144	213767
(iii) Net Worth	180661	201497	-406
(iv) Cost of Production	250399	539082	254360
(v) Cost of Sales	253732	542092	252240
(vi) Gross Value Added (At Market Price)	-	-	-
(vii) Total Employees (Other Than Casuals) (Nos.)	10616	11737	12556
(viii) Avg. Monthly Emoluments Per Employee (Rs.)	29152	39597	26608

Profit & Loss Account	(₹ in Lakhs)		
Particulars	2010-11	2009-10	2008-09
<b>(1) Income</b>			
(A) Sales/Operating Income	213893	466032	174132
(B) Excise Duty	3987	6420	4052
(C) Net Sales (A-B)	209906	459612	170080
(D) Other Income/Receipts	7797	39476	17631
(E) Accretion/Depletion in Stocks	-3333	-3010	2120
<b>(I) Total Income (C+D+E)</b>	<b>214370</b>	<b>496078</b>	<b>189831</b>
<b>(2) Expenditure</b>			
(A) Purchase of Finished Goods/ Consumption Of Raw Materials	163279	425681	145605
(B) Stores & Spares	324	434	520
(C) Power & Fuel	2377	2057	2276
(D) Manufacturing / Direct / Operating Expenses	2829	27036	9056
(E) Salary, Wages & Benefits / Employee Exp.	37137	55770	40091
(F) Other Expenses	34336	6832	24042
(G) Provisions	395	7885	2087
<b>(II) Total Expenditure (A to G)</b>	<b>240677</b>	<b>525695</b>	<b>223677</b>
<b>(3) Profit Before Dep, Int, Taxes &amp; EP (PBDITEP) (I-II)</b>	<b>-26307</b>	<b>-29617</b>	<b>-33846</b>
(4) Depreciation	2227	2431	2672
(5) Dre/Prel Exp Written Off	0	0	0
<b>(6) Profit Before Int., Taxes &amp; Ep (PBITEP) (3-4-5)</b>	<b>-28534</b>	<b>-32048</b>	<b>-36518</b>
(7) Interest			
(A) On Central Government Loans	0	0	0
(B) On Foreign Loans	0	0	0
(C) Others	7495	10956	28011
(D) Less Interest Capitalised	0	0	0
(E) Charged to P & L Account (A+B+C-D)	7495	10956	28011
<b>(8) Profit Before Tax &amp; EP(PBTEP) (6-7E)</b>	<b>-36029</b>	<b>-43004</b>	<b>-64529</b>
(9) Tax Provisions	0	0	36
<b>(10) Net Profit / Loss Before EP (8-9)</b>	<b>-36029</b>	<b>-43004</b>	<b>-64565</b>
(11) Net Extra-Ord. Items	-254	2872	2253
<b>(12) Net Profit / Loss(-) (10-11)</b>	<b>-35775</b>	<b>-45876</b>	<b>-66818</b>
(13) Dividend Declared	0	0	0
(14) Dividend Tax	0	0	0
<b>(15) Retained Profit (12-13-14)</b>	<b>-35775</b>	<b>-45876</b>	<b>-66818</b>

Financial Ratios	2010-11	2009-10	2008-09
(i) Sales : Capital Employed	97.97	200.58	79.56
(ii) Cost of Sales : Sales	120.88	117.95	148.31
(iii) Salary / Wages : Sales	17.69	12.13	23.57
(iv) Net Profit : Net Worth	-19.8	-22.77	-
(v) Debt : Equity	0.06	0.05	0.67
(vi) Current Ratio	0.93	0.95	0.86
(vii) Sundry Debtors : Sales (No. of Days)	865.76	390.82	486.76
(viii) Total Inventory : Sales	20.5	22.57	86.56

## 10.17 IDPL (Tamilnadu) Ltd.

IDPL (Tamilnadu) Ltd. (IDPL-TN) was incorporated in 1994 with the objective of manufacturing surgical Instruments, Drugs, hospital Equipments and aids and appliances for handicapped persons. It was established as a wholly owned subsidiary of the Indian Drugs & Pharmaceuticals Ltd. (IDPL).

IDPL (Tamilnadu) Ltd. is an uncategorised CPSE in Medium & Light Engineering sector under the administrative control of M/o Chemicals and Fertilizers, Department of Pharmaceuticals. Its Registered and Corporate offices are at Chennai, Tamilnadu.

### Industrial / Business Operations

The company is involved in production of surgical instruments, fabrication, general engineering, hospital equipment and formulations such as tablets, capsules, vials and ampoules and liquid orals. The company mostly manufactures generic products.

The company is involved in the production of 50 types of products. It is currently utilizing 50% of its capacity. The company has not provided any details of physical performance during last three years.

### Strategic issue

The restructuring proposal for merger of IDPL-TN with holding company IDPL is before the Group of Ministers, GoI for approval.

### Performance Highlights

The operational performance of the company along with performance indicators and selected financial ratios during the period 2008-09 to 2010-11 can be seen on the opposite page.

The company has not provided any information for the year 2010-11. The accounts of the company have been finalized only upto year 2005-06. The company has submitted provisional information upto 2009-10 only. As such the status of Balance Sheet and Profit & Loss Account of the company has remained unchanged for the year 2010-11 and figures of 2009-10 are repeated for the year 2010-11 on provisional basis.

### Human Resource Management

The company employed 56 regular employees as on 31.3.2010. The retirement age in the company is 58 years. It is following IDA 1997 pattern of remuneration. Details of employment in last 3 years are given below:

Particulars	2010-11	2009-10	2008-09
Executives including Non-Unionised Supervisors	33	8	9
Non-Executives #	23	48	48
Total Employees	56	56	57

# Detail break-up of Non-Executive employees is at Statement no. 25 of volume-I of PE Survey.

**IDPL (Tamilnadu) Ltd.**

IDPL (Tamil Nadu) Ltd., Nandambakkam, Guindy Chennai, Tamil Nadu -600089

Balance Sheet	(₹ in Lakhs)		
Particulars	2010-11	2009-10	2008-09
Authorised Capital	400	400	400
<b>(1) Sources Of Fund</b>			
<b>(1.1) Shareholders Funds</b>			
(A) Paid-Up Capital			
Central Govt	0	0	0
Others	400	400	400
(B) Share Application Money	1727	1727	1727
(C) Reserves & Surplus	0	0	0
<b>Total (A) + (B) + (C)</b>	<b>2127</b>	<b>2127</b>	<b>2127</b>
<b>(1.2) Loan Funds</b>			
(A) Secured Loans	4255	0	0
(B) Unsecured Loans	0	4255	4255
<b>Total (A) + (B)</b>	<b>4255</b>	<b>4255</b>	<b>4255</b>
(1.3) Deferred Tax Liability	0	0	0
<b>Total (1.1) + (1.2) + (1.3)</b>	<b>6382</b>	<b>6382</b>	<b>6382</b>
<b>(2) Application Of Funds</b>			
(2.1) Fixed Assets			
(A) Gross Block	6717	6717	6682
(B) Less Depreciation	608	608	558
<b>(C) Net Block (A-B)</b>	<b>6109</b>	<b>6109</b>	<b>6124</b>
(D) Capital Work In Progress	0	0	0
<b>Total (C) + (D)</b>	<b>6109</b>	<b>6109</b>	<b>6124</b>
(2.2) Investment	0	0	0
<b>(2.3) Current Assets, Loan &amp; Advances</b>			
(A) Inventories	205	205	15
(B) Sundry Debtors	211	211	170
(C) Cash & Bank Balances	34	34	71
(D) Other Current Assets	0	0	0
(E) Loan & Advances	58	58	56
<b>Total (A)+ (B)+ (C)+ (D)+ (E)</b>	<b>508</b>	<b>508</b>	<b>312</b>
<b>(2.4) Less: current Liabilities &amp; Provisions</b>			
(A) Current Liabilities	3544	3544	3333
(B) Provisions	67	67	37
<b>Total (A+B)</b>	<b>3611</b>	<b>3611</b>	<b>3370</b>
<b>(2.5) Net Current Assets (2.3-2.4)</b>	<b>-3103</b>	<b>-3103</b>	<b>-3058</b>
(2.6) Deferred Revenue / Pre. Expenditure	0	0	0
(2.7) Deferred Tax Asset	0	0	0
(2.8) Profit & Loss Account(Dr)	3376	3376	3316
<b>Total (2.1+2.2+2.5+2.6+2.7+2.8)</b>	<b>3728</b>	<b>3070</b>	<b>3550</b>

Important Indicators	2010-11	2009-10	2008-09
(i) Investment	2127	2127	2127
(ii) Capital Employed	3006	3006	3066
(iii) Net Worth	-1249	-1249	-1189
(iv) Cost of Production	1080	1080	627
(v) Cost of Sales	1023	1023	652
(vi) Gross Value Added (At Market Price)	-	-	-
(vii) Total Employees (Other Than Casuals) (Nos.)	56	56	57
(viii) Avg. Monthly Emoluments Per Employee (Rs.)	18601	18601	16082

Profit & Loss Account	(₹ in Lakhs)		
Particulars	2010-11	2009-10	2008-09
<b>(1) Income</b>			
(A) Sales/Operating Income	882	882	481
(B) Excise Duty	0	0	0
(C) Net Sales (A-B)	882	882	481
(D) Other Income/Receipts	89	89	88
(E) Accretion/Depletion in Stocks	57	57	-25
<b>(I) Total Income (C+D+E)</b>	<b>1028</b>	<b>1028</b>	<b>544</b>
<b>(2) Expenditure</b>			
(A) Purchase of Finished Goods/ Consumption Of Raw Materials	705	705	327
(B) Stores & Spares	42	42	32
(C) Power & Fuel	0	0	0
(D) Manufacturing / Direct / Operating Expenses	158	158	107
(E) Salary, Wages & Benefits / Employee Exp.	125	125	110
(F) Other Expenses	0	0	0
(G) Provisions	0	0	0
<b>(II) Total Expenditure (A to G)</b>	<b>1030</b>	<b>1030</b>	<b>576</b>
<b>(3) Profit Before Dep, Int, Taxes &amp; EP (PBDITEP) (I-II)</b>	<b>-2</b>	<b>-2</b>	<b>-32</b>
(4) Depreciation	50	50	51
(5) Dre/Prel Exp Written Off	0	0	0
<b>(6) Profit Before Int., Taxes &amp; Ep (PBITEP) (3-4-5)</b>	<b>-52</b>	<b>-52</b>	<b>-83</b>
(7) Interest			
(A) On Central Government Loans	0	0	0
(B) On Foreign Loans	0	0	0
(C) Others	0	0	0
(D) Less Interest Capitalised	0	0	0
(E) Charged to P & L Account (A+B+C-D)	0	0	0
<b>(8) Profit Before Tax &amp; EP(PBTEP) (6-7E)</b>	<b>-52</b>	<b>-52</b>	<b>-83</b>
(9) Tax Provisions	0	0	0
<b>(10) Net Profit / Loss Before EP (8-9)</b>	<b>-52</b>	<b>-52</b>	<b>-83</b>
(11) Net Extra-Ord. Items	0	0	0
<b>(12) Net Profit / Loss(-) (10-11)</b>	<b>-52</b>	<b>-52</b>	<b>-83</b>
(13) Dividend Declared	0	0	0
(14) Dividend Tax	0	0	0
<b>(15) Retained Profit (12-13-14)</b>	<b>-52</b>	<b>-52</b>	<b>-83</b>

Financial Ratios	2010-11	2009-10	2008-09
(i) Sales : Capital Employed	29.34	29.34	15.69
(ii) Cost of Sales : Sales	115.99	115.99	135.55
(iii) Salary / Wages : Sales	14.17	14.17	22.87
(iv) Net Profit : Net Worth	-	-	-
(v) Debt : Equity	2	2	2
(vi) Current Ratio	0.14	0.14	0.09
(vii) Sundry Debtors : Sales (No. of Days)	87.32	87.32	129
(viii) Total Inventory : Sales	84.84	84.84	11.38

**2010-11 PROVISIONAL**

# 10.18 Instrumentation Limited

Instrumentation Limited (IL) was incorporated on 21.3.1964 with the objective to attain self-reliance in control & instrumentation for core sector process industries of economy such as thermal power, steel, fertilizer, refineries & other process industries, nuclear application and Defence. Subsequently, the Company diversified in a major way into the manufacturing of Telecom Exchanges (based on C-DOT technology), Railway Signaling systems, special products for Defence, Power Electronics (UPS etc.), service sectors of specialized offshore projects of Oil & Natural Gas and Photo Identity jobs of Election Commissions.

IL is a Schedule-‘B’ / BIFR / BRPSE referred CPSE in Medium & Light Engineering sector under the administrative control of M/o Heavy Industries and Public Enterprises, D/o Heavy Industry with 100% shareholding by the Government of India. Its Registered and Corporate offices are at Kota, Rajasthan.

## Vision/Mission

The Vision / Mission of the Company is to make the nation self sufficient in the field of Process Control Industry.

## Industrial / Business Operations

The company has two ISO 9002 accredited units at Kota in Rajasthan and Palakkad in Kerala. The Kota unit encompasses modern manufacturing infrastructure of Telecom equipment, Instruments and Automation products, Panels / Cabinets, Gas analyzers, Defence products, Railway signaling relays and systems, Power electronics etc. in addition to a few special application products. The Kota Complex also has the complete infrastructure of System Design, Detailed engineering, System integration, Software development and Project management, as needed for large turnkey projects. The infrastructure requirement related to Customer training, after sales service and repair are also handled from Kota Complex.

The Palakkad unit in Kerala, manufactures Control elements like Control valves, Butterfly valves, Safety Relief Valves, Bellow Sealed Valves, Pneumatic / Electric Actuators etc., and related products, Customer-built special products like Valve stand etc. The company also has four subsidiaries namely Rajasthan Electronics and Instruments Ltd. (REIL), Jaipur (Rajasthan) established as 51:49 joint venture with RIICO and three wholly owned subsidiaries namely IL Power Electronics Ltd. (ILPEL) Jaipur, Instrumentation Digital controls Ltd. (IDCL), Kota and Instrumentation Controls Valves Ltd. (ICVL), Palakkad. The physical performance of Company for last three years is given below:

Main Products	Unit	Performance During		
		2010-11	2009-10	2008-09
Electronic range of Instruments	Nos.	146	138	555
Control Panels & Control Desks	Nos.	707	762	880
Telecom Products	Nos.	3156	6679	7718
Process Control Valves	Nos.	3469	3709	4343

## Strategic Issues

Govt. of India had approved revival package of the Company on 11.02.2009 as per the recommendations of BRPSE (Board for Reconstruction of Public Sector Enterprises). BIFR in its meeting held on 25.02.2010 has approved the Modified Revival Scheme (MRS) of the Company. The implementation of MRS is under

way which is crucial for achieving continued sustained profitable operations apart from consolidation of business strengths to make the Company attractive enough for any kind of growth oriented alternatives like expansion, market alliances, consortium, new ventures etc.

## Performance Highlights

The operational performance of the company along with performance indicators and selected financial ratios during the period 2008-09 to 2010-11 can be seen on the opposite page.

The Company registered a reduction of ₹ 71.57 crore in total income during 2010-11 which went down to ₹ 248.84 crore in 2010-11 from ₹ 320.41 crore during 2009-10. The company shown a net loss of ₹ 36.56 crore, as against the previous year profit of ₹ 333.62 crore due to acute market competition.

The company has also incurred an operating loss for the year 2009-10. The company has achieved a net profit during last two years on account of write back off outstanding loans and interest in 2008-09 and write off of interest claim on bank deposits and arrears of salary & wages settled during 2009-10 as per the revival plan of the company.

## Human Resource Management

The company employed 1357 regular employees as on 31.3.2011. The retirement age in the company is 60 years. It is following IDA 1997 / 2007 and CDA 1996 pattern of remuneration. Details of employment in last 3 years are given below:

Particulars	2010-11	2009-10	2008-09
Executives including Non-Unionised Supervisors	881	920	937
Non-Executives #	476	441	451
Total Employees	1357	1361	1388

# Detail break-up of Non-Executive employees is at Statement no. 25 of volume-I of PE Survey.



Balance Sheet	(₹ in Lakhs)		
Particulars	2010-11	2009-10	2008-09
Authorised Capital	2500	2500	2500
<b>(1) Sources Of Fund</b>			
<b>(1.1) Shareholders Funds</b>			
(A) Paid-Up Capital			
Central Govt	2405	2405	2405
Others	0	0	0
(B) Share Application Money	12201	11395	6827
(C) Reserves & Surplus	101	101	101
<b>Total (A) + (B) + (C)</b>	<b>14707</b>	<b>13901</b>	<b>9333</b>
<b>(1.2) Loan Funds</b>			
(A) Secured Loans	8009	6276	10871
(B) Unsecured Loans	8228	7975	7661
<b>Total (A) + (B)</b>	<b>16237</b>	<b>14251</b>	<b>18532</b>
(1.3) Deferred Tax Liability	0	0	0
<b>Total (1.1) + (1.2) + (1.3)</b>	<b>30944</b>	<b>28152</b>	<b>27865</b>
<b>(2) Application Of Funds</b>			
<b>(2.1) Fixed Assets</b>			
(A) Gross Block	7075	7054	6917
(B) Less Depreciation	6004	5906	5795
<b>(C) Net Block (A-B)</b>	<b>1071</b>	<b>1148</b>	<b>1122</b>
(D) Capital Work In Progress	67	10	14
<b>Total (C) + (D)</b>	<b>1138</b>	<b>1158</b>	<b>1136</b>
<b>(2.2) Investment</b>	<b>643</b>	<b>320</b>	<b>320</b>
<b>(2.3) Current Assets, Loan &amp; Advances</b>			
(A) Inventories	6117	5559	6385
(B) Sundry Debtors	23084	24308	20921
(C) Cash & Bank Balances	1594	1626	3713
(D) Other Current Assets	519	632	788
(E) Loan & Advances	5669	5009	4695
<b>Total (A)+(B)+(C)+(D)+(E)</b>	<b>36983</b>	<b>37134</b>	<b>36502</b>
<b>(2.4) Less: current Liabilities &amp; Provisions</b>			
(A) Current Liabilities	19550	18504	12984
(B) Provisions	643	640	4024
<b>Total (A+B)</b>	<b>20193</b>	<b>19144</b>	<b>17008</b>
<b>(2.5) Net Current Assets (2.3-2.4)</b>	<b>16790</b>	<b>17990</b>	<b>19494</b>
(2.6) Deferred Revenue / Pre. Expenditure	2475	2443	2459
(2.7) Deferred Tax Asset	0	0	0
(2.8) Profit & Loss Account(Dr)	9898	6241	4456
<b>Total (2.1+2.2+2.5+2.6+2.7+2.8)</b>	<b>30944</b>	<b>28152</b>	<b>27865</b>

Important Indicators	2010-11	2009-10	2008-09
(i) Investment	22834	21775	21306
(ii) Capital Employed	17861	19138	20616
(iii) Net Worth	2334	5217	2418
(iv) Cost of Production	28481	36504	28281
(v) Cost of Sales	28491	36978	28487
(vi) Gross Value Added (At Market Price)	-	-	-
(vii) Total Employees (Other Than Casuals) (Nos.)	1357	1361	1388
(viii) Avg. Monthly Emoluments Per Employee (Rs.)	39966	37607	26459

Profit & Loss Account	(₹ in Lakhs)		
Particulars	2010-11	2009-10	2008-09
<b>(1) Income</b>			
(A) Sales/Operating Income	25016	32827	25351
(B) Excise Duty	864	925	1099
(C) Net Sales (A-B)	24152	31902	24252
(D) Other Income/Receipts	742	613	818
(E) Accretion/Depletion in Stocks	-10	-474	-206
<b>(I) Total Income (C+D+E)</b>	<b>24884</b>	<b>32041</b>	<b>24864</b>
<b>(2) Expenditure</b>			
(A) Purchase of Finished Goods/ Consumption Of Raw Materials	9972	18524	10559
(B) Stores & Spares	235	349	5951
(C) Power & Fuel	287	566	325
(D) Manufacturing / Direct / Operating Expenses	7979	7510	3351
(E) Salary, Wages & Benefits / Employee Exp.	6508	6142	4407
(F) Other Expenses	1202	1483	1184
(G) Provisions	361	302	776
<b>(II) Total Expenditure (A to G)</b>	<b>26544</b>	<b>34876</b>	<b>26553</b>
<b>(3) Profit Before Dep, Int, Taxes &amp; EP (PBDITEP) (I-II)</b>	<b>-1660</b>	<b>-2835</b>	<b>-1689</b>
(4) Depreciation	109	117	126
(5) Dre/Prel Exp Written Off	577	516	467
<b>(6) Profit Before Int., Taxes &amp; Ep (PBITEP) (3-4-5)</b>	<b>-2346</b>	<b>-3468</b>	<b>-2282</b>
(7) Interest			
(A) On Central Government Loans	283	220	8
(B) On Foreign Loans	0	0	0
(C) Others	968	775	1127
(D) Less Interest Capitalised	0	0	0
(E) Charged to P & L Account (A+B+C-D)	1251	995	1135
<b>(8) Profit Before Tax &amp; EP(PBTEP) (6-7E)</b>	<b>-3597</b>	<b>-4463</b>	<b>-3417</b>
(9) Tax Provisions	0	0	51
<b>(10) Net Profit / Loss Before EP (8-9)</b>	<b>-3597</b>	<b>-4463</b>	<b>-3468</b>
(11) Net Extra-Ord. Items	59	-37825	-31727
<b>(12) Net Profit / Loss(-) (10-11)</b>	<b>-3656</b>	<b>33362</b>	<b>28259</b>
(13) Dividend Declared	0	0	0
(14) Dividend Tax	0	0	0
<b>(15) Retained Profit (12-13-14)</b>	<b>-3656</b>	<b>33362</b>	<b>28259</b>

Financial Ratios	2010-11	2009-10	2008-09
(i) Sales : Capital Employed	135.22	166.69	117.64
(ii) Cost of Sales : Sales	117.97	115.91	117.46
(iii) Salary / Wages : Sales	26.95	19.25	18.17
(iv) Net Profit : Net Worth	-156.64	639.49	1168.69
(v) Debt : Equity	1.1	1.03	1.99
(vi) Current Ratio	1.83	1.94	2.15
(vii) Sundry Debtors : Sales (No. of Days)	348.86	278.11	314.87
(viii) Total Inventory : Sales	92.44	63.6	96.1



## 10.19 Rajasthan Electronics & Instruments Ltd.

The Rajasthan Electronics & Instruments Ltd., Jaipur (REIL) was incorporated in the year 1981 under the Companies Act, 1956 as a joint venture of Instrumentation Ltd. and Rajasthan State Industrial Development and Investment Corporation Ltd. with an objective to identifying customer's specific needs, translating them into quality products and providing dependable after sales services. The Company aims at relating its primacy in the area of rural electronic, non-conventional energy systems & information technology by developing, manufacturing and marketing quality products and by offering quality services.

REIL is a Schedule-'C' / Mini Ratna CPSE in Medium and Light Engineering Sector under the administrative control of Ministry of Heavy Industries and Public Enterprises, Department of Heavy Industry, with its Registered and Corporate Office at Jaipur, Rajasthan. REIL is a subsidiary of Instrumentation Ltd., Kota which is holding its 51% equity.

### Vision / Mission

The Vision of the Company is to strive to be leader in the area of Rural Electronics, Non Conventional energy systems and Information Technology by developing, manufacturing and marketing quality products in these and other emerging areas by offering quality services.

The Mission of the Company is to Commitment to total customer satisfaction by identifying their specific needs, translating them into quality products, providing dependable after sales service and to work for continual improvement of Quality Management System by developing/marketing quality products.

### Industrial / Business Operations

REIL is ISO 9001 & 14001:2004 enterprises in the manufacturing of Agro dairy Electronic Items, Solar Photo Voltaic Modules/Systems, IT Solutions and power generation through Wind Energy. The main segments of company are Electronics & Information Technology, Renewable Energy (RE) Division and Production of Solar Photo Voltaic (SPV) Modules. The physical performances of the company for last three years are given below:

Main Products	Unit	Performance During (% Capacity Utilization)		
		2010-11	2009-10	2008-09
Electronic Milk Analysers	Nos.	6326 (140.58)	8518 (189.28)	7822 (173.82)
SPV Modules/ Systems	Nos.	2855 (142.75)	2223 (111.15)	1369 (68.45)

### Strategic issue

Company has plan to fully automise its Solar Module Manufacturing Line which will enhance its production capacity substantially.

The Jawahar Lal Nehru Mission for Solar Energy has thrown up substantial opportunities and to en-cash the same, a number of players have emerged in the market. The competition has increased along with the demand, and in order to retain the market share and competitive edge, the Company has planned capacity expansion of its module manufacturing through an automatic manufacturing line. The line would enable quality manufacturing, to enable international certifications and reduced manufacturing cost. Further, the plans for establishment of large MW capacity solar plants in the country, have created the demand for grid-interactive PCUs and the Company is exploring the

possibilities for a technology tie-up and manufacturing of this product.

### Performance Highlights

The operational performance of the company along with performance indicators and selected financial ratios during the period 2008-09 to 2010-11 can be seen on the opposite page.

The Company registered an increase of ₹ 43.52 crore in total income during 2010-11 which went up to ₹ 139.74 crore in 2010-11 from ₹ 96.22 crore during 2009-10. The net profit of the company correspondingly increased to ₹ 5.03 crore, an increase of ₹ 3.20 crore over the previous year.

Indigenization of the imported components, keeping staff at minimum level, energy conservation, taking up R&D activities on regular basis and diversification were the measures taken for improving competitiveness.

During the year, the Company has taken up two major projects for computerization in the cooperative sector.

The Company has signed a MoU with Rajasthan State Co-Operative Bank, Jaipur for computerization of 400 or more branches of District Central Cooperative Banks (DCCBs), 29 DCCB Head Offices, 5 Regional Offices and the Apex Bank Head Office, in the state of Rajasthan for supply of computer hardware, providing post sales warranty support, maintenance, and appropriate Core Banking Solution (CBS) software.

REIL, since inception, understood the importance of Medium, Small, Micro enterprises and is regularly sourcing its requirement of raw material and components, required for production of Electronic Milk Analyzers and Solar Photo Voltaic Modules. This has helped a lot in inventory control and cost reduction. The support industries are also helpful in development of new products at REIL.

### Human Resource Management

The company employed 231 regular employees as on 31.3.2011. The retirement age in the company is 60 years. It is following IDA 2007 pattern of remuneration. Details of employment in last 3 years are given below:

### Technology Up-gradation, Research and Development

Company's Research & Development department which is recognized by Department of Scientific & Industrial Research, Ministry of Science & Technology is taking care of customer's specific requirements and providing them with the solutions to meet the same. Besides development of new products, the R&D has been providing Engineering support to various internal agencies in respect of existing products and processes.

The company is in constant touch with its esteemed customers to identify new areas of development to make their processes simpler, reliable, accurate, transparent and efficient.

Particulars	2010-11	2009-10	2008-09
Executives including Non-Unionised Supervisors	138	135	130
Non-Executives #	93	82	85
Total Employees	231	217	215

# Detail break-up of Non-Executive employees is at Statement no. 25 of volume-I of PE Survey.

Balance Sheet	(₹ in Lakhs)		
Particulars	2010-11	2009-10	2008-09
Authorised Capital	1500	550	550
<b>(1) Sources Of Fund</b>			
<b>(1.1) Shareholders Funds</b>			
(A) Paid-Up Capital			
Central Govt	0	0	0
Others	525	425	425
(B) Share Application Money	357	102	102
(C) Reserves & Surplus	1924	1526	1428
<b>Total (A) + (B) + (C)</b>	<b>2806</b>	<b>2053</b>	<b>1955</b>
<b>(1.2) Loan Funds</b>			
(A) Secured Loans	796	960	1079
(B) Unsecured Loans	0	0	200
<b>Total (A) + (B)</b>	<b>796</b>	<b>960</b>	<b>1279</b>
(1.3) Deferred Tax Liability	126	57	316
<b>Total (1.1) + (1.2) + (1.3)</b>	<b>3728</b>	<b>3070</b>	<b>3550</b>
<b>(2) Application Of Funds</b>			
<b>(2.1) Fixed Assets</b>			
(A) Gross Block	1927	1930	2035
(B) Less Depreciation	858	792	742
<b>(C) Net Block (A-B)</b>	<b>1069</b>	<b>1138</b>	<b>1293</b>
(D) Capital Work In Progress	13	0	0
<b>Total (C) + (D)</b>	<b>1082</b>	<b>1138</b>	<b>1293</b>
<b>(2.2) Investment</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>(2.3) Current Assets, Loan &amp; Advances</b>			
(A) Inventories	1608	877	1168
(B) Sundry Debtors	4722	4760	3403
(C) Cash & Bank Balances	1572	118	358
(D) Other Current Assets	0	0	0
(E) Loan & Advances	572	448	410
<b>Total (A)+(B)+(C)+(D)+(E)</b>	<b>8474</b>	<b>6203</b>	<b>5339</b>
<b>(2.4) Less:current Liabilities &amp; Provisions</b>			
(A) Current Liabilities	4837	2753	2332
(B) Provisions	991	1518	750
<b>Total (A+B)</b>	<b>5828</b>	<b>4271</b>	<b>3082</b>
<b>(2.5) Net Current Assets (2.3-2.4)</b>	<b>2646</b>	<b>1932</b>	<b>2257</b>
(2.6) Deferred Revenue / Pre. Expenditure	0	0	0
(2.7) Deferred Tax Asset	0	0	0
(2.8) Profit & Loss Account(Dr)	0	0	0
<b>Total (2.1+2.2+2.5+2.6+2.7+2.8)</b>	<b>3728</b>	<b>3070</b>	<b>3550</b>

Important Indicators	2010-11	2009-10	2008-09
(i) Investment	1097	855	952
(ii) Capital Employed	3715	3070	3550
(iii) Net Worth	2806	2053	1955
(iv) Cost of Production	13349	9422	8642
(v) Cost of Sales	12729	9713	8563
(vi) Gross Value Added (At Market Price)	-	-	-
(vii) Total Employees (Other Than Casuals) (Nos.)	231	217	215
(viii) Avg. Monthly Emoluments Per Employee (Rs.)	59199	63710	47287

Profit & Loss Account	(₹ in Lakhs)		
Particulars	2010-11	2009-10	2008-09
<b>(1) Income</b>			
(A) Sales/Operating Income	13314	9942	8708
(B) Excise Duty	150	157	131
(C) Net Sales (A-B)	13164	9785	8577
(D) Other Income/Receipts	190	128	135
(E) Accretion/Depletion in Stocks	620	-291	79
<b>(I)Total Income (C+D+E)</b>	<b>13974</b>	<b>9622</b>	<b>8791</b>
<b>(2) Expenditure</b>			
(A) Purchase of Finished Goods/ Consumption Of Raw Materials	9872	6169	6125
(B) Stores & Spares	33	26	46
(C) Power & Fuel	32	31	31
(D) Manufacturing / Direct / Operating Expenses	14	38	131
(E) Salary, Wages & Benefits / Employee Exp.	1641	1659	1220
(F) Other Expenses	1617	1159	800
(G) Provisions	0	0	0
<b>(II)Total Expenditure (A to G)</b>	<b>13209</b>	<b>9082</b>	<b>8353</b>
<b>(3) Profit Before Dep, Int, Taxes &amp; EP (PBDITEP) (I-II)</b>	<b>765</b>	<b>540</b>	<b>438</b>
(4) Depreciation	95	171	97
(5) Dre/Prel Exp Written Off	0	0	0
<b>(6) Profit Before Int., Taxes &amp; Ep (PBITEP) (3-4-5)</b>	<b>670</b>	<b>369</b>	<b>341</b>
(7) Interest			
(A) On Central Government Loans	0	0	0
(B) On Foreign Loans	0	0	0
(C) Others	45	169	192
(D) Less Interest Capitalised	0	0	0
(E) Charged to P & L Account (A+B+C-D)	45	169	192
<b>(8) Profit Before Tax &amp; EP(PBTEP) (6-7E)</b>	<b>625</b>	<b>200</b>	<b>149</b>
(9) Tax Provisions	122	17	43
<b>(10) Net Profit / Loss Before EP (8-9)</b>	<b>503</b>	<b>183</b>	<b>106</b>
(11) Net Extra-Ord. Items	0	0	-5
<b>(12) Net Profit / Loss(-) (10-11)</b>	<b>503</b>	<b>183</b>	<b>111</b>
(13) Dividend Declared	90	73	36
(14) Dividend Tax	15	12	6
<b>(15) Retained Profit (12-13-14)</b>	<b>398</b>	<b>98</b>	<b>69</b>

Financial Ratios	2010-11	2009-10	2008-09
(i) Sales : Capital Employed	354.35	318.73	241.61
(ii) Cost of Sales : Sales	96.7	99.26	99.84
(iii) Salary / Wages : Sales	12.47	16.95	14.22
(iv) Net Profit : Net Worth	17.93	8.91	5.68
(v) Debt : Equity	0.28	0.47	0.65
(vi) Current Ratio	1.45	1.45	1.73
(vii) Sundry Debtors : Sales (No. of Days)	130.93	177.56	144.82
(viii) Total Inventory : Sales	44.59	32.71	49.71

## 10.20 Richardson & Cruddas (1972) Ltd.

Richardson and Cruddas (1972) Ltd. (R&C) was incorporated as CPSE on 15.03.1973 with the objective of taking over the assets and liabilities of the old engineering company viz. R&C under the provisions of the Richardson and Cruddas Ltd. (Acquisition and Transfer of Undertaking) Act, 1972. Originally the company was set up in the year 1858. The current objective of the company is to manufacture capital infrastructure engineering products.

R&C is a Schedule-‘C’ sick BIFR/BRPSE referred taken over CPSE in Medium & Light Engineering sector under the administrative control of M/o Heavy Industries and Public Enterprises, D/o Heavy Industry with 100% shareholding by Government of India, having its Registered and Corporate offices at Mumbai, Maharashtra.

### Vision / Mission

The Vision / Mission of the Company is to adopt 3R's namely Repositioning, Restructuring & Re- Engineering.

### Industrial / Business Operations

R&C is engaged in manufacturing of medium and heavy structurals through its 4 operating units at Mumbai, Mulund (West) and Nagpur in Maharashtra and Chennai in Tamilnadu. The main products of the company are Switch Expansion Joints, Railway Points & Crossings, Structure for War Ships like Hull, Seats, Boiler Equipments Drums, Sub Sea templates and Submarine parts, Sugar Plants Equipments & Rubber Machineries and Offshore Platforms & On shore drilling rigs. The sector served by the company are Infrastructure & Power, Transportations, Capital goods like Steel, Oil & natural gas and manufacturing of Sugar plants, Fertilizer etc. The physical performances of the company for last three years are given below:

Main Product / Services	Unit	Performance During		
		2010-11	2009-10	2008-09
Structural fabrication	MT	N.A.	24332	22118

### Strategic issue

The company is under reference to BIFR since 1992. The revival scheme sanctioned by the BIFR in November, 1995 was ultimately declared as failed in January, 2000 and the Board further issued orders for its winding up. The company was referred to BRPSE in 2005. After due deliberations in the meeting held on 10.6.2005 on three options viz. (1) closure of the company; (2) revival as a PSE; and (3) revival through joint venture with PSE or disinvestment in favor of private ownership, the BRPSE recommended for pursuing the third option and to explore the realization of land value at Mulund by open bid. Based on the recommendations of the BRPSE, the Government has accorded 'in principle approval' for exploring the options for revival of the company through joint venture, and directed that other specific proposal (s), if any, towards revival of the company may thereafter be brought for consideration. The matter is under process in the administrative Ministry / Department.

### Performance Highlights

The operational performance of the company along with performance indicators and selected financial ratios during the period 2008-09 to 2010-11 can be seen on the opposite page.

The Company registered an increase of ₹ 0.15 crore in total income during 2010-11 which went up to ₹ 86.84 crore in 2010-11 from ₹ 86.69 crore during 2009-10. The net loss of the company reduced to ₹ 21.55 crore, a reduction of ₹ 5.83 crore over the previous year's loss of ₹ 27.38 core. The company is making operating profit but high interest cost leads to net

losses.

### Human Resource Management

The company employed 59 regular employees as on 31.3.2011. The retirement age in the company is 58 years. It is following IDA 1992 pattern of remuneration. Details of employment in last 3 years are given below:

Particulars	2010-11	2009-10	2008-09
Executives including Non-Unionised Supervisors	34	33	30
Non-Executives #	25	27	35
Total Employees	59	60	65

# Detail break-up of Non-Executive employees is at Statement no. 25 of volume-I of PE Survey.

Balance Sheet	(₹ in Lakhs)		
Particulars	2010-11	2009-10	2008-09
Authorised Capital	6500	6500	6500
<b>(1) Sources Of Fund</b>			
<b>(1.1) Shareholders Funds</b>			
(A) Paid-Up Capital			
Central Govt	5484	5484	5484
Others	0	0	0
(B) Share Application Money	0	0	0
(C) Reserves & Surplus	0	0	0
<b>Total (A) + (B) + (C)</b>	<b>5484</b>	<b>5484</b>	<b>5484</b>
<b>(1.2) Loan Funds</b>			
(A) Secured Loans	45	63	115
(B) Unsecured Loans	36857	33780	30726
<b>Total (A) + (B)</b>	<b>36902</b>	<b>33843</b>	<b>30841</b>
(1.3) Deferred Tax Liability	0	0	0
<b>Total (1.1) + (1.2) + (1.3)</b>	<b>42386</b>	<b>39327</b>	<b>36325</b>
<b>(2) Application Of Funds</b>			
<b>(2.1) Fixed Assets</b>			
(A) Gross Block	3205	3143	3120
(B) Less Depreciation	2329	2260	2190
<b>(C) Net Block (A-B)</b>	<b>876</b>	<b>883</b>	<b>930</b>
(D) Capital Work In Progress	0	0	3
<b>Total (C) + (D)</b>	<b>876</b>	<b>883</b>	<b>933</b>
<b>(2.2) Investment</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>(2.3) Current Assets, Loan &amp; Advances</b>			
(A) Inventories	256	331	463
(B) Sundry Debtors	2926	3628	4755
(C) Cash & Bank Balances	3130	1594	552
(D) Other Current Assets	0	0	0
(E) Loan & Advances	726	771	1166
<b>Total (A)+(B)+(C)+(D)+(E)</b>	<b>7038</b>	<b>6324</b>	<b>6936</b>
<b>(2.4) Less:current Liabilities &amp; Provisions</b>			
(A) Current Liabilities	5091	5300	6223
(B) Provisions	172	160	164
<b>Total (A+B)</b>	<b>5263</b>	<b>5460</b>	<b>6387</b>
<b>(2.5) Net Current Assets (2.3-2.4)</b>	<b>1775</b>	<b>864</b>	<b>549</b>
(2.6) Deferred Revenue / Pre. Expenditure	0	0	0
(2.7) Deferred Tax Asset	0	0	0
(2.8) Profit & Loss Account(Dr)	39735	37580	34843
<b>Total (2.1+2.2+2.5+2.6+2.7+2.8)</b>	<b>42386</b>	<b>39327</b>	<b>36325</b>

Important Indicators	2010-11	2009-10	2008-09
(i) Investment	5484	39264	36210
(ii) Capital Employed	2651	1747	1479
(iii) Net Worth	-34251	-32096	-29359
(iv) Cost of Production	11028	11336	10856
(v) Cost of Sales	10995	11417	11321
(vi) Gross Value Added (At Market Price)	-	-	-
(vii) Total Employees (Other Than Casuals) (Nos.)	59	60	65
(viii) Avg. Monthly Emoluments Per Employee (Rs.)	28249	26389	22179

Profit & Loss Account	(₹ in Lakhs)		
Particulars	2010-11	2009-10	2008-09
<b>(1) Income</b>			
(A) Sales/Operating Income	8460	8493	7853
(B) Excise Duty	470	501	314
(C) Net Sales (A-B)	7990	7992	7539
(D) Other Income/Receipts	661	758	749
(E) Accretion/Depletion in Stocks	33	-81	-465
<b>(I)Total Income (C+D+E)</b>	<b>8684</b>	<b>8669</b>	<b>7823</b>
<b>(2) Expenditure</b>			
(A) Purchase of Finished Goods/ Consumption Of Raw Materials	505	1208	1105
(B) Stores & Spares	19	18	17
(C) Power & Fuel	203	170	170
(D) Manufacturing / Direct / Operating Expenses	6174	5313	4576
(E) Salary, Wages & Benefits / Employee Exp.	200	190	173
(F) Other Expenses	232	228	225
(G) Provisions	520	959	1419
<b>(II)Total Expenditure (A to G)</b>	<b>7853</b>	<b>8086</b>	<b>7685</b>
<b>(3) Profit Before Dep, Int, Taxes &amp; EP (PBDITEP) (I-II)</b>	<b>831</b>	<b>583</b>	<b>138</b>
(4) Depreciation	70	70	71
(5) Dre/Prel Exp Written Off	0	0	0
<b>(6) Profit Before Int., Taxes &amp; Ep (PBITEP) (3-4-5)</b>	<b>761</b>	<b>513</b>	<b>67</b>
(7) Interest			
(A) On Central Government Loans	3094	3086	3000
(B) On Foreign Loans	0	0	0
(C) Others	11	94	100
(D) Less Interest Capitalised	0	0	0
(E) Charged to P & L Account (A+B+C-D)	3105	3180	3100
<b>(8) Profit Before Tax &amp; EP(PBTEP) (6-7E)</b>	<b>-2344</b>	<b>-2667</b>	<b>-3033</b>
(9) Tax Provisions	0	0	3
<b>(10) Net Profit / Loss Before EP (8-9)</b>	<b>-2344</b>	<b>-2667</b>	<b>-3036</b>
(11) Net Extra-Ord. Items	-189	71	-6
<b>(12) Net Profit / Loss(-) (10-11)</b>	<b>-2155</b>	<b>-2738</b>	<b>-3030</b>
(13) Dividend Declared	0	0	0
(14) Dividend Tax	0	0	0
<b>(15) Retained Profit (12-13-14)</b>	<b>-2155</b>	<b>-2738</b>	<b>-3030</b>

Financial Ratios	2010-11	2009-10	2008-09
(i) Sales : Capital Employed	301.4	457.47	509.74
(ii) Cost of Sales : Sales	137.61	142.86	150.17
(iii) Salary / Wages : Sales	2.5	2.38	2.29
(iv) Net Profit : Net Worth	-	-	-
(v) Debt : Equity	6.73	6.17	5.62
(vi) Current Ratio	1.34	1.16	1.09
(vii) Sundry Debtors : Sales (No. of Days)	133.67	165.69	230.21
(viii) Total Inventory : Sales	11.69	15.12	22.42

## 10.21 Vignyan Industries Ltd

Vignyan Industries Ltd. (VIL) was incorporated on 25.09.1963 with the objective of manufacturing steel castings for rolling mills as a Private Ltd. Company (Converted to Public limited company on 13.01.1966) with Polish collaboration.

The Company became 'sick' in December, 1974. Thereafter, the Government of Karnataka took over its management control and handed over to Bharat Earth Movers Limited (BEML). The Company was rehabilitated with the assistance of financial institutions and became a deemed Government company in January, 1975. Consequent upon acquisition of 74.45% shares of VIL in October, 1984 by BEML, it became subsidiary of that Company. Presently BEML holds 96.56% shares of VIL. The current objective of the Company is to carry on business relating to ferrous / non-ferrous industries.

VIL is an uncategorised / BIFR referred CPSE in light engineering sector under the administrative control of Ministry of Defence, Department of Defence Production. Its Registered office is at Tarikere, Karnataka and Corporate office at Bangalore, Karnataka.

### Vision/Mission

The Vision of the Company is to transform the organization to be a leading player in the manufacture and supply of Ferrous Castings, Stainless Steel Castings primarily to sectors such as Mining and Construction, Rail and Metro, Defence and Aerospace.

The Mission of the Company is to manufacture and supply Castings of high integrity and provide metallurgical solutions to all our customers, with a thrust on profitability.

### Industrial / Business Operations

VIL is involved in the production of steel castings for engineering industries, railways, constructions and infrastructure industries. Its only operating unit is at Tarikere, Karnataka. The physical performance of the company for last three years are given below:

Main Product	Unit	Performance During		
		2010-11	2009-10	2008-09
Steel Castings	MT	4120	4254	4276
Capacity Utilization @	%	41%	43%	107%

@ The installed capacity increased to 10000 MT during 2009-10 from 4000 MT in 2008-09

### Strategic Issues

The Company was registered with BIFR in 1992-93. The BIFR sanctioned a rehabilitation package for revival of the Company, the successful implementation of which enabled the VIL to turn its net worth positive. Later on the BIFR declared the company as 'no longer sick' in May, 2003.

The continuous moulding system has been installed and commissioned during the year 2008-09. Due to this modernization, the production per month would be maintained at around 600 tons per month. For further diversification the Company is planning to install Forging Plant. Government of Karnataka has come forward to identify and allocates 38 acres of land to the Company in and around Tarikere to meet the future expansion plans of the company.

### Performance Highlights

The operational performance of the company along with performance indicators and selected financial ratios during the period 2008-09 to 2010-11 can be seen on the opposite page.

The Company registered a decrease of ₹ 2.05 crore in

total income during 2010-11 which went down to ₹ 32.72 crore in 2010-11 from ₹ 34.77 crore during 2009-10. The company incurred a loss of ₹ 1.73 crores during 2010-11 as against a profit of ₹ 1.71 crore in the previous year due to delay in stabilization of the expansion process for shifting from traditional CO2 to no-bake system and non-availability of required grade of foundry sand due to heavy and unprecedented rainfall during the year.

### Human Resource Management

The company employed 179 regular employees as on 31.3.2011. The retirement age in the company is 60 years. It is following IDA 2007 pattern of remuneration. Details of employment in last 3 years are given below:

Particulars	2010-11	2009-10	2008-09
Executives including Non-Unionised Supervisors	24	28	28
Non-Executives #	155	174	184
Total Employees	179	202	212

# Detail break-up of Non-Executive employees is at Statement no. 25 of volume-I of PE Survey.

### Technology Up-gradation, Research & Development

To maintain the production at 600 MTs per month, the company introduced fast loop moulding system (no bake process); installed heat treatment furnace, procured spectrometer and shot blasting machine under research and development.



Balance Sheet		(₹ in Lakhs)	
Particulars	2010-11	2009-10	2008-09
Authorised Capital	400	400	400
(1) Sources Of Fund			
(1.1) Shareholders Funds			
(A) Paid-Up Capital			
Central Govt	0	0	0
Others	279	279	279
(B) Share Application Money	0	0	0
(C) Reserves & Surplus	452	625	479
Total (A) + (B) + (C)	731	904	758
(1.2) Loan Funds			
(A) Secured Loans	631	730	145
(B) Unsecured Loans	0	0	0
Total (A) + (B)	631	730	145
(1.3) Deferred Tax Liability	157	144	43
Total (1.1) + (1.2) + (1.3)	1519	1778	946
(2) Application Of Funds			
(2.1) Fixed Assets			
(A) Gross Block	1652	1627	694
(B) Less Depreciation	518	441	389
(C) Net Block (A-B)	1134	1186	305
(D) Capital Work In Progress	9	9	141
Total (C) + (D)	1143	1195	446
(2.2) Investment	0	0	0
(2.3) Current Assets, Loan & Advances			
(A) Inventories	895	738	530
(B) Sundry Debtors	0	76	66
(C) Cash & Bank Balances	1	1	0
(D) Other Current Assets	3	3	4
(E) Loan & Advances	315	315	218
Total (A)+ (B)+ (C)+ (D)+ (E)	1214	1133	818
(2.4) Less:current Liabilities & Provisions			
(A) Current Liabilities	696	394	217
(B) Provisions	142	156	145
Total (A+B)	838	550	362
(2.5) Net Current Assets (2.3-2.4)	376	583	456
(2.6) Deferred Revenue / Pre. Expenditure	0	0	44
(2.7) Deferred Tax Asset	0	0	0
(2.8) Profit & Loss Account(Dr)	0	0	0
Total (2.1+2.2+2.5+2.6+2.7+2.8)	1519	1778	946

Important Indicators	2010-11	2009-10	2008-09
(i) Investment	784	279	279
(ii) Capital Employed	1510	1769	761
(iii) Net Worth	731	904	714
(iv) Cost of Production	3432	3180	2963
(v) Cost of Sales	3246	3025	2926
(vi) Gross Value Added (At Market Price)	-	-	-
(vii) Total Employees (Other Than Casuals) (Nos.)	179	202	212
(viii) Avg. Monthly Emoluments Per Employee (Rs.)	26304	22318	17453

Profit & Loss Account		(₹ in Lakhs)	
Particulars	2010-11	2009-10	2008-09
(1) Income			
(A) Sales/Operating Income	3382	3591	3527
(B) Excise Duty	316	284	401
(C) Net Sales (A-B)	3066	3307	3126
(D) Other Income/Receipts	20	15	10
(E) Accretion/Depletion in Stocks	186	155	37
(I)Total Income (C+D+E)	3272	3477	3173
(2) Expenditure			
(A) Purchase of Finished Goods/ Consumption Of Raw Materials	1006	1003	1041
(B) Stores & Spares	887	761	635
(C) Power & Fuel	452	410	464
(D) Manufacturing / Direct / Operating Expenses	348	236	252
(E) Salary, Wages & Benefits / Employee Exp.	565	541	444
(F) Other Expenses	27	97	73
(G) Provisions	0	1	0
(II)Total Expenditure (A to G)	3285	3049	2909
(3) Profit Before Dep, Int, Taxes & EP (PBDITEP) (I-II)	-13	428	264
(4) Depreciation	77	52	27
(5) Dre/Prel Exp Written Off	0	44	22
(6) Profit Before Int., Taxes & Ep (PBITEP) (3-4-5)	-90	332	215
(7) Interest			
(A) On Central Government Loans	0	0	0
(B) On Foreign Loans	0	0	0
(C) Others	70	35	5
(D) Less Interest Capitalised	0	0	0
(E) Charged to P & L Account (A+B+C-D)	70	35	5
(8) Profit Before Tax & EP(PBTEP) (6-7E)	-160	297	210
(9) Tax Provisions	13	121	75
(10) Net Profit / Loss Before EP (8-9)	-173	176	135
(11) Net Extra-Ord. Items	0	5	4
(12) Net Profit / Loss(-) (10-11)	-173	171	131
(13) Dividend Declared	0	21	21
(14) Dividend Tax	0	4	4
(15) Retained Profit (12-13-14)	-173	146	106

Financial Ratios	2010-11	2009-10	2008-09
(i) Sales : Capital Employed	203.05	186.94	410.78
(ii) Cost of Sales : Sales	105.87	91.47	93.6
(iii) Salary / Wages : Sales	18.43	16.36	14.2
(iv) Net Profit : Net Worth	-23.67	18.92	18.35
(v) Debt : Equity	0.86	0.81	0.19
(vi) Current Ratio	1.45	2.06	2.26
(vii) Sundry Debtors : Sales (No. of Days)	0	8.39	7.71
(viii) Total Inventory : Sales	106.55	81.45	61.88



# 11 Transportation Equipment

As on 31.3.2011, there were 9 Central Public Sector Enterprises in the Transportation Equipment group. The name of these enterprises along with their year of incorporation in chronological order are given below :

Sl. No.	Enterprise	Year of Incorporation
1.	Mazagon Dock Ltd.	1934
2.	Hindustan Shipyard Ltd.	1952
3.	Garden Reach Shipbuilders & Engineers Ltd.	1960
4.	BEML Ltd.	1964
5.	Hindustan Aeronautics Ltd.	1964
6.	Goa Shipyard Ltd.	1967
7.	Cochin Shipyard Ltd.	1972
8.	Scooters India Ltd.	1972
9.	Hooghly Dock And Port Engineers Ltd.	1984

2. The enterprises falling in this group are mainly engaged in manufacturing, repairing overhauling and selling of transportation equipments viz. aircrafts, helicopters, ships, tugs, barges, trawlers, assault boats, floating docks, dredgers, heavy moving equipments, rail coaches, road rollers, scooters, trucks etc.

3. The consolidated financial position, the working results and the important management ratios of these enterprises are appended.

4. **Turnover** : The details of turnover of individual enterprises are given below :

(₹ in Crore)

Sl. No.	Enterprise	Turnover	
		2010-11	2009-10
1.	Hindustan Aeronautics Ltd.	13115.50	11456.70
2.	BEML Ltd.	3623.52	3557.67
3.	Cochin Shipyard Ltd.	1461.72	1416.92
4.	Hindustan Shipyard Ltd.	652.14	618.96
5.	Mazagon Dock Ltd.	636.56	3150.94
6.	Garden Reach Shipbuilders & Engineers Ltd.	550.73	424.27
7.	Goa Shipyard Ltd.	514.46	472.89
8.	Scooters India Ltd.	174.76	139.84
9.	Hooghly Dock And Port Engineers Ltd.	5.30	4.38
	<b>Sub Total</b>	<b>20734.69</b>	<b>21242.57</b>

5. **Net Profit/Loss** : The details of the enterprises, which earned net profit or sustained net loss (-) are given below :

(₹ in Crore)

Sl. No.	Enterprise	Adjusted Net Profit/Net Loss	
		2010-11	2009-10
1.	Hindustan Aeronautics Ltd.	2114.26	1967.41
2.	Mazagon Dock Ltd.	243.52	240.19
3.	Cochin Shipyard Ltd.	227.53	223.04
4.	Goa Shipyard Ltd.	176.13	130.72
5.	BEML Ltd.	149.77	222.85
6.	Garden Reach Shipbuilders & Engineers Ltd.	115.71	114.42
7.	Hindustan Shipyard Ltd.	55.00	2.32
8.	Hooghly Dock And Port Engineers Ltd.	-10.50	-54.42
9.	Scooters India Ltd.	-17.11	-28.01
	<b>Group Total</b>	<b>3054.31</b>	<b>2818.52</b>

6. **Dividend** : The details of the dividend declared by the individual enterprise are given below :

(₹ in Crore)

Sl. No.	Enterprise	Dividend	
		2010-11	2009-10
1.	Hindustan Aeronautics Ltd.	423.12	393.48
2.	Mazagon Dock Ltd.	50.64	52.26
3.	BEML Ltd.	41.64	41.64
4.	Goa Shipyard Ltd.	35.50	26.20
5.	Garden Reach Shipbuilders & Engineers Ltd.	24.77	24.77
6.	Cochin Shipyard Ltd.	16.87	16.87
	<b>Group Total</b>	<b>592.54</b>	<b>555.22</b>

7. **Social Overheads and Township** : The total number of persons employed and the expenditure incurred on social overheads and townships are given below :

(₹ in Crore)

Sl. No.	Enterprise	Township and Social Overheads	
		2010-11	2009-10
1.	No. of employees (in number)	69265	65611
2.	Social overheads : (Rupees in Crore)		
	(i) Educational,	7.21	4.89
	(ii) Medical Facilities	3.19	0.10
	(iii) Others	6.64	0.44
3.	Capital cost of township (Rupees in Crore)	14.68	0.15
4.	No. of houses constructed (in number)	1918	2505

8. Company wise details in respect of Balance Sheet, Profit and Loss account, Important Indicators and Financial Ratios along with the write up of individual company are given in the pages below.



# Transportation Equipment

## Balance Sheet

(₹ in Lakhs)

				(₹ in Lakhs)
Particulars		2010-11	2009-10	2008-09
AUTHORISED CAPITAL		140772	140772	140772
<b>(1) SOURCES OF FUND</b>				
(1.1) SHAREHOLDERS FUNDS				
(A) PAID-UP CAPITAL				
CENTRAL GOVT		104494	106968	113443
OTHERS		3549	3549	3549
(B) SHARE APPLICATION MONEY		1049	1049	1049
(C) RESERVES & SURPLUS		1453824	1212407	952940
<b>TOTAL (A) + (B) + (C)</b>		<b>1562916</b>	<b>1323973</b>	<b>1070981</b>
(1.2) LOAN FUNDS				
(A) SECURED LOANS		77525	85678	63576
(B) UNSECURED LOANS		153457	139834	130448
<b>TOTAL (A) + (B)</b>		<b>230982</b>	<b>225512</b>	<b>194024</b>
(1.3) DEFERRED TAX LIABILITY		150405	151126	152880
<b>TOTAL (1.1) + (1.2) + (1.3)</b>		<b>1944303</b>	<b>1700611</b>	<b>1417885</b>
<b>(2) APPLICATION OF FUNDS</b>				
(2.1) FIXED ASSETS				
(A) GROSS BLOCK		865692	802816	758630
(B) LESS DEPRECIATION		293234	270779	248886
(C) NET BLOCK (A-B)		572458	532037	509744
(D) CAPITAL WORK IN PROGRESS		69381	72785	49712
<b>TOTAL (C) + (D)</b>		<b>641839</b>	<b>604822</b>	<b>559456</b>
(2.2) INVESTMENT		41190	24804	5807
(2.3) CURRENT ASSETS, LOAN & ADVANCES				
(A) INVENTORIES		3478503	2780069	2405593
(B) SUNDRY DEBTORS		546300	474076	417218
(C) CASH & BANK BALANCES		2628735	2359531	2559133
(D) OTHER CURRENT ASSETS		29734	28529	70244
(E) LOAN & ADVANCES		1255485	1140932	1113681
<b>TOTAL ((A)+(B)+(C)+(D)+(E))</b>		<b>7938757</b>	<b>6783137</b>	<b>6565869</b>
(2.4) LESS: CURRENT LIABILITIES & PROVISIONS				
(A) CURRENT LIABILITIES		6748053	5783759	5798288
(B) PROVISIONS		293967	311329	290256
<b>TOTAL (A+B)</b>		<b>7042020</b>	<b>6095088</b>	<b>6088544</b>
(2.5) NET CURRENT ASSETS(2.3-2.4)		896737	688049	477325
(2.6) DEFERRED REVENUE / PRE.EXPENDITURE		189344	196768	198914
(2.7) DEFERRED TAX ASSET		72021	20488	18810
(2.8) PROFIT & LOSS ACCOUNT(DR)		103172	165680	157573
<b>TOTAL (2.1+2.2+2.5+2.6+2.7+2.8)</b>		<b>1944303</b>	<b>1700611</b>	<b>1417885</b>

# Transportation Equipment

## Profit and Loss Account

(₹ in Lakhs)

			(₹ in Lakhs)
Particulars	2010-11	2009-10	2008-09
(1) INCOME			
(A) SALES/OPERATING	2073469	2124257	1639437
(B) EXCISE DUTY	22768	17595	17684
(C) NET SALES (A-B)	2050701	2106662	1621753
(D) OTHER INCOME/RECEIPTS	304625	265461	295566
<b>(I)TOTAL INCOME (C+D+E)</b>	<b>2996325</b>	<b>2643895</b>	<b>2349232</b>
(2) EXPENDITURE			
(A) PURCHASE OF FINISHED GOODS CONSUMPTION OF RAW MATERIALS	1778673	1482484	1189055
(B) STORES & SPARES	14195	15346	14320
(C) POWER & FUEL	20784	19594	22490
(D) MANUFACTURING / DIRECT / OPERATING EXPENSES	126840	139837	154518
(E)SALARY,WAGES & BENEFITS / EMPLOYEE EXP.	441772	370323	338595
(F)OTHER EXPENSES	64307	70570	114285
(G)PROVISIONS	59456	58378	55982
<b>(II)TOTAL EXPENDITURE (A to G)</b>	<b>2506027</b>	<b>2156532</b>	<b>1889245</b>
(3) PROFIT BEFORE DEP. INT. TAXES & EP(PBDITEP) (I-II)	490298	487363	459987
(4) DEPRECIATION	25683	24656	20846
(5) DRE/PREL EXP WRITTEN OFF	64604	52838	79843
(6) PROFIT BEFORE INT., TAXES & EP (PBITEP) (3-4-5)	400011	409869	359298
(7) INTEREST			
(A) ON CENTRALGOVERNMENT LOANS	875	7810	7180
(B) ON FOREIGN LOANS	0	0	0
(C) OTHERS	15262	9312	8538
(D) LESS INTEREST CAPITALISED	96	0	0
(E) CHARGED TO P & L ACCOUNT (A+B+C-D)	16041	17122	15718
<b>(8)PROFIT BEFORE TAX &amp; EP(PBTEP) (6-7E)</b>	<b>383970</b>	<b>392747</b>	<b>343580</b>
(9) TAX PROVISIONS	124905	111896	101240
(10) NET PROFIT / LOSS(-) BEFORE EP (8-9)	259065	280851	242340
(11) NET EXTRA-ORD.ITEMS	-46366	-1001	7067
<b>(12) NET PROFIT / LOSS(-) (10-11)</b>	<b>305431</b>	<b>281852</b>	<b>235273</b>
(13) DIVIDEND DECLARED	59254	55522	51285
(14) DIVIDEND TAX	9729	9396	8715
<b>(15) RETAINED PROFIT (12-13-14)</b>	<b>236448</b>	<b>216934</b>	<b>175273</b>

# Transportation Equipment

## Management Ratio

Particulars	2010-11	2009-10	2008-09
<b>(A.) INDICATORS</b>			
<b>(I) GENERAL(Rs. in Lakhs)</b>			
(i) INVESTMENT	198970	183426	186736
(ii) CAPITAL EMPLOYED	1469195	1220086	987069
(iii) NET WORTH	1270400	961525	714494
(iv) COST OF PRODUCTION	2612355	2251148	2005652
(v) COST OF SALES	1971356	1979376	1573739
(vi) VALUE ADDED	878048	861010	827801
(vii) R AND D EXPENDITURE	108734	93452	71299
<b>(II) HUMAN RESOURCE</b>			
(viii) EMPLOYEES (OTHER THAN CASUAL)(Nos.)	69265	65611	67885
(ix) AVG.MONTHLY EMOLUMENTS PER EMPLOYEE(Rs.)	53150	47035	41565
<b>(B.) MANAGEMENT RATIO</b>			
(i) DEBT : EQUITY	0.15	0.17	0.18
(ii) CURRENT RATIO (CURRENT ASSET:CURRENT- LIABILITY	1.13	1.11	1.08
(iii) PBDITEP : TOTAL EMPLOYEMENT (Rs. in Lakhs)	7.08	7.43	6.78
(iv) SUNDRY DEBTORS : SALES (No. of days)	97.23	82.14	93.9
(v) INVENTORY(No. of days)			
(a) TOTAL INVENTORY : SALES	619.13	481.67	541.42
(b) SEMI/FINISHED GOODS : SALES	415.31	301.59	347.16
(vi) INCREMENTAL CAPITAL OUTPUT RATIO(ICOR)	0.8	0.72	0.36
(%)			
(vii) SALES : CAPITAL EMPLOYED	139.58	172.67	164.3
(viii) PBDITEP : CAPITAL EMPLOYED	33.37	39.94	46.6
(ix) PBITEP : CAPITAL EMPLOYED	27.23	33.59	36.4
(x) COST OF SALES : SALES	96.13	93.96	97.04
(xi) MATERIAL COST : SALES	86.73	70.37	73.32
(xii) SALARY & WAGES : SALES	21.54	17.58	20.88
(xiii) R & D EXPENDITURE : SALES	5.3	4.44	4.4
(xiv) PBITEP : SALES	19.51	19.46	22.15
(xv) PBTEP : NET WORTH	30.22	40.85	48.09
(xvi) NET PROFIT : NET WORTH	24.04	29.31	32.93
(xvii) GROSS MARGIN : GROSS BLOCK	56.64	60.71	60.63

## 11.1 BEML Limited

BEML Limited (formerly Bharat Earth Movers Limited), incorporated on 11th May 1964 as a Public Sector Undertaking for manufacturing of Defence products, Rail products and Mining equipment. The Company has been renamed as BEML Limited since 11.09.2007.

The Company has been partially disinvested in phases and presently Government of India holds 53.87 percent of total equity and the rest 46 percent is held by Foreign Institutional Investors, Financial Institutions, Banks, employees and public investors.

BEML Ltd is a Schedule -'A' 'Miniratna' CPSE in Transportation Equipment sector under the administrative control of Department of Defence Production, Ministry of Defence. Its Registered Corporate offices are at "Bangalore, Karnataka.

### Vision / Mission

The vision of the Company is to become a market leader, as a diversified Company supplying quality products and services to sectors such as Mining and Construction, Rail & Metro and Defence & Aerospace and to emerge as a prominent international player.

The mission of the Company is to improve competitiveness through collaboration, strategic alliances and joint ventures, grow profitably by aggressively pursuing business & market opportunities in domestic and international markets, adopt of state of art technologies and bring in new products through in-house R & D efforts, continue to diversify and grow addressing new products and markets, attract and retain people in a rewarding and inspiring environment by fostering creativity and innovation and offer technology and cost effective total solutions.

### Industrial / Business Operations

BEML is engaged in the design, manufacturing, marketing and after-sales-service of a wide range of Mining and Construction equipment, Defence products and Railway and Metro products. The Company services the core sectors of the economy such as mining, steel, cement, power, irrigation, construction, road building, Defence, Railway and Metro transportation system and Aerospace.

BEML also provides e-engineering solutions through its Technology Division and trades non-Company products, components, aggregates and commodities for domestic and international markets through its Trading Division and from its 9 operating units. Company has two subsidiary companies, namely Vignyan Industries Ltd, & BEML Brazil Industrial Ltda and one joint venture namely BEML Midwest Ltd with 45% equity share. The Company is having 4 Zonal and 11 Regional Offices in India. The physical performance of Company for last three years are given below :

Main product/s	Units	2010-11	2009-10	2008-09
EM Equipment	Nos	1042	1129	1190
Railway products	Nos	623	752	594
Defence products	Nos	559	461	461
Defence aggregates	Nos	147	1081	985

### Strategic Issues

To cater to the growing need of high technology underground products, BEML has acquired assets of West Bengal-based sick PSU, Mining and Allied Machinery Corporation (MAMC) which was engaged in manufacturing of underground mining equipment, through a JV formed with government-owned Coal India Ltd and Damodar Valley Corporation, by investing ₹ 100 crore. BEML owns 48% in the acquired venture while Coal India and Damodar Valley hold 26% each. This buy out of MAMC assets

and formation of JV Company MAMC Industries Limited will help BEML to extend its product range in this sector further with assured business from CIL and DVC for next 10 years. The Company is expecting to generate ₹ 500 crore business per year through MAMC alone in the next five years.

The Company envisaged to foray into Dredger equipment manufacturing business to encash emerging opportunities. BEML is the only PSU to take up the same.

### Performance Highlights

The operational performance of the Company along with performance indicators and selected financial ratios during the period 2008-09 to 2010-11 can be seen on the opposite page.

The Company registered an increase of ₹ 109.54 crore in total income during 2010-11 which went upto ₹ 3819.20 crore in 2010-11 from ₹ 3709.66 crore during 2009-10. The net profit of the Company reduced to ₹ 149.77 crore, a reduction of ₹ 73.08 crore over the previous year due to stiff competition in M&C and also due to nature of product mix; and low margins suffered on Defence products.

Company's exports showed significant growth in the past years. It also explored geographical niche markets domestically & globally and today Company has a global presence in over 58 countries. During 2010-11, the Company successfully made foray into new markets in countries like Zimbabwe, Thailand, Ghana, Sri Lanka etc.

### Human Resource Management

The Company employed 11798 regular employees as on 31.03.2011. The retirement age in the company is 60 years. It is following IDA 2007 pattern of remuneration. Details of employment in last 3 years are given below:

Particulars	2010-11	2009-10	2008-09
Executives including Non-Unionised Supervisors	2757	2710	2713
Non-Executives #	9041	9342	9887
Total Employees	11798	12052	12600

# Detail break-up of Non-Executive employees is at Statement no. 25 of volume-I of PE Survey.

### Technology Up-gradation, Research and Development

The Company has a strong base of in-house design and development set-up. Company's R&D division at KGF has designed, developed and successfully productionized number of new products. The activities of R&D include technology absorption, import substitution, cost reduction and product development for domestic and export markets. Company also has R&D units for Design and Product Development in Bangalore and Mysore.



Balance Sheet	(₹ in Lakhs)		
Particulars	2010-11	2009-10	2008-09
Authorised Capital	10000	10000	10000
<b>(1) Sources Of Fund</b>			
<b>(1.1) Shareholders Funds</b>			
(A) Paid-Up Capital			
Central Govt	2250	2250	2250
Others	1927	1927	1927
(B) Share Application Money	0	0	0
(C) Reserves & Surplus	209727	199607	187361
<b>Total (A) + (B) + (C)</b>	<b>213904</b>	<b>203784</b>	<b>191538</b>
<b>(1.2) Loan Funds</b>			
(A) Secured Loans	67622	75305	47091
(B) Unsecured Loans	14090	15550	9673
<b>Total (A) + (B)</b>	<b>81712</b>	<b>90855</b>	<b>56764</b>
(1.3) Deferred Tax Liability	0	0	4
<b>Total (1.1) + (1.2) + (1.3)</b>	<b>295616</b>	<b>294639</b>	<b>248306</b>
<b>(2) Application Of Funds</b>			
<b>(2.1) Fixed Assets</b>			
(A) Gross Block	94543	79871	74951
(B) Less Depreciation	55590	52484	49402
<b>(C) Net Block (A-B)</b>	<b>38953</b>	<b>27387</b>	<b>25549</b>
(D) Capital Work In Progress	7958	3221	2361
<b>Total (C) + (D)</b>	<b>46911</b>	<b>30608</b>	<b>27910</b>
<b>(2.2) Investment</b>	<b>820</b>	<b>820</b>	<b>795</b>
<b>(2.3) Current Assets, Loan &amp; Advances</b>			
(A) Inventories	188891	165300	162057
(B) Sundry Debtors	128753	136074	154527
(C) Cash & Bank Balances	4828	56715	26351
(D) Other Current Assets	580	735	1502
(E) Loan & Advances	50943	46134	41276
<b>Total (A)+ (B)+ (C)+ (D)+ (E)</b>	<b>373995</b>	<b>404958</b>	<b>385713</b>
<b>(2.4) Less: current Liabilities &amp; Provisions</b>			
(A) Current Liabilities	98799	89224	113326
(B) Provisions	31915	56088	53616
<b>Total (A+B)</b>	<b>130714</b>	<b>145312</b>	<b>166942</b>
<b>(2.5) Net Current Assets (2.3-2.4)</b>	<b>243281</b>	<b>259646</b>	<b>218771</b>
(2.6) Deferred Revenue / Pre. Expenditure	0	145	830
(2.7) Deferred Tax Asset	4604	3420	0
(2.8) Profit & Loss Account(Dr)	0	0	0
<b>Total (2.1+2.2+2.5+2.6+2.7+2.8)</b>	<b>295616</b>	<b>294639</b>	<b>248306</b>

Important Indicators	2010-11	2009-10	2008-09
(i) Investment	18267	4177	4177
(ii) Capital Employed	282234	287033	244320
(iii) Net Worth	213904	203639	190708
(iv) Cost of Production	360610	339004	288217
(v) Cost of Sales	346102	323905	260145
(vi) Gross Value Added (At Market Price)	-	-	-
(vii) Total Employees (Other Than Casuals) (Nos.)	11798	12052	12600
(viii) Avg. Monthly Emoluments Per Employee (Rs.)	48125	38385	37645

Profit & Loss Account	(₹ in Lakhs)		
Particulars	2010-11	2009-10	2008-09
<b>(1) Income</b>			
(A) Sales/Operating Income	362352	355767	300706
(B) Excise Duty	17224	13641	12732
(C) Net Sales (A-B)	345128	342126	287974
(D) Other Income/Receipts	22284	13741	10997
(E) Accretion/Depletion in Stocks	14508	15099	28072
<b>(I) Total Income (C+D+E)</b>	<b>381920</b>	<b>370966</b>	<b>327043</b>
<b>(2) Expenditure</b>			
(A) Purchase of Finished Goods/ Consumption Of Raw Materials	247679	238386	185089
(B) Stores & Spares	1652	2906	2442
(C) Power & Fuel	2923	3169	3182
(D) Manufacturing / Direct / Operating Expenses	5702	5328	3003
(E) Salary, Wages & Benefits / Employee Exp.	68134	55514	56919
(F) Other Expenses	23499	23680	30560
(G) Provisions	1794	1906	366
<b>(II) Total Expenditure (A to G)</b>	<b>351383</b>	<b>330889</b>	<b>281561</b>
<b>(3) Profit Before Dep, Int, Taxes &amp; EP (PBDITEP) (I-II)</b>	<b>30537</b>	<b>40077</b>	<b>45482</b>
(4) Depreciation	3364	3222	2731
(5) Dre/Prel Exp Written Off	0	0	0
<b>(6) Profit Before Int., Taxes &amp; Ep (PBITEP) (3-4-5)</b>	<b>27173</b>	<b>36855</b>	<b>42751</b>
(7) Interest			
(A) On Central Government Loans	0	0	0
(B) On Foreign Loans	0	0	0
(C) Others	5959	4893	3925
(D) Less Interest Capitalised	96	0	0
(E) Charged to P & L Account (A+B+C-D)	5863	4893	3925
<b>(8) Profit Before Tax &amp; EP(PBTPEP) (6-7E)</b>	<b>21310</b>	<b>31962</b>	<b>38826</b>
(9) Tax Provisions	3699	9670	11862
<b>(10) Net Profit / Loss Before EP (8-9)</b>	<b>17611</b>	<b>22292</b>	<b>26964</b>
(11) Net Extra-Ord. Items	2634	7	80
<b>(12) Net Profit / Loss(-) (10-11)</b>	<b>14977</b>	<b>22285</b>	<b>26884</b>
(13) Dividend Declared	4164	4164	4997
(14) Dividend Tax	692	708	849
<b>(15) Retained Profit (12-13-14)</b>	<b>10121</b>	<b>17413</b>	<b>21038</b>

Financial Ratios	2010-11	2009-10	2008-09
(i) Sales : Capital Employed	122.28	119.19	117.87
(ii) Cost of Sales : Sales	100.28	94.67	90.34
(iii) Salary / Wages : Sales	19.74	16.23	19.77
(iv) Net Profit : Net Worth	7	10.94	14.1
(v) Debt : Equity	0.38	0.45	0.3
(vi) Current Ratio	2.86	2.79	2.31
(vii) Sundry Debtors : Sales (No. of Days)	136.17	145.17	195.86
(viii) Total Inventory : Sales	199.77	176.35	205.4

## 11.2 Cochin Shipyard Ltd

Cochin Shipyard Ltd (CSL) was set up in 1972 with the objective to take over the erstwhile Cochin Shipyard project under technical collaboration with M/s Mitsubishi, Japan. The main objective of the company is to build and repair vessels of international standards and provide value added engineering services.

Cochin Shipyard commenced shipbuilding activities in 1975 and the first vessel 'Rani Padmini', a bulk carrier built for Shipping Corporation India, Mumbai was launched in 1980. Presently Cochin Shipyard is considered as the biggest and the most modern shipyard in India. CSL ventured into ship repair business in the year 1981.

CSL is a Schedule 'B' / Mini Ratna CPSE under the administrative control of M/o Shipping, D/o Shipping, with 100% shareholding by the Govt of India. Its registered Corporate offices are at Kochi, Kerala.

### Vision/Mission

The Vision of the Company is to emerge as an internationally competitive shipyard to construct world class ships and water borne crafts and become market leader in ship repair including conversions and up gradation. It plans to diversify into other business avenues for optimum utilization of resources and to sustain corporate growth in competitive environment. It further plans to put in place an optimum mix of commercial shipbuilding with Naval strategic projects to maximize capacity utilization.

The Mission of the company is to build and repair vessels to international standards and provide value added engineering services.

### Industrial / Business Operations

CSL is engaged in ship building, ship repair and Marine Engineering Training. It has the largest shipyard in the country with its operating unit at Kochi, Kerala. CSL also runs a 'state of the art' Marine Engineering Training Institute which conducts Marine Engineering Training and Basic and Advanced Fire Fighting Courses. The segment wise performance of company during period 2008-09 to 2010-11 is shown below:

Main Services/ Segments	Unit	Performance During		
		2010-11	2009-10	2008-09
Ship Building	DWT	140251	121035	122097
Ship Repair	₹ Crs	141.75	236.36	270.06

### Strategic Issues

In order to overcome capacity constraint, and for becoming a fully developed international shipyard, CSL is going ahead with expansion plans and with capital investment in the Small Ship Division. A capital expenditure of around 100 crores in Small Ship division is almost complete. This is particularly to tap the potential of the offshore sector projects in the field of oil exploration and extraction. The aircraft carrier for the Indian Navy is also being built simultaneously. Major projects undertaken in the recent past has been the oil rigs of both ONGC and other foreign owners.

### Performance Highlights

The operational performance of the company along with performance indicators and selected financial ratios during the period 2008-09 to 2010-11 can be seen on the opposite page.

The Company registered an increase of ₹ 107.89 crore in total income during 2010-11 which went up to ₹1602.8 crore in 2010-11 from Rs. 1494.91 crore during 2009-10. The net

profit of the company correspondingly increased to Rs 227.53 crore, an increase of ₹ 4.49 crore over the previous year due to better functioning along with reduction in manufacturing / direct operating expenses.

CSL which was originally building one ship every 3 years is now delivering 5 to 7 ships a year. As on 31.03.2011, CSL has 35 ships in its order book. The clientele includes foreign owners of nations like Norway, Cyprus etc

### Human Resource Management

The Company employed 1818 regular employees as on 31.03.2011. The retirement age in the company is 60 years. It is following IDA 2007 pattern of remuneration. Details of employment in last 3 years are given below:

Particulars	2010-11	2009-10	2008-09
Executives including Non-Unionised Supervisors	474	455	454
Non-Executives #	1344	1452	1508
Total Employees	1818	1907	1962

# Detail break-up of Non-Executive employees is at Statement no. 25 of volume-I of PE Survey.

### Technology Up-gradation, Research & Development

Investments have been made in R&D, Design and is graduating into diesel electric propulsion. Impetus is given to "Clean Design" technology ensuring world class emission norms. With facilities, technology and innovation keeping an optimum pace with each other, growth of an international medium size shipyard in India will be complete in the near future.

Balance Sheet		(₹ in Lakhs)	
Particulars	2010-11	2009-10	2008-09
Authorised Capital	25000	25000	25000
<b>(1) Sources Of Fund</b>			
<b>(1.1) Shareholders Funds</b>			
(A) Paid-Up Capital			
Central Govt	19242	19242	23242
Others	0	0	0
(B) Share Application Money	0	0	0
(C) Reserves & Surplus	77538	49054	-10967
<b>Total (A) + (B) + (C)</b>	<b>96780</b>	<b>68296</b>	<b>12275</b>
<b>(1.2) Loan Funds</b>			
(A) Secured Loans	0	0	8737
(B) Unsecured Loans	0	0	1369
<b>Total (A) + (B)</b>	<b>0</b>	<b>0</b>	<b>10106</b>
(1.3) Deferred Tax Liability	0	0	0
<b>Total (1.1) + (1.2) + (1.3)</b>	<b>96780</b>	<b>68296</b>	<b>22381</b>
<b>(2) Application Of Funds</b>			
(2.1) Fixed Assets			
(A) Gross Block	36210	34968	27039
(B) Less Depreciation	17143	15993	14875
<b>(C) Net Block (A-B)</b>	<b>19067</b>	<b>18975</b>	<b>12164</b>
(D) Capital Work In Progress	4055	4874	4458
<b>Total (C) + (D)</b>	<b>23122</b>	<b>23849</b>	<b>16622</b>
(2.2) Investment	19	319	9
<b>(2.3) Current Assets, Loan &amp; Advances</b>			
(A) Inventories	23477	33928	42813
(B) Sundry Debtors	111177	74427	47931
(C) Cash & Bank Balances	69025	75026	90162
(D) Other Current Assets	826	6082	5772
(E) Loan & Advances	25701	23766	45950
<b>Total (A)+(B)+(C)+(D)+(E)</b>	<b>230206</b>	<b>213229</b>	<b>232628</b>
<b>(2.4) Less: current Liabilities &amp; Provisions</b>			
(A) Current Liabilities	130726	143507	183880
(B) Provisions	28153	30865	50518
<b>Total (A+B)</b>	<b>158879</b>	<b>174372</b>	<b>234398</b>
<b>(2.5) Net Current Assets (2.3-2.4)</b>	<b>71327</b>	<b>38857</b>	<b>-1770</b>
(2.6) Deferred Revenue / Pre. Expenditure	0	0	0
(2.7) Deferred Tax Asset	2312	5271	7520
(2.8) Profit & Loss Account(Dr)	0	0	0
<b>Total (2.1+2.2+2.5+2.6+2.7+2.8)</b>	<b>96780</b>	<b>68296</b>	<b>22381</b>

Important Indicators	2010-11	2009-10	2008-09
(i) Investment	19242	19242	23242
(ii) Capital Employed	90394	57832	10394
(iii) Net Worth	96780	68296	12275
(iv) Cost of Production	125599	118062	113720
(v) Cost of Sales	124236	118751	111398
(vi) Gross Value Added (At Market Price)	-	-	-
(vii) Total Employees (Other Than Casuals) (Nos.)	1818	1907	1962
(viii) Avg. Monthly Emoluments Per Employee (Rs.)	76320	67370	63095

Profit & Loss Account		(₹ in Lakhs)	
Particulars	2010-11	2009-10	2008-09
<b>(1) Income</b>			
(A) Sales/Operating Income	146172	141692	125913
(B) Excise Duty	0	0	0
(C) Net Sales (A-B)	146172	141692	125913
(D) Other Income/Receipts	12745	8488	10092
(E) Accretion/Depletion in Stocks	1363	-689	2322
<b>(I) Total Income (C+D+E)</b>	<b>160280</b>	<b>149491</b>	<b>138327</b>
<b>(2) Expenditure</b>			
(A) Purchase of Finished Goods/ Consumption Of Raw Materials	71590	55442	38721
(B) Stores & Spares	1104	965	2012
(C) Power & Fuel	1689	1614	1690
(D) Manufacturing / Direct / Operating Expenses	17390	18246	19394
(E) Salary, Wages & Benefits / Employee Exp.	16650	15417	14855
(F) Other Expenses	12197	15886	28610
(G) Provisions	996	7149	5559
<b>(II) Total Expenditure (A to G)</b>	<b>121616</b>	<b>114719</b>	<b>110841</b>
<b>(3) Profit Before Dep, Int, Taxes &amp; EP (PBDITEP) (I-II)</b>	<b>38664</b>	<b>34772</b>	<b>27486</b>
(4) Depreciation	1316	1524	927
(5) Dre/Prel Exp Written Off	0	0	53
<b>(6) Profit Before Int., Taxes &amp; Ep (PBITEP) (3-4-5)</b>	<b>37348</b>	<b>33248</b>	<b>26506</b>
(7) Interest			
(A) On Central Government Loans	0	0	0
(B) On Foreign Loans	0	0	0
(C) Others	2667	1819	1899
(D) Less Interest Capitalised	0	0	0
(E) Charged to P & L Account (A+B+C-D)	2667	1819	1899
<b>(8) Profit Before Tax &amp; EP(PBTPEP) (6-7E)</b>	<b>34681</b>	<b>31429</b>	<b>24607</b>
(9) Tax Provisions	11837	10821	8756
<b>(10) Net Profit / Loss Before EP (8-9)</b>	<b>22844</b>	<b>20608</b>	<b>15851</b>
(11) Net Extra-Ord. Items	91	-1696	-156
<b>(12) Net Profit / Loss(-) (10-11)</b>	<b>22753</b>	<b>22304</b>	<b>16007</b>
(13) Dividend Declared	1687	1687	1967
(14) Dividend Tax	280	287	334
<b>(15) Retained Profit (12-13-14)</b>	<b>20786</b>	<b>20330</b>	<b>13706</b>

Financial Ratios	2010-11	2009-10	2008-09
(i) Sales : Capital Employed	161.71	245.01	1211.4
(ii) Cost of Sales : Sales	84.99	83.81	88.47
(iii) Salary / Wages : Sales	11.39	10.88	11.8
(iv) Net Profit : Net Worth	23.51	32.66	130.4
(v) Debt : Equity	0	0	0.82
(vi) Current Ratio	1.45	1.22	0.99
(vii) Sundry Debtors : Sales (No. of Days)	277.62	191.72	138.94
(viii) Total Inventory : Sales	58.62	87.4	124.11

## 11.3 Garden Reach Shipbuilders & Engineers Ltd.

Garden Reach Shipbuilders & Engineers Ltd. (GRSE) was incorporated in 1960 with the objective to construct warships and auxiliary vessels for the Navy and Coast Guard. The company was set up in 1884 as River Steam Navigation Co. and was subsequently converted into a limited liability company in the year 1934 under the name of Garden Reach Workshop Ltd. The company was taken over by the Government of India in on 12.04.1960 due to its strategic potential and to achieve self-sufficiency in the defence requirements. The company was renamed as Garden Reach Shipbuilders & Engineers Ltd. in the year 1977 due to its diversified product range as a result of rapid diversification, through taking over of a number of sick engineering units.

GRSE is a Schedule-'B'- Miniratna, taken over CPSE, in Transportation Equipment sector under the administrative control of M/o Defence, D/o Defence Production with 100% shareholding by the Government of India. Its Registered and Corporate offices are at Kolkata, West Bengal.

### Vision / Mission

To become a leading International shipbuilder, ship repairer and manufacturer of ship borne machinery and systems and deliver these products and services in a time bound and cost efficient manner to the fullest satisfaction of the customers.

### Industrial / Business Operations

GRSE is manufacturing a wide range of high tech ships from modern warships to Hovercraft viz. Frigates, Corvettes, LST(L), Fleet replacement Tankers etc. and is now also engaged in manufacturing of Bailey Bridges and Deck Machinery along with value engineering items like Diesel Engine through its 8 operating units at Kolkata and Ranchi. The product / service range of the company comprises of three segments namely shipbuilding, Engineering and Marine Engine. The physical performance of company during last 3 years are mentioned below:

Major services	Units	2010-11	2009-10	2008-09
Engineering	MT	3148	3259	3132
Ship Building	Matric Tons	1935	2381	2662
Engine	Nos.	14	13	11

### Strategic Issues

As a Business Strategy over the years, GRSE concentrated its efforts on low volume and high value shipbuilding orders. Warships being weapon intensive, have a high value, and hence the Indian Navy & Coast Guard is the market segment to concentrate upon.

With opening up the Indian Economy and Public Private Partnership in Defence Sector, for GRSE to remain self sustaining in the future years, has to look beyond its present defence shipbuilding orders. Efforts are in progress towards entering into Joint Venture with foreign collaborations towards acquiring capability / capacity to fully design other Naval Vessels beyond GRSE's present range of ships.

A few MOUs have also been signed with private shipyards for construction of Auxiliary / Offshore Support vessels. All this would go a long way towards fully exploiting the shipyard's facilities and increasing the volume of business and production range.

### Performance highlights

The operational performance of the company along with performance indicators and selected financial ratios during the

period 2008-09 to 2010-11 can be seen on the opposite page.

The Company registered an increase of ₹ 185.84 Cr. in total income during 2010-11 which went up to ₹ 1150.95 Cr. in 2010-11 from ₹ 965.11 Cr. during 2009-10. The net profit of the company increased to ₹ 115.71 Cr., an increase of ₹ 1.30 Cr. over the previous year due to increase in turnover.

Cost reduction efforts are being made to control the cost of production through Technological Advancement (installation of ERP SAP R/3, Additional TRIBON licences) for Ship Design. Further the Modular Concept of ship construction reduces the build period that has a direct bearing on cost of production in mandays.

### Human Resource Management

The Company employed 4107 regular employees as on 31.03.2011. The retirement age in the Company is 60 years. It is following IDA 2007 pattern of remuneration. Details of employment in last 3 years are given below:

(Nos.)

Particulars	2010-11	2009-10	2008-09
Executives including Non-Unionised Supervisors	769	856	731
Non-Executives #	3338	3489	4037
Total Employees	4107	4345	4768

# Detail break-up of Non-Executive employees is at Statement no. 25 of volume-I of PE Survey.

### Technology Up-gradation, Research and Development

The core strength of the company lies in its own in-house design capability. Recently the company has given an impetus to R&D activity in indigenous shipbuilding by successfully designing Water Jet Fast Attack Crafts and ASW Corvettes for the Indian Navy.

Balance Sheet		(₹ in Lakhs)	
Particulars	2010-11	2009-10	2008-09
Authorised Capital	12500	12500	12500
<b>(1) Sources Of Fund</b>			
<b>(1.1) Shareholders Funds</b>			
(A) Paid-Up Capital			
Central Govt	12384	12384	12384
Others	0	0	0
(B) Share Application Money	0	0	0
(C) Reserves & Surplus	55947	47255	38692
<b>Total (A) + (B) + (C)</b>	<b>68331</b>	<b>59639</b>	<b>51076</b>
<b>(1.2) Loan Funds</b>			
(A) Secured Loans	0	0	0
(B) Unsecured Loans	0	0	2179
<b>Total (A) + (B)</b>	<b>0</b>	<b>0</b>	<b>2179</b>
(1.3) Deferred Tax Liability	0	0	0
<b>Total (1.1) + (1.2) + (1.3)</b>	<b>68331</b>	<b>59639</b>	<b>53255</b>
<b>(2) Application Of Funds</b>			
<b>(2.1) Fixed Assets</b>			
(A) Gross Block	29651	26224	25812
(B) Less Depreciation	12210	11326	10668
<b>(C) Net Block (A-B)</b>	<b>17441</b>	<b>14898</b>	<b>15144</b>
(D) Capital Work In Progress	12144	11220	5200
<b>Total (C) + (D)</b>	<b>29585</b>	<b>26118</b>	<b>20344</b>
<b>(2.2) Investment</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>(2.3) Current Assets, Loan &amp; Advances</b>			
(A) Inventories	230695	153155	83858
(B) Sundry Debtors	14300	10556	9702
(C) Cash & Bank Balances	18567	46786	75477
(D) Other Current Assets	562	1158	2075
(E) Loan & Advances	85398	90820	83684
<b>Total (A)+ (B)+ (C)+ (D)+ (E)</b>	<b>349522</b>	<b>302475</b>	<b>254796</b>
<b>(2.4) Less: current Liabilities &amp; Provisions</b>			
(A) Current Liabilities	297093	249698	206365
(B) Provisions	13920	20034	16112
<b>Total (A+B)</b>	<b>311013</b>	<b>269732</b>	<b>222477</b>
<b>(2.5) Net Current Assets (2.3-2.4)</b>	<b>38509</b>	<b>32743</b>	<b>32319</b>
(2.6) Deferred Revenue / Pre. Expenditure	0	0	2
(2.7) Deferred Tax Asset	237	778	590
(2.8) Profit & Loss Account(Dr)	0	0	0
<b>Total (2.1+2.2+2.5+2.6+2.7+2.8)</b>	<b>68331</b>	<b>59639</b>	<b>53255</b>

Important Indicators	2010-11	2009-10	2008-09
(i) Investment	12384	12384	14563
(ii) Capital Employed	55950	47641	47463
(iii) Net Worth	68331	59639	51074
(iv) Cost of Production	98756	83532	67707
(v) Cost of Sales	47919	38922	74510
(vi) Gross Value Added (At Market Price)	-	-	-
(vii) Total Employees (Other Than Casuals) (Nos.)	4107	4345	4768
(viii) Avg. Monthly Emoluments Per Employee (Rs.)	52764	44893	35915

Profit & Loss Account		(₹ in Lakhs)	
Particulars	2010-11	2009-10	2008-09
<b>(1) Income</b>			
(A) Sales/Operating Income	55073	42427	74062
(B) Excise Duty	1359	454	459
(C) Net Sales (A-B)	53714	41973	73603
(D) Other Income/Receipts	10544	9928	9360
(E) Accretion/Depletion in Stocks	50837	44610	-6803
<b>(I) Total Income (C+D+E)</b>	<b>115095</b>	<b>96511</b>	<b>76160</b>
<b>(2) Expenditure</b>			
(A) Purchase of Finished Goods/ Consumption Of Raw Materials	57177	47633	33618
(B) Stores & Spares	264	290	261
(C) Power & Fuel	788	748	647
(D) Manufacturing / Direct / Operating Expenses	10640	8408	8743
(E) Salary, Wages & Benefits / Employee Exp.	26004	23407	20549
(F) Other Expenses	2686	2282	3064
(G) Provisions	0	0	46
<b>(II) Total Expenditure (A to G)</b>	<b>97559</b>	<b>82768</b>	<b>66928</b>
<b>(3) Profit Before Dep, Int, Taxes &amp; EP (PBDITEP) (I-II)</b>	<b>17536</b>	<b>13743</b>	<b>9232</b>
(4) Depreciation	1047	762	755
(5) Dre/Prel Exp Written Off	0	1	6
<b>(6) Profit Before Int., Taxes &amp; Ep (PBITEP) (3-4-5)</b>	<b>16489</b>	<b>12980</b>	<b>8471</b>
(7) Interest			
(A) On Central Government Loans	0	0	0
(B) On Foreign Loans	0	0	0
(C) Others	150	1	18
(D) Less Interest Capitalised	0	0	0
(E) Charged to P & L Account (A+B+C-D)	150	1	18
<b>(8) Profit Before Tax &amp; EP(PBTPEP) (6-7E)</b>	<b>16339</b>	<b>12979</b>	<b>8453</b>
(9) Tax Provisions	4705	1633	3733
<b>(10) Net Profit / Loss Before EP (8-9)</b>	<b>11634</b>	<b>11346</b>	<b>4720</b>
(11) Net Extra-Ord. Items	63	-96	-445
<b>(12) Net Profit / Loss(-) (10-11)</b>	<b>11571</b>	<b>11442</b>	<b>5165</b>
(13) Dividend Declared	2477	2477	2477
(14) Dividend Tax	402	411	421
<b>(15) Retained Profit (12-13-14)</b>	<b>8692</b>	<b>8554</b>	<b>2267</b>

Financial Ratios	2010-11	2009-10	2008-09
(i) Sales : Capital Employed	96	88.1	155.07
(ii) Cost of Sales : Sales	89.21	92.73	101.23
(iii) Salary / Wages : Sales	48.41	55.77	27.92
(iv) Net Profit : Net Worth	16.93	19.19	10.11
(v) Debt : Equity	0	0	0.04
(vi) Current Ratio	1.12	1.12	1.15
(vii) Sundry Debtors : Sales (No. of Days)	97.17	91.8	48.11
(viii) Total Inventory : Sales	1567.63	1331.85	415.85



# 11.4 Goa Shipyard Limited

GSL was established on 26 Nov 1957 under the Portuguese Law as 'EstaleriosNavais De Goa', as a small barge repair facility. Later on, it was leased to Mazagaon Dock Ltd. following the liberation of Goa in 1961 till 1967. It was renamed as Goa Shipyard Limited in 1967. GSL graduated over the period from barge building to designing and building high tech sophisticated warships since 1990 onwards.

GSL is a Schedule-'B' Miniratna CPSE in Transport Equipment sector, under the administrative control of Ministry of Defence, Department of Defence Production with 51.09% shareholding by the Government of India. 47.21% equity of GSL is held by the Mazagon Dock Ltd. Its Registered and Corporate offices are at Vasco da Gama, Goa.

## Vision / Mission

The Vision of the Company is to be a global leader in building and repairing ships and GRP vessels in the medium sized sector.

The Mission of the Company is to be a global shipbuilder and ship repair organization in the high technology sector and to diversify into other related products".

## Industrial/ Business Operations

GSL is engaged in shipbuilding, ship repair and General Engineering Services for defence and commercial sector having shipyard (GSL main Unit) at Vasco da Gama (Goa). GSL has also set up dedicated facilities, GSL Unit II and III for GRP boats construction at Sancoale, Goa. The physical performance of company during the period 2008-09 to 2010-11 is mentioned below:

Main product	Unit	2010-11	2009-10	2008-09
Shipbuilding	SSU	6.41	5.98	5.90

(SSU – Standard Ship Unit)

All ships are built and repaired as per customer's specifications. The product range includes Offshore Patrol Vessels, Missile Crafts, Sail Training Ships, Tugs, Boats, Fishing Vessels, Passenger Vessels, etc.

The diversified products are Glass Reinforced Plastic (GRP) boats, Damage Control Simulator, Survival at Sea Training Facility, etc. Supply of stern gear equipment and spares for ships to other Defence Shipyards. In addition, GSL undertakes supply of stern gear equipment and spares to the defence shipyards in the country and provides installation and service support for commissioning of systems onboard.

GSL is one of the few shipyards internationally who have capacity and capability to carry out basic design of ships. GSL products with in-house R&D are well proven in service and have received accolades from both the owners as well as admirers from India and Overseas.

## Strategic Issues

To be competitive in global market and to enhance the shipbuilding capacity, the shipyard has embarked on an ambitious modernisation programme. Goa Shipyard modernization project is being implemented in four phases. The first two phases of the modernization programme comprising state-of-the-art 6000 Ton shiplift with the ship transfer facility and shipbuilding / repair berths were commissioned on 21st May 2011. Work on Phase 3 & 4 which include new shipbuilding facilities, new building berths and dedicated facilities for building Mine Counter Measure Vessel (MCMV) for Indian Navy is scheduled to commence shortly.

## Performance Highlights

The operational performance of the company along with performance indicators and selected financial ratios during the period 2008-09 to 2010-11 can be seen on the opposite page. The Company registered an increase of ₹72.61crore in total income during 2010-11 which went up to ₹1027.39 crore in 2010-11 from ₹954.78crore during 2009-10. The net profit of the company increased to ₹176.13 crore, an increase of ₹45.41crore over the previous year due to increase in turnover and fall in direct expenses & interest.

## Human Resource Management

The enterprise employs 1667 employees. The retirement age in the company is 60 years. It is following IDA 2007 pattern of remuneration.

Particulars	2010-11	2009-10	2008-09
Executives including Non-Unionised Supervisors	491	482	484
Non-Executives #	1176	1219	1206
Total Employees	1667	1701	1690

# Detail break-up of Non-Executive employees is at Statement no. 25 of volume-I of PE Survey.

## Technology Up-gradation, Research & Development

GSL undertakes its own Research & Development activities for the design and development of its product range and is one of the few shipyards internationally who have capacity and capability to carry out basic design of ships. GSL products with in-house R&D are well proven in service and have received accolades from both the owners as well as admirers from India and Overseas. GSL possesses world class CAD / CAM facilities with Tribon M3 platform having an interface with ERP system and project management software for efficient functioning of all activities, thus making it virtually a paperless office. With GSL's continuous efforts in R&D over the years, the yard has successfully designed and built 35 Knots, 50m Fast Patrol Vessels (FPVs) and 105m Advanced Offshore Patrol Vessels (AOPVs), 90m Offshore Patrol Vessels (OPVs). The vessels are in operation service of Indian Coast Guard.



Balance Sheet		(₹ in Lakhs)	
Particulars	2010-11	2009-10	2008-09
Authorised Capital	4000	4000	4000
(1) Sources Of Fund			
(1.1) Shareholders Funds			
(A) Paid-Up Capital			
Central Govt	1487	1487	1487
Others	1423	1423	1423
(B) Share Application Money	0	0	0
(C) Reserves & Surplus	54001	40528	30511
Total (A) + (B) + (C)	56911	43438	33421
(1.2) Loan Funds			
(A) Secured Loans	0	0	0
(B) Unsecured Loans	1175	1220	5768
Total (A) + (B)	1175	1220	5768
(1.3) Deferred Tax Liability	1850	568	349
Total (1.1) + (1.2) + (1.3)	59936	45226	39538
(2) Application Of Funds			
(2.1) Fixed Assets			
(A) Gross Block	41648	11908	10935
(B) Less Depreciation	6708	5945	5496
(C) Net Block (A-B)	34940	5963	5439
(D) Capital Work In Progress	1088	15739	6865
Total (C) + (D)	36028	21702	12304
(2.2) Investment	0	0	0
(2.3) Current Assets, Loan & Advances			
(A) Inventories	29993	36307	30248
(B) Sundry Debtors	14845	19459	6644
(C) Cash & Bank Balances	32002	50250	64170
(D) Other Current Assets	3384	1882	15648
(E) Loan & Advances	37336	46053	25929
Total (A)+ (B)+ (C)+ (D)+ (E)	117560	153951	142639
(2.4) Less:current Liabilities & Provisions			
(A) Current Liabilities	69888	111025	101350
(B) Provisions	23764	19402	14055
Total (A+B)	93652	130427	115405
(2.5) Net Current Assets (2.3-2.4)	23908	23524	27234
(2.6) Deferred Revenue / Pre. Expenditure	0	0	0
(2.7) Deferred Tax Asset	0	0	0
(2.8) Profit & Loss Account(Dr)	0	0	0
Total (2.1+2.2+2.5+2.6+2.7+2.8)	59936	45226	39538

Important Indicators	2010-11	2009-10	2008-09
(i) Investment	2910	2910	2910
(ii) Capital Employed	58848	29487	32673
(iii) Net Worth	56911	43438	33421
(iv) Cost of Production	76260	75675	46120
(v) Cost of Sales	28671	36316	43004
(vi) Gross Value Added (At Market Price)	-	-	-
(vii) Total Employees (Other Than Casuals) (Nos.)	1667	1701	1690
(viii) Avg. Monthly Emoluments Per Employee (Rs.)	53529	54282	41193

Profit & Loss Account		(₹ in Lakhs)	
Particulars	2010-11	2009-10	2008-09
(1) Income			
(A) Sales/Operating Income	51446	47289	47685
(B) Excise Duty	3	0	0
(C) Net Sales (A-B)	51443	47289	47685
(D) Other Income/Receipts	3707	8830	7911
(E) Accretion/Depletion in Stocks	47589	39359	3116
(I)Total Income (C+D+E)	102739	95478	58712
(2) Expenditure			
(A) Purchase of Finished Goods/ Consumption Of Raw Materials	54317	48190	27499
(B) Stores & Spares	0	23	47
(C) Power & Fuel	201	217	214
(D) Manufacturing / Direct / Operating Expenses	7227	9767	5051
(E) Salary, Wages & Benefits / Employee Exp.	10708	11080	8354
(F) Other Expenses	2396	4729	2763
(G) Provisions	29	91	698
(II)Total Expenditure (A to G)	74878	74097	44626
(3) Profit Before Dep, Int, Taxes & EP (PBDITEP) (I-II)	27861	21381	14086
(4) Depreciation	851	470	429
(5) Dre/Prel Exp Written Off	0	0	0
(6) Profit Before Int., Taxes & Ep (PBITEP) (3-4-5)	27010	20911	13657
(7) Interest			
(A) On Central Government Loans	0	0	0
(B) On Foreign Loans	0	0	0
(C) Others	531	1108	1065
(D) Less Interest Capitalised	0	0	0
(E) Charged to P & L Account (A+B+C-D)	531	1108	1065
(8) Profit Before Tax & EP(PBTPEP) (6-7E)	26479	19803	12592
(9) Tax Provisions	8866	6651	4396
(10) Net Profit / Loss Before EP (8-9)	17613	13152	8196
(11) Net Extra-Ord. Items	0	80	0
(12) Net Profit / Loss(-) (10-11)	17613	13072	8196
(13) Dividend Declared	3550	2620	1659
(14) Dividend Tax	590	435	282
(15) Retained Profit (12-13-14)	13473	10017	6255

Financial Ratios	2010-11	2009-10	2008-09
(i) Sales : Capital Employed	87.42	160.37	145.95
(ii) Cost of Sales : Sales	55.73	76.8	90.18
(iii) Salary / Wages : Sales	20.82	23.43	17.52
(iv) Net Profit : Net Worth	30.95	30.09	24.52
(v) Debt : Equity	0.02	0.03	0.17
(vi) Current Ratio	1.26	1.18	1.24
(vii) Sundry Debtors : Sales (No. of Days)	105.33	150.19	50.86
(viii) Total Inventory : Sales	212.81	280.24	231.53

# 11.5 Hindustan Aeronautics Limited

Hindustan aeronautics Limited was incorporated on 1.10.1964 with the objective to manufacture, assemble, integrate, repair, overhaul of aeroplanes, airships, seaplanes, balloon helicopters, gliders, parachutes and aircraft and aero engine of every description required for civil, commercial or military defence purpose and requirements.

It is a Schedule-‘A’ Navratna CPSE in Transportation Equipment sector under the administrative control of M/o of Defence with 100% shareholding by the Government of India. Its registered and corporate office is at Bangalore, Karnataka.

## Vision / Mission

The vision of the company is to become a global player in the aerospace industry.

The mission of the company is to achieve self reliance in design, development, manufacture, up-gradation and maintenance of aerospace equipment, diversifying into related areas and managing the business in a climate of growing professional competence to achieve world class performance standards for global competitiveness and growth in exports.

## Industrial / Business Operations

The main activities of HAL includes design and development of Fixed Wing Aircraft, Rotary Wing and their systems / accessories / avionics and manufacturing of Aircraft (Fighter, Trainers & Transport), Helicopters and associated Aero engines, Accessories & Avionics for both military and civil applications. Company is also in the business of production and overhaul of Marine & Industrial Gas turbines engines, manufacturing of integrated assemblies and structures for aerospace Launch Vehicles / satellites and Cryogenic engines.

The Company has 19 manufacturing / production / overhaul units located at Bangalore (Karnataka), Barrackpor (West Bengal), Nasik (Maharashtra), Koraput (Orissa), Kanpur, Korwa & Lucknow (Uttar Pradesh), Hyderabad (Andhra Pradesh). The Company also has 11 joint ventures with an equity participation ranging between 48% to 50%.

The Company has been granted exemption from adherence to the provision of Accounting Standards 17, regarding segment reporting due to its nature of business and sensitive nature of disclosure. The physical performances of the company in terms of Standard Man Hours (SMH) for last three years are given below:

Main Product / Services	Unit	Performance During		
		2010-11	2009-10	2008-09
Production in terms of SMH	Lakh SMH	323.28	310.32	287.22
Capacity utilisation	%	112	106	104

## Strategic issue

HAL currently depend on foreign sources for raw materials and critical technologies for its products. There is limited customer base for HAL and lack of flexibility in fixing compensation package to attract and retain talent. It is estimated that 70 per cent of the equipment are imported and only 30 per cent are manufactured in India. The current policy initiatives display the Government's keenness to reverse this ratio and to strengthen the Aerospace and Defence (A&D) industry in the Country. The introduction of the concept of "Offsets" in the Defence Procurement Policy 2006 and reinforced in the subsequent revisions has opened up new vistas with huge business potential to the Public/Private sector companies in the Country.

HAL is presently ranked 38th in the world in the Defence

Aerospace sector as per the 'Top 100' survey of the Defence aerospace manufacturing market for the year 2009, published in 'Flight International'. HAL aims to improve the ranking and break into the top 25 as a first step.

## Performance Highlights

The operational performance of the company along with performance indicators and selected financial ratios during the period 2008-09 to 2010-11 can be seen on the opposite page.

The Company registered an increase of ₹ 3301.63 crore in total income during 2010-11 which went up to ₹18744.94 crore in 2010-11 from ₹ 15443.31 crore during 2009-10. The net profit of the company correspondingly increased to ₹ 2114.26 crore, an increase of ₹ 146.85 crore over the previous year due to increase in turnover and other income. HAL is a 'Zero-Debt Company'.

The company produced its highest number of new aircraft and helicopters (78) along with engines and accessories. This is double the average production of the last ten years.

## Human Resource Management

The company employed 33681 regular employees as on 31.3.2011. The retirement age in the company is 60 years. It is following IDA 2007 pattern of remuneration. Details of employment in last 3 years are given below:

Particulars	2010-11	2009-10	2008-09
Executives including Non-Unionised Supervisors	9640	9790	10134
Non-Executives #	24041	24200	24688
Total Employees	33681	33990	34822

# Detail break-up of Non-Executive employees is at Statement no. 25 of volume-I of PE Survey.

## Technology Up-gradation, Research and Development

There are 10 R&D centers co-located with the production units of HAL, which are engaged in development of new products and several upgrade programmes. During the year an expenditure of ₹986.96 crore was incurred on various R&D projects.

**Hindustan Aeronautics Limited**

15/1, Cubbon Road, Bangalore, Karnataka - 560 001

Balance Sheet	(₹ in Lakhs)		
Particulars	2010-11	2009-10	2008-09
Authorised Capital	16000	16000	16000
<b>(1) Sources Of Fund</b>			
<b>(1.1) Shareholders Funds</b>			
(A) Paid-Up Capital			
Central Govt	12050	12050	12050
Others	0	0	0
(B) Share Application Money	0	0	0
(C) Reserves & Surplus	962472	800302	649597
<b>Total (A) + (B) + (C)</b>	<b>974522</b>	<b>812352</b>	<b>661647</b>
<b>(1.2) Loan Funds</b>			
(A) Secured Loans	0	0	0
(B) Unsecured Loans	17	18	198
<b>Total (A) + (B)</b>	<b>17</b>	<b>18</b>	<b>198</b>
(1.3) Deferred Tax Liability	148555	150529	152527
<b>Total (1.1) + (1.2) + (1.3)</b>	<b>1123094</b>	<b>962899</b>	<b>814372</b>
<b>(2) Application Of Funds</b>			
<b>(2.1) Fixed Assets</b>			
(A) Gross Block	603099	591178	565024
(B) Less Depreciation	163355	146803	131053
<b>(C) Net Block (A-B)</b>	<b>439744</b>	<b>444375</b>	<b>433971</b>
(D) Capital Work In Progress	11842	21238	21786
<b>Total (C) + (D)</b>	<b>451586</b>	<b>465613</b>	<b>455757</b>
<b>(2.2) Investment</b>	<b>39751</b>	<b>23065</b>	<b>4403</b>
<b>(2.3) Current Assets, Loan &amp; Advances</b>			
(A) Inventories	1742718	1366003	1043118
(B) Sundry Debtors	231821	185804	184826
(C) Cash & Bank Balances	2009932	1865764	1974456
(D) Other Current Assets	0	0	0
(E) Loan & Advances	570140	507338	585614
<b>Total (A)+ (B)+ (C)+ (D)+ (E)</b>	<b>4554611</b>	<b>3924909</b>	<b>3788014</b>
<b>(2.4) Less: current Liabilities &amp; Provisions</b>			
(A) Current Liabilities	3954914	3488732	3504674
(B) Provisions	157283	158579	127199
<b>Total (A+B)</b>	<b>4112197</b>	<b>3647311</b>	<b>3631873</b>
<b>(2.5) Net Current Assets (2.3-2.4)</b>	<b>442414</b>	<b>277598</b>	<b>156141</b>
(2.6) Deferred Revenue / Pre. Expenditure	189343	196623	198071
(2.7) Deferred Tax Asset	0	0	0
(2.8) Profit & Loss Account(Dr)	0	0	0
<b>Total (2.1+2.2+2.5+2.6+2.7+2.8)</b>	<b>1123094</b>	<b>962899</b>	<b>814372</b>

Important Indicators	2010-11	2009-10	2008-09
(i) Investment	12050	12050	12248
(ii) Capital Employed	882158	721973	590112
(iii) Net Worth	785179	615729	463576
(iv) Cost of Production	1590542	1275488	1167378
(v) Cost of Sales	1257152	1072109	1023517
(vi) Gross Value Added (At Market Price)	-	-	-
(vii) Total Employees (Other Than Casuals) (Nos.)	33681	33990	34822
(viii) Avg. Monthly Emoluments Per Employee (Rs.)	56589	47907	44100

Profit & Loss Account	(₹ in Lakhs)		
Particulars	2010-11	2009-10	2008-09
<b>(1) Income</b>			
(A) Sales/Operating Income	1311550	1145670	1037338
(B) Excise Duty	142	88	268
(C) Net Sales (A-B)	1311408	1145582	1037070
(D) Other Income/Receipts	229696	195370	219933
(E) Accretion/Depletion in Stocks	333390	203379	143861
<b>(I) Total Income (C+D+E)</b>	<b>1874494</b>	<b>1544331</b>	<b>1400864</b>
<b>(2) Expenditure</b>			
(A) Purchase of Finished Goods/ Consumption Of Raw Materials	1177243	922180	763595
(B) Stores & Spares	8758	7972	6147
(C) Power & Fuel	13019	11408	14226
(D) Manufacturing / Direct / Operating Expenses	18898	14449	16646
(E) Salary, Wages & Benefits / Employee Exp.	228715	195405	184277
(F) Other Expenses	13770	12270	40598
(G) Provisions	48659	42372	47830
<b>(II) Total Expenditure (A to G)</b>	<b>1509062</b>	<b>1206056</b>	<b>1073319</b>
<b>(3) Profit Before Dep, Int, Taxes &amp; EP (PBDITEP) (I-II)</b>	<b>365432</b>	<b>338275</b>	<b>327545</b>
(4) Depreciation	16879	16600	14255
(5) Dre/Prel Exp Written Off	64600	52829	79774
<b>(6) Profit Before Int., Taxes &amp; Ep (PBITEP) (3-4-5)</b>	<b>283953</b>	<b>268846</b>	<b>233516</b>
(7) Interest			
(A) On Central Government Loans	0	0	0
(B) On Foreign Loans	0	0	0
(C) Others	1	3	30
(D) Less Interest Capitalised	0	0	0
(E) Charged to P & L Account (A+B+C-D)	1	3	30
<b>(8) Profit Before Tax &amp; EP(PBTPEP) (6-7E)</b>	<b>283952</b>	<b>268843</b>	<b>233486</b>
(9) Tax Provisions	72526	72102	59500
<b>(10) Net Profit / Loss Before EP (8-9)</b>	<b>211426</b>	<b>196741</b>	<b>173986</b>
(11) Net Extra-Ord. Items	0	0	0
<b>(12) Net Profit / Loss(-) (10-11)</b>	<b>211426</b>	<b>196741</b>	<b>173986</b>
(13) Dividend Declared	42312	39348	34798
(14) Dividend Tax	6944	6687	5914
<b>(15) Retained Profit (12-13-14)</b>	<b>162170</b>	<b>150706</b>	<b>133274</b>

Financial Ratios	2010-11	2009-10	2008-09
(i) Sales : Capital Employed	148.66	158.67	175.74
(ii) Cost of Sales : Sales	95.86	93.59	98.69
(iii) Salary / Wages : Sales	17.44	17.06	17.77
(iv) Net Profit : Net Worth	26.93	31.95	37.53
(v) Debt : Equity	0	0	0
(vi) Current Ratio	1.11	1.08	1.04
(vii) Sundry Debtors : Sales (No. of Days)	64.52	59.2	65.05
(viii) Total Inventory : Sales	485.05	435.23	367.13

## 11.6 Hindustan Shipyard Ltd.

Hindustan Shipyard Ltd. was incorporated on 21.01.1952 with the objective to operate strong and efficient shipbuilding, ship repair and retrofitting of submarines to meet the growing requirements of Mercantile, Marine, Oil and Defence sectors with good management and improved efficiency to improve the financial performance and profitability.

The company is a Schedule-'B', taken over, BRPSE referred CPSE in Transportation Equipment sector under the administrative control of M/o Defence with 100% share holding by the Government of India. Its registered office is at Delhi and Corporate office at Gandhigram, Visakhapatnam, Andhra Pradesh

### Vision / Mission

The Vision of the Company is to make Hindustan Shipyard Ltd a World Class Shipyard with modernisation and upgradation of infrastructural facilities to meet the Indian Navy requirements.

The Mission of the Company is to operate a strong and efficient shipbuilding, ship repair and retrofitting of submarines to meet the growing requirements of Mercantile Marine, Oil and Defence Sectors with good management and improved efficiency and to improve financial performance and profitability.

### Industrial / Business Operations

The main activities of HSL include shipbuilding, ship repair, submarine retrofit, offshore platform construction and structural fabrication. The company has its operating yards at Visakhapatnam, Andhra Pradesh. The physical performances of the company for last three years are given below:

Main Product / Services	Unit	Performance During		
		2010-11	2009-10	2008-09
Ship-building	DWT	61920	67510	63640
Well platform	No.	Nil	Nil	Nil
Capacity utilization				
(at rated capacity)	% age	82	90	80
(at Installed capacity)	% age	44	48	45

### Strategic issue

HSL was a profit making company till 1980. Subsequent to its modernization commencing 1981-85 and expansion, the yard started making losses and could not pay back the loans taken for this purpose. The CCEA approved the Capital Restructuring of HSL on 30.06.1997. This restructuring envisages write off of GOI loans, interest etc. of Rs. 470.93 crore, conversion of SBI cash credit of Rs 173 crore into term loan. Consequent to the above capital restructuring HSL had to pay an amount of Rs. 7809 lakhs. Minimum Alternate Tax (MAT) which HSL was not taken into account in the restructuring package. As the restructuring package did not involve any cash flow to the yard, the yard was also not in the position to bear this expense. Since HSL continued to incur losses, the company was been referred to BRPSE. However, meanwhile cabinet approved the transfer of company from M/o Shipping to M/o Defence on "as is where basis" and financial restructuring proposal of HSL including its investment requirements was approved by Government in 2010-11.

### Performance Highlights

The operational performance of the company along with performance indicators and selected financial ratios during the period 2008-09 to 2010-11 can be seen on the opposite page.

The Company registered a reduction of ₹ 25.40 crore in total income during 2010-11 which went down to ₹613.38 crore in 2010-11 from ₹ 638.78 crore during 2009-10. The net profit of the company however increased to ₹ 55.00 crore, an increase of ₹ 52.68 crore over the previous year, as it received ₹452.68 crores as grant in aid from Government of India (GoI), in financial restructuring, to clear the old liabilities.

The company is in operational losses due to low order book position, negative contribution in some shipbuilding orders, less contribution from ship repair and retrofit activity and increased pay and benefits (wage revision to workmen and staff) & enhancement of gratuity ceiling by GoI.

### Human Resource Management

The company employed 2731 regular employees as on 31.3.2011. The retirement age in the company is 60 years. It is following IDA 2007 pattern of remuneration. Details of employment in last 3 years are given below:

Particulars	2010-11	2009-10	2008-09
Executives including Non-Unionised Supervisors	484	474	488
Non-Executives #	2247	2326	2936
Total Employees	2731	2800	3424

# Detail break-up of Non-Executive employees is at Statement no. 25 of volume-I of PE Survey.

**Hindustan Shipyard Ltd.**

406, Vikram Tower, 16 Rajendra Place, New Delhi-110008

Balance Sheet		(₹ in Lakhs)	
Particulars	2010-11	2009-10	2008-09
Authorised Capital	30400	30400	30400
(1) Sources Of Fund			
(1.1) Shareholders Funds			
(A) Paid-Up Capital			
Central Govt	30199	30199	30199
Others	0	0	0
(B) Share Application Money	0	0	0
(C) Reserves & Surplus	10	10	10
Total (A) + (B) + (C)	30209	30209	30209
(1.2) Loan Funds			
(A) Secured Loans	9320	9640	6824
(B) Unsecured Loans	62767	59383	55915
Total (A) + (B)	72087	69023	62739
(1.3) Deferred Tax Liability	0	0	0
Total (1.1) + (1.2) + (1.3)	102296	99232	92948
(2) Application Of Funds			
(2.1) Fixed Assets			
(A) Gross Block	22637	21270	20861
(B) Less Depreciation	14953	14393	14473
(C) Net Block (A-B)	7684	6877	6388
(D) Capital Work In Progress	1240	1247	516
Total (C) + (D)	8924	8124	6904
(2.2) Investment	0	0	0
(2.3) Current Assets, Loan & Advances			
(A) Inventories	33166	47890	37215
(B) Sundry Debtors	13960	11007	11723
(C) Cash & Bank Balances	30586	6032	11547
(D) Other Current Assets	11050	6354	3308
(E) Loan & Advances	25402	13474	12909
Total (A)+ (B)+ (C)+ (D)+ (E)	114164	84757	76702
(2.4) Less:current Liabilities & Provisions			
(A) Current Liabilities	85719	90318	83329
(B) Provisions	28083	12860	16664
Total (A+B)	113802	103178	99993
(2.5) Net Current Assets (2.3-2.4)	362	-18421	-23291
(2.6) Deferred Revenue / Pre. Expenditure	0	0	0
(2.7) Deferred Tax Asset	0	11019	10592
(2.8) Profit & Loss Account(Dr)	93010	98510	98743
Total (2.1+2.2+2.5+2.6+2.7+2.8)	102296	99232	92948

Important Indicators	2010-11	2009-10	2008-09
(i) Investment	92966	93049	90428
(ii) Capital Employed	8046	-11544	-16903
(iii) Net Worth	-62801	-68301	-68534
(iv) Cost of Production	89524	66536	53019
(v) Cost of Sales	94353	67589	46587
(vi) Gross Value Added (At Market Price)	-	-	-
(vii) Total Employees (Other Than Casuals) (Nos.)	2731	2800	3424
(viii) Avg. Monthly Emoluments Per Employee (Rs.)	78567	37384	25499

Profit & Loss Account		(₹ in Lakhs)	
Particulars	2010-11	2009-10	2008-09
(1) Income			
(A) Sales/Operating Income	65214	61896	39581
(B) Excise Duty	2450	2325	2867
(C) Net Sales (A-B)	62764	59571	36714
(D) Other Income/Receipts	3403	5360	3815
(E) Accretion/Depletion in Stocks	-4829	-1053	6432
(I)Total Income (C+D+E)	61338	63878	46961
(2) Expenditure			
(A) Purchase of Finished Goods/ Consumption Of Raw Materials	42977	32521	24233
(B) Stores & Spares	770	1936	2233
(C) Power & Fuel	641	676	714
(D) Manufacturing / Direct / Operating Expenses	9004	10483	7267
(E) Salary, Wages & Benefits / Employee Exp.	25748	12561	10477
(F) Other Expenses	1119	1420	1528
(G) Provisions	7189	1866	1407
(II)Total Expenditure (A to G)	87448	61463	47859
(3) Profit Before Dep, Int, Taxes & EP (PBDITEP) (I-II)	-26110	2415	-898
(4) Depreciation	768	646	693
(5) Dre/Prel Exp Written Off	0	0	0
(6) Profit Before Int., Taxes & Ep (PBITEP) (3-4-5)	-26878	1769	-1591
(7) Interest			
(A) On Central Government Loans	0	3214	3127
(B) On Foreign Loans	0	0	0
(C) Others	1308	1213	1340
(D) Less Interest Capitalised	0	0	0
(E) Charged to P & L Account (A+B+C-D)	1308	4427	4467
(8) Profit Before Tax & EP(PBTPEP) (6-7E)	-28186	-2658	-6058
(9) Tax Provisions	11019	-3612	329
(10) Net Profit / Loss Before EP (8-9)	-39205	954	-6387
(11) Net Extra-Ord. Items	-44705	722	7614
(12) Net Profit / Loss(-) (10-11)	5500	232	-14001
(13) Dividend Declared	0	0	0
(14) Dividend Tax	0	0	0
(15) Retained Profit (12-13-14)	5500	232	-14001

Financial Ratios	2010-11	2009-10	2008-09
(i) Sales : Capital Employed	780.06	-516.03	-217.2
(ii) Cost of Sales : Sales	150.33	113.46	126.89
(iii) Salary / Wages : Sales	41.02	21.09	28.54
(iv) Net Profit : Net Worth	-	-	-
(v) Debt : Equity	2.39	2.28	2.08
(vi) Current Ratio	1	0.82	0.77
(vii) Sundry Debtors : Sales (No. of Days)	81.18	67.44	116.55
(viii) Total Inventory : Sales	192.87	293.43	369.98



## 11.7 Hooghly Dock & Port Engineers Ltd.

Hooghly Dock & Port Engineers Ltd.(HDPEL) was incorporated in the year 1984 with the objective of acquiring the business of the Hooghly Docking and Engineering Co. Ltd., one of the oldest shipyards established in private sector in India, under the Hooghly Docking and Engineering Co. Ltd. (Acquisition and Transfer of Undertakings) Act, 1984.

HDPEL is a Schedule-‘C’ sick BRPSE referred CPSE in Transportation Equipment sector under the administrative control of M/o Shipping, Road Transport & Highways, D/o Shipping with 100% shareholding by the Government of India. Its Registered and Corporate offices are at Kolkatta, West Bengal.

### Industrial / Business Operations

HDPEL is engaged in shipbuilding and ship repairing through its 2 operating units at Salkia and Nazirgunge in Howrah, West Bengal. Both the units have potential for construction of various types of ships, tugs, crafts, dredgers, floating dry docks, fire flot, mooring launches, fishing trawlers, pontoons and sophisticated vessels like offshore platform, supply-cum-support vessels, multipurpose harbour vessels, grab hopper dredger, lighthouse tender vessels, oil pollution control vessels etc.

The yard has the capacity to build vessels of about 400-500 passenger cum cargo carrying capacity and also 300 ton capacity Cargo Vessels. The Company also undertakes repair of vessels at KOPT Dry Docks from an outfit adjacent to Kidderpore Dock complex of Kolkata Port Trust.

The company has not provided any information on its physical parameters during last three years.

### Strategic issue

The performance of the company deteriorated over the years. Presently HDPEL is taking orders on competitive basis i.e. through open tendering process or direct negotiations rather than on nomination basis.

BRPSE recommended for revival of the company as a Public Sector Enterprises (PSE) on 22.6.2007, inter alia, with revival package of ₹454.37 crores (cash assistance of ₹87.99 crores and non-cash assistance of ₹366.38 crores) from Government of India. The revival plan is under consideration of the Government.

### Performance Highlights

The operational performance of the company along with performance indicators and selected financial ratios during the period 2008-09 to 2010-11 can be seen on the opposite page.

The Company registered a reduction of ₹1.46 crore in total income during 2010-11 which went down to ₹ 9.72 crore in 2010-11 from ₹ 11.18crore during 2009-10. The net loss of the company however reduced to ₹ 10.50 crore, areduction of ₹43.92 crore over the previous year's loss of ₹ 54.52 core due to Extra-Ordinary Income of ₹44.50 crore.

### Human Resource Management

The company employed 503regular employees as on 31.3.2011. The retirement age in the company is 58 years. It is following IDA 1997 pattern of remuneration. Details of employment in last 3 years are given below:

(Nos.)

Particulars	2010-11	2009-10	2008-09
Executives including Non-Unionised Supervisors	222	119	122
Non-Executives #	281	483	483
Total Employees	503	602	605

# Detail break-up of Non-Executive employees is at Statement no. 25 of volume-I of PE Survey.



# Hooghly Dock & Port Engineers Ltd.

Martin Burn House, 2nd Floor, 1, R.N.Mukherjee Road Kolkata, West Bengal – 700 001

Balance Sheet		(₹ in Lakhs)	
Particulars	2010-11	2009-10	2008-09
Authorised Capital	3000	3000	3000
(1) Sources Of Fund			
(1.1) Shareholders Funds			
(A) Paid-Up Capital			
Central Govt	2861	2861	2861
Others	0	0	0
(B) Share Application Money	0	0	0
(C) Reserves & Surplus	38	27	37
Total (A) + (B) + (C)	2899	2888	2898
(1.2) Loan Funds			
(A) Secured Loans	153	154	154
(B) Unsecured Loans	64843	56956	51560
Total (A) + (B)	64996	57110	51714
(1.3) Deferred Tax Liability	0	0	0
Total (1.1) + (1.2) + (1.3)	67895	59998	54612
(2) Application Of Funds			
(2.1) Fixed Assets			
(A) Gross Block	2060	2048	2048
(B) Less Depreciation	530	1551	1551
(C) Net Block (A-B)	1530	497	497
(D) Capital Work In Progress	0	79	133
Total (C) + (D)	1530	576	630
(2.2) Investment	0	0	0
(2.3) Current Assets, Loan & Advances			
(A) Inventories	9379	7321	7834
(B) Sundry Debtors	345	642	444
(C) Cash & Bank Balances	1101	1845	2034
(D) Other Current Assets	1946	1102	817
(E) Loan & Advances	530	1092	1140
Total (A)+ (B)+ (C)+ (D)+ (E)	13301	12002	12269
(2.4) Less:current Liabilities & Provisions			
(A) Current Liabilities	10973	10529	10754
(B) Provisions	182	770	717
Total (A+B)	11155	11299	11471
(2.5) Net Current Assets (2.3-2.4)	2146	703	798
(2.6) Deferred Revenue / Pre. Expenditure	1	0	5
(2.7) Deferred Tax Asset	64218	0	0
(2.8) Profit & Loss Account(Dr)	0	58719	53179
Total (2.1+2.2+2.5+2.6+2.7+2.8)	67895	59998	54612

Important Indicators	2010-11	2009-10	2008-09
(i) Investment	5317	5164	5164
(ii) Capital Employed	3676	1200	1295
(iii) Net Worth	2898	-55831	-50286
(iv) Cost of Production	6472	6557	5712
(v) Cost of Sales	6472	6516	5918
(vi) Gross Value Added (At Market Price)	-	-	-
(vii) Total Employees (Other Than Casuals) (Nos.)	503	602	605
(viii) Avg. Monthly Emoluments Per Employee (Rs.)	18257	14050	15248

Profit & Loss Account		(₹ in Lakhs)	
Particulars	2010-11	2009-10	2008-09
(1) Income			
(A) Sales/Operating Income	530	438	24
(B) Excise Duty	0	0	1
(C) Net Sales (A-B)	530	438	23
(D) Other Income/Receipts	442	639	624
(E) Accretion/Depletion in Stocks	0	41	-206
(I)Total Income (C+D+E)	972	1118	441
(2) Expenditure			
(A) Purchase of Finished Goods/ Consumption Of Raw Materials	208	168	146
(B) Stores & Spares	12	11	6
(C) Power & Fuel	55	48	50
(D) Manufacturing / Direct / Operating Expenses	295	288	131
(E) Salary, Wages & Benefits / Employee Exp.	1102	1015	1107
(F) Other Expenses	278	629	211
(G) Provisions	0	0	0
(II)Total Expenditure (A to G)	1950	2159	1651
(3) Profit Before Dep, Int, Taxes & EP (PBDITEP) (I-II)	-978	-1041	-1210
(4) Depreciation	68	64	60
(5) Dre/Prel Exp Written Off	4	2	2
(6) Profit Before Int., Taxes & Ep (PBITEP) (3-4-5)	-1050	-1107	-1272
(7) Interest			
(A) On Central Government Loans	0	4277	3968
(B) On Foreign Loans	0	0	0
(C) Others	4450	55	31
(D) Less Interest Capitalised	0	0	0
(E) Charged to P & L Account (A+B+C-D)	4450	4332	3999
(8) Profit Before Tax & EP(PBTPEP) (6-7E)	-5500	-5439	-5271
(9) Tax Provisions	0	3	2
(10) Net Profit / Loss Before EP (8-9)	-5500	-5442	-5273
(11) Net Extra-Ord. Items	-4450	0	-1
(12) Net Profit / Loss(-) (10-11)	-1050	-5442	-5272
(13) Dividend Declared	0	0	0
(14) Dividend Tax	0	0	0
(15) Retained Profit (12-13-14)	-1050	-5442	-5272

Financial Ratios	2010-11	2009-10	2008-09
(i) Sales : Capital Employed	14.42	36.5	1.78
(ii) Cost of Sales : Sales	1221.13	1487.67	25730.43
(iii) Salary / Wages : Sales	207.92	231.74	4813.04
(iv) Net Profit : Net Worth	-36.23	-	-
(v) Debt : Equity	22.42	19.77	17.84
(vi) Current Ratio	1.19	1.06	1.07
(vii) Sundry Debtors : Sales (No. of Days)	237.59	535	7046.09
(viii) Total Inventory : Sales	6459.12	6100.83	124322.17

2010-11 PROVISIONAL

## 11.8 Mazagon Dock Ltd.

Mazagon Dock Ltd. (MDL) was incorporated on 26.2.1934 as a ship-repair yard and subsequently it was taken over by the Government of India in 1960 with the objective to cater to the needs of nation's strategic defence requirements.

MDL is a Schedule-'A' Miniratna CPSE in Transportation Equipment sector under the administrative control of M/o Defence, D/o Defence Production and Supplies with 100% shareholding by the Government of India. Its Registered and Corporate offices are at Mumbai, Maharashtra.

### Vision / Mission

The Vision of the Company is to modernize the yard with the latest technology in order to remain competitive with global shipyards and augment present capacity to fulfill the nation's vision of achieving self-reliance in defence technology.

The Mission of the Company is to build quality ships on time and to be a world leader in construction of Warships / Submarine of high quality standard.

### Industrial / Business Operations

MDL is engaged in ship construction, ship-repair, offshore fabrication work, construction and refitting of submarines through its 2 operating units at Mumbai and Nhava (Raigarh) in Maharashtra. The main divisions of the company are Shipbuilding, Submarine and Commercial Vessels. The physical performances of the company for last three years are given below:

Main Products	Unit	Performance During		
		2010-11	2009-10	2008-09
Destroyers, Frigates, Submarine, Dredger, Submarine Refit	Tonnage	552.65	2832.15	3765.15
	Value of production ₹in crore	2611	2856	2569
Capacity Utilization	%	108.81	96.38	96.42

### Strategic issue

Over the years, MDL has developed into a warship building yard from a ship repair yard. The firm has developed facilities to repair HDW class of submarines as a part of diversification and has successfully repaired INS Shalki. Presently MDL is constructing three missile destroyers. Further, orders for four Missile Destroyers, has been received and that for four stealth frigates and three submarines are on the anvil.

MDL also undertake jobs relating to General Engineering whenever certain production facilities lie idle for want of production orders.

### Performance Highlights

The operational performance of the company along with performance indicators and selected financial ratios during the period 2008-09 to 2010-11 can be seen on the opposite page.

The Company registered a reduction of ₹ 257.19 crore in total income during 2010-11 which went down to ₹2826.14 crore in 2010-11 from ₹ 3083.33 crore during 2009-10. The net profit of the company however increased to ₹ 243.52 crore, an increase of ₹ 3.33 crore over the previous year due to fall in operating expenses.

During the year 2010-1, the 3rd Ship of P-15A destroyer series 'INS Chennai' was launched on 1.4.2010. The first ship of P-17 Frigate series 'INS Shivalik' was commissioned into the Indian Navy on 29.4.2010. The second Multipurpose Support Vessel (MSV-III) was launched on 10.6.2010.

### Human Resource Management

The company employed 11948 regular employees as on 31.3.2011. The retirement age in the company is 60 years. It is following IDA 2007 pattern of remuneration. Details of employment in last 3 years are given below:

Particulars	2010-11	2009-10	2008-09
Executives including Non-Unionised Supervisors	4918	961	966
Non-Executives #	7030	6048	5682
Total Employees	11948	7009	6648

# Detail break-up of Non-Executive employees is at Statement no. 25 of volume-I of PE Survey.

**Mazagon Dock Ltd.**

Mazdock House, Dockyard Road ,Mazagon , Mumbai, Maharashtra – 400010

Balance Sheet	(₹ in Lakhs)		
Particulars	2010-11	2009-10	2008-09
Authorised Capital	32372	32372	32372
<b>(1) Sources Of Fund</b>			
<b>(1.1) Shareholders Funds</b>			
(A) Paid-Up Capital			
Central Govt	19920	22394	24869
Others	0	0	0
(B) Share Application Money	0	0	0
(C) Reserves & Surplus	94082	75615	57690
<b>Total (A) + (B) + (C)</b>	<b>114002</b>	<b>98009</b>	<b>82559</b>
<b>(1.2) Loan Funds</b>			
(A) Secured Loans	0	0	0
(B) Unsecured Loans	1910	1984	2133
<b>Total (A) + (B)</b>	<b>1910</b>	<b>1984</b>	<b>2133</b>
(1.3) Deferred Tax Liability	0	29	0
<b>Total (1.1) + (1.2) + (1.3)</b>	<b>115912</b>	<b>100022</b>	<b>84692</b>
<b>(2) Application Of Funds</b>			
(2.1) Fixed Assets			
(A) Gross Block	30187	29755	26403
(B) Less Depreciation	18709	18382	17617
<b>(C) Net Block (A-B)</b>	<b>11478</b>	<b>11373</b>	<b>8786</b>
(D) Capital Work In Progress	30956	15156	8390
<b>Total (C) + (D)</b>	<b>42434</b>	<b>26529</b>	<b>17176</b>
(2.2) Investment	600	600	600
<b>(2.3) Current Assets, Loan &amp; Advances</b>			
(A) Inventories	1216629	967482	996478
(B) Sundry Debtors	30797	35816	1066
(C) Cash & Bank Balances	461052	255202	313092
(D) Other Current Assets	11342	11179	41101
(E) Loan & Advances	458631	410506	316444
<b>Total (A)+ (B)+ (C)+ (D)+ (E)</b>	<b>2178451</b>	<b>1680185</b>	<b>1668181</b>
<b>(2.4) Less: current Liabilities &amp; Provisions</b>			
(A) Current Liabilities	2095607	1596190	1591906
(B) Provisions	10616	11102	9467
<b>Total (A+B)</b>	<b>2106223</b>	<b>1607292</b>	<b>1601373</b>
<b>(2.5) Net Current Assets (2.3-2.4)</b>	<b>72228</b>	<b>72893</b>	<b>66808</b>
(2.6) Deferred Revenue / Pre. Expenditure	0	0	0
(2.7) Deferred Tax Asset	650	0	108
(2.8) Profit & Loss Account(Dr)	0	0	0
<b>Total (2.1+2.2+2.5+2.6+2.7+2.8)</b>	<b>115912</b>	<b>100022</b>	<b>84692</b>

Important Indicators	2010-11	2009-10	2008-09
(i) Investment	21830	24378	27002
(ii) Capital Employed	83706	84266	75594
(iii) Net Worth	114002	98009	82559
(iv) Cost of Production	246008	269716	249495
(v) Cost of Sales	48523	299197	-6849
(vi) Gross Value Added (At Market Price)	-	-	-
(vii) Total Employees (Other Than Casuals) (Nos.)	11948	7009	6648
(viii) Avg. Monthly Emoluments Per Employee (Rs.)	42648	61120	47805

Profit & Loss Account	(₹ in Lakhs)		
Particulars	2010-11	2009-10	2008-09
<b>(1) Income</b>			
(A) Sales/Operating Income	63656	315094	570
(B) Excise Duty	0	0	21
(C) Net Sales (A-B)	63656	315094	549
(D) Other Income/Receipts	21473	22720	32320
(E) Accretion/Depletion in Stocks	197485	-29481	256344
<b>(I) Total Income (C+D+E)</b>	<b>282614</b>	<b>308333</b>	<b>289213</b>
<b>(2) Expenditure</b>			
(A) Purchase of Finished Goods/ Consumption Of Raw Materials	115063	128064	107815
(B) Stores & Spares	1305	960	885
(C) Power & Fuel	1116	1441	1491
(D) Manufacturing / Direct / Operating Expenses	57297	72712	94076
(E) Salary, Wages & Benefits / Employee Exp.	61147	51407	38137
(F) Other Expenses	8106	9052	6229
(G) Provisions	701	4861	36
<b>(II) Total Expenditure (A to G)</b>	<b>244735</b>	<b>268497</b>	<b>248669</b>
<b>(3) Profit Before Dep, Int, Taxes &amp; EP (PBDITEP) (I-II)</b>	<b>37879</b>	<b>39836</b>	<b>40544</b>
(4) Depreciation	1256	1217	822
(5) Dre/Prel Exp Written Off	0	0	0
<b>(6) Profit Before Int., Taxes &amp; Ep (PBITEP) (3-4-5)</b>	<b>36623</b>	<b>38619</b>	<b>39722</b>
(7) Interest			
(A) On Central Government Loans	0	0	0
(B) On Foreign Loans	0	0	0
(C) Others	17	2	4
(D) Less Interest Capitalised	0	0	0
(E) Charged to P & L Account (A+B+C-D)	17	2	4
<b>(8) Profit Before Tax &amp; EP(PBTPEP) (6-7E)</b>	<b>36606</b>	<b>38617</b>	<b>39718</b>
(9) Tax Provisions	12253	14628	12655
<b>(10) Net Profit / Loss Before EP (8-9)</b>	<b>24353</b>	<b>23989</b>	<b>27063</b>
(11) Net Extra-Ord. Items	1	-30	-10
<b>(12) Net Profit / Loss(-) (10-11)</b>	<b>24352</b>	<b>24019</b>	<b>27073</b>
(13) Dividend Declared	5064	5226	5387
(14) Dividend Tax	821	868	915
<b>(15) Retained Profit (12-13-14)</b>	<b>18467</b>	<b>17925</b>	<b>20771</b>

Financial Ratios	2010-11	2009-10	2008-09
(i) Sales : Capital Employed	76.05	373.93	0.73
(ii) Cost of Sales : Sales	76.23	94.95	-1247.54
(iii) Salary / Wages : Sales	96.06	16.31	6946.63
(iv) Net Profit : Net Worth	21.36	24.51	32.79
(v) Debt : Equity	0.02	0.02	0.03
(vi) Current Ratio	1.03	1.05	1.04
(vii) Sundry Debtors : Sales (No. of Days)	176.59	41.49	708.72
(viii) Total Inventory : Sales	6976.08	1120.72	662503.59

## 11.9 Scooters India Limited

SIL was incorporated on 07.09.1972 under the Companies Act, 1956 with an objective to manufacture two wheelers and three wheelers. The objective of the company is to provide economical and safe means of transportation with contemporary technology for movement of cargo and people, to provide eco-friendly, flawless and reliable products of high quality to fulfill customer needs and achieving customer satisfaction by providing products at right price and at right time.

SIL is a Schedule-‘B’ BIFR referred listed CPSE in Transportation Equipment sector under the administrative control of M/o Heavy Industries and Public Enterprises, D/o Heavy Industry with 95.38 % shareholding by the Government of India. Its Registered and Corporate offices are at Lucknow, U.P.

### Vision/ Mission

The vision of the company is to improve the performance of the company so as to be competitive and profitable through constantly improving existing products, adding new products and expanding customer base. The mission is to fulfill customers' needs for economic and safe mode of road transport and quality engineering products through contemporary technologies.

The other objectives of the company are to achieve 10% increase in production, to achieve 5% decrease in cost, to Rationalization of Manpower and to reduce energy input per unit of production.

### Industrial / Business Operations

SIL is engaged in developing / manufacturing / marketing of three wheelers and quality engineering products through its single operating unit at Lucknow, U.P. and Regional Offices at Delhi, Kolkata, Lucknow, Pune, Hyderabad and Chennai. The performance details of major products are as follows :

Main Product	Unit	Performance During (% capacity utilization)		
		2010-11	2009-10	2008-09
3-Wheelers	Nos.	14381 (87.16)	12178 (73.81)	10107 (61.25)

### Strategic Issues

Rise in cost of fuel and problems in issue of permits by Regional Transport Authorities shall continue to pose problem for growth of 3-wheeler industry. The introduction of 4-wheeler cargo / passenger carrier of 1.5 ton also posing a problem for bigger capacity 3-wheeler. Vehicles run on non- conventional energy sources will get prominence due to environmental issues, especially in metro and bigger cities.

The main Challenges faced by the Company are the need for consistency in quality demands for enhanced investment in R&D and upgradation of plant & machinery. Existing over-lived plant & machinery is a cause of concern. Manpower cost in the company is high and so is the average age profile of the employees. Retention of young officers who joined in the last couple of years is difficult as private/other PSUs are offering substantially higher remuneration. Young executives are regularly leaving for greener pastures. Though 3-wheelers as an industry continue to grow but increase in competition and availability of 4-wheelers in 1.0 ton and sub 1.0 ton category is expected to aggravate the extremely competitive scenario and impact the volumes and margins. Strict regulatory laws concerning pollution and their strict implementation by banning sale of diesel vehicles in certain states shall act as deterrent for company growth. SIL has lesser presence in small 3-wheeler segment which has strong market preference. In this segment contribution is lower

and competition is higher as established players viz. Piaggio, Mahindra etc. dominate the market.

On 18th February, 2010, BIFR has declared the Company as sick industrial company in terms of the provisions of section 3(1)(o) of the Sick Industrial Companies (Special Provisions) Act, 1985 (SICA) on reference being made after full erosion of the Networth of the Company, as per annual accounts for the year ended at 31st March, 2009. The Company being a CPSE has also been referred to BRPSE in addition to BIFR. In the review meeting held on 28th July, 2010, BRPSE has recommended that efforts should be made to identify a possible joint venture partner for revival of SIL. The Cabinet has approved the revival plan of the Company through the induction of a strategic partner. The Business Plan for revival of SIL is under consideration of GOI.

### Performance Highlights

The operational performance of the company along with performance indicators and selected financial ratios during the period 2008-09 to 2010-11 can be seen on the opposite page.

The Company registered an increase of ₹ 30.84 crore in total income during 2010-11 which went up to ₹168.73 crore in 2010-11 from ₹137.89 crore during 2009-10. The net loss of the company correspondingly decrease to ₹17.11 crore, a decrease of ₹10.90 crore over the previous year due to increase in turnover.

### Human Resources Development (HRD)

The Company employed 1012 regular employees as on 31.03.2011. The retirement age in the company is 58 years. It is following IDA 1997 pattern of remuneration. Details of employment in last 3 years are given below:

(In Nos.)

Particulars	2010-11	2009-10	2008-09
Executives including Non-Unionised Supervisors	222	268	302
Non-Executives #	790	937	1064
Total Employees	1012	1205	1366

# Detail break-up of Non-Executive employees is at Statement no. 25 of volume-I of PE Survey.

### Technology Up-gradation, Research & Development

Recurring expenditure of Rs. 27.96 lakhs incurred on R&D during 2010-11 was 0.16% of the total turnover as against 0.14% during 2009-10.

Balance Sheet	(₹ in Lakhs)		
Particulars	2010-11	2009-10	2008-09
Authorised Capital	7500	7500	7500
<b>(1) Sources Of Fund</b>			
<b>(1.1) Shareholders Funds</b>			
(A) Paid-Up Capital			
Central Govt	4101	4101	4101
Others	199	199	199
(B) Share Application Money	1049	1049	1049
(C) Reserves & Surplus	9	9	9
<b>Total (A) + (B) + (C)</b>	<b>5358</b>	<b>5358</b>	<b>5358</b>
<b>(1.2) Loan Funds</b>			
(A) Secured Loans	430	579	770
(B) Unsecured Loans	8655	4723	1653
<b>Total (A) + (B)</b>	<b>9085</b>	<b>5302</b>	<b>2423</b>
(1.3) Deferred Tax Liability	0	0	0
<b>Total (1.1) + (1.2) + (1.3)</b>	<b>14443</b>	<b>10660</b>	<b>7781</b>
<b>(2) Application Of Funds</b>			
<b>(2.1) Fixed Assets</b>			
(A) Gross Block	5657	5594	5557
(B) Less Depreciation	4036	3902	3751
<b>(C) Net Block (A-B)</b>	<b>1621</b>	<b>1692</b>	<b>1806</b>
(D) Capital Work In Progress	98	11	3
<b>Total (C) + (D)</b>	<b>1719</b>	<b>1703</b>	<b>1809</b>
<b>(2.2) Investment</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>(2.3) Current Assets, Loan &amp; Advances</b>			
(A) Inventories	3555	2683	1972
(B) Sundry Debtors	302	291	355
(C) Cash & Bank Balances	1642	1911	1844
(D) Other Current Assets	44	37	21
(E) Loan & Advances	1404	1749	735
<b>Total (A)+(B)+(C)+(D)+(E)</b>	<b>6947</b>	<b>6671</b>	<b>4927</b>
<b>(2.4) Less:current Liabilities &amp; Provisions</b>			
(A) Current Liabilities	4334	4536	2704
(B) Provisions	51	1629	1908
<b>Total (A+B)</b>	<b>4385</b>	<b>6165</b>	<b>4612</b>
<b>(2.5) Net Current Assets (2.3-2.4)</b>	<b>2562</b>	<b>506</b>	<b>315</b>
(2.6) Deferred Revenue / Pre. Expenditure	0	0	6
(2.7) Deferred Tax Asset	0	0	0
(2.8) Profit & Loss Account(Dr)	10162	8451	5651
<b>Total (2.1+2.2+2.5+2.6+2.7+2.8)</b>	<b>14443</b>	<b>10660</b>	<b>7781</b>

Important Indicators	2010-11	2009-10	2008-09
(i) Investment	14004	10072	7002
(ii) Capital Employed	4183	2198	2121
(iii) Net Worth	-4804	-3093	-299
(iv) Cost of Production	18584	16578	14284
(v) Cost of Sales	17928	16071	15509
(vi) Gross Value Added (At Market Price)	-	-	-
(vii) Total Employees (Other Than Casuals) (Nos.)	1012	1205	1366
(viii) Avg. Monthly Emoluments Per Employee (Rs.)	29348	31238	23914

Profit & Loss Account	(₹ in Lakhs)		
Particulars	2010-11	2009-10	2008-09
<b>(1) Income</b>			
(A) Sales/Operating Income	17476	13984	13558
(B) Excise Duty	1590	1087	1336
(C) Net Sales (A-B)	15886	12897	12222
(D) Other Income/Receipts	331	385	514
(E) Accretion/Depletion in Stocks	656	507	-1225
<b>(I)Total Income (C+D+E)</b>	<b>16873</b>	<b>13789</b>	<b>11511</b>
<b>(2) Expenditure</b>			
(A) Purchase of Finished Goods/ Consumption Of Raw Materials	12419	9900	8339
(B) Stores & Spares	330	283	287
(C) Power & Fuel	352	273	276
(D) Manufacturing / Direct / Operating Expenses	387	156	207
(E) Salary, Wages & Benefits / Employee Exp.	3564	4517	3920
(F) Other Expenses	256	622	722
(G) Provisions	88	133	40
<b>(II)Total Expenditure (A to G)</b>	<b>17396</b>	<b>15884</b>	<b>13791</b>
<b>(3) Profit Before Dep, Int, Taxes &amp; EP (PBDITEP) (I-II)</b>	<b>-523</b>	<b>-2095</b>	<b>-2280</b>
(4) Depreciation	134	151	174
(5) Dre/Prel Exp Written Off	0	6	8
<b>(6) Profit Before Int., Taxes &amp; Ep (PBITEP) (3-4-5)</b>	<b>-657</b>	<b>-2252</b>	<b>-2462</b>
(7) Interest			
(A) On Central Government Loans	875	319	85
(B) On Foreign Loans	0	0	0
(C) Others	179	218	226
(D) Less Interest Capitalised	0	0	0
(E) Charged to P & L Account (A+B+C-D)	1054	537	311
<b>(8) Profit Before Tax &amp; EP(PBTPEP) (6-7E)</b>	<b>-1711</b>	<b>-2789</b>	<b>-2773</b>
(9) Tax Provisions	0	0	7
<b>(10) Net Profit / Loss Before EP (8-9)</b>	<b>-1711</b>	<b>-2789</b>	<b>-2780</b>
(11) Net Extra-Ord. Items	0	12	-15
<b>(12) Net Profit / Loss(-) (10-11)</b>	<b>-1711</b>	<b>-2801</b>	<b>-2765</b>
(13) Dividend Declared	0	0	0
(14) Dividend Tax	0	0	0
<b>(15) Retained Profit (12-13-14)</b>	<b>-1711</b>	<b>-2801</b>	<b>-2765</b>

Financial Ratios	2010-11	2009-10	2008-09
(i) Sales : Capital Employed	379.78	586.76	576.24
(ii) Cost of Sales : Sales	112.85	124.61	126.89
(iii) Salary / Wages : Sales	22.43	35.02	32.07
(iv) Net Profit : Net Worth	-	-	-
(v) Debt : Equity	1.7	0.99	0.45
(vi) Current Ratio	1.58	1.08	1.07
(vii) Sundry Debtors : Sales (No. of Days)	6.94	8.24	10.6
(viii) Total Inventory : Sales	81.68	75.93	58.89



## 12 Consumer Goods

As on 31.3.2011, there were 14 Central Public Sector Enterprises in the Consumer Goods group. The name of these enterprises along with their year of incorporation in chronological order are given below :

Sl. No.	Enterprise	Year of Incorporation
1.	NEPA Ltd.	1947
2.	Hindustan Salts Ltd.	1959
3.	Hindustan Photo Films Manufacturing Co. Ltd.	1960
4.	Sambhar Salts Ltd.	1964
5.	Cement Corpn. Of India Ltd.	1965
6.	HLL Lifecare Ltd.	1966
7.	Hindustan Paper Corporation Ltd.	1970
8.	Nagaland Pulp & Paper Company Ltd.	1971
9.	Artificial Limbs Mfg. Corpn. of India	1973
10.	Hooghly Printing Company Ltd.	1979
11.	Hindustan Newsprint Ltd.	1982
12.	Hindustan Vegetable Oils Corpn. Ltd.	1984
13.	Tyre Corporation Of India Ltd.	1984
14.	Security Printing & Minting Corpn. India Ltd.	2006

2. The enterprises falling in this group are mainly engaged in manufacturing, and selling of consumer goods like artificial limbs and rehabilitation aids, equipments, postal stationery, cement, films, lens, newsprint, contraceptives, vegetable oils, tyres, papers, stamps, non-judicial stamp papers, etc.

3. The consolidated financial position, the working results and the important management ratios of these enterprises are appended.

4. **Turnover** : The details of turnover of individual enterprises are given below :

(₹ in Crore)

Sl. No.	Enterprise	Turnover	
		2010-11	2009-10
1.	Security Printing & Minting Corpn. India Ltd.	3164.49	3037.97
2.	Hindustan Paper Corporation Ltd.	661.79	587.96
3.	HLL Lifecare Ltd.	516.92	441.78
4.	Cement Corpn. Of India Ltd.	332.88	361.73
5.	Hindustan Newsprint Ltd.	301.74	284.45
6.	NEPA Ltd.	104.96	74.90
7.	Artificial Limbs Mfg. Corpn. Of India	54.88	59.17
8.	Hindustan Photo Films Manufacturing Co. Ltd.	37.18	26.25
9.	Tyre Corporation Of India Ltd.	24.45	5.28
10.	Hindustan Salts Ltd.	13.22	19.93
11.	Hooghly Printing Company Ltd.	11.26	9.35
12.	Sambhar Salts Ltd.	9.96	9.28
13.	Hindustan Vegetable Oils Corpn. Ltd.	0.72	1.78
14.	Nagaland Pulp & Paper Company Ltd.	0.00	0.00
	<b>Sub Total</b>	<b>5234.45</b>	<b>4919.83</b>

5. **Net Profit/Loss** : The details of the enterprises, which earned net profit or sustained net loss (-) are given below :

(₹ in Crore)

Sl. No.	Enterprise	Adjusted Net Profit/Net Loss	
		2010-11	2009-10
1.	Security Printing & Minting Corpn. India Ltd.	577.19	542.25
2.	Cement Corpn. Of India Ltd.	27.13	52.75
3.	HLL Lifecare Ltd.	18.44	14.93
4.	Artificial Limbs Mfg. Corpn. Of India	5.51	4.62
5.	Hindustan Newsprint Ltd.	5.04	-48.03
6.	Hooghly Printing Company Ltd.	0.28	0.02
7.	Hindustan Salts Ltd.	-0.49	0.03
8.	Sambhar Salts Ltd.	-4.13	0.02
9.	Tyre Corporation Of India Ltd.	-13.23	-14.67
10.	Nagaland Pulp & Paper Company Ltd.	-13.44	-14.38
11.	Hindustan Vegetable Oils Corpn. Ltd.	-22.69	-22.09
12.	Hindustan Paper Corporation Ltd.	-63.34	-63.30
13.	NEPA Ltd.	-70.40	-55.33
14.	Hindustan Photo Films Manufacturing Co. Ltd.	-1156.65	-1009.21
	<b>Sub Total</b>	<b>-710.78</b>	<b>-612.39</b>

6. **Dividend** : The details of the dividend declared by the individual enterprise are given below :

(₹ in Crore)

Sl. No.	Enterprise	Dividend	
		2010-11	2009-10
1.	Security Printing & Minting Corpn. India Ltd.	115.44	0.00
2.	Hindustan Newsprint Ltd.	4.00	0.00
3.	HLL Lifecare Ltd.	2.33	2.33
	<b>Group Total</b>	<b>121.77</b>	<b>2.33</b>

7. **Social Overheads and Township** : The total number of persons employed and the expenditure incurred on social overheads and townships are given below :

(₹ in Crore)

Sl. No.	Enterprise	Township and Social Overheads	
		2010-11	2009-10
1.	No. of employees (in number)	23368	25467
2.	Social overheads : (Rupees in Crore)		
	(i) Educational,	17.66	10.85
	(ii) Medical Facilities	23.91	22.65
	(iii) Others	16.81	18.50
3.	Capital cost of township (Rupees in Crore)	88.76	159.64
4.	No. of houses constructed (in number)	13303	15133

8. Company wise details in respect of Balance Sheet, Profit and Loss account, Important Indicators and Financial Ratios along with the write up of individual company are given in the pages below.





# Consumer Goods

## Balance Sheet

(₹ in Lakhs)

				(₹ in Lakhs)
Particulars		2010-11	2009-10	2008-09
AUTHORISED CAPITAL		548273	528273	488273
<b>(1) SOURCES OF FUND</b>				
(1.1) SHAREHOLDERS FUNDS				
(A) PAID-UP CAPITAL				
CENTRAL GOVT		179911	186294	186762
OTHERS		13748	13563	13563
(B) SHARE APPLICATION MONEY		10135	10320	10020
(C) RESERVES & SURPLUS		520686	480926	444919
<b>TOTAL (A) + (B) + (C)</b>		<b>724480</b>	<b>691103</b>	<b>655264</b>
(1.2) LOAN FUNDS				
(A) SECURED LOANS		671722	565954	490011
(B) UNSECURED LOANS		323740	345338	333753
<b>TOTAL (A) + (B)</b>		<b>995462</b>	<b>911292</b>	<b>823764</b>
(1.3) DEFERRED TAX LIABILITY		3386	3373	6591
<b>TOTAL (1.1) + (1.2) + (1.3)</b>		<b>1723328</b>	<b>1605768</b>	<b>1485619</b>
<b>(2) APPLICATION OF FUNDS</b>				
(2.1) FIXED ASSETS				
(A) GROSS BLOCK		528875	515744	496693
(B) LESS DEPRECIATION		347238	328526	314199
(C) NET BLOCK (A-B)		181637	187218	182494
(D) CAPITAL WORK IN PROGRESS		35459	21035	18309
<b>TOTAL (C) + (D)</b>		<b>217096</b>	<b>208253</b>	<b>200803</b>
(2.2) INVESTMENT		35468	39384	37401
(2.3) CURRENT ASSETS, LOAN & ADVANCES				
(A) INVENTORIES		156202	141329	154816
(B) SUNDRY DEBTORS		138262	123043	102751
(C) CASH & BANK BALANCES		240747	279549	277771
(D) OTHER CURRENT ASSETS		30303	21128	14546
(E) LOAN & ADVANCES		148472	110533	95463
<b>TOTAL ((A)+(B)+(C)+(D)+(E))</b>		<b>713986</b>	<b>675582</b>	<b>645347</b>
(2.4) LESS: CURRENT LIABILITIES & PROVISIONS				
(A) CURRENT LIABILITIES		139975	147668	139489
(B) PROVISIONS		142575	105872	86560
<b>TOTAL (A+B)</b>		<b>282550</b>	<b>253540</b>	<b>226049</b>
(2.5) NET CURRENT ASSETS(2.3-2.4)		431436	422042	419298
(2.6) DEFERRED REVENUE / PRE-EXPENDITURE		1820	1947	1902
(2.7) DEFERRED TAX ASSET		12307	7113	5014
(2.8) PROFIT & LOSS ACCOUNT(DR)		1025201	927029	821201
<b>TOTAL (2.1+2.2+2.5+2.6+2.7+2.8)</b>		<b>1723328</b>	<b>1605768</b>	<b>1485619</b>

# Consumer Goods

## Profit and Loss Account

(₹ in Lakhs)

				(₹ in Lakhs)
Particulars		2010-11	2009-10	2008-09
(1) INCOME				
(A) SALES/OPERATING		523445	491983	434073
(B) EXCISE DUTY		4939	4962	7524
(C) NET SALES (A-B)		518506	487021	426549
(D) OTHER INCOME/RECEIPTS		40048	30511	39775
<b>(I)TOTAL INCOME (C+D+E)</b>		<b>559071</b>	<b>517261</b>	<b>472037</b>
(2) EXPENDITURE				
(A) PURCHASE OF FINISHED GOODS CONSUMPTION OF RAW MATERIALS		220881	206926	154387
(B) STORES & SPARES		8384	10708	11295
(C) POWER & FUEL		47850	37915	37724
(D) MANUFACTURING / DIRECT / OPERATING EXPENSES		24606	23954	29647
(E)SALARY,WAGES & BENEFITS / EMPLOYEE EXP.		120417	112011	95009
(F)OTHER EXPENSES		38353	32014	46029
(G)PROVISIONS		2084	4181	1013
<b>(II)TOTAL EXPENDITURE (A to G)</b>		<b>462575</b>	<b>427709</b>	<b>375104</b>
(3) PROFIT BEFORE DEP. INT. TAXES & EP(PBDITEP) (I-II)		96496	89552	96933
(4) DEPRECIATION		19745	18540	17743
(5) DRE/PREL EXP WRITTEN OFF		32	0	0
(6) PROFIT BEFORE INT., TAXES & EP (PBITEP) (3-4-5)		76719	71012	79190
(7) INTEREST				
(A) ON CENTRAL GOVERNMENT LOANS		18910	17790	16759
(B) ON FOREIGN LOANS		0	0	0
(C) OTHERS		104380	89113	77521
(D) LESS INTEREST CAPITALISED		0	0	0
(E) CHARGED TO P & L ACCOUNT (A+B+C-D)		123290	106903	94280
<b>(8)PROFIT BEFORE TAX &amp; EP(PBTEP) (6-7E)</b>		<b>-46571</b>	<b>-35891</b>	<b>-15090</b>
(9) TAX PROVISIONS		22087	24423	25934
(10) NET PROFIT / LOSS(-) BEFORE EP (8-9)		-68658	-60314	-41024
(11) NET EXTRA-ORD.ITEMS		2420	925	-53872
<b>(12) NET PROFIT / LOSS(-) (10-11)</b>		<b>-71078</b>	<b>-61239</b>	<b>12848</b>
(13) DIVIDEND DECLARED		12177	233	2451
(14) DIVIDEND TAX		2021	40	246
<b>(15) RETAINED PROFIT (12-13-14)</b>		<b>-85276</b>	<b>-61512</b>	<b>10151</b>

# Consumer Goods

## Management Ratio

Particulars	2010-11	2009-10	2008-09
<b>(A.) INDICATORS</b>			
<b>(I) GENERAL(Rs. in Lakhs)</b>			
(i) INVESTMENT	1128745	733664	628909
(ii) CAPITAL EMPLOYED	613073	609260	601792
(iii) NET WORTH	-302541	-237873	-167839
(iv) COST OF PRODUCTION	605642	553152	487127
(v) COST OF SALES	605125	553423	481414
(vi) VALUE ADDED	241908	231201	228856
(vii) R AND D EXPENDITURE	895	446	325
<b>(II) HUMAN RESOURCE</b>			
(viii) EMPLOYEES (OTHER THAN CASUAL)(Nos.)	23368	25467	28492
(ix) AVG.MONTHLY EMOLUMENTS PER EMPLOYEE(Rs.)	42942	36652	27788
<b>(B.) MANAGEMENT RATIO</b>			
(i) DEBT : EQUITY	1.37	1.32	1.26
(ii) CURRENT RATIO (CURRENT ASSET:CURRENT- LIABILITY	2.53	2.66	2.85
(iii) PBDITEP : TOTAL EMPLOYEMENT (Rs. in Lakhs)	4.13	3.52	3.4
(iv) SUNDRY DEBTORS : SALES (No. of days)	97.33	92.22	87.92
(v) INVENTORY(No. of days)			
(a) TOTAL INVENTORY : SALES	109.96	105.92	132.48
(b) SEMI/FINISHED GOODS : SALES	43.53	42.09	47.45
(vi) INCREMENTAL CAPITAL OUTPUT RATIO(ICOR)	0.12	0.14	0.52
(%)			
(vii) SALES : CAPITAL EMPLOYED	84.57	79.94	70.88
(viii) PBDITEP : CAPITAL EMPLOYED	15.74	14.7	16.11
(ix) PBITEP : CAPITAL EMPLOYED	12.51	11.66	13.16
(x) COST OF SALES : SALES	116.71	113.63	112.86
(xi) MATERIAL COST : SALES	42.6	42.49	36.19
(xii) SALARY & WAGES : SALES	23.22	23	22.27
(xiii) R & D EXPENDITURE : SALES	0.17	0.09	0.08
(xiv) PBITEP : SALES	14.8	14.58	18.57
(xv) PBTEP : NET WORTH	15.39	15.09	8.99
(xvi) NET PROFIT : NET WORTH	-	-	-
(xvii) GROSS MARGIN : GROSS BLOCK	18.25	17.36	19.52

## 12.1 Artificial Limbs Manufacturing Corporation of India

Artificial Limbs Manufacturing Corporation of India (ALIMCO) was incorporated in 1973 as a non-profit organization registered under Section 25 of Companies Act, 1956 with the objective of benefiting the disabled persons to the maximum extent possible through manufacture and supply of quality Rehabilitation Aids and Appliances. The company started its manufacturing activities from October 1976.

ALIMCO is a Schedule-'C' CPSE in Consumer Goods sector under the administrative control of M/o Social Justice and Empowerment with 100% shareholding by the Government of India. Its Registered and Corporate offices are at Kanpur, Uttar Pradesh.

### Vision / Mission

The Vision / Mission of the Company is to restore the dignity of persons with disability, by way of manufacturing rehabilitation aids and by promoting, encouraging and developing the availability, use, supply and distribution of Artificial Limbs and other Rehabilitation Aids to the disabled persons of the country.

### Industrial / Business Operations

ALIMCO is engaged in the manufacturing of Artificial Limbs, Components and Rehabilitation Aids and Appliances for physically challenged persons. It also has four Auxiliary Production Centres (AAPCs) situated at Bhubaneswar (Orissa), Jabalpur (M.P.), Banguluru (Karnataka), and Chanalon (Punjab). The Corporation markets its products within the country through its offices at Delhi, Kolkata, Mumbai, Guwahati, Bhubaneswar, Banguluru, and Jabalpur.

ALIMCO has been granted licence by BIS for IS marking on 17 categories of products totaling 82 products. The physical performance of company during last 3 years are mentioned below :

Main Product / Services	Unit	Performance During		
		2010-11	2009-10	2008-09
Tricycles	Nos.	36,540	60,250	68,718
Wheel Chairs	Nos.	21,922	26,126	26,455
Crutches	Nos.	26,800	64,682	69,133
Prosthetic Upper	Nos.	7,466	5,822	23,730
Prosthetic Lower	Nos.	1,470	3,944	7,435
Orthotic Lower	Nos.	1,87,715	2,16,593	3,16,831
Hearing Aids	Nos.	26,305	23,486	22,995

The company is also functioning as implementing agency for distribution of rehabilitation aids and appliances under the "Assistance to Disabled Persons Scheme" (ADIP Scheme) and SarvaShikshaAbhiyan (SSA) for school going children (age 6-14) run by M/o Social Justice and Empowerment.

The company is also functioning as implementing agency for appointment of Clearing & Forwarding agents and transporters to the M/o Social Justice and Empowerment in connection with donated gift supplies received in India, for distribution to the poor and needy people under Bilateral Agreement signed between Government of India and five other countries viz. USA, UK, Sweden, Germany and Switzerland.

### Strategic issue

The Corporation has ambitious future plans for upgradation of present facilities with State-of-the-Art Technology, expansion of existing manufacturing base through setting up of additional

production centers, widening of present product range and training and research & development through collaboration with institutions at National / International level.

### Performance Highlights

The operational performance of the company along with performance indicators and selected financial ratios during the period 2008-09 to 2010-11 can be seen on the opposite page.

The Company registered a reduction of ₹4.97 crore in total income during 2010-11 which went down to ₹ 61.35 crore in 2010-11 from ₹66.32 crore during 2009-10 due to fall in turnover. The net profit of the company however increased to ₹ 5.51 crore, an increase of ₹ 0.89 crore over the previous year due to increase in the interest income and revision of standard costing, having an effect on valuation of inventory.

The company is not having a full time CMD and Board of the company is also not existing since November, 2010. As such the entire decision making process came to a stand still during last six months of 2010-11.

### Human Resource Management

The company employed 210 regular employees as on 31.3.2011. The retirement age in the company is 60 years. It is following IDA 2007 pattern of remuneration. Details of employment in last 3 years are given below:

Particulars	2010-11	2009-10	2008-09
Executives including Non-Unionised Supervisors	56	42	69
Non-Executives #	154	374	387
Total Employees	210	416	456

# Detail break-up of Non-Executive employees is at Statement no. 25 of volume-I of PE Survey.

Balance Sheet	(₹ in Lakhs)		
Particulars	2010-11	2009-10	2008-09
Authorised Capital	300	300	300
<b>(1) Sources Of Fund</b>			
<b>(1.1) Shareholders Funds</b>			
(A) Paid-Up Capital			
Central Govt	196	197	197
Others	0	0	0
(B) Share Application Money	0	0	0
(C) Reserves & Surplus	2657	2657	2657
<b>Total (A) + (B) + (C)</b>	<b>2853</b>	<b>2854</b>	<b>2854</b>
<b>(1.2) Loan Funds</b>			
(A) Secured Loans	0	0	0
(B) Unsecured Loans	3953	3952	3953
<b>Total (A) + (B)</b>	<b>3953</b>	<b>3952</b>	<b>3953</b>
(1.3) Deferred Tax Liability	0	0	0
<b>Total (1.1) + (1.2) + (1.3)</b>	<b>6806</b>	<b>6806</b>	<b>6807</b>
<b>(2) Application Of Funds</b>			
(2.1) Fixed Assets			
(A) Gross Block	2613	2487	2484
(B) Less Depreciation	1294	1209	1129
<b>(C) Net Block (A-B)</b>	<b>1319</b>	<b>1278</b>	<b>1355</b>
(D) Capital Work In Progress	247	322	225
<b>Total (C) + (D)</b>	<b>1566</b>	<b>1600</b>	<b>1580</b>
(2.2) Investment	0	0	0
<b>(2.3) Current Assets, Loan &amp; Advances</b>			
(A) Inventories	2123	1755	1897
(B) Sundry Debtors	2191	1699	1819
(C) Cash & Bank Balances	8876	5773	2984
(D) Other Current Assets	0	64	67
(E) Loan & Advances	538	655	953
<b>Total (A)+ (B)+ (C)+ (D)+ (E)</b>	<b>13728</b>	<b>9946</b>	<b>7720</b>
<b>(2.4) Less: current Liabilities &amp; Provisions</b>			
(A) Current Liabilities	5822	3432	2563
(B) Provisions	3003	2196	1280
<b>Total (A+B)</b>	<b>8825</b>	<b>5628</b>	<b>3843</b>
<b>(2.5) Net Current Assets (2.3-2.4)</b>	<b>4903</b>	<b>4318</b>	<b>3877</b>
(2.6) Deferred Revenue / Pre. Expenditure	0	0	0
(2.7) Deferred Tax Asset	0	0	0
(2.8) Profit & Loss Account(Dr)	337	888	1350
<b>Total (2.1+2.2+2.5+2.6+2.7+2.8)</b>	<b>6806</b>	<b>6806</b>	<b>6807</b>

Important Indicators	2010-11	2009-10	2008-09
(i) Investment	4149	4149	4150
(ii) Capital Employed	6222	5596	5232
(iii) Net Worth	2516	1966	1504
(iv) Cost of Production	5163	5461	5471
(v) Cost of Sales	4880	5341	5529
(vi) Gross Value Added (At Market Price)	-	-	-
(vii) Total Employees (Other Than Casuals) (Nos.)	210	416	456
(viii) Avg. Monthly Emoluments Per Employee (Rs.)	92222	35978	28344

Profit & Loss Account	(₹ in Lakhs)		
Particulars	2010-11	2009-10	2008-09
<b>(1) Income</b>			
(A) Sales/Operating Income	5488	5917	5243
(B) Excise Duty	0	0	0
(C) Net Sales (A-B)	5488	5917	5243
(D) Other Income/Receipts	364	595	669
(E) Accretion/Depletion in Stocks	283	120	-58
<b>(I) Total Income (C+D+E)</b>	<b>6135</b>	<b>6632</b>	<b>5854</b>
<b>(2) Expenditure</b>			
(A) Purchase of Finished Goods/ Consumption Of Raw Materials	1718	1991	2474
(B) Stores & Spares	137	217	204
(C) Power & Fuel	120	117	129
(D) Manufacturing / Direct / Operating Expenses	296	304	649
(E) Salary, Wages & Benefits / Employee Exp.	2324	1796	1551
(F) Other Expenses	483	279	383
(G) Provisions	0	677	0
<b>(II) Total Expenditure (A to G)</b>	<b>5078</b>	<b>5381</b>	<b>5390</b>
<b>(3) Profit Before Dep, Int, Taxes &amp; EP (PBDITEP) (I-II)</b>	<b>1057</b>	<b>1251</b>	<b>464</b>
(4) Depreciation	85	80	81
(5) Dre/Prel Exp Written Off	0	0	0
<b>(6) Profit Before Int., Taxes &amp; Ep (PBITEP) (3-4-5)</b>	<b>972</b>	<b>1171</b>	<b>383</b>
(7) Interest			
(A) On Central Government Loans	0	0	0
(B) On Foreign Loans	0	0	0
(C) Others	0	0	0
(D) Less Interest Capitalised	0	0	0
(E) Charged to P & L Account (A+B+C-D)	0	0	0
<b>(8) Profit Before Tax &amp; EP(PBTPEP) (6-7E)</b>	<b>972</b>	<b>1171</b>	<b>383</b>
(9) Tax Provisions	0	0	0
<b>(10) Net Profit / Loss Before EP (8-9)</b>	<b>972</b>	<b>1171</b>	<b>383</b>
(11) Net Extra-Ord. Items	421	709	-43
<b>(12) Net Profit / Loss(-) (10-11)</b>	<b>551</b>	<b>462</b>	<b>426</b>
(13) Dividend Declared	0	0	0
(14) Dividend Tax	0	0	0
<b>(15) Retained Profit (12-13-14)</b>	<b>551</b>	<b>462</b>	<b>426</b>

Financial Ratios	2010-11	2009-10	2008-09
(i) Sales : Capital Employed	88.2	105.74	100.21
(ii) Cost of Sales : Sales	88.92	90.27	105.45
(iii) Salary / Wages : Sales	42.35	30.35	29.58
(iv) Net Profit : Net Worth	21.9	23.5	28.32
(v) Debt : Equity	1.39	1.38	1.39
(vi) Current Ratio	1.56	1.77	2.01
(vii) Sundry Debtors : Sales (No. of Days)	145.72	104.81	126.63
(viii) Total Inventory : Sales	141.2	108.26	132.06



## 12.2 Cement Corporation of India Limited

CCI was incorporated on 18.01.1965 with the objective to explore limestone reserves and setting up of sufficient manufacturing capacity of cement in the public sector to meet the domestic requirement.

CCI is a Schedule-‘B’ / BIFR / BRPSE referred CPSE in Consumer Goods sector under the administrative control of Ministry of Heavy Industries and Public Enterprises, D/o Heavy Industry with 100% shareholding by the Government of India. Its Registered and Corporate Offices are at New Delhi.

### Vision/Mission

The Vision of the Company is to emerge as one of the best cement companies committed to contribute to the economy and to enhance value for the stakeholders.

The Mission of the Company is to augment the wealth creation for the Company, deliver superior product and sustained value.

### Industrial / Business Operations

CCI is engaged in manufacturing of cement through its 3 operating units at Bokajan, District Karbi Anglong in Assam, Rajban, District Sirmour in Himachal Pradesh and Tandur, District Rangareddy in Andhra Pradesh.

7 of its units at Adilabad in Andhra Pradesh, Mandhar and Akaltara in Chattisgarh, Nayagaon in Madhya Pradesh, Kurkunta in Karnataka, Charkhi Dadri in Haryana and Delhi Grinding Unit in Delhi are non operating. All 6 Units except Adilabad were closed with effect from 31.10.2008 and VSS / closure compensation was given to all the Supervisors and workman. VSS / Closure at Adilabad could not be implemented as the matter is pending before the Hon’ble High Court of Andhra Pradesh.

The physical performance of Company for the last three years are given below:

Main Product	Unit	Performance During		
		2010-11	2009-10	2008-09
Cement	LMT	9.00	9.68	9.56

### Strategic Issues

The company is registered with BRPSE and BIFR. The plants of the Company are more than 20-30 years old and no substantial technological upgradation / modernization work could be done earlier due to sickness of the Company resulting in production loss besides increase in the production cost. The upgradation / modernization works could not be undertaken due to delay in sale process as the required funds for the purpose were envisaged to be available from the sale proceeds of the non-operating units.

To expedite the sale process, BIDR has constituted the Assets Sale Committee. The sale of non-operating units is proposed to be effected through E-auction. The appointment of E-auctioneer is at final stage.

The revival scheme of the corporation is under implementation. Under 1st Phase, expansion of Rajban Unit was completed and the commercial production has been started. Under 2nd phase order for expansion of Bokajan unit including Silchar Grinding Unit have been issued. The modernization / up gradation of Tandur unit has been taken up.

### Performance Highlights

The operational performance of the company along with performance indicators and selected financial ratios during the period 2008-09 to 2010-11 can be seen on the opposite page.

The Company registered a decrease of ₹4.94 crore in total income during 2010-11 which went down to ₹361.79

crore in 2010-11 from ₹366.73 crore during 2009-10. The net profit of the company decreased to ₹27.13 crore, a decrease of ₹25.62 crore over the previous year profit of ₹52.75 crore due to sluggish market conditions, high home loan interest rates leading to reduction in housing sector and slow growth in the infrastructure sector and also due to huge capacity additions in the Southern region.

### Human Resource Management

The company employed 990 regular employees as on 31.3.2011. It is following IDA 2007 and CDA 2006 pattern of remuneration. The retirement age at the company is 58 years. Details of employment in last 3 years are given below:

Particulars	2010-11	2009-10	2008-09
Executives including Non-Unionised Supervisors	114	120	134
Non-Executives #	876	959	1025
Total Employees	990	1079	1159

# Detail break-up of Non-Executive employees is at Statement no. 25 of volume-I of PE Survey.

Balance Sheet	(₹ in Lakhs)		
Particulars	2010-11	2009-10	2008-09
Authorised Capital	90000	90000	90000
<b>(1) Sources Of Fund</b>			
<b>(1.1) Shareholders Funds</b>			
(A) Paid-Up Capital			
Central Govt	76966	76966	76966
Others	0	0	0
(B) Share Application Money	4175	4175	4175
(C) Reserves & Surplus	0	0	0
<b>Total (A) + (B) + (C)</b>	<b>81141</b>	<b>81141</b>	<b>81141</b>
<b>(1.2) Loan Funds</b>			
(A) Secured Loans	0	0	0
(B) Unsecured Loans	37171	46875	44083
<b>Total (A) + (B)</b>	<b>37171</b>	<b>46875</b>	<b>44083</b>
(1.3) Deferred Tax Liability	0	0	0
<b>Total (1.1) + (1.2) + (1.3)</b>	<b>118312</b>	<b>128016</b>	<b>125224</b>
<b>(2) Application Of Funds</b>			
<b>(2.1) Fixed Assets</b>			
(A) Gross Block	66744	66575	66417
(B) Less Depreciation	56520	55841	54943
<b>(C) Net Block (A-B)</b>	<b>10224</b>	<b>10734</b>	<b>11474</b>
(D) Capital Work In Progress	2051	1577	1329
<b>Total (C) + (D)</b>	<b>12275</b>	<b>12311</b>	<b>12803</b>
<b>(2.2) Investment</b>	<b>228</b>	<b>228</b>	<b>228</b>
<b>(2.3) Current Assets, Loan &amp; Advances</b>			
(A) Inventories	13003	12353	11341
(B) Sundry Debtors	1777	886	1181
(C) Cash & Bank Balances	20315	32098	25780
(D) Other Current Assets	0	0	1
(E) Loan & Advances	4174	3697	3460
<b>Total (A)+(B)+(C)+(D)+(E)</b>	<b>39269</b>	<b>49034</b>	<b>41763</b>
<b>(2.4) Less: current Liabilities &amp; Provisions</b>			
(A) Current Liabilities	23228	25815	27000
(B) Provisions	9909	10244	10404
<b>Total (A+B)</b>	<b>33137</b>	<b>36059</b>	<b>37404</b>
<b>(2.5) Net Current Assets (2.3-2.4)</b>	<b>6132</b>	<b>12975</b>	<b>4359</b>
(2.6) Deferred Revenue / Pre. Expenditure	1567	1679	1736
(2.7) Deferred Tax Asset	0	0	0
(2.8) Profit & Loss Account(Dr)	98110	100823	106098
<b>Total (2.1+2.2+2.5+2.6+2.7+2.8)</b>	<b>118312</b>	<b>128016</b>	<b>125224</b>

Important Indicators	2010-11	2009-10	2008-09
(i) Investment	118312	128016	125224
(ii) Capital Employed	16356	23709	15833
(iii) Net Worth	-18536	-21361	-26693
(iv) Cost of Production	33470	31310	31424
(v) Cost of Sales	33387	31108	31016
(vi) Gross Value Added (At Market Price)	-	-	-
(vii) Total Employees (Other Than Casuals) (Nos.)	990	1079	1159
(viii) Avg. Monthly Emoluments Per Employee (Rs.)	42475	35504	41156

Profit & Loss Account	(₹ in Lakhs)		
Particulars	2010-11	2009-10	2008-09
<b>(1) Income</b>			
(A) Sales/Operating Income	33288	36173	36389
(B) Excise Duty	3085	3165	4441
(C) Net Sales (A-B)	30203	33008	31948
(D) Other Income/Receipts	5893	3463	4402
(E) Accretion/Depletion in Stocks	83	202	408
<b>(I) Total Income (C+D+E)</b>	<b>36179</b>	<b>36673</b>	<b>36758</b>
<b>(2) Expenditure</b>			
(A) Purchase of Finished Goods/ Consumption Of Raw Materials	3467	3425	3429
(B) Stores & Spares	1703	1639	1670
(C) Power & Fuel	10915	4103	3952
(D) Manufacturing / Direct / Operating Expenses	5465	5242	9831
(E) Salary, Wages & Benefits / Employee Exp.	5046	4597	5724
(F) Other Expenses	2426	7664	1747
(G) Provisions	0	0	243
<b>(II) Total Expenditure (A to G)</b>	<b>29022</b>	<b>26670</b>	<b>26596</b>
<b>(3) Profit Before Dep, Int, Taxes &amp; EP (PBDITEP) (I-II)</b>	<b>7157</b>	<b>10003</b>	<b>10162</b>
(4) Depreciation	765	888	1091
(5) Dre/Prel Exp Written Off	0	0	0
<b>(6) Profit Before Int., Taxes &amp; Ep (PBITEP) (3-4-5)</b>	<b>6392</b>	<b>9115</b>	<b>9071</b>
(7) Interest			
(A) On Central Government Loans	2914	2820	2755
(B) On Foreign Loans	0	0	0
(C) Others	769	932	982
(D) Less Interest Capitalised	0	0	0
(E) Charged to P & L Account (A+B+C-D)	3683	3752	3737
<b>(8) Profit Before Tax &amp; EP(PBTPEP) (6-7E)</b>	<b>2709</b>	<b>5363</b>	<b>5334</b>
(9) Tax Provisions	0	0	36
<b>(10) Net Profit / Loss Before EP (8-9)</b>	<b>2709</b>	<b>5363</b>	<b>5298</b>
(11) Net Extra-Ord. Items	-4	88	43
<b>(12) Net Profit / Loss(-) (10-11)</b>	<b>2713</b>	<b>5275</b>	<b>5255</b>
(13) Dividend Declared	0	0	0
(14) Dividend Tax	0	0	0
<b>(15) Retained Profit (12-13-14)</b>	<b>2713</b>	<b>5275</b>	<b>5255</b>

Financial Ratios	2010-11	2009-10	2008-09
(i) Sales : Capital Employed	184.66	139.22	201.78
(ii) Cost of Sales : Sales	110.54	94.24	97.08
(iii) Salary / Wages : Sales	16.71	13.93	17.92
(iv) Net Profit : Net Worth	-	-	-
(v) Debt : Equity	0.46	0.58	0.54
(vi) Current Ratio	1.19	1.36	1.12
(vii) Sundry Debtors : Sales (No. of Days)	21.47	9.8	13.49
(viii) Total Inventory : Sales	157.14	136.6	129.57

## 12.3 HLL Lifecare Limited

HLL Lifecare Ltd. (formerly Hindustan Latex Ltd.), [HLL] was incorporated on 1.3.1966 under the Companies Act, 1956 and set up in the rubber rich state of Kerala in 1969, to assist the Government of India's National Family Welfare Programme.

HLL is a Schedule 'B' Miniratna CPSE in the Consumer Goods sector under the administrative control of the M/o Health and Family Welfare, D/o Family Welfare with 100% shareholding by the Government of India. The Company's Registered and Corporate office is at Thiruvananthapuram in Kerala.

### Vision / Mission

The Vision of the Company is to establish itself as the leader in its core activities, through a process of continuous innovation and participatory approach in order to provide best value to the customer, to be an employer of choice and to promote the cause of family health in general, and women's health in particular.

The Mission of the Company is to be a world class health care company with the focus on five key areas i.e. business, Customer, Innovation, Employees and Social Sector Initiatives.

### Industrial / Business Operations

HLL is engaged in manufacturing, sale and trading of contraceptives and healthcare products like Condoms, Cu T, Blood Bags, Surgical Sutures, OCP's etc. through its six production units - two at Thiruvananthapuram & one at Kochi in Kerala and one each at Belgaum (Karnataka), Indore (M.P.) and Manesar (Gurgaon, Haryana).

The company also has one 50:50 joint venture namely Life Spring Hospitals Private Limited in association with Acumen Fund Inc., USA. The JV is established as a cluster model with 12 hospitals functioning in and around Hyderabad.

The business of HLL Lifecare Ltd. is organized under five segments namely Contraceptives, Healthcare, Trading, Procurement and Consultancy Services and Contract Services. The physical performances of the company for last three years are given below:

Main Products	Unit	Performance During (% capacity utilization)		
		2010-11	2009-10	2008-09
Condoms	M. Pcs.	1327.85 (101)	1319.75 (100)	1272.95 (97)
Steroidal Oral Contraceptive Pills	M. Cycles	58.68 (59)	57.60 (58)	58.76 (60)
Blood Bags	M. Pcs.	6.42 (56)	8.21 (85)	6.85 (137)
Copper T	M. Pcs.	4.51 (82)	4.05 (74)	3.77 (69)
Pregnancy Test Kits	M.pcs.	23.58 (91)	25.11 (97)	24.75 (95)

### Strategic issue

The company has set up Hindlabs MRI Scan Centre in three Medical College Hospitals at Thrissur, Kottayam and Alappuzha in accordance with a MoU linked with the Government of Kerala.

To address the menstrual hygiene needs of the women of the country, the Government of India (GOI) is launching a programme to supply Sanitary Napkins at subsidized rates. In this regard, the MOHFW has placed an order with HLL to supply 3.22 Crore packs (193 million pieces) of Sanitary Napkins at

various blocks covering 108 districts across the country. The brand name for sanitary napkins is "FREEDAYS".

The Government of India has entrusted with HLL as Project Management Consultant (PMC) for the revival of the DPT Vaccine Manufacturing Facility at Central Research Institute, Kasauli (the cost of the project is ₹ 50 Crores) and the project is in advanced stage of completion.

### Performance Highlights

The operational performance of the company along with performance indicators and selected financial ratios during the period 2008-09 to 2010-11 can be seen on the opposite page.

The Company registered an increase of ₹87.88 crore in total income during 2010-11 which went up to ₹541.12 crore in 2010-11 from ₹453.24 crore during 2009-10. The net profit of the company correspondingly increased to ₹18.44 crore, an increase of ₹3.51 crore over the previous year due to increase in turnover.

### Human Resource Management

The company employed 1939 regular employees as on 31.3.2011. The retirement age in the company is 60 years. It is following IDA 2007 pattern of remuneration. Details of employment in last 3 years are given below:

Particulars	2010-11	2009-10	2008-09
Executives including Non-Unionised Supervisors	457	315	303
Non-Executives #	1482	1608	1624
Total Employees	1939	1923	1927

# Detail break-up of Non-Executive employees is at Statement no. 25 of volume-I of PE Survey.

### Technology Up-gradation, Research and Development

The Company's Corporate Research & Development Centre is implementing R&D projects, both in-house and in collaboration with different National Institutions. During the year, HLL R&D centre received external funding from Bill & Melinda Gates Foundation of 0.1 M USD for the project "Biodegradable polymer coating for Coated Copper-T" under the Grand Challenges Explorations. The setting up of a state-of-the-art R&D infrastructure is in progress.

Balance Sheet	(₹ in Lakhs)		
Particulars	2010-11	2009-10	2008-09
Authorised Capital	2000	2000	2000
<b>(1) Sources Of Fund</b>			
<b>(1.1) Shareholders Funds</b>			
(A) Paid-Up Capital			
Central Govt	1554	1554	1554
Others	0	0	0
(B) Share Application Money	0	0	0
(C) Reserves & Surplus	14042	12471	11250
<b>Total (A) + (B) + (C)</b>	<b>15596</b>	<b>14025</b>	<b>12804</b>
<b>(1.2) Loan Funds</b>			
(A) Secured Loans	16060	8771	9469
(B) Unsecured Loans	0	0	0
<b>Total (A) + (B)</b>	<b>16060</b>	<b>8771</b>	<b>9469</b>
(1.3) Deferred Tax Liability	351	328	143
<b>Total (1.1) + (1.2) + (1.3)</b>	<b>32007</b>	<b>23124</b>	<b>22416</b>
<b>(2) Application Of Funds</b>			
(2.1) Fixed Assets			
(A) Gross Block	23013	22422	16294
(B) Less Depreciation	11338	10174	9004
<b>(C) Net Block (A-B)</b>	<b>11675</b>	<b>12248</b>	<b>7290</b>
(D) Capital Work In Progress	1581	230	3541
<b>Total (C) + (D)</b>	<b>13256</b>	<b>12478</b>	<b>10831</b>
(2.2) Investment	785	786	507
<b>(2.3) Current Assets, Loan &amp; Advances</b>			
(A) Inventories	5739	5312	6130
(B) Sundry Debtors	19815	11777	13236
(C) Cash & Bank Balances	5093	3982	5505
(D) Other Current Assets	4315	1913	374
(E) Loan & Advances	4445	2986	3059
<b>Total (A)+(B)+(C)+(D)+(E)</b>	<b>39407</b>	<b>25970</b>	<b>28304</b>
<b>(2.4) Less:current Liabilities &amp; Provisions</b>			
(A) Current Liabilities	20546	15370	16555
(B) Provisions	895	740	671
<b>Total (A+B)</b>	<b>21441</b>	<b>16110</b>	<b>17226</b>
<b>(2.5) Net Current Assets (2.3-2.4)</b>	<b>17966</b>	<b>9860</b>	<b>11078</b>
(2.6) Deferred Revenue / Pre. Expenditure	0	0	0
(2.7) Deferred Tax Asset	0	0	0
(2.8) Profit & Loss Account(Dr)	0	0	0
<b>Total (2.1+2.2+2.5+2.6+2.7+2.8)</b>	<b>32007</b>	<b>23124</b>	<b>22416</b>

Important Indicators	2010-11	2009-10	2008-09
(i) Investment	6999	2851	3357
(ii) Capital Employed	29641	22108	18368
(iii) Net Worth	15596	14025	12804
(iv) Cost of Production	51385	42574	37900
(v) Cost of Sales	51393	43298	36318
(vi) Gross Value Added (At Market Price)	-	-	-
(vii) Total Employees (Other Than Casuals) (Nos.)	1939	1923	1927
(viii) Avg. Monthly Emoluments Per Employee (Rs.)	42724	37463	31210

Profit & Loss Account	(₹ in Lakhs)		
Particulars	2010-11	2009-10	2008-09
<b>(1) Income</b>			
(A) Sales/Operating Income	51692	44178	37030
(B) Excise Duty	128	172	128
(C) Net Sales (A-B)	51564	44006	36902
(D) Other Income/Receipts	2556	2042	1610
(E) Accretion/Depletion in Stocks	-8	-724	1582
<b>(I) Total Income (C+D+E)</b>	<b>54112</b>	<b>45324</b>	<b>40094</b>
<b>(2) Expenditure</b>			
(A) Purchase of Finished Goods/ Consumption Of Raw Materials	21876	15798	13956
(B) Stores & Spares	0	67	55
(C) Power & Fuel	2337	2126	2028
(D) Manufacturing / Direct / Operating Expenses	2186	3716	3557
(E) Salary, Wages & Benefits / Employee Exp.	9941	8645	7217
(F) Other Expenses	13082	9413	9243
(G) Provisions	0	774	24
<b>(II) Total Expenditure (A to G)</b>	<b>49422</b>	<b>40539</b>	<b>36080</b>
<b>(3) Profit Before Dep, Int, Taxes &amp; EP (PBDITEP) (I-II)</b>	<b>4690</b>	<b>4785</b>	<b>4014</b>
(4) Depreciation	1439	1279	899
(5) Dre/Prel Exp Written Off	0	0	0
<b>(6) Profit Before Int., Taxes &amp; Ep (PBITEP) (3-4-5)</b>	<b>3251</b>	<b>3506</b>	<b>3115</b>
(7) Interest			
(A) On Central Government Loans	0	0	0
(B) On Foreign Loans	0	0	0
(C) Others	524	756	921
(D) Less Interest Capitalised	0	0	0
(E) Charged to P & L Account (A+B+C-D)	524	756	921
<b>(8) Profit Before Tax &amp; EP(PBTPEP) (6-7E)</b>	<b>2727</b>	<b>2750</b>	<b>2194</b>
(9) Tax Provisions	906	768	896
<b>(10) Net Profit / Loss Before EP (8-9)</b>	<b>1821</b>	<b>1982</b>	<b>1298</b>
(11) Net Extra-Ord. Items	-23	489	540
<b>(12) Net Profit / Loss(-) (10-11)</b>	<b>1844</b>	<b>1493</b>	<b>758</b>
(13) Dividend Declared	233	233	155
(14) Dividend Tax	39	40	26
<b>(15) Retained Profit (12-13-14)</b>	<b>1572</b>	<b>1220</b>	<b>577</b>

Financial Ratios	2010-11	2009-10	2008-09
(i) Sales : Capital Employed	173.96	199.05	200.9
(ii) Cost of Sales : Sales	99.67	98.39	98.42
(iii) Salary / Wages : Sales	19.28	19.65	19.56
(iv) Net Profit : Net Worth	11.82	10.65	5.92
(v) Debt : Equity	1.03	0.63	0.74
(vi) Current Ratio	1.84	1.61	1.64
(vii) Sundry Debtors : Sales (No. of Days)	140.26	97.68	130.92
(viii) Total Inventory : Sales	40.62	44.06	60.63

## 12.4 Hindustan Newsprint Ltd.

Hindustan Newsprint Ltd. (HNL) was incorporated as a wholly owned subsidiary of Hindustan Paper Corporation Ltd. (HPC) in 1982 with the main objective of taking over the business of Kerala Newsprint Project, a unit of Hindustan Paper Corporation Ltd.

HNL is a Schedule-'B' 'Miniratna' CPSE in consumer goods sector under the administrative control of Ministry of Heavy Industries & Public Enterprises, Department of Heavy Industry. Its Registered and Corporate offices are at Kottayam, Kerala.

### Vision / Mission

The vision of the company is to operate large capacity Newsprint / Paper Mills on sound commercial principles and to continuously upgrade and upscale production output and enhance market share. The mission of the company is to be the foremost and largest producer of quality Newsprint

### Industrial / Business Operations

HNL is engaged in production of standard Newsprint grades of 45 GSM and 48.8 GSM of quality from its single operating unit. The physical performances of the company for last three years are given below:

Main Product	Unit	Performance During		
		2010-11	2009-10	2008-09
Newsprint	MT	104911	100546	108005
Capacity Utilization	%	105	101	108
Domestic Market Share	%	14	12	12

HNL meets a major portion of its requirement of fibrous raw materials from State Government forest sources. The Company also maintains Captive Plantations in about 3625 ha. of forest land obtained under lease from Government of Kerala.

### Strategic issue

Availability of imported newsprint at cheaper rates as a result of total abolition of customs duty continues resulting in lower net realization for domestic newsprint.

### Performance Highlights

The operational performance of the company along with performance indicators and selected financial ratios during the period 2008-09 to 2010-11 can be seen on the opposite page.

The Company registered an increase of ₹ 68.79 crore in total income during 2010-11 which went up to ₹ 315.35 crore in 2010-11 from ₹ 246.56 crore during 2009-10. The company has shown a net profit of ₹ 5.04 crore as against the previous year's loss of ₹48.03 core due to increase in production and increase in selling price. However, steep increase in cost of production curtailed the profit margin.

### Human Resource Management

The company employed 909 regular employees as on 31.3.2011. The retirement age in the company is 60 years. It is following IDA 2007 pattern of remuneration. Details of employment in last 3 years are given below:

Particulars	2010-11	2009-10	2008-09
Executives including Non-Unionised Supervisors	257	277	301
Non-Executives #	652	701	735
Total Employees	909	978	1036

# Detail break-up of Non-Executive employees is at Statement no. 25 of volume-I of PE Survey.



Balance Sheet	(₹ in Lakhs)		
Particulars	2010-11	2009-10	2008-09
Authorised Capital	10000	10000	10000
<b>(1) Sources Of Fund</b>			
<b>(1.1) Shareholders Funds</b>			
(A) Paid-Up Capital			
Central Govt	0	0	0
Others	10000	10000	10000
(B) Share Application Money	0	0	0
(C) Reserves & Surplus	9214	9175	13977
<b>Total (A) + (B) + (C)</b>	<b>19214</b>	<b>19175</b>	<b>23977</b>
<b>(1.2) Loan Funds</b>			
(A) Secured Loans	1367	0	3266
(B) Unsecured Loans	0	0	0
<b>Total (A) + (B)</b>	<b>1367</b>	<b>0</b>	<b>3266</b>
(1.3) Deferred Tax Liability	3017	3025	3245
<b>Total (1.1) + (1.2) + (1.3)</b>	<b>23598</b>	<b>22200</b>	<b>30488</b>
<b>(2) Application Of Funds</b>			
(2.1) Fixed Assets			
(A) Gross Block	41960	40632	40353
(B) Less Depreciation	27273	26102	24873
<b>(C) Net Block (A-B)</b>	<b>14687</b>	<b>14530</b>	<b>15480</b>
(D) Capital Work In Progress	792	1861	1713
<b>Total (C) + (D)</b>	<b>15479</b>	<b>16391</b>	<b>17193</b>
(2.2) Investment	0	0	0
<b>(2.3) Current Assets, Loan &amp; Advances</b>			
(A) Inventories	6909	6106	14415
(B) Sundry Debtors	2868	1698	4298
(C) Cash & Bank Balances	3504	3569	375
(D) Other Current Assets	85	27	22
(E) Loan & Advances	2593	2829	2803
<b>Total (A)+(B)+(C)+(D)+(E)</b>	<b>15959</b>	<b>14229</b>	<b>21913</b>
<b>(2.4) Less:current Liabilities &amp; Provisions</b>			
(A) Current Liabilities	6370	6571	7275
(B) Provisions	1470	1849	1343
<b>Total (A+B)</b>	<b>7840</b>	<b>8420</b>	<b>8618</b>
<b>(2.5) Net Current Assets (2.3-2.4)</b>	<b>8119</b>	<b>5809</b>	<b>13295</b>
(2.6) Deferred Revenue / Pre. Expenditure	0	0	0
(2.7) Deferred Tax Asset	0	0	0
(2.8) Profit & Loss Account(Dr)	0	0	0
<b>Total (2.1+2.2+2.5+2.6+2.7+2.8)</b>	<b>23598</b>	<b>22200</b>	<b>30488</b>

Important Indicators	2010-11	2009-10	2008-09
(i) Investment	10000	10000	10000
(ii) Capital Employed	22806	20339	28775
(iii) Net Worth	19214	19175	23977
(iv) Cost of Production	31052	29997	32619
(v) Cost of Sales	31035	34238	28336
(vi) Gross Value Added (At Market Price)	-	-	-
(vii) Total Employees (Other Than Casuals) (Nos.)	909	978	1036
(viii) Avg. Monthly Emoluments Per Employee (Rs.)	53759	51968	45890

Profit & Loss Account	(₹ in Lakhs)		
Particulars	2010-11	2009-10	2008-09
<b>(1) Income</b>			
(A) Sales/Operating Income	30174	28445	29782
(B) Excise Duty	8	7	14
(C) Net Sales (A-B)	30166	28438	29768
(D) Other Income/Receipts	1352	459	694
(E) Accretion/Depletion in Stocks	17	-4241	4283
<b>(I) Total Income (C+D+E)</b>	<b>31535</b>	<b>24656</b>	<b>34745</b>
<b>(2) Expenditure</b>			
(A) Purchase of Finished Goods/ Consumption Of Raw Materials	13036	12280	9644
(B) Stores & Spares	851	854	895
(C) Power & Fuel	8528	7431	8165
(D) Manufacturing / Direct / Operating Expenses	1348	816	1857
(E) Salary, Wages & Benefits / Employee Exp.	5864	6099	5705
(F) Other Expenses	176	1222	4470
(G) Provisions	11	0	547
<b>(II) Total Expenditure (A to G)</b>	<b>29814</b>	<b>28702</b>	<b>31283</b>
<b>(3) Profit Before Dep, Int, Taxes &amp; EP (PBDITEP) (I-II)</b>	<b>1721</b>	<b>-4046</b>	<b>3462</b>
(4) Depreciation	1176	1229	1202
(5) Dre/Prel Exp Written Off	0	0	0
<b>(6) Profit Before Int., Taxes &amp; Ep (PBITEP) (3-4-5)</b>	<b>545</b>	<b>-5275</b>	<b>2260</b>
(7) Interest			
(A) On Central Government Loans	0	0	0
(B) On Foreign Loans	0	0	0
(C) Others	62	66	134
(D) Less Interest Capitalised	0	0	0
(E) Charged to P & L Account (A+B+C-D)	62	66	134
<b>(8) Profit Before Tax &amp; EP(PBTPEP) (6-7E)</b>	<b>483</b>	<b>-5341</b>	<b>2126</b>
(9) Tax Provisions	38	-497	846
<b>(10) Net Profit / Loss Before EP (8-9)</b>	<b>445</b>	<b>-4844</b>	<b>1280</b>
(11) Net Extra-Ord. Items	-59	-41	16
<b>(12) Net Profit / Loss(-) (10-11)</b>	<b>504</b>	<b>-4803</b>	<b>1264</b>
(13) Dividend Declared	400	0	1000
(14) Dividend Tax	65	0	170
<b>(15) Retained Profit (12-13-14)</b>	<b>39</b>	<b>-4803</b>	<b>94</b>

Financial Ratios	2010-11	2009-10	2008-09
(i) Sales : Capital Employed	132.27	139.82	103.45
(ii) Cost of Sales : Sales	102.88	120.4	95.19
(iii) Salary / Wages : Sales	19.44	21.45	19.16
(iv) Net Profit : Net Worth	2.62	-25.05	5.27
(v) Debt : Equity	0.07	0	0.14
(vi) Current Ratio	2.04	1.69	2.54
(vii) Sundry Debtors : Sales (No. of Days)	34.7	21.79	52.7
(viii) Total Inventory : Sales	83.6	78.37	176.75



# 12.5 Hindustan Paper Corporation Ltd.

HPC was incorporated on 29.05.1970 with the objective of establishing pulp and paper / newsprint mills in the Country to make paper available for mass communication.

HPC is a schedule 'A' Miniratna CPSE in 'Consumer Goods' sector under the administrative control of M/o Heavy Industry and Public Enterprises, D/o Heavy Industry with 100 % share holding by the Government of India . Its Registered Office is at Delhi and Corporate office is at Kolkata.

## Vision / Mission

The Vision of the Company is to continue to be the preferred manufacturer of quality Newsprint in India; to be a dominant player in the mass consumption varieties of Writing and Printing Paper and a significant producer of value added variety of paper.

The Mission of the Company is to install, enhance and operate large capacity Newsprint/Paper Mills on sound commercial principles; to continuously upgrade and upscale production output and enhance market share.

## Industrial / Business Operations

HPC is engaged in manufacturing of Writing and Printing Paper and marketing the same throughout the country. It has two units in Assam namely (i) Nagaon Paper Mill (NPM) in District :Morigaon and (ii) Cachar Paper Mill (CPM) in District: Hailakandi each having an installed production capacity of 1,00,000 tonnes per annum (tpa).

It has three subsidiary companies namely (i) Hindustan Newsprint Limited (HNL), with Registered Office at Newsprint Nagar in District Kottayam, Kerala, (ii) Nagaland Pulp and Paper Co. Ltd (NPPC) with registered Office at Tuli in District Mokokchung., Nagaland and (iii) Jagdishpur Paper Mills Ltd (JPML), with the Registered Office at Lucknow, Uttar Pradesh, newly incorporated for implementation of a mega green field paper mill. The product range of the company comprises of Writing and Printing Paper, Caustic and Chlorine. The physical performances of the company for last three years are given below:

Main Product / Services	Unit	Performance During		
		2010-11	2009-10	2008-09
Writing and Printing Paper	MT	154783	166639	175020
Capacity Utilization	%	77.40	83.30	87.50

## Strategic issue

The landlocked positioning of Cachar Paper Mill (CPM) in the highly infrastructure-deficient region makes it unviable to procure fibre raw material from alternative sources. The absence of feeder roads connecting the bamboo catchment areas makes it impossible for vehicles to access these areas and extract bamboo from the hilly and rough terrain and more so during the prolonged rainy season spanning from March to September. CPM is still bereft of Broad gauge connectivity and the existing century-old metre gauge rail network in this section is plagued by numerous adversities like limited availability of rakes and locos, frequent blockages in the rail tracks caused by landslides and law and order problems. Due to the limited and poor road connectivity in the North Eastern region, the available rail infrastructure has to cater to the movement of essential commodities like food grains on priority basis and railways are unable to deploy rakes and locos for transportation of raw materials to CPM on a continuous basis. To add to the woes, the State Government has imposed Entry Tax on raw materials and Agriculture Cess on bamboo procured by the mills.

Major issues confronting India's pulp and paper industry are high cost of production caused by inadequate availability and high cost of raw materials, Energy cost, non-availability of good-quality fibre, uneconomical plant size, technological obsolescence and environmental challenges. While issues related to technology, capacity and environment come directly under the purview of companies; raw material shortage is a disadvantage affecting all.

## Performance Highlights

The operational performance of the company along with performance indicators and selected financial ratios during the period 2008-09 to 2010-11 can be seen on the opposite page.

The Company registered a reduction of ₹ 44.61 crore in income during 2010-11 which went down to ₹623.72 crore in 2010-11 from ₹668.33 crore during 2009-10. The net loss of the company increased to ₹63.34 crore, an increase of ₹ 0.04 crore over the previous year's loss of ₹63.30 core due to suboptimal capacity utilization at CPM due to reduced availability of fibrous raw material.

The inadequate fibre raw material availability for Cachar Paper Mill (CPM), which persisted throughout FY 2010-11, also resulting in a capacity utilization of only 53%. Gregarious flowering in the major bamboo catchment areas has crippled CPM resulting in a sharp fall in paper production during 2010-11. The natural re-generation of flowered muli bamboo is expected to start maturing from 2011-12 which will improve the bamboo availability for CPM thereon.

HPC mills in Assam were set up based on the easy availability of bamboo as the fibre raw material for paper production. Nagaon Paper Mill (NPM) in Morigaon District was based on the bamboo to be sourced from Karbi Anglong Autonomous Council (KAAC) and Cachar Paper Mill (CPM) on Dima Hasao Autonomous Council (DHAC) and accordingly long term agreements were drawn among Govt of Assam , HPC and the respective District Councils. KAAC fulfills around 30% of the bamboo requirement for NPM and the balance requirement is met from other bamboo rich districts in the State. CPM on the other hand is unable to procure substantial quantity of bamboo from DHAC inspite of availability on account of poor road and rail infrastructure connecting these areas.

## Human Resource Management

The company employed 2563 regular employees as on 31.3.2011. The retirement age in the company is 60 years. It is following IDA 2007 pattern of remuneration. Details of employment in last 3 years are given below:

Particulars	2010-11	2009-10	2008-09
Executives including Non-Unionised Supervisors	694	738	765
Non-Executives #	1869	1944	1991
Total Employees	2563	2682	2756

# Detail break-up of Non-Executive employees is at Statement no. 25 of volume-I of PE Survey.

Balance Sheet	(₹ in Lakhs)		
Particulars	2010-11	2009-10	2008-09
Authorised Capital	113668	113668	73668
<b>(1) Sources Of Fund</b>			
<b>(1.1) Shareholders Funds</b>			
(A) Paid-Up Capital			
Central Govt	66270	66270	66838
Others	0	0	0
(B) Share Application Money	5460	5460	5460
(C) Reserves & Surplus	6011	12345	18675
<b>Total (A) + (B) + (C)</b>	<b>77741</b>	<b>84075</b>	<b>90973</b>
<b>(1.2) Loan Funds</b>			
(A) Secured Loans	50	93	143
(B) Unsecured Loans	15900	15741	15741
<b>Total (A) + (B)</b>	<b>15950</b>	<b>15834</b>	<b>15884</b>
(1.3) Deferred Tax Liability	0	0	3201
<b>Total (1.1) + (1.2) + (1.3)</b>	<b>93691</b>	<b>99909</b>	<b>110058</b>
<b>(2) Application Of Funds</b>			
<b>(2.1) Fixed Assets</b>			
(A) Gross Block	95071	94872	94198
(B) Less Depreciation	69913	67636	65150
<b>(C) Net Block (A-B)</b>	<b>25158</b>	<b>27236</b>	<b>29048</b>
(D) Capital Work In Progress	5633	5360	7321
<b>Total (C) + (D)</b>	<b>30791</b>	<b>32596</b>	<b>36369</b>
<b>(2.2) Investment</b>	<b>21397</b>	<b>26857</b>	<b>25906</b>
<b>(2.3) Current Assets, Loan &amp; Advances</b>			
(A) Inventories	11771	18611	14421
(B) Sundry Debtors	13013	9860	9651
(C) Cash & Bank Balances	6739	14117	28068
(D) Other Current Assets	93	299	1162
(E) Loan & Advances	27350	20660	19628
<b>Total (A)+ (B)+ (C)+ (D)+ (E)</b>	<b>58966</b>	<b>63547</b>	<b>72930</b>
<b>(2.4) Less: current Liabilities &amp; Provisions</b>			
(A) Current Liabilities	19428	21619	22155
(B) Provisions	995	1597	2992
<b>Total (A+B)</b>	<b>20423</b>	<b>23216</b>	<b>25147</b>
<b>(2.5) Net Current Assets (2.3-2.4)</b>	<b>38543</b>	<b>40331</b>	<b>47783</b>
(2.6) Deferred Revenue / Pre. Expenditure	0	0	0
(2.7) Deferred Tax Asset	2960	125	0
(2.8) Profit & Loss Account(Dr)	0	0	0
<b>Total (2.1+2.2+2.5+2.6+2.7+2.8)</b>	<b>93691</b>	<b>99909</b>	<b>110058</b>

Important Indicators	2010-11	2009-10	2008-09
(i) Investment	87680	87564	88182
(ii) Capital Employed	63701	67567	76831
(iii) Net Worth	77741	84075	90973
(iv) Cost of Production	71115	75274	70249
(v) Cost of Sales	75802	70131	71089
(vi) Gross Value Added (At Market Price)	-	-	-
(vii) Total Employees (Other Than Casuals) (Nos.)	2563	2682	2756
(viii) Avg. Monthly Emoluments Per Employee (Rs.)	51857	55975	42259

Profit & Loss Account	(₹ in Lakhs)		
Particulars	2010-11	2009-10	2008-09
<b>(1) Income</b>			
(A) Sales/Operating Income	66179	58796	72107
(B) Excise Duty	1338	1394	2645
(C) Net Sales (A-B)	64841	57402	69462
(D) Other Income/Receipts	2218	4288	7700
(E) Accretion/Depletion in Stocks	-4687	5143	-840
<b>(I) Total Income (C+D+E)</b>	<b>62372</b>	<b>66833</b>	<b>76322</b>
<b>(2) Expenditure</b>			
(A) Purchase of Finished Goods/ Consumption Of Raw Materials	16218	24969	13178
(B) Stores & Spares	2098	1992	3759
(C) Power & Fuel	16515	17439	15875
(D) Manufacturing / Direct / Operating Expenses	9305	9234	9497
(E) Salary, Wages & Benefits / Employee Exp.	15949	18015	13976
(F) Other Expenses	8640	781	11518
(G) Provisions	111	325	0
<b>(II) Total Expenditure (A to G)</b>	<b>68836</b>	<b>72755</b>	<b>67803</b>
<b>(3) Profit Before Dep, Int, Taxes &amp; EP (PBDITEP) (I-II)</b>	<b>-6464</b>	<b>-5922</b>	<b>8519</b>
(4) Depreciation	2183	2502	2441
(5) Dre/Prel Exp Written Off	0	0	0
<b>(6) Profit Before Int., Taxes &amp; Ep (PBITEP) (3-4-5)</b>	<b>-8647</b>	<b>-8424</b>	<b>6078</b>
(7) Interest			
(A) On Central Government Loans	0	17	5
(B) On Foreign Loans	0	0	0
(C) Others	96	0	0
(D) Less Interest Capitalised	0	0	0
(E) Charged to P & L Account (A+B+C-D)	96	17	5
<b>(8) Profit Before Tax &amp; EP(PBTPEP) (6-7E)</b>	<b>-8743</b>	<b>-8441</b>	<b>6073</b>
(9) Tax Provisions	-2835	-3326	1535
<b>(10) Net Profit / Loss Before EP (8-9)</b>	<b>-5908</b>	<b>-5115</b>	<b>4538</b>
(11) Net Extra-Ord. Items	426	1215	0
<b>(12) Net Profit / Loss(-) (10-11)</b>	<b>-6334</b>	<b>-6330</b>	<b>4538</b>
(13) Dividend Declared	0	0	1296
(14) Dividend Tax	0	0	50
<b>(15) Retained Profit (12-13-14)</b>	<b>-6334</b>	<b>-6330</b>	<b>3192</b>

Financial Ratios	2010-11	2009-10	2008-09
(i) Sales : Capital Employed	101.79	84.96	90.41
(ii) Cost of Sales : Sales	116.9	122.18	102.34
(iii) Salary / Wages : Sales	24.6	31.38	20.12
(iv) Net Profit : Net Worth	-8.15	-7.53	4.99
(v) Debt : Equity	0.21	0.19	0.17
(vi) Current Ratio	2.89	2.74	2.9
(vii) Sundry Debtors : Sales (No. of Days)	73.25	62.7	50.71
(viii) Total Inventory : Sales	66.26	118.34	75.78

## 12.6 Hindustan Photo Films Manufacturing Co. Ltd.

HPF was incorporated in the year 1960 with the objective to achieve self-reliance in photo sensitized goods to cater to health care, education, defense and entertainment needs of the country. The company commenced its business during 1967.

HPF is a Schedule-‘C’ / BIFR / BRPSE referred listed CPSE under the administrative control of the M/o Heavy Industries and Public Enterprises, D/o Heavy Industry (DHI) with 90.63% shareholding by the Government of India. Its Registered and Corporate offices are at Ootacamund, Tamilnadu.

### Vision / Mission

The Vision of the Company is to have integrated manufacturing facilities of the photosensitized products, greater market share for products, to develop digital technology, improve R&D efforts and improve productivity thereby result in reduced costs and adopting import substitution methods for the purchase of raw materials from abroad.

The Mission of the Company is to meet the country’s Medical X-ray needs at competitive price and at the same time ensuring good quality; to restrict multinational players from price domination and high profits. It further seeks to help the country in its defence infrastructure needs by supplying Aerial film and Industrial X- ray and avoiding the Country’s dependence on foreign suppliers and risk in time of sanctions etc. ; To provide employment directly and indirectly to the native people of Nilgiris District, the backward District of TamilNadu.

### Industrial / Business Operations

HPF is engaged in manufacturing of X-Ray films, Polyester based X-ray (Medical and Industrial) and Graphic Arts Films, Magnetic Auto Tapes, Cine Colour Positive Films and Chemicals for X-Ray films through its 4 operating units (three units at Udthagamandalam and one at Chennai) in Tamil Nadu. The physical performances of the company for last three years are given below:

Main Products	Unit	Performance During		
		2010-11	2009-10	2008-09
Cine Films	M.Sq.m	0	0.004	0.010
X-ray Films	M.Sq.m	1.153	0.810	0.802
Graphics Arts	MRM	0.446	0.135	0.135
Processing Chemicals	Tonnes	48.61	66.51	102.71
Average Capacity Utilization	%	5.78	3.00	2.83

### Strategic issue

HPF was registered with BIFR in 1995. It was recommended for winding up by the BIFR in January, 2003. The company has obtained an interim stay from the Madras High Court against winding up order of BIFR/AAIFR.

The company was also referred to BRPSE and the Board has approved the revival proposal on 5.3.2010. The revival proposal envisages waiver of Government loans and interest and fund infusion to the tune of ₹302 crores. Based on the recommendations of BRPSE, a revival proposal is under consideration of Committee of Secretaries (COS).

The shares of HPF though listed on the BSE are neither being traded nor being quoted on the stock exchange.

### Performance Highlights

The operational performance of the company along with performance indicators and selected financial ratios during the

period 2008-09 to 2010-11 can be seen on the opposite page.

The Company registered an increase of ₹13.22 crore in total income during 2010-11 which went upto ₹38.55 crore in 2010-11 from ₹25.33 crore during 2009-10. The net loss of the company however increased to ₹ 1156.65 crore, an increase of ₹ 147.44 crore over the previous year’s loss of ₹ 1009.21 crore due to increase in operating expenses and high interest burden.

HPF has taken up new initiatives towards improved productivity through conversion of coated jumbos, technological developments, modernization etc.

### Human Resource Management

The company employed 751 regular employees as on 31.3.2011. The retirement age in the company is 60 years at Board level and 58 years below board level. It is following IDA 1987 pattern of remuneration. Details of employment in last 3 years are given below:

Particulars	2010-11	2009-10	2008-09
Executives including Non-Unionised Supervisors	325	328	328
Non-Executives #	426	492	484
Total Employees	751	820	812

#Detailbreak-up of Non-Executive employees is at Statement no. 25 of volume-I of PE Survey.

Balance Sheet	(₹ in Lakhs)		
Particulars	2010-11	2009-10	2008-09
Authorised Capital	21000	21000	21000
<b>(1) Sources Of Fund</b>			
<b>(1.1) Shareholders Funds</b>			
(A) Paid-Up Capital			
Central Govt	18568	18568	18468
Others	1919	1919	1919
(B) Share Application Money	200	100	100
(C) Reserves & Surplus	2211	2211	2210
<b>Total (A) + (B) + (C)</b>	<b>22898</b>	<b>22798</b>	<b>22697</b>
<b>(1.2) Loan Funds</b>			
(A) Secured Loans	650830	556129	475944
(B) Unsecured Loans	168500	150856	132407
<b>Total (A) + (B)</b>	<b>819330</b>	<b>706985</b>	<b>608351</b>
(1.3) Deferred Tax Liability	0	0	0
<b>Total (1.1) + (1.2) + (1.3)</b>	<b>842228</b>	<b>729783</b>	<b>631048</b>
<b>(2) Application Of Funds</b>			
(2.1) Fixed Assets			
(A) Gross Block	71566	71567	71552
(B) Less Depreciation	48444	45278	42065
<b>(C) Net Block (A-B)</b>	<b>23122</b>	<b>26289</b>	<b>29487</b>
(D) Capital Work In Progress	0	0	0
<b>Total (C) + (D)</b>	<b>23122</b>	<b>26289</b>	<b>29487</b>
(2.2) Investment	0	0	0
<b>(2.3) Current Assets, Loan &amp; Advances</b>			
(A) Inventories	1542	1418	1411
(B) Sundry Debtors	1441	1114	931
(C) Cash & Bank Balances	2331	3302	1766
(D) Other Current Assets	6	11	1
(E) Loan & Advances	1430	1327	1382
<b>Total (A)+(B)+(C)+(D)+(E)</b>	<b>6750</b>	<b>7172</b>	<b>5491</b>
<b>(2.4) Less: current Liabilities &amp; Provisions</b>			
(A) Current Liabilities	8352	8733	8018
(B) Provisions	597	583	629
<b>Total (A+B)</b>	<b>8949</b>	<b>9316</b>	<b>8647</b>
<b>(2.5) Net Current Assets (2.3-2.4)</b>	<b>-2199</b>	<b>-2144</b>	<b>-3156</b>
(2.6) Deferred Revenue / Pre. Expenditure	0	0	0
(2.7) Deferred Tax Asset	0	0	0
(2.8) Profit & Loss Account(Dr)	821305	705638	604717
<b>Total (2.1+2.2+2.5+2.6+2.7+2.8)</b>	<b>842228</b>	<b>729783</b>	<b>631048</b>

Important Indicators	2010-11	2009-10	2008-09
(i) Investment	782753	376944	297500
(ii) Capital Employed	20923	24145	26331
(iii) Net Worth	-798407	-682840	-582020
(iv) Cost of Production	120437	102831	90440
(v) Cost of Sales	120163	102906	90649
(vi) Gross Value Added (At Market Price)	-	-	-
(vii) Total Employees (Other Than Casuals) (Nos.)	751	820	812
(viii) Avg. Monthly Emoluments Per Employee (Rs.)	20328	13161	13300

Profit & Loss Account	(₹ in Lakhs)		
Particulars	2010-11	2009-10	2008-09
<b>(1) Income</b>			
(A) Sales/Operating Income	3718	2625	2618
(B) Excise Duty	360	205	253
(C) Net Sales (A-B)	3358	2420	2365
(D) Other Income/Receipts	223	188	726
(E) Accretion/Depletion in Stocks	274	-75	-209
<b>(I) Total Income (C+D+E)</b>	<b>3855</b>	<b>2533</b>	<b>2882</b>
<b>(2) Expenditure</b>			
(A) Purchase of Finished Goods/ Consumption Of Raw Materials	2900	1887	1931
(B) Stores & Spares	40	26	24
(C) Power & Fuel	425	310	369
(D) Manufacturing / Direct / Operating Expenses	269	192	358
(E) Salary, Wages & Benefits / Employee Exp.	1832	1295	1296
(F) Other Expenses	280	410	159
(G) Provisions	0	0	47
<b>(II) Total Expenditure (A to G)</b>	<b>5746</b>	<b>4120</b>	<b>4184</b>
<b>(3) Profit Before Dep, Int, Taxes &amp; EP (PBDITEP) (I-II)</b>	<b>-1891</b>	<b>-1587</b>	<b>-1302</b>
(4) Depreciation	3166	3212	3242
(5) Dre/Prel Exp Written Off	0	0	0
<b>(6) Profit Before Int., Taxes &amp; Ep (PBITEP) (3-4-5)</b>	<b>-5057</b>	<b>-4799</b>	<b>-4544</b>
(7) Interest			
(A) On Central Government Loans	9054	8475	7924
(B) On Foreign Loans	0	0	0
(C) Others	102471	87024	75090
(D) Less Interest Capitalised	0	0	0
(E) Charged to P & L Account (A+B+C-D)	111525	95499	83014
<b>(8) Profit Before Tax &amp; EP(PBTPEP) (6-7E)</b>	<b>-116582</b>	<b>-100298</b>	<b>-87558</b>
(9) Tax Provisions	0	0	3
<b>(10) Net Profit / Loss Before EP (8-9)</b>	<b>-116582</b>	<b>-100298</b>	<b>-87561</b>
(11) Net Extra-Ord. Items	-917	623	1465
<b>(12) Net Profit / Loss(-) (10-11)</b>	<b>-115665</b>	<b>-100921</b>	<b>-89026</b>
(13) Dividend Declared	0	0	0
(14) Dividend Tax	0	0	0
<b>(15) Retained Profit (12-13-14)</b>	<b>-115665</b>	<b>-100921</b>	<b>-89026</b>

Financial Ratios	2010-11	2009-10	2008-09
(i) Sales : Capital Employed	16.05	10.02	8.98
(ii) Cost of Sales : Sales	3578.41	4252.31	3832.94
(iii) Salary / Wages : Sales	54.56	53.51	54.8
(iv) Net Profit : Net Worth	-	-	-
(v) Debt : Equity	35.78	31.01	26.8
(vi) Current Ratio	0.75	0.77	0.64
(vii) Sundry Debtors : Sales (No. of Days)	156.63	168.02	143.68
(viii) Total Inventory : Sales	167.61	213.87	217.77

2010-11 PROVISIONAL

## 12.7 Hindustan Salts Limited

Hindustan Salts Limited (HSL) was incorporated in the year 1959 under the Companies Act, 1956 with an objective to take over and manage the departmentally managed salt works at Kharaghoda (Gujarat), Sambhar Lake (Rajasthan) and Mandi (Himachal Pradesh). Subsequently to manage Sambhar Salt source, a separate Company Sambhar Salt Ltd. as a subsidiary of HSL was formed on 30.09.1964.

HSL is a Schedule-'C' BIFR / BRPSE referred CPSE in Consumer Goods sector under the administrative control of M/o Heavy Industries and Public Enterprises, Department of Heavy Industry (DHI) with 100% shareholding by the Government of India. Its registered and corporate offices are at Jaipur, Rajasthan.

### Vision / Mission

The Vision of the Company is to be an efficient producer of Salt, Bromine, and Bittern based high value products.

The Mission of the company is to produce / supply good quality of value added products and to accelerate the process of modernization / mechanization of manufacture of salt and distribution system. The company further seeks to optimally mobilize the resources in order to increase the Market Share.

### Industrial / Business Operations

HSL is involved in production and distribution of good quality industrial and edible salt and liquid Bromine at a reasonable price through its 2 operating units at Kharaghoda in Gujarat, Mandi in Himachal Pradesh. It also has one subsidiary namely Sambhar Salts Ltd. to manage Sambhar Salt source.

The physical performance of company during the last three years is mentioned below:

Main Products	Unit	Performance During		
		2010-11	2009-10	2008-09
Bromine	MT	152	319	315
Rock Salt	MT	1233	1836	2011

### Strategic issue

The company was declared as sick in 2004. Government of India has approved rehabilitation scheme for the company on the basis of the recommendations of BRPSE and BIFR in 2006. Further GOI has agreed to take over the assets and liabilities of Pension Fund Trust as on 1.4.2005 or to provide Grant-in-aid to the company for payment of pension. The matter regarding transfer of Pension Fund Trust is under process with DHI.

As per revival plan, for Solution Mining Project integrated with Caustic Soda Plant at Mandi (H.P.), company has initiated steps for asset valuation and locating a Joint Venture partner for the project.

Efforts have been initiated for increasing the revenue and reducing the expenses. The Company also plans to liaise with Public Distribution Departments of various States for distribution of salt to the poor segment of the Society at an affordable price.

### Performance Highlights

The operational performance of the company along with performance indicators and selected financial ratios during the period 2008-09 to 2010-11 can be seen on the opposite page.

The Company registered a reduction of ₹6.47 crore in total income during 2010-11 which went down to ₹16.98 crore in 2010-11 from ₹23.45 crore during 2009-10. The company suffered a net loss of ₹0.49 crore during the year as against the previous year's profit of ₹0.03 crore due to fall in production and turnover.

Steep fall in salt prices throughout the country and higher production of salt in unrecognized sector at low cost are the reasons for the decrease in productivity of the Company. Due to higher production cost the company has restricted itself to trading activities.

### Human Resource Management

The company employed 107 regular employees as on 31.3.2011. The retirement age in the company is 58 years. It is following IDA 1997 and CDA 1996 pattern of remuneration. Details of employment in last 3 years are given below:

Particulars	2010-11	2009-10	2008-09
Executives including Non-Unionised Supervisors	12	10	12
Non-Executives #	95	97	102
Total Employees	107	107	114

#Detail break-up of Non-Executive employees is at Statement no. 25 of volume-I of PE Survey.



**Hindustan Salts Limited**

B-427, Pradhan Marg, Malviya Nagar, Jaipur, Rajasthan - 302 017

Balance Sheet	(₹ in Lakhs)		
Particulars	2010-11	2009-10	2008-09
Authorised Capital	2500	2500	2500
<b>(1) Sources Of Fund</b>			
<b>(1.1) Shareholders Funds</b>			
(A) Paid-Up Capital			
Central Govt	2256	2256	2256
Others	0	0	0
(B) Share Application Money	300	300	0
(C) Reserves & Surplus	1027	1027	1027
<b>Total (A) + (B) + (C)</b>	<b>3583</b>	<b>3583</b>	<b>3283</b>
<b>(1.2) Loan Funds</b>			
(A) Secured Loans	2416	30	10
(B) Unsecured Loans	0	1764	1270
<b>Total (A) + (B)</b>	<b>2416</b>	<b>1794</b>	<b>1280</b>
(1.3) Deferred Tax Liability	0	0	0
<b>Total (1.1) + (1.2) + (1.3)</b>	<b>5999</b>	<b>5377</b>	<b>4563</b>
<b>(2) Application Of Funds</b>			
<b>(2.1) Fixed Assets</b>			
(A) Gross Block	988	987	985
(B) Less Depreciation	568	510	443
<b>(C) Net Block (A-B)</b>	<b>420</b>	<b>477</b>	<b>542</b>
(D) Capital Work In Progress	22	0	0
<b>Total (C) + (D)</b>	<b>442</b>	<b>477</b>	<b>542</b>
<b>(2.2) Investment</b>	<b>2849</b>	<b>1594</b>	<b>1663</b>
<b>(2.3) Current Assets, Loan &amp; Advances</b>			
(A) Inventories	70	51	60
(B) Sundry Debtors	56	266	536
(C) Cash & Bank Balances	1073	1343	642
(D) Other Current Assets	34	3	23
(E) Loan & Advances	764	1302	606
<b>Total (A)+ (B)+ (C)+ (D)+ (E)</b>	<b>1997</b>	<b>2965</b>	<b>1867</b>
<b>(2.4) Less:current Liabilities &amp; Provisions</b>			
(A) Current Liabilities	482	836	600
(B) Provisions	196	177	164
<b>Total (A+B)</b>	<b>678</b>	<b>1013</b>	<b>764</b>
<b>(2.5) Net Current Assets (2.3-2.4)</b>	<b>1319</b>	<b>1952</b>	<b>1103</b>
(2.6) Deferred Revenue / Pre. Expenditure	212	227	125
(2.7) Deferred Tax Asset	0	0	0
(2.8) Profit & Loss Account(Dr)	1177	1127	1130
<b>Total (2.1+2.2+2.5+2.6+2.7+2.8)</b>	<b>5999</b>	<b>5377</b>	<b>4563</b>

Important Indicators	2010-11	2009-10	2008-09
(i) Investment	4557	4320	3526
(ii) Capital Employed	1739	2429	1645
(iii) Net Worth	2194	2229	2028
(iv) Cost of Production	1748	2341	3088
(v) Cost of Sales	1729	2350	3098
(vi) Gross Value Added (At Market Price)	-	-	-
(vii) Total Employees (Other Than Casuals) (Nos.)	107	107	114
(viii) Avg. Monthly Emoluments Per Employee (Rs.)	22508	31698	14474

Profit & Loss Account	(₹ in Lakhs)		
Particulars	2010-11	2009-10	2008-09
<b>(1) Income</b>			
(A) Sales/Operating Income	1322	1993	2769
(B) Excise Duty	19	19	29
(C) Net Sales (A-B)	1303	1974	2740
(D) Other Income/Receipts	376	380	368
(E) Accretion/Depletion in Stocks	19	-9	-10
<b>(I)Total Income (C+D+E)</b>	<b>1698</b>	<b>2345</b>	<b>3098</b>
<b>(2) Expenditure</b>			
(A) Purchase of Finished Goods/ Consumption Of Raw Materials	705	1608	2320
(B) Stores & Spares	20	13	0
(C) Power & Fuel	65	94	72
(D) Manufacturing / Direct / Operating Expenses	214	19	286
(E) Salary, Wages & Benefits / Employee Exp.	289	407	198
(F) Other Expenses	201	17	6
(G) Provisions	0	0	0
<b>(II)Total Expenditure (A to G)</b>	<b>1494</b>	<b>2158</b>	<b>2882</b>
<b>(3) Profit Before Dep, Int, Taxes &amp; EP (PBDITEP) (I-II)</b>	<b>204</b>	<b>187</b>	<b>216</b>
(4) Depreciation	56	66	77
(5) Dre/Prel Exp Written Off	27	0	0
<b>(6) Profit Before Int., Taxes &amp; Ep (PBITEP) (3-4-5)</b>	<b>121</b>	<b>121</b>	<b>139</b>
(7) Interest			
(A) On Central Government Loans	145	109	104
(B) On Foreign Loans	0	0	0
(C) Others	26	8	25
(D) Less Interest Capitalised	0	0	0
(E) Charged to P & L Account (A+B+C-D)	171	117	129
<b>(8) Profit Before Tax &amp; EP(PBTPEP) (6-7E)</b>	<b>-50</b>	<b>4</b>	<b>10</b>
(9) Tax Provisions	0	0	2
<b>(10) Net Profit / Loss Before EP (8-9)</b>	<b>-50</b>	<b>4</b>	<b>8</b>
(11) Net Extra-Ord. Items	-1	1	-56
<b>(12) Net Profit / Loss(-) (10-11)</b>	<b>-49</b>	<b>3</b>	<b>64</b>
(13) Dividend Declared	0	0	0
(14) Dividend Tax	0	0	0
<b>(15) Retained Profit (12-13-14)</b>	<b>-49</b>	<b>3</b>	<b>64</b>

Financial Ratios	2010-11	2009-10	2008-09
(i) Sales : Capital Employed	74.93	81.27	166.57
(ii) Cost of Sales : Sales	132.69	119.05	113.07
(iii) Salary / Wages : Sales	22.18	20.62	7.23
(iv) Net Profit : Net Worth	-2.23	0.13	3.16
(v) Debt : Equity	0.67	0.5	0.39
(vi) Current Ratio	2.95	2.93	2.44
(vii) Sundry Debtors : Sales (No. of Days)	15.69	49.18	71.4
(viii) Total Inventory : Sales	19.61	9.43	7.99



## 12.8 Hindustan Vegetable Oils Corp. Ltd.

Hindustan Vegetable Oils Corp. Ltd. (HVOCL) was incorporated in 1984 with the objective of merger of two nationalized companies namely M/s Ganesh Floors Mills and M/s Amritsar Oil Works for promoting edible oil supply to the consumers at competitive price.

It is a Schedule-‘B’ / sick BIFR / BRPSE referred CPSE in consumer goods sector under the administrative control of M/o Consumer Affairs, Food and Public Distribution, D/o Food and Public Distribution with 100% shareholding by the Government of India. Its Registered and Corporate offices are at New Delhi.

### Industrial / Business Operations

HVOC is one of the taken over enterprises involved in production of ready to eat extruded food through its only operating unit at Delhi. The other units of the company producing edible oil are closed since 2001.

The breakfast foods unit at Delhi is producing wheat / corn flakes. The physical performances of the company for last three years are given below:

Main Product	Unit	Performance During		
		2010-11	2009-10	2008-09
Breakfast foods	MT	94	252	312

### Strategic issue

The company is under liquidation. The Government has granted an unsecured non-plan loan, with a right to convert into equity, for a total amount of ₹ 95.62 crore till 31.3.2011 for implementing the Voluntary Separation Scheme and to clear the outstanding salary dues in the year 2010-11 and subsequently to meet the administrative expenses of the closed units and corporate office.

### Performance Highlights

The operational performance of the company along with performance indicators and selected financial ratios during the period 2008-09 to 2010-11 can be seen on the opposite page.

The Company registered a reduction of ₹ 1.14crore in total income during 2010-11 which went down to ₹2.12crore in 2010-11 from ₹ 3.26crore during 2009-10. The net loss of the company increased to ₹22.69 crore, an increase of ₹ 0.60crore over the previous year's loss of ₹ 22.09 crore due to reduction in turnover.

### Human Resource Management

The company employed 119 regular employees as on 31.3.2011. The retirement age in the company is 60 years. It is following IDA 1992 pattern of remuneration. Details of employment in last 3 years are given below:

Particulars	2010-11	2009-10	2008-09
Executives including Non-Unionised Supervisors	39	39	41
Non-Executives #	80	80	80
Total Employees	119	119	121

# Detail break-up of Non-Executive employees is at Statement no. 25 of volume-I of PE Survey.

**Hindustan Vegetable Oils Corp. Ltd.**

Satguru Ram Singh Marg, Kirti Nagar Indl. Area, Najafgarh Road, New Delhi -110 015

Balance Sheet	(₹ in Lakhs)		
Particulars	2010-11	2009-10	2008-09
Authorised Capital	1000	1000	1000
<b>(1) Sources Of Fund</b>			
<b>(1.1) Shareholders Funds</b>			
(A) Paid-Up Capital			
Central Govt	771	771	771
Others	0	0	0
(B) Share Application Money	0	0	0
(C) Reserves & Surplus	1364	1364	1364
<b>Total (A) + (B) + (C)</b>	<b>2135</b>	<b>2135</b>	<b>2135</b>
<b>(1.2) Loan Funds</b>			
(A) Secured Loans	0	0	0
(B) Unsecured Loans	31030	28915	26817
<b>Total (A) + (B)</b>	<b>31030</b>	<b>28915</b>	<b>26817</b>
(1.3) Deferred Tax Liability	0	0	0
<b>Total (1.1) + (1.2) + (1.3)</b>	<b>33165</b>	<b>31050</b>	<b>28952</b>
<b>(2) Application Of Funds</b>			
<b>(2.1) Fixed Assets</b>			
(A) Gross Block	1794	1794	1789
(B) Less Depreciation	1302	1300	1298
<b>(C) Net Block (A-B)</b>	<b>492</b>	<b>494</b>	<b>491</b>
(D) Capital Work In Progress	52	52	53
<b>Total (C) + (D)</b>	<b>544</b>	<b>546</b>	<b>544</b>
<b>(2.2) Investment</b>	<b>26</b>	<b>0</b>	<b>0</b>
<b>(2.3) Current Assets, Loan &amp; Advances</b>			
(A) Inventories	153	166	171
(B) Sundry Debtors	0	0	2
(C) Cash & Bank Balances	42	47	79
(D) Other Current Assets	0	0	2079
(E) Loan & Advances	2026	2090	0
<b>Total (A)+(B)+(C)+(D)+(E)</b>	<b>2221</b>	<b>2303</b>	<b>2331</b>
<b>(2.4) Less: current Liabilities &amp; Provisions</b>			
(A) Current Liabilities	2018	1964	1923
(B) Provisions	500	459	414
<b>Total (A+B)</b>	<b>2518</b>	<b>2423</b>	<b>2337</b>
<b>(2.5) Net Current Assets (2.3-2.4)</b>	<b>-297</b>	<b>-120</b>	<b>-6</b>
(2.6) Deferred Revenue / Pre. Expenditure	0	0	0
(2.7) Deferred Tax Asset	0	0	0
(2.8) Profit & Loss Account(Dr)	32892	30624	28414
<b>Total (2.1+2.2+2.5+2.6+2.7+2.8)</b>	<b>33165</b>	<b>31050</b>	<b>28952</b>

Important Indicators	2010-11	2009-10	2008-09
(i) Investment	31801	771	771
(ii) Capital Employed	195	374	485
(iii) Net Worth	-30757	-28489	-26279
(iv) Cost of Production	2481	2535	2622
(v) Cost of Sales	2484	2535	2621
(vi) Gross Value Added (At Market Price)	-	-	-
(vii) Total Employees (Other Than Casuals) (Nos.)	119	119	121
(viii) Avg. Monthly Emoluments Per Employee (Rs.)	21078	21218	18251

Profit & Loss Account	(₹ in Lakhs)		
Particulars	2010-11	2009-10	2008-09
<b>(1) Income</b>			
(A) Sales/Operating Income	72	178	212
(B) Excise Duty	0	0	0
(C) Net Sales (A-B)	72	178	212
(D) Other Income/Receipts	143	148	737
(E) Accretion/Depletion in Stocks	-3	0	1
<b>(I) Total Income (C+D+E)</b>	<b>212</b>	<b>326</b>	<b>950</b>
<b>(2) Expenditure</b>			
(A) Purchase of Finished Goods/ Consumption Of Raw Materials	43	106	127
(B) Stores & Spares	0	0	0
(C) Power & Fuel	18	28	35
(D) Manufacturing / Direct / Operating Expenses	4	6	5
(E) Salary, Wages & Benefits / Employee Exp.	301	303	265
(F) Other Expenses	118	123	248
(G) Provisions	0	0	0
<b>(II) Total Expenditure (A to G)</b>	<b>484</b>	<b>566</b>	<b>680</b>
<b>(3) Profit Before Dep, Int, Taxes &amp; EP (PBDITEP) (I-II)</b>	<b>-272</b>	<b>-240</b>	<b>270</b>
(4) Depreciation	2	2	2
(5) Dre/Prel Exp Written Off	0	0	0
<b>(6) Profit Before Int., Taxes &amp; Ep (PBITEP) (3-4-5)</b>	<b>-274</b>	<b>-242</b>	<b>268</b>
(7) Interest			
(A) On Central Government Loans	1995	1967	1940
(B) On Foreign Loans	0	0	0
(C) Others	0	0	0
(D) Less Interest Capitalised	0	0	0
(E) Charged to P & L Account (A+B+C-D)	1995	1967	1940
<b>(8) Profit Before Tax &amp; EP(PBTPEP) (6-7E)</b>	<b>-2269</b>	<b>-2209</b>	<b>-1672</b>
(9) Tax Provisions	0	0	0
<b>(10) Net Profit / Loss Before EP (8-9)</b>	<b>-2269</b>	<b>-2209</b>	<b>-1672</b>
(11) Net Extra-Ord. Items	0	0	0
<b>(12) Net Profit / Loss(-) (10-11)</b>	<b>-2269</b>	<b>-2209</b>	<b>-1672</b>
(13) Dividend Declared	0	0	0
(14) Dividend Tax	0	0	0
<b>(15) Retained Profit (12-13-14)</b>	<b>-2269</b>	<b>-2209</b>	<b>-1672</b>

Financial Ratios	2010-11	2009-10	2008-09
(i) Sales : Capital Employed	36.92	47.59	43.71
(ii) Cost of Sales : Sales	3450	1424.16	1236.32
(iii) Salary / Wages : Sales	418.06	170.22	125
(iv) Net Profit : Net Worth	-	-	-
(v) Debt : Equity	14.53	13.54	12.56
(vi) Current Ratio	0.88	0.95	1
(vii) Sundry Debtors : Sales (No. of Days)	0	0	3.44
(viii) Total Inventory : Sales	775.62	340.39	294.41

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## 12.9 Hooghly Printing Co. Ltd.

Hooghly Printing was incorporated on 03.01.1979 with the objective to cater to the printing and stationery requirements of Andrew Yule Group of Companies.

Hooghly Printing is a schedule 'B' CPSE in the Consumer Goods sector under the administrative control of Ministry of Heavy Industry & Public Enterprises, Department of Heavy Industry. Its Registered and Corporate Offices are at Kolkata, West Bengal. Hooghly Printing is a 100% Subsidiary of Andrew Yule & Co. Ltd.

### Industrial / Business Operations

Hooghly Printing is a taken over subsidiary enterprises engaged in multi colour offset printing on paper / paper board in its Press at Kolkata. The Company also prints material for its customers, customised as per their requirement. The company has been registered under the Micro Small and Medium Enterprises Act, 2006. The company has ISO 9001:2008 certification. The physical performance of Company for last three years is given below:

Main Product / Services	Unit	Performance During		
		2010-11	2009-10	2008-09
Printing jobs @	No.	271	328	337

@including Periodicals, Books and Miscellaneous printing materials

### Strategic issue

The Company was incorporated mainly for the purpose of catering to the printing and stationery requirements of the Companies under the "Andrew Yule Group". Such captive requirements were drastically reduced with the nationalization of the company. Thereafter the Company had to look for the outside jobs for its survival

### Performance Highlights

The operational performance of the company along with performance indicators and selected financial ratios during the period 2008-09 to 2010-11 can be seen on the opposite page.

The Company registered an increase of ₹ 1.86 crore in total income during 2010-11 which went up to ₹ 11.28 crore in 2010-11 from ₹ 9.42 crore during 2009-10. The net profit of the company correspondingly increased to ₹ 0.28 crore, an increase of ₹ 0.26 crore over the previous year due to execution of higher value jobs and effective cost control.

### Human Resource Management

The Company employed 59 regular employees as on 31.03.2011. The retirement age in the Company is 60 years at board level and 58 years below board level. It is following IDA 1997 pattern of remuneration. Details of employment in last 3 years are given below:

(in Nos.)

Particulars	2010-11	2009-10	2008-09
Executives including Non-Unionised Supervisors	16	13	14
Non-Executives #	43	47	44
Total Employees	59	60	58

# Detail break-up of Non-Executive employees is at Statement no. 25 of volume-I of PE Survey.

Balance Sheet	(₹ in Lakhs)		
Particulars	2010-11	2009-10	2008-09
Authorised Capital	105	105	105
<b>(1) Sources Of Fund</b>			
<b>(1.1) Shareholders Funds</b>			
(A) Paid-Up Capital			
Central Govt	0	0	0
Others	103	103	103
(B) Share Application Money	0	0	0
(C) Reserves & Surplus	222	194	192
<b>Total (A) + (B) + (C)</b>	<b>325</b>	<b>297</b>	<b>295</b>
<b>(1.2) Loan Funds</b>			
(A) Secured Loans	222	242	289
(B) Unsecured Loans	0	0	0
<b>Total (A) + (B)</b>	<b>222</b>	<b>242</b>	<b>289</b>
(1.3) Deferred Tax Liability	18	20	2
<b>Total (1.1) + (1.2) + (1.3)</b>	<b>565</b>	<b>559</b>	<b>586</b>
<b>(2) Application Of Funds</b>			
(2.1) Fixed Assets			
(A) Gross Block	636	481	168
(B) Less Depreciation	236	194	149
<b>(C) Net Block (A-B)</b>	<b>400</b>	<b>287</b>	<b>19</b>
(D) Capital Work In Progress	0	136	313
<b>Total (C) + (D)</b>	<b>400</b>	<b>423</b>	<b>332</b>
(2.2) Investment	0	0	0
<b>(2.3) Current Assets, Loan &amp; Advances</b>			
(A) Inventories	19	40	28
(B) Sundry Debtors	412	572	367
(C) Cash & Bank Balances	7	14	4
(D) Other Current Assets	0	0	0
(E) Loan & Advances	119	45	233
<b>Total (A)+ (B)+ (C)+ (D)+ (E)</b>	<b>557</b>	<b>671</b>	<b>632</b>
<b>(2.4) Less:current Liabilities &amp; Provisions</b>			
(A) Current Liabilities	337	504	179
(B) Provisions	55	31	199
<b>Total (A+B)</b>	<b>392</b>	<b>535</b>	<b>378</b>
<b>(2.5) Net Current Assets (2.3-2.4)</b>	<b>165</b>	<b>136</b>	<b>254</b>
(2.6) Deferred Revenue / Pre. Expenditure	0	0	0
(2.7) Deferred Tax Asset	0	0	0
(2.8) Profit & Loss Account(Dr)	0	0	0
<b>Total (2.1+2.2+2.5+2.6+2.7+2.8)</b>	<b>565</b>	<b>559</b>	<b>586</b>

Important Indicators	2010-11	2009-10	2008-09
(i) Investment	252	276	288
(ii) Capital Employed	565	423	273
(iii) Net Worth	325	297	295
(iv) Cost of Production	1097	918	651
(v) Cost of Sales	1097	920	645
(vi) Gross Value Added (At Market Price)	-	-	-
(vii) Total Employees (Other Than Casuals) (Nos.)	59	60	58
(viii) Avg. Monthly Emoluments Per Employee (Rs.)	30367	22361	20977

Profit & Loss Account	(₹ in Lakhs)		
Particulars	2010-11	2009-10	2008-09
<b>(1) Income</b>			
(A) Sales/Operating Income	1126	935	651
(B) Excise Duty	0	0	0
(C) Net Sales (A-B)	1126	935	651
(D) Other Income/Receipts	2	9	1
(E) Accretion/Depletion in Stocks	0	-2	6
<b>(I)Total Income (C+D+E)</b>	<b>1128</b>	<b>942</b>	<b>658</b>
<b>(2) Expenditure</b>			
(A) Purchase of Finished Goods/ Consumption Of Raw Materials	510	441	327
(B) Stores & Spares	3	4	3
(C) Power & Fuel	7	8	7
(D) Manufacturing / Direct / Operating Expenses	182	120	73
(E) Salary, Wages & Benefits / Employee Exp.	215	161	146
(F) Other Expenses	100	70	52
(G) Provisions	0	31	0
<b>(II)Total Expenditure (A to G)</b>	<b>1017</b>	<b>835</b>	<b>608</b>
<b>(3) Profit Before Dep, Int, Taxes &amp; EP (PBDITEP) (I-II)</b>	<b>111</b>	<b>107</b>	<b>50</b>
(4) Depreciation	42	45	3
(5) Dre/Prel Exp Written Off	0	0	0
<b>(6) Profit Before Int., Taxes &amp; Ep (PBITEP) (3-4-5)</b>	<b>69</b>	<b>62</b>	<b>47</b>
(7) Interest			
(A) On Central Government Loans	0	0	0
(B) On Foreign Loans	0	0	0
(C) Others	38	38	40
(D) Less Interest Capitalised	0	0	0
(E) Charged to P & L Account (A+B+C-D)	38	38	40
<b>(8) Profit Before Tax &amp; EP(PBTPEP) (6-7E)</b>	<b>31</b>	<b>24</b>	<b>7</b>
(9) Tax Provisions	3	22	3
<b>(10) Net Profit / Loss Before EP (8-9)</b>	<b>28</b>	<b>2</b>	<b>4</b>
(11) Net Extra-Ord. Items	0	0	0
<b>(12) Net Profit / Loss(-) (10-11)</b>	<b>28</b>	<b>2</b>	<b>4</b>
(13) Dividend Declared	0	0	0
(14) Dividend Tax	0	0	0
<b>(15) Retained Profit (12-13-14)</b>	<b>28</b>	<b>2</b>	<b>4</b>

Financial Ratios	2010-11	2009-10	2008-09
(i) Sales : Capital Employed	199.29	221.04	238.46
(ii) Cost of Sales : Sales	97.42	98.4	99.08
(iii) Salary / Wages : Sales	19.09	17.22	22.43
(iv) Net Profit : Net Worth	8.62	0.67	1.36
(v) Debt : Equity	0.68	0.81	0.98
(vi) Current Ratio	1.42	1.25	1.67
(vii) Sundry Debtors : Sales (No. of Days)	133.55	223.29	205.77
(viii) Total Inventory : Sales	6.16	15.61	15.7

## 12.10 Nagaland Pulp and Paper Co. Ltd.

Nagaland Pulp and Paper Co. Ltd. (NPPC) was incorporated in 1971 with the objective to construct and manage a modern integrated pulp and paper mill at Tuli in Nagaland. The commercial production commenced in 1982.

It was incorporated as a Joint Venture between Government of Nagaland and Hindustan Paper Corporation (HPC). NPPC is a joint venture subsidiary of HPC Ltd. where-in, HPC holds 94.78% equity and Govt. of Nagaland holds 5.22% equity.

NPPC is a Schedule-'C' / BIFR / BRPSE referred CPSE in Consumer Goods Sector under the administrative control of M/o Heavy Industries and Public Enterprises, D/o Heavy Industry with its Registered office at Nagaland and Corporate office at Kolkata, West Bengal.

### Vision / Mission

The Vision of the Company is to take a leading role in the industrial development of Nagaland.

The Mission of the Company is to operate large capacity Pulp & Paper mill in the remote industrially backward state of Nagaland.

### Industrial / Business Operations

There have been no operations of the company for the last eighteen years.

NPPC is basically a writing and printing paper producing company, but the production in its mill has been suspended since 1992 and since then there are no production activities due to escalation of project cost, non-performance of defectively designed coal-fired boilers, inadequate and erratic grid power, non-availability of feed, deficient infrastructure in transport / telecommunication, shortage of skilled man power etc.

### Strategic issue

The company is registered with BIFR since 1992 which earlier recommended 'winding up' of the company. However, based on the initiatives taken by the Government, the revival plan is under consideration.

The company was also referred to BRPSE. However, BRPSE remitted the case to administrative ministry with a remark that PIB is to consider the case in the first instance. PIB recommended the case on 28.4.2006 and DHI has placed the matter before CCEA. CCEA in its meeting held on 23.11.2006 approved the revival package.

The first revival scheme was sanctioned in 1994. However, the production could not be carried out due to lack of captive power generation at NPPC and as such the company was again referred to BIFR in 1998. BIFR had recommended winding up of the company in 2002 but (against the winding up orders of BIFR) the Government of Nagaland and NPPC filed an appeal before AAIFR which set aside the impugned order and remanded back to BIFR on 20.4.2006. A 30 year Tripartite agreement between Government of Nagaland (GON), HPC and NPPC was executed on May 25, 2006 to ensure availability of raw material (bamboo) within the State of Nagaland, handing over the bamboo growing 12676 hectares of GON, purchased land to NPPC for undertaking captive bamboo plantation and exemption on payment of royalty on raw material. The BIFR sanctioned a revival scheme in 2007. The implementation of the Rehabilitation Scheme as sanctioned by BIFR, embarked upon by the company has been hamstrung by the wide variation in the price quotes by various bidders against the cost estimates as per the scheme, necessitating de novo updating of the Scheme itself with revised cost estimates.

Since the rehabilitation plan of the BIFR could not take off

within the stipulated time period, the management has approached the GoI with a revised rehabilitation proposal at the cost of ₹ 879 crore in 2 phases. This approval is currently pending.

### Performance Highlights

The operational performance of the company along with performance indicators and selected financial ratios during the period 2008-09 to 2010-11 can be seen on the opposite page.

There is no operating income of the company. The Company registered a reduction of ₹ 0.77 crore in total income during 2010-11 which went down to ₹0.34 crore in 2010-11 from ₹ 1.11 crore during 2009-10 due to fall in other income. The net loss of the company reduced to ₹ 13.44 crore, a reduction of ₹ 0.94 crore over the previous year's loss of ₹ 14.38 crore due to reduction in other expenses.

### Human Resource Management

The company employed 270 regular employees as on 31.3.2011. The retirement age in the company is 60 years at the Board level and 58 years at below the Board level. It is following IDA 1997 pattern of remuneration. Details of employment in last 3 years are given below:

Particulars	2010-11	2009-10	2008-09
Executives including Non-Unionised Supervisors	30	66	22
Non-Executives #	240	251	275
Total Employees	270	317	297

# Detail break-up of Non-Executive employees is at Statement no. 25 of volume-I of PE Survey.

Balance Sheet		(₹ in Lakhs)	
Particulars	2010-11	2009-10	2008-09
Authorised Capital	15000	15000	15000
(1) Sources Of Fund			
(1.1) Shareholders Funds			
(A) Paid-Up Capital			
Central Govt	0	0	0
Others	1202	1202	1202
(B) Share Application Money	0	0	0
(C) Reserves & Surplus	15	15	15
Total (A) + (B) + (C)	1217	1217	1217
(1.2) Loan Funds			
(A) Secured Loans	0	0	0
(B) Unsecured Loans	0	0	0
Total (A) + (B)	0	0	0
(1.3) Deferred Tax Liability	0	0	0
Total (1.1) + (1.2) + (1.3)	1217	1217	1217
(2) Application Of Funds			
(2.1) Fixed Assets			
(A) Gross Block	6544	6544	6524
(B) Less Depreciation	5971	5927	5882
(C) Net Block (A-B)	573	617	642
(D) Capital Work In Progress	1259	1234	1215
Total (C) + (D)	1832	1851	1857
(2.2) Investment	0	0	0
(2.3) Current Assets, Loan & Advances			
(A) Inventories	27	32	22
(B) Sundry Debtors	0	0	0
(C) Cash & Bank Balances	63	51	59
(D) Other Current Assets	24	24	44
(E) Loan & Advances	9	15	23
Total (A)+ (B)+ (C)+ (D)+ (E)	123	122	148
(2.4) Less:current Liabilities & Provisions			
(A) Current Liabilities	7089	5844	4993
(B) Provisions	852	772	217
Total (A+B)	7941	6616	5210
(2.5) Net Current Assets (2.3-2.4)	-7818	-6494	-5062
(2.6) Deferred Revenue / Pre. Expenditure	0	0	0
(2.7) Deferred Tax Asset	0	0	0
(2.8) Profit & Loss Account(Dr)	7203	5860	4422
Total (2.1+2.2+2.5+2.6+2.7+2.8)	1217	1217	1217

<b>Important Indicators</b>	2010-11	2009-10	2008-09
(i) Investment	1202	1202	1202
(ii) Capital Employed	-7245	-5877	-4420
(iii) Net Worth	-5986	-4643	-3205
(iv) Cost of Production	1378	1549	1832
(v) Cost of Sales	1378	1549	1832
(vi) Gross Value Added (At Market Price)	-	-	-
(vii) Total Employees (Other Than Casuals) (Nos.)	270	317	297
(viii) Avg. Monthly Emoluments Per Employee (Rs.)	29599	23975	34905

Profit & Loss Account		(₹ in Lakhs)	
Particulars	2010-11	2009-10	2008-09
(1) Income			
(A) Sales/Operating Income	0	0	0
(B) Excise Duty	0	0	0
(C) Net Sales (A-B)	0	0	0
(D) Other Income/Receipts	34	111	25
(E) Accretion/Depletion in Stocks	0	0	0
(I)Total Income (C+D+E)	34	111	25
(2) Expenditure			
(A) Purchase of Finished Goods/ Consumption Of Raw Materials	0	0	0
(B) Stores & Spares	10	57	0
(C) Power & Fuel	43	42	46
(D) Manufacturing / Direct / Operating Expenses	0	0	226
(E) Salary, Wages & Benefits / Employee Exp.	959	912	1244
(F) Other Expenses	322	493	272
(G) Provisions	0	0	0
(II)Total Expenditure (A to G)	1334	1504	1788
(3) Profit Before Dep, Int, Taxes & EP (PBDITEP) (I-II)	-1300	-1393	-1763
(4) Depreciation	44	45	44
(5) Dre/Prel Exp Written Off	0	0	0
(6) Profit Before Int., Taxes & Ep (PBITEP) (3-4-5)	-1344	-1438	-1807
(7) Interest			
(A) On Central Government Loans	0	0	0
(B) On Foreign Loans	0	0	0
(C) Others	0	0	0
(D) Less Interest Capitalised	0	0	0
(E) Charged to P & L Account (A+B+C-D)	0	0	0
(8) Profit Before Tax & EP(PBTEP) (6-7E)	-1344	-1438	-1807
(9) Tax Provisions	0	0	3
(10) Net Profit / Loss Before EP (8-9)	-1344	-1438	-1810
(11) Net Extra-Ord. Items	0	0	0
(12) Net Profit / Loss(-) (10-11)	-1344	-1438	-1810
(13) Dividend Declared	0	0	0
(14) Dividend Tax	0	0	0
(15) Retained Profit (12-13-14)	-1344	-1438	-1810

<b>Financial Ratios</b>	2010-11	2009-10	2008-09
(i) Sales : Capital Employed	0	0	0
(ii) Cost of Sales : Sales	0	0	0
(iii) Salary / Wages : Sales	0	0	0
(iv) Net Profit : Net Worth	-	-	-
(v) Debt : Equity	0	0	0
(vi) Current Ratio	0.02	0.02	0.03
(vii) Sundry Debtors : Sales (No. of Days)	0	0	0
(viii) Total Inventory : Sales	0	0	0



## 12.11 NEPA Limited

NEPA Limited (NEPA) was incorporated in the year 1947 as “National Newsprint and Paper Mills” in the private sector and subsequently taken over by the Central Province and Berar (now Madhya Pradesh) in October, 1949. The Central Government acquired controlling interest in 1959. The name of the company was changed to NEPA Limited in 1989.

It is a Schedule-‘C’ / BIFR / BRPSE referred CPSE in Consumer Goods sector under the administrative control of M/o Heavy Industries and Public Enterprises, D/o Heavy Industry with 96.07 % shareholding by the Government of India. Its Registered and Corporate offices are at Nepanagar, district Burhanpur, Madhya Pradesh.

### Vision / Mission

The Vision / mission of the Company is to make NEPA a viable and sustainable producer of newsprint.

### Industrial / Business Operations

NEPA Limited is engaged in the production and sale of newsprint and writing and printing paper through its only operating unit at Nepanagar, Madhya Pradesh and 3 marketing offices at Delhi, Mumbai and Bhopal and a Plantation Unit at Hampur (Uttanchal). The physical performances of the company for last three years are given below:

Main Product	Unit	Performance During		
		2010-11	2009-10	2008-09
Newsprint	M.T.	47425	28425	44715
Capacity Utilization	%	53.89	32.30	50.81

### Strategic issue

The company has appointed a Consultant for conducting the ‘Techno Economic Feasibility Report (TEFR), study. Based on TEFR, a revival plan is under consideration of BIFR. In the revival plan (2) streets of De-Inking Plant (DIP) have been considered to feed better quality of pulp to paper machine 1 & 2 separately. The targeted production will be 83000TPA. Renovation of existing Power plant and installation of new Power plant (8MW) is also considered in the plan.

### Performance Highlights

The operational performance of the company along with performance indicators and selected financial ratios during the period 2008-09 to 2010-11 can be seen on the opposite page.

The Company registered an increase of ₹39.20 crore in total income during 2010-11 which went up to ₹119.69 crore in 2010-11 from ₹80.49 crore during 2009-10 due to increase in turnover. The net loss of the company however increased to ₹70.40 crore, an increase of ₹15.07 crore over the previous year loss of ₹ 55.33 crore due to increase in operating expenses / high manufacturing costs. Further interest on Central Government loans is also adversely impacting the profitability of the company.

### Human Resource Management

The company employed 1299 regular employees as on 31.3.2011. The retirement age in the company is 60 years. It is following IDA 1997 pattern of remuneration. Details of employment in last 3 years are given below:

Particulars	2010-11	2009-10	2008-09
Executives including Non-Unionised Supervisors	256	178	122
Non-Executives #	1043	1177	1149
Total Employees	1299	1355	1271

#Detailbreak-up of Non-Executive employees is at Statement no. 25 of volume-I of PE Survey.

Balance Sheet	(₹ in Lakhs)		
Particulars	2010-11	2009-10	2008-09
Authorised Capital	12500	12500	12500
<b>(1) Sources Of Fund</b>			
<b>(1.1) Shareholders Funds</b>			
(A) Paid-Up Capital			
Central Govt	10362	10362	10362
Others	424	239	239
(B) Share Application Money	0	285	285
(C) Reserves & Surplus	11	11	11
<b>Total (A) + (B) + (C)</b>	<b>10797</b>	<b>10897</b>	<b>10897</b>
<b>(1.2) Loan Funds</b>			
(A) Secured Loans	454	409	634
(B) Unsecured Loans	47486	40142	35109
<b>Total (A) + (B)</b>	<b>47940</b>	<b>40551</b>	<b>35743</b>
(1.3) Deferred Tax Liability	0	0	0
<b>Total (1.1) + (1.2) + (1.3)</b>	<b>58737</b>	<b>51448</b>	<b>46640</b>
<b>(2) Application Of Funds</b>			
(2.1) Fixed Assets			
(A) Gross Block	10527	10539	11599
(B) Less Depreciation	8860	8796	9759
<b>(C) Net Block (A-B)</b>	<b>1667</b>	<b>1743</b>	<b>1840</b>
(D) Capital Work In Progress	0	0	0
<b>Total (C) + (D)</b>	<b>1667</b>	<b>1743</b>	<b>1840</b>
(2.2) Investment	0	0	0
<b>(2.3) Current Assets, Loan &amp; Advances</b>			
(A) Inventories	1473	1576	2565
(B) Sundry Debtors	408	434	145
(C) Cash & Bank Balances	3578	2337	1983
(D) Other Current Assets	0	0	0
(E) Loan & Advances	1457	1219	864
<b>Total (A) + (B) + (C) + (D) + (E)</b>	<b>6916</b>	<b>5566</b>	<b>5557</b>
<b>(2.4) Less: current Liabilities &amp; Provisions</b>			
(A) Current Liabilities	9712	8687	8049
(B) Provisions	0	0	0
<b>Total (A+B)</b>	<b>9712</b>	<b>8687</b>	<b>8049</b>
<b>(2.5) Net Current Assets (2.3-2.4)</b>	<b>-2796</b>	<b>-3121</b>	<b>-2492</b>
(2.6) Deferred Revenue / Pre. Expenditure	0	0	0
(2.7) Deferred Tax Asset	0	0	0
(2.8) Profit & Loss Account(Dr)	59866	52826	47292
<b>Total (2.1+2.2+2.5+2.6+2.7+2.8)</b>	<b>58737</b>	<b>51448</b>	<b>46640</b>

Important Indicators	2010-11	2009-10	2008-09
(i) Investment	58272	51028	10886
(ii) Capital Employed	-1129	-1378	-652
(iii) Net Worth	-49069	-41929	-36395
(iv) Cost of Production	18998	13836	15093
(v) Cost of Sales	18860	14707	13885
(vi) Gross Value Added (At Market Price)	-	-	-
(vii) Total Employees (Other Than Casuals) (Nos.)	1299	1355	1271
(viii) Avg. Monthly Emoluments Per Employee (Rs.)	18514	12306	12700

Profit & Loss Account	(₹ in Lakhs)		
Particulars	2010-11	2009-10	2008-09
<b>(1) Income</b>			
(A) Sales/Operating Income	10496	7490	9242
(B) Excise Duty	0	0	12
(C) Net Sales (A-B)	10496	7490	9230
(D) Other Income/Receipts	1335	1430	567
(E) Accretion/Depletion in Stocks	138	-871	1208
<b>(I) Total Income (C+D+E)</b>	<b>11969</b>	<b>8049</b>	<b>11005</b>
<b>(2) Expenditure</b>			
(A) Purchase of Finished Goods/ Consumption Of Raw Materials	6129	2909	5149
(B) Stores & Spares	94	71	89
(C) Power & Fuel	3114	1829	2385
(D) Manufacturing / Direct / Operating Expenses	858	1414	590
(E) Salary, Wages & Benefits / Employee Exp.	2886	2001	1937
(F) Other Expenses	925	920	742
(G) Provisions	6	105	7
<b>(II) Total Expenditure (A to G)</b>	<b>14012</b>	<b>9249</b>	<b>10899</b>
<b>(3) Profit Before Dep, Int, Taxes &amp; EP (PBDITEP) (I-II)</b>	<b>-2043</b>	<b>-1200</b>	<b>106</b>
(4) Depreciation	104	104	102
(5) Dre/Prel Exp Written Off	0	0	0
<b>(6) Profit Before Int., Taxes &amp; Ep (PBITEP) (3-4-5)</b>	<b>-2147</b>	<b>-1304</b>	<b>4</b>
(7) Interest			
(A) On Central Government Loans	4802	4402	4031
(B) On Foreign Loans	0	0	0
(C) Others	80	81	61
(D) Less Interest Capitalised	0	0	0
(E) Charged to P & L Account (A+B+C-D)	4882	4483	4092
<b>(8) Profit Before Tax &amp; EP(PBTPEP) (6-7E)</b>	<b>-7029</b>	<b>-5787</b>	<b>-4088</b>
(9) Tax Provisions	0	0	0
<b>(10) Net Profit / Loss Before EP (8-9)</b>	<b>-7029</b>	<b>-5787</b>	<b>-4088</b>
(11) Net Extra-Ord. Items	11	-254	520
<b>(12) Net Profit / Loss(-) (10-11)</b>	<b>-7040</b>	<b>-5533</b>	<b>-4608</b>
(13) Dividend Declared	0	0	0
(14) Dividend Tax	0	0	0
<b>(15) Retained Profit (12-13-14)</b>	<b>-7040</b>	<b>-5533</b>	<b>-4608</b>

Financial Ratios	2010-11	2009-10	2008-09
(i) Sales : Capital Employed	-929.67	-543.54	-1415.64
(ii) Cost of Sales : Sales	179.69	196.36	150.43
(iii) Salary / Wages : Sales	27.5	26.72	20.99
(iv) Net Profit : Net Worth	-	-	-
(v) Debt : Equity	4.44	3.72	3.28
(vi) Current Ratio	0.71	0.64	0.69
(vii) Sundry Debtors : Sales (No. of Days)	14.19	21.15	5.73
(viii) Total Inventory : Sales	51.22	76.8	101.43

2010-11 PROVISIONAL

## 12.12 Sambhar Salts Limited

Sambhar Salts Limited (SSL) was incorporated in the year 1964 under the Companies Act, 1956 with an objective to manage Sambhar Salt source.

SSL is a Schedule – 'C' CPSE in Consumer Goods sector under the administrative control of M/o Heavy Industries and Public Enterprises, D/o Heavy Industry having its registered and corporate offices at Jaipur, Rajasthan. The company is a subsidiary of Hindustan Salts Ltd. (HSL) which holds 60% shares of the company and 40% shares are held by the Government of Rajasthan.

### Vision / Mission

The vision of the company is to be an efficient producer of salt and high value added products and double the production of salt in 5 years' time from current level of 1.80 lakhs MT.

The vision of the company is to produce good quality value added products, to accelerate the process of modernization/mechanization of manufacture of salt and other bye products, to make available quality Iodised Salt to weaker section through Public Distribution System and efficient Resource Mobilization.

### Industrial / Business Operations

SSL is one of the center-state joint venture engaged in production of edible and industrial salt through its operating unit at Sambhar Lake Works in Rajasthan. The production range of the company comprises of two products. The manufacturing of salt is seasonal and its output depends on natural factors.

The physical performances of the company for last three years are given below:

Main Product / Services	Unit	Performance During		
		2010-11	2009-10	2008-09
Common Salt	MT	80584	201127	183042
Process Salt	MT	23788	20409	31144

### Strategic issue

As the company has become sick in terms of SICA Act it has been referred to BIFR but BIFR declined to register due to lesser investment in the plant and machinery as prescribed.

The Salt manufactured by SSL needs up-gradation for chlor alkali industries. Sometimes the calcium and magnesium ratio of the salt produced does not conform to the ratio of 2:1 as per the requirement of chlor-alkali plants. Efforts are being made to improve performance by installation of Salt Refinery; the final installation and commissioning of one lakh MT Salt Refinery is over and presently the trial runs are in progress.

### Performance Highlights

The operational performance of the company along with performance indicators and selected financial ratios during the period 2008-09 to 2010-11 can be seen on the opposite page.

The Company registered a reduction of ₹2.54 crore in total income during 2010-11 which went down to ₹10.72 crore in 2010-11 from ₹ 13.26 crore during 2009-10. The company showed a net loss of ₹ 4.13crore during 2010-1 as against a profit of ₹ 0.02 crore during 2009-10 due to fall in production and sales due to fall in prices as a result of higher production of salt in unorganized sector at a low cost..

### Human Resource Management

The company employed 500regular employees as on 31.3.2011. The retirement age in the company is 58 years. It is following IDA 1997 and CDA 1996 pattern of remuneration.

Details of employment in last 3 years are given below:

Particulars	2010-11	2009-10	2008-09
Executives including Non-Unionised Supervisors	412	380	16
Non-Executives #	88	93	477
Total Employees	500	473	493

#Detailbreak-up of Non-Executive employees is at Statement no. 25 of volume-I of PE Survey.

**Sambhar Salts Limited**

B-427, Pradhan Marg, Malviya Nagar Jaipur, Rajasthan -302017

Balance Sheet	(₹ in Lakhs)		
Particulars	2010-11	2009-10	2008-09
Authorised Capital	200	200	200
<b>(1) Sources Of Fund</b>			
<b>(1.1) Shareholders Funds</b>			
(A) Paid-Up Capital			
Central Govt	0	0	0
Others	100	100	100
(B) Share Application Money	0	0	0
(C) Reserves & Surplus	1102	1112	1101
<b>Total (A) + (B) + (C)</b>	<b>1202</b>	<b>1212</b>	<b>1201</b>
<b>(1.2) Loan Funds</b>			
(A) Secured Loans	323	280	256
(B) Unsecured Loans	2200	1807	1587
<b>Total (A) + (B)</b>	<b>2523</b>	<b>2087</b>	<b>1843</b>
(1.3) Deferred Tax Liability	0	0	0
<b>Total (1.1) + (1.2) + (1.3)</b>	<b>3725</b>	<b>3299</b>	<b>3044</b>
<b>(2) Application Of Funds</b>			
<b>(2.1) Fixed Assets</b>			
(A) Gross Block	1463	1234	1183
(B) Less Depreciation	854	765	692
<b>(C) Net Block (A-B)</b>	<b>609</b>	<b>469</b>	<b>491</b>
(D) Capital Work In Progress	725	600	134
<b>Total (C) + (D)</b>	<b>1334</b>	<b>1069</b>	<b>625</b>
<b>(2.2) Investment</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>(2.3) Current Assets, Loan &amp; Advances</b>			
(A) Inventories	438	457	245
(B) Sundry Debtors	47	39	48
(C) Cash & Bank Balances	1122	1077	1123
(D) Other Current Assets	10	15	31
(E) Loan & Advances	193	109	156
<b>Total (A)+ (B)+ (C)+ (D)+ (E)</b>	<b>1810</b>	<b>1697</b>	<b>1603</b>
<b>(2.4) Less:current Liabilities &amp; Provisions</b>			
(A) Current Liabilities	946	594	331
(B) Provisions	156	143	125
<b>Total (A+B)</b>	<b>1102</b>	<b>737</b>	<b>456</b>
<b>(2.5) Net Current Assets (2.3-2.4)</b>	<b>708</b>	<b>960</b>	<b>1147</b>
(2.6) Deferred Revenue / Pre. Expenditure	0	0	0
(2.7) Deferred Tax Asset	0	0	0
(2.8) Profit & Loss Account(Dr)	1683	1270	1272
<b>Total (2.1+2.2+2.5+2.6+2.7+2.8)</b>	<b>3725</b>	<b>3299</b>	<b>3044</b>

Important Indicators	2010-11	2009-10	2008-09
(i) Investment	2300	1907	1687
(ii) Capital Employed	1317	1429	1638
(iii) Net Worth	-481	-58	-71
(iv) Cost of Production	1485	1348	1538
(v) Cost of Sales	1493	1130	1491
(vi) Gross Value Added (At Market Price)	-	-	-
(vii) Total Employees (Other Than Casuals) (Nos.)	500	473	493
(viii) Avg. Monthly Emoluments Per Employee (Rs.)	6983	9531	5172

Profit & Loss Account	(₹ in Lakhs)		
Particulars	2010-11	2009-10	2008-09
<b>(1) Income</b>			
(A) Sales/Operating Income	996	928	1531
(B) Excise Duty	0	0	0
(C) Net Sales (A-B)	996	928	1531
(D) Other Income/Receipts	84	180	122
(E) Accretion/Depletion in Stocks	-8	218	47
<b>(I)Total Income (C+D+E)</b>	<b>1072</b>	<b>1326</b>	<b>1700</b>
<b>(2) Expenditure</b>			
(A) Purchase of Finished Goods/ Consumption Of Raw Materials	0	0	2
(B) Stores & Spares	118	43	67
(C) Power & Fuel	85	134	126
(D) Manufacturing / Direct / Operating Expenses	87	115	93
(E) Salary, Wages & Benefits / Employee Exp.	419	541	306
(F) Other Expenses	379	237	617
(G) Provisions	12	18	15
<b>(II)Total Expenditure (A to G)</b>	<b>1100</b>	<b>1088</b>	<b>1226</b>
<b>(3) Profit Before Dep, Int, Taxes &amp; EP (PBDITEP) (I-II)</b>	<b>-28</b>	<b>238</b>	<b>474</b>
(4) Depreciation	82	62	52
(5) Dre/Prel Exp Written Off	0	0	0
<b>(6) Profit Before Int., Taxes &amp; Ep (PBITEP) (3-4-5)</b>	<b>-110</b>	<b>176</b>	<b>422</b>
(7) Interest			
(A) On Central Government Loans	0	0	0
(B) On Foreign Loans	0	0	0
(C) Others	303	198	260
(D) Less Interest Capitalised	0	0	0
(E) Charged to P & L Account (A+B+C-D)	303	198	260
<b>(8) Profit Before Tax &amp; EP(PBTPEP) (6-7E)</b>	<b>-413</b>	<b>-22</b>	<b>162</b>
(9) Tax Provisions	0	0	2
<b>(10) Net Profit / Loss Before EP (8-9)</b>	<b>-413</b>	<b>-22</b>	<b>160</b>
(11) Net Extra-Ord. Items	0	-24	3
<b>(12) Net Profit / Loss(-) (10-11)</b>	<b>-413</b>	<b>2</b>	<b>157</b>
(13) Dividend Declared	0	0	0
(14) Dividend Tax	0	0	0
<b>(15) Retained Profit (12-13-14)</b>	<b>-413</b>	<b>2</b>	<b>157</b>

Financial Ratios	2010-11	2009-10	2008-09
(i) Sales : Capital Employed	75.63	64.94	93.47
(ii) Cost of Sales : Sales	149.9	121.77	97.39
(iii) Salary / Wages : Sales	42.07	58.3	19.99
(iv) Net Profit : Net Worth	-	-	-
(v) Debt : Equity	2.1	1.72	1.53
(vi) Current Ratio	1.64	2.3	3.52
(vii) Sundry Debtors : Sales (No. of Days)	17.22	15.34	11.44
(viii) Total Inventory : Sales	160.51	179.75	58.41

# 12.13 Security Printing & Minting Corporation of India Ltd.

Security Printing and Minting Corporation of India Ltd. (SPMCIL) was incorporated in the year 2006 with the objective of corporatisation of nine Mints / Presses / Mills which were working earlier under the Ministry of Finance as industrial departmental organizations.

The Company is schedule 'A' Miniratna CPSE in Consumer Goods sector under the administrative control of M/o Finance, D/o Economic Affairs with 100% shareholding by the Government of India. Its Registered and Corporate offices are at Delhi.

## Vision/Mission

The Vision of the Company are to Improvement in work culture, bringing in efficiency for manufacturing of cost effective products, utilizing spare capacity for production of diversified products to avoid idle time, change in production patterns so as to exploit technology advancement, improvement in quality of products, change in production pattern, indigenisation of inputs, specially security paper and ink.

The Mission of the Company is to excel in the development of Cost Effective high quality security products of international standards.

## Industrial / Business Operations

The Company is engaged in the manufacture of security paper, minting of coins, printing of currency and bank notes, non-judicial stamp papers, postage stamps, travel documents, cheques, etc. from its nine units including four mints (at Mumbai, Hyderabad, Kolkata and Noida), four presses (at Nashik, Dewas and Hyderabad) and one paper mill (Hoshangabad) to meet the requirements of RBI for Currency Notes and Coins and State Governments for Non-Judicial Stamp Papers and Postal Departments for postal stationery, stamps etc. and Ministry of External Affairs for passports, visa stickers and other travel documents. Other products are commemorative coins, MICR and Non-MICR cheques etc. The physical performances of the company for last three years are given below:

Main Product	Unit	Performance During		
		2010-11	2009-10	2008-09
Coins	Million Pieces	6070.15	5832.88	4455.90
Bank Notes	Million Pieces	5472	7083	6144
Security Printing, Products, ISP Nashik	Standard product unit(mpcs)	43811.55	10667.74	9999.07
Security Printing Products by SPP, Hyderabad	Standard product unit(mpcs)	1858.08	5480.19	6073.95
Security Ink	MT	298	242	-

## Strategic Issues

The company is aiming to change production patterns so as to meet the advancement of information technology.

During the year under reporting, the Company was granted exemption from excise and customs duties by Department of Revenue, Ministry of Finance

## Performance Highlights

The operational performance of the company along with performance indicators and selected financial ratios during the period 2008-09 to 2010-11 can be seen on the opposite page.

The Company registered an increase of ₹254.92 crore in total income during 2010-11 which went up to ₹3460.67 crore in 2010-11 from ₹ 3205.75 crore during 2009-10. The net profit of the company correspondingly increased to ₹577.19 crore, an increase of ₹ 34.90 crore over the previous year due to increase in the production of various products.

The enhanced production of indigenous CWEB paper and security inks are important milestones towards achieving indigenization of critical raw material needed for printing of currency notes.

SPMCIL is implementing SAP, most widely used ERP solution, across all its nine units. This will help SPMCIL to integrate all the nine units with the Corporate Office at Delhi and thus all information processing of core processes within each unit would be automated. The implementation of SAP will not only enhance transparency, efficiency and economy but will help in achieving the desired goals with relative ease and simplicity.

## Human Resource Management

The company employed 13483 regular employees as on 31.3.2011. The retirement age in the company is 60 years. It is following CDA 2006 pattern of remuneration. Details of employment in last 3 years are given below:

Particulars	2010-11	2009-10	2008-09
Executives including Non-Unionised Supervisors	451	285	557
Non-Executives #	13032	14666	17226
Total Employees	13483	14951	17783

# Detail break-up of Non-Executive employees is at Statement no. 25 of volume-I of PE Survey.



Balance Sheet	(₹ in Lakhs)		
Particulars	2010-11	2009-10	2008-09
Authorised Capital	250000	250000	250000
<b>(1) Sources Of Fund</b>			
<b>(1.1) Shareholders Funds</b>			
(A) Paid-Up Capital			
Central Govt	5	5	5
Others	0	0	0
(B) Share Application Money	0	0	0
(C) Reserves & Surplus	480305	435839	389935
<b>Total (A) + (B) + (C)</b>	<b>480310</b>	<b>435844</b>	<b>389940</b>
<b>(1.2) Loan Funds</b>			
(A) Secured Loans	0	0	0
(B) Unsecured Loans	17500	35000	52500
<b>Total (A) + (B)</b>	<b>17500</b>	<b>35000</b>	<b>52500</b>
(1.3) Deferred Tax Liability	0	0	0
<b>Total (1.1) + (1.2) + (1.3)</b>	<b>497810</b>	<b>470844</b>	<b>442440</b>
<b>(2) Application Of Funds</b>			
<b>(2.1) Fixed Assets</b>			
(A) Gross Block	194001	183665	171229
(B) Less Depreciation	104481	95197	89798
<b>(C) Net Block (A-B)</b>	<b>89520</b>	<b>88468</b>	<b>81431</b>
(D) Capital Work In Progress	23080	9648	2424
<b>Total (C) + (D)</b>	<b>112600</b>	<b>98116</b>	<b>83855</b>
<b>(2.2) Investment</b>	<b>10183</b>	<b>9919</b>	<b>9097</b>
<b>(2.3) Current Assets, Loan &amp; Advances</b>			
(A) Inventories	112764	93109	101868
(B) Sundry Debtors	96188	94616	70343
(C) Cash & Bank Balances	185791	208850	205666
(D) Other Current Assets	25611	18695	10654
(E) Loan & Advances	103054	73373	62070
<b>Total (A)+ (B)+ (C)+ (D)+ (E)</b>	<b>523408</b>	<b>488643</b>	<b>450601</b>
<b>(2.4) Less:current Liabilities &amp; Provisions</b>			
(A) Current Liabilities	34434	46280	38745
(B) Provisions	123294	86542	67382
<b>Total (A+B)</b>	<b>157728</b>	<b>132822</b>	<b>106127</b>
<b>(2.5) Net Current Assets (2.3-2.4)</b>	<b>365680</b>	<b>355821</b>	<b>344474</b>
(2.6) Deferred Revenue / Pre. Expenditure	0	0	0
(2.7) Deferred Tax Asset	9347	6988	5014
(2.8) Profit & Loss Account(Dr)	0	0	0
<b>Total (2.1+2.2+2.5+2.6+2.7+2.8)</b>	<b>497810</b>	<b>470844</b>	<b>442440</b>

Important Indicators	2010-11	2009-10	2008-09
(i) Investment	17505	35005	52505
(ii) Capital Employed	455200	444289	425905
(iii) Net Worth	480310	435844	389940
(iv) Cost of Production	261811	240877	190547
(v) Cost of Sales	257403	240907	191244
(vi) Gross Value Added (At Market Price)	-	-	-
(vii) Total Employees (Other Than Casuals) (Nos.)	13483	14951	17783
(viii) Avg. Monthly Emoluments Per Employee (Rs.)	45571	37170	25740

Profit & Loss Account	(₹ in Lakhs)		
Particulars	2010-11	2009-10	2008-09
<b>(1) Income</b>			
(A) Sales/Operating Income	316449	303797	233903
(B) Excise Duty	0	0	0
(C) Net Sales (A-B)	316449	303797	233903
(D) Other Income/Receipts	25210	16808	21815
(E) Accretion/Depletion in Stocks	4408	-30	-697
<b>(I) Total Income (C+D+E)</b>	<b>346067</b>	<b>320575</b>	<b>255021</b>
<b>(2) Expenditure</b>			
(A) Purchase of Finished Goods/ Consumption Of Raw Materials	154017	141441	101664
(B) Stores & Spares	3272	5719	4464
(C) Power & Fuel	4382	3770	3516
(D) Manufacturing / Direct / Operating Expenses	3330	2369	1534
(E) Salary, Wages & Benefits / Employee Exp.	73732	66688	54929
(F) Other Expenses	11120	10195	16511
(G) Provisions	1939	2251	0
<b>(II) Total Expenditure (A to G)</b>	<b>251792</b>	<b>232433</b>	<b>182618</b>
<b>(3) Profit Before Dep, Int, Taxes &amp; EP (PBDITEP) (I-II)</b>	<b>94275</b>	<b>88142</b>	<b>72403</b>
(4) Depreciation	10019	8444	7929
(5) Dre/Prel Exp Written Off	0	0	0
<b>(6) Profit Before Int., Taxes &amp; Ep (PBITEP) (3-4-5)</b>	<b>84256</b>	<b>79698</b>	<b>64474</b>
(7) Interest			
(A) On Central Government Loans	0	0	0
(B) On Foreign Loans	0	0	0
(C) Others	0	0	0
(D) Less Interest Capitalised	0	0	0
(E) Charged to P & L Account (A+B+C-D)	0	0	0
<b>(8) Profit Before Tax &amp; EP(PBTPEP) (6-7E)</b>	<b>84256</b>	<b>79698</b>	<b>64474</b>
(9) Tax Provisions	23975	27443	22569
<b>(10) Net Profit / Loss Before EP (8-9)</b>	<b>60281</b>	<b>52255</b>	<b>41905</b>
(11) Net Extra-Ord. Items	2562	-1970	-1478
<b>(12) Net Profit / Loss(-) (10-11)</b>	<b>57719</b>	<b>54225</b>	<b>43383</b>
(13) Dividend Declared	11544	0	0
(14) Dividend Tax	1917	0	0
<b>(15) Retained Profit (12-13-14)</b>	<b>44258</b>	<b>54225</b>	<b>43383</b>

Financial Ratios	2010-11	2009-10	2008-09
(i) Sales : Capital Employed	69.52	68.38	54.92
(ii) Cost of Sales : Sales	81.34	79.3	81.76
(iii) Salary / Wages : Sales	23.3	21.95	23.48
(iv) Net Profit : Net Worth	12.02	12.44	11.13
(v) Debt : Equity	0.04	0.08	0.13
(vi) Current Ratio	3.32	3.68	4.25
(vii) Sundry Debtors : Sales (No. of Days)	110.95	113.68	109.77
(viii) Total Inventory : Sales	130.06	111.87	158.96



## 12.14 Tyre Corporation of India Ltd

Tyre Corporation of India Ltd (TCIL) was incorporated on 24.02.1984 under the Companies Act 1956 when erstwhile M/s. Incheek Tyres Ltd. and M/s. National Rubber Manufactures Ltd. were nationalised by an ordinance dated 14.02.1984 with an objective to protect the employment of around 4000 employees and to ensure supply of automotive tyres to different STUs, Government Departments and Defence.

TCIL is a Schedule-‘B’ / taken over / BIFR / BRPSE referred CPSE in ‘Consumer Goods’ sector under the administrative control of M/o Heavy Industries and Public Enterprises, D/o Heavy Industry with 100% shareholding by the Government of India. It's Registered and Corporate offices are at Kolkata, West Bengal.

### Vision/Mission

The Vision / Mission of the company is to turnaround the company from a loss making to profit making company by financial restructuring and strategic alliance.

### Industrial / Business Operations

TCIL is one of the taken over enterprises engaged in manufacturing and marketing of automotive tyres through its single operating unit at Kankinara, West Bengal. The company is doing 100% jobbing work w.e.f. 1.4.2002 for other tyre manufactures in the absence of working capital support from banking system due to its reference to BIFR. Since last two financial years company is passing through crisis due to non availability of jobbing order. Capacity utilization is low and sometimes plant remained totally idle.

The Company is not manufacturing own brand tyres since 1.4.2002. The brief detail of major jobbing work during last three years is as follows:

Main Product	Unit	Performance During (%capacity Utilisation)		
		2010-11	2009-10	2008-09
Automotive Tyres	MT	10161 (44)	2092 (9)	9584 (41)
(ii)Compound Mixing	MT	173	---	---

Production performance and capacity utilization was very low due to non-availability of jobbing order

### Strategic Issues

The company is registered with BRPSE and BIFR. BIFR has sanctioned the Revival Scheme vide their order dated 03.03.2010 in line with CCEA approval for cleaning the Balance Sheet to make the Net Worth position positive to attract the new entrepreneur. TCIL's Disinvestment of ownership Bill 2007 have been passed from both the houses of the Parliament. Now the proposal is with DoD for early implementation.

### Performance Highlights

The operational performance of the company along with performance indicators and selected financial ratios during the period 2008-09 to 2010-11 can be seen on the opposite page.

The Company registered an increase of ₹ 17.67 crore in total income during 2010-11 which went up to ₹27.03 crore in 2010-11 from ₹ 9.36 crore during 2009-10. The net loss of the company was ₹ 13.23 crore, a decrease of ₹ 1.44 crore over the previous year's loss of ₹14.67 crore.

The company's performance is based on availability of jobbing work for manufacturing Automotive tyres for Bus / Truck from private tyre majors like M/s. JK TIL, Ceat Limited

and Birla Tyres Limited since April, 2002, when discontinuation of its own brand production was decided. Order Bookings from the jobbers are totally dependent on demand / supply gap in the industry. During the current year (2010-11), tyre industry faced a tremendous set back after November, 2010 due to massive change in the market demand pattern for bias tyres. Thus, company could not secure any significant jobbing order during the remaining period of F.Y.2010-11.

Under the given circumstances, TCIL is exploring all possibilities for restoration of production of own brand tyres to supply in domestic and export market. Availability of required Working Capital is a big constraint in this regard. However, no budgetary support was sought to meet the liabilities & company has met its obligation through its accumulated available resource.

Net worth became positive and was ₹28.01 crore after de-rating the enhanced paid-up capital as approved in revival package.

### Human Resource Management

The company employed 169 regular employees as on 31.3.2011. The retirement age in the company is 58 years after roll back of retirement age in 2001 but the unionized employees are retiring at 60 years since the matter is still subjudice. It is following IDA 1992 pattern of remuneration w.e.f. 01.04.2004 but 1997 Pay scales are yet to be implemented although the same have been sanctioned in the revival scheme w.e.f. 01.04.2008. Details of employment in last 3 years are given below:

Particulars	2010-11	2009-10	2008-09
Executives including Non-Unionised Supervisors	38	43	52
Non-Executives #	131	144	157
Total Employees	169	187	209

# Detail break-up of Non-Executive employees is at Statement no. 25 of volume-I of PE Survey.

The enterprise has 169 permanent employees and 33 nos. short term contractual employees and around 653 nos. workmen are engaged through a Cooperative Society. Production activities are mainly maintained through contractor's labour.

Balance Sheet	(₹ in Lakhs)		
Particulars	2010-11	2009-10	2008-09
Authorised Capital	30000	10000	10000
<b>(1) Sources Of Fund</b>			
<b>(1.1) Shareholders Funds</b>			
(A) Paid-Up Capital			
Central Govt	2963	9345	9345
Others	0	0	0
(B) Share Application Money	0	0	0
(C) Reserves & Surplus	2505	2505	2505
<b>Total (A) + (B) + (C)</b>	<b>5468</b>	<b>11850</b>	<b>11850</b>
<b>(1.2) Loan Funds</b>			
(A) Secured Loans	0	0	0
(B) Unsecured Loans	0	20286	20286
<b>Total (A) + (B)</b>	<b>0</b>	<b>20286</b>	<b>20286</b>
(1.3) Deferred Tax Liability	0	0	0
<b>Total (1.1) + (1.2) + (1.3)</b>	<b>5468</b>	<b>32136</b>	<b>32136</b>
<b>(2) Application Of Funds</b>			
<b>(2.1) Fixed Assets</b>			
(A) Gross Block	11955	11945	11918
(B) Less Depreciation	10184	9597	9014
<b>(C) Net Block (A-B)</b>	<b>1771</b>	<b>2348</b>	<b>2904</b>
(D) Capital Work In Progress	17	15	41
<b>Total (C) + (D)</b>	<b>1788</b>	<b>2363</b>	<b>2945</b>
<b>(2.2) Investment</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>(2.3) Current Assets, Loan &amp; Advances</b>			
(A) Inventories	171	343	242
(B) Sundry Debtors	46	82	194
(C) Cash & Bank Balances	2213	2989	3737
(D) Other Current Assets	125	77	88
(E) Loan & Advances	320	226	226
<b>Total (A)+(B)+(C)+(D)+(E)</b>	<b>2875</b>	<b>3717</b>	<b>4487</b>
<b>(2.4) Less: current Liabilities &amp; Provisions</b>			
(A) Current Liabilities	1211	1419	1103
(B) Provisions	653	539	740
<b>Total (A+B)</b>	<b>1864</b>	<b>1958</b>	<b>1843</b>
<b>(2.5) Net Current Assets (2.3-2.4)</b>	<b>1011</b>	<b>1759</b>	<b>2644</b>
(2.6) Deferred Revenue / Pre. Expenditure	41	41	41
(2.7) Deferred Tax Asset	0	0	0
(2.8) Profit & Loss Account(Dr)	2628	27973	26506
<b>Total (2.1+2.2+2.5+2.6+2.7+2.8)</b>	<b>5468</b>	<b>32136</b>	<b>32136</b>

Important Indicators	2010-11	2009-10	2008-09
(i) Investment	2963	29631	29631
(ii) Capital Employed	2782	4107	5548
(iii) Net Worth	2799	-16164	-14697
(iv) Cost of Production	4022	2301	3653
(v) Cost of Sales	4021	2303	3661
(vi) Gross Value Added (At Market Price)	-	-	-
(vii) Total Employees (Other Than Casuals) (Nos.)	169	187	209
(viii) Avg. Monthly Emoluments Per Employee (Rs.)	32544	24554	20534

Profit & Loss Account	(₹ in Lakhs)		
Particulars	2010-11	2009-10	2008-09
<b>(1) Income</b>			
(A) Sales/Operating Income	2445	528	2596
(B) Excise Duty	1	0	2
(C) Net Sales (A-B)	2444	528	2594
(D) Other Income/Receipts	258	410	339
(E) Accretion/Depletion in Stocks	1	-2	-8
<b>(I) Total Income (C+D+E)</b>	<b>2703</b>	<b>936</b>	<b>2925</b>
<b>(2) Expenditure</b>			
(A) Purchase of Finished Goods/ Consumption Of Raw Materials	262	71	186
(B) Stores & Spares	38	6	65
(C) Power & Fuel	1296	484	1019
(D) Manufacturing / Direct / Operating Expenses	1062	407	1091
(E) Salary, Wages & Benefits / Employee Exp.	660	551	515
(F) Other Expenses	101	190	61
(G) Provisions	5	0	130
<b>(II) Total Expenditure (A to G)</b>	<b>3424</b>	<b>1709</b>	<b>3067</b>
<b>(3) Profit Before Dep, Int, Taxes &amp; EP (PBDITEP) (I-II)</b>	<b>-721</b>	<b>-773</b>	<b>-142</b>
(4) Depreciation	582	582	578
(5) Dre/Prel Exp Written Off	5	0	0
<b>(6) Profit Before Int., Taxes &amp; Ep (PBITEP) (3-4-5)</b>	<b>-1308</b>	<b>-1355</b>	<b>-720</b>
(7) Interest			
(A) On Central Government Loans	0	0	0
(B) On Foreign Loans	0	0	0
(C) Others	11	10	8
(D) Less Interest Capitalised	0	0	0
(E) Charged to P & L Account (A+B+C-D)	11	10	8
<b>(8) Profit Before Tax &amp; EP(PBTPEP) (6-7E)</b>	<b>-1319</b>	<b>-1365</b>	<b>-728</b>
(9) Tax Provisions	0	13	39
<b>(10) Net Profit / Loss Before EP (8-9)</b>	<b>-1319</b>	<b>-1378</b>	<b>-767</b>
(11) Net Extra-Ord. Items	4	89	-54882
<b>(12) Net Profit / Loss(-) (10-11)</b>	<b>-1323</b>	<b>-1467</b>	<b>54115</b>
(13) Dividend Declared	0	0	0
(14) Dividend Tax	0	0	0
<b>(15) Retained Profit (12-13-14)</b>	<b>-1323</b>	<b>-1467</b>	<b>54115</b>

Financial Ratios	2010-11	2009-10	2008-09
(i) Sales : Capital Employed	87.85	12.86	46.76
(ii) Cost of Sales : Sales	164.53	436.17	141.13
(iii) Salary / Wages : Sales	27	104.36	19.85
(iv) Net Profit : Net Worth	-47.27	-	-
(v) Debt : Equity	0	1.71	1.71
(vi) Current Ratio	1.54	1.9	2.43
(vii) Sundry Debtors : Sales (No. of Days)	6.87	56.69	27.3
(viii) Total Inventory : Sales	25.54	237.11	34.05

# 13 Textiles

As on 31.3.2011, there were 4 Central Public Sector Enterprises in the textiles group. The name of these enterprises along with their year of incorporation in chronological order are given below :

Sl. No.	Enterprise	Year of Incorporation
1.	National Textile Corpn. Ltd.	1968
2.	National Jute Manufactures Corporation Ltd.	1980
3.	British India Corporation Ltd.	1981
4.	Birds Jute & Exports Ltd.	1987

2. The enterprises falling in this group are mainly engaged in producing, and selling of textiles products such as yarn, worsted and woolen cloth, blankets, hosiery, polyester suiting, shirting ect.

3. The consolidated financial position, the working results and the important management ratios of these enterprises are appended.

4. **Turnover** : The details of turnover of individual enterprises are given below :

(₹in Crore)

Sl. No.	Enterprise	Turnover	
		2010-11	2009-10
1.	National Textile Corpn. Ltd.	637.05	486.57
2.	British India Corporation Ltd.	1.92	3.71
3.	Birds Jute & Exports Ltd.	0.00	0.00
4.	National Jute Manufactures Corporation Ltd.	0.00	0.00
	<b>Sub Total</b>	<b>638.97</b>	<b>490.28</b>

5. **Net Profit/Loss** : The details of the enterprises, which earned net profit or sustained net loss (-) are given below :

(₹in Crore)

Sl. No.	Enterprise	Adjusted Net Profit/Net Loss	
		2010-11	2009-10
1.	National Textile Corpn. Ltd.	1304.24	103.14
2.	Birds Jute & Exports Ltd.	-6.90	-6.90
3.	British India Corporation Ltd.	-50.82	-42.63
4.	National Jute Manufactures Corporation Ltd.	-129.44	6784.31
	<b>Sub Total</b>	<b>1117.08</b>	<b>6837.92</b>

6. **Dividend** : During 2010-11, the enterprises under Textiles group have not declared dividend.

7. **Social Overheads and Township** : The total number of persons employed and the expenditure incurred on social overheads and townships are given below :

(₹in Crore)

Sl. No.	Enterprise	Township and Social Overheads	
		2010-11	2009-10
1.	No. of employees (in number)	10792	11725
2.	Social overheads : (Rupees in Crore)		
	(i) Educational,	7.21	4.89
	(ii) Medical Facilities	3.19	0.10
	(iii) Others	6.64	0.44
3.	Capital cost of township (Rupees in Crore)	14.68	0.15
4.	No. of houses constructed (in number)	1918	2505

8. Company wise details in respect of Balance Sheet, Profit and Loss account, Important Indicators and Financial Ratios along with the write up of individual company are given in the pages below.



# Textiles

## Balance Sheet

(₹ in Lakhs)

			(₹ in Lakhs)
Particulars	2010-11	2009-10	2008-09
AUTHORISED CAPITAL	536501	536501	536501
<b>(1) SOURCES OF FUND</b>			
(1.1) SHAREHOLDERS FUNDS			
(A) PAID-UP CAPITAL			
CENTRAL GOVT	314231	314239	314239
OTHERS	775	767	767
(B) SHARE APPLICATION MONEY	0	0	0
(C) RESERVES & SURPLUS	363175	363175	363163
<b>TOTAL (A) + (B) + (C)</b>	<b>678181</b>	<b>678181</b>	<b>678169</b>
(1.2) LOAN FUNDS			
(A) SECURED LOANS	2279	14603	1528
(B) UNSECURED LOANS	98341	72669	784042
<b>TOTAL (A) + (B)</b>	<b>100620</b>	<b>87272</b>	<b>785570</b>
(1.3) DEFERRED TAX LIABILITY	0	0	0
<b>TOTAL (1.1) + (1.2) + (1.3)</b>	<b>778801</b>	<b>765453</b>	<b>1463739</b>
<b>(2) APPLICATION OF FUNDS</b>			
(2.1) FIXED ASSETS			
(A) GROSS BLOCK	128418	96835	95239
(B) LESS DEPRECIATION	43779	40073	38050
(C) NET BLOCK (A-B)	84639	56762	57189
(D) CAPITAL WORK IN PROGRESS	26531	39487	6036
<b>TOTAL (C) + (D)</b>	<b>111170</b>	<b>96249</b>	<b>63225</b>
(2.2) INVESTMENT	1818	1818	1817
(2.3) CURRENT ASSETS, LOAN & ADVANCES			
(A) INVENTORIES	27821	11806	10998
(B) SUNDRY DEBTORS	3072	3065	3998
(C) CASH & BANK BALANCES	202545	41915	119912
(D) OTHER CURRENT ASSETS	23227	29423	15369
(E) LOAN & ADVANCES	7487	8875	9286
<b>TOTAL ((A)+(B)+(C)+(D)+(E))</b>	<b>264152</b>	<b>95084</b>	<b>159563</b>
(2.4) LESS: CURRENT LIABILITIES & PROVISIONS			
(A) CURRENT LIABILITIES	109293	94538	93780
(B) PROVISIONS	46972	22430	21207
<b>TOTAL (A+B)</b>	<b>156265</b>	<b>116968</b>	<b>114987</b>
(2.5) NET CURRENT ASSETS(2.3-2.4)	107887	-21884	44576
(2.6) DEFERRED REVENUE / PRE-EXPENDITURE	0	0	3
(2.7) DEFERRED TAX ASSET	0	18947	0
(2.8) PROFIT & LOSS ACCOUNT(DR)	557926	670323	1354118
<b>TOTAL (2.1+2.2+2.5+2.6+2.7+2.8)</b>	<b>778801</b>	<b>765453</b>	<b>1463739</b>

# Textiles

## Profit and Loss Account

(₹ in Lakhs)

			(₹ in Lakhs)
Particulars	2010-11	2009-10	2008-09
(1) INCOME			
(A) SALES/OPERATING	63897	49028	41540
(B) EXCISE DUTY	12	22	9
(C) NET SALES (A-B)	63885	49006	41531
(D) OTHER INCOME/RECEIPTS	9663	7213	16514
<b>(I)TOTAL INCOME (C+D+E)</b>	<b>82392</b>	<b>55765</b>	<b>54366</b>
(2) EXPENDITURE			
(A) PURCHASE OF FINISHED GOODS CONSUMPTION OF RAW MATERIALS	43302	25355	21244
(B) STORES & SPARES	2262	1844	2121
(C) POWER & FUEL	11567	9203	7252
(D) MANUFACTURING / DIRECT / OPERATING EXPENSES	3201	2067	5969
(E)SALARY,WAGES & BENEFITS / EMPLOYEE EXP.	30993	27133	28375
(F)OTHER EXPENSES	7034	4745	496
(G)PROVISIONS	10585	777	6366
<b>(II)TOTAL EXPENDITURE (A to G)</b>	<b>108944</b>	<b>71124</b>	<b>71823</b>
(3) PROFIT BEFORE DEP. INT. TAXES & EP(PBDITEP) (I-II)	-26552	-15359	-17457
(4) DEPRECIATION	5085	4044	2361
(5) DRE/PREL EXP WRITTEN OFF	0	0	0
(6) PROFIT BEFORE INT., TAXES & EP (PBITEP) (3-4-5)	-31637	-19403	-19818
(7) INTEREST			
(A) ON CENTRALGOVERNMENT LOANS	5800	5219	51201
(B) ON FOREIGN LOANS	0	0	0
(C) OTHERS	2824	2183	9037
(D) LESS INTEREST CAPITALISED	0	0	0
(E) CHARGED TO P & L ACCOUNT (A+B+C-D)	8624	7402	60238
<b>(8)PROFIT BEFORE TAX &amp; EP(PBTEP) (6-7E)</b>	<b>-40261</b>	<b>-26805</b>	<b>-80056</b>
(9) TAX PROVISIONS	38613	-538	68
(10) NET PROFIT / LOSS(-) BEFORE EP (8-9)	-78874	-26267	-80124
(11) NET EXTRA-ORD.ITEMS	-190582	-710059	-434514
<b>(12) NET PROFIT / LOSS(-) (10-11)</b>	<b>111708</b>	<b>683792</b>	<b>354390</b>
(13) DIVIDEND DECLARED	0	0	0
(14) DIVIDEND TAX	0	0	0
<b>(15) RETAINED PROFIT (12-13-14)</b>	<b>111708</b>	<b>683792</b>	<b>354390</b>



# Textiles

## Management Ratio

Particulars	2010-11	2009-10	2008-09
<b>(A.) INDICATORS</b>			
<b>(I) GENERAL(Rs. in Lakhs)</b>			
(i) INVESTMENT	392119	385459	1002034
(ii) CAPITAL EMPLOYED	192526	34878	101765
(iii) NET WORTH	120255	7858	-675952
(iv) COST OF PRODUCTION	122653	82570	134422
(v) COST OF SALES	113809	83024	138101
(vi) VALUE ADDED	15598	12150	7235
(vii) R AND D EXPENDITURE	0	0	0
<b>(II) HUMAN RESOURCE</b>			
(viii) EMPLOYEES (OTHER THAN CASUAL)(Nos.)	10792	11725	15185
(ix) AVG.MONTHLY EMOLUMENTS PER EMPLOYEE(Rs.)	23932	19284	15572
<b>(B.) MANAGEMENT RATIO</b>			
(i) DEBT : EQUITY	0.15	0.13	1.16
(ii) CURRENT RATIO (CURRENT ASSET:CURRENT- LIABILITY	1.69	0.81	1.39
(iii) PBDITEP : TOTAL EMPLOYEMENT (Rs. in Lakhs)	-2.46	-1.31	-1.15
(iv) SUNDRY DEBTORS : SALES (No. of days)	17.55	22.83	35.14
(v) INVENTORY(No. of days)			
(a) TOTAL INVENTORY : SALES	158.95	87.93	96.66
(b) SEMI/FINISHED GOODS : SALES	91.69	54.56	69.27
(vi) INCREMENTAL CAPITAL OUTPUT RATIO(ICOR)	6.52	-6.25	0.89
(%)			
(vii) SALES : CAPITAL EMPLOYED	33.18	140.51	40.81
(viii) PBDITEP : CAPITAL EMPLOYED	-13.79	-44.04	-17.15
(ix) PBITEP : CAPITAL EMPLOYED	-16.43	-55.63	-19.47
(x) COST OF SALES : SALES	178.15	169.42	332.53
(xi) MATERIAL COST : SALES	67.78	51.74	51.15
(xii) SALARY & WAGES : SALES	48.51	55.37	68.32
(xiii) R & D EXPENDITURE : SALES	0	0	0
(xiv) PBITEP : SALES	-49.52	-39.59	-47.72
(xv) PBTEP : NET WORTH	-33.48	-341.12	11.84
(xvi) NET PROFIT : NET WORTH	92.89	8701.86	-
(xvii) GROSS MARGIN : GROSS BLOCK	-20.68	-15.86	-18.33

## 13.1 Birds Jute & Export Limited

Birds Jute & Export Limited (BJEL) was incorporated on 02.07.1904 under the name and style of the Lansdowne Jute Company Limited with the objective of taking over as a going concern, the business of the manufacturing jute goods at Dakhindari from the Arathoon Jute Mills Limited. The name of the company has been changed to M/s Birds Jute & Export Limited with effect from the 15th December, 1971 and was decided to be run as a processing factory for Bleaching, Dyeing, Cotton and Blended Fabrics. It became a 100% subsidiary of National Jute Manufactures Corp. Ltd. (NJMC) on 20.11.1986 after remaining closed for around 7 years due to financial stringency.

BJEL is an un-categorized / BIFR / BRPSE / Taken over sick CPSE in Textiles sector under the administrative control of M/o Textiles. Its Registered and Corporate offices are at Kolkata, West Bengal.

### Industrial / Business Operations

BJEL was engaged in processing jute / jute blending fabrics, dyeing and printing of jute cotton and blended fabrics / curtain etc.

BIFR concluded that no public interest would be served by reviving this company and recommended for its winding up. Therefore, the establishment of the company has been closed since October, 2002.

### Strategic issue

Due to continuous losses and negative net worth, the company was referred to BIFR. BIFR had appointed IDBI Bank Ltd. as operating agency for Preparation of Rehabilitation Scheme. The revival proposal was prepared through IDBI and submitted to BRPSE. BRPSE has in principle, approved the scheme and the revival plan consisting of financial restructuring is now under the consideration of M/o Textile.

### Performance Highlights

The operational performance of the company along with performance indicators and selected financial ratios during the period 2008-09 to 2010-11 can be seen on the opposite page.

The company has not provided any information for the year 2010-11. As such the status of Balance Sheet and Profit & Loss Account of the company has remained unchanged for the year 2010-11 and figures of 2009-10 are repeated for the year 2010-11 on provisional basis.

### Human Resource Management

The company employed 4 regular employees as on 31.3.2011. The retirement age in the company is 60 years at board level and 58 years at below board level. Details of employment in last 3 years are given below:

Particulars	2010-11	2009-10	2008-09
Executives including Non-Unionised Supervisors	4	4	4
Non-Executives #	0	0	0
Total Employees	4	4	4

# Detail break-up of Non-Executive employees is at Statement no. 25 of volume-I of PE Survey.

**Birds Jute & Export Limited**

Chartered Bank Building, 4, Netaji Subhash Road, Kolkata-700 001

Balance Sheet	(₹ in Lakhs)		
Particulars	2010-11	2009-10	2008-09
Authorised Capital	39	39	39
<b>(1) Sources Of Fund</b>			
<b>(1.1) Shareholders Funds</b>			
(A) Paid-Up Capital			
Central Govt	0	0	0
Others	39	39	39
(B) Share Application Money	0	0	0
(C) Reserves & Surplus	125	125	124
<b>Total (A) + (B) + (C)</b>	<b>164</b>	<b>164</b>	<b>163</b>
<b>(1.2) Loan Funds</b>			
(A) Secured Loans	0	0	0
(B) Unsecured Loans	6804	6804	6088
<b>Total (A) + (B)</b>	<b>6804</b>	<b>6804</b>	<b>6088</b>
(1.3) Deferred Tax Liability	0	0	0
<b>Total (1.1) + (1.2) + (1.3)</b>	<b>6968</b>	<b>6968</b>	<b>6251</b>
<b>(2) Application Of Funds</b>			
<b>(2.1) Fixed Assets</b>			
(A) Gross Block	268	268	268
(B) Less Depreciation	244	244	238
<b>(C) Net Block (A-B)</b>	<b>24</b>	<b>24</b>	<b>30</b>
(D) Capital Work In Progress	0	0	0
<b>Total (C) + (D)</b>	<b>24</b>	<b>24</b>	<b>30</b>
<b>(2.2) Investment</b>	<b>1</b>	<b>1</b>	<b>1</b>
<b>(2.3) Current Assets, Loan &amp; Advances</b>			
(A) Inventories	0	0	0
(B) Sundry Debtors	200	200	194
(C) Cash & Bank Balances	33	33	25
(D) Other Current Assets	21	21	22
(E) Loan & Advances	7	7	7
<b>Total (A)+ (B)+ (C)+ (D)+ (E)</b>	<b>261</b>	<b>261</b>	<b>248</b>
<b>(2.4) Less: current Liabilities &amp; Provisions</b>			
(A) Current Liabilities	1046	1046	1034
(B) Provisions	134	134	167
<b>Total (A+B)</b>	<b>1180</b>	<b>1180</b>	<b>1201</b>
<b>(2.5) Net Current Assets (2.3-2.4)</b>	<b>-919</b>	<b>-919</b>	<b>-953</b>
(2.6) Deferred Revenue / Pre. Expenditure	0	0	0
(2.7) Deferred Tax Asset	0	0	0
(2.8) Profit & Loss Account(Dr)	7862	7862	7173
<b>Total (2.1+2.2+2.5+2.6+2.7+2.8)</b>	<b>6968</b>	<b>6968</b>	<b>6251</b>

Important Indicators	2010-11	2009-10	2008-09
(i) Investment	8	8	8
(ii) Capital Employed	5049	4913	2745
(iii) Net Worth	5073	4938	2747
(iv) Cost of Production	5495	4029	4996
(v) Cost of Sales	5495	4029	4996
(vi) Gross Value Added (At Market Price)	-	-	-
(vii) Total Employees (Other Than Casuals) (Nos.)	170	0	0
(viii) Avg. Monthly Emoluments Per Employee (Rs.)	157696	0	0

Profit & Loss Account	(₹ in Lakhs)		
Particulars	2010-11	2009-10	2008-09
<b>(1) Income</b>			
(A) Sales/Operating Income	0	0	0
(B) Excise Duty	0	0	0
(C) Net Sales (A-B)	0	0	0
(D) Other Income/Receipts	8	8	10
(E) Accretion/Depletion in Stocks	0	0	0
<b>(I) Total Income (C+D+E)</b>	<b>8</b>	<b>8</b>	<b>10</b>
<b>(2) Expenditure</b>			
(A) Purchase of Finished Goods/ Consumption Of Raw Materials	0	0	0
(B) Stores & Spares	0	0	0
(C) Power & Fuel	12	12	13
(D) Manufacturing / Direct / Operating Expenses	0	0	0
(E) Salary, Wages & Benefits / Employee Exp.	13	13	25
(F) Other Expenses	30	30	74
(G) Provisions	0	0	2
<b>(II) Total Expenditure (A to G)</b>	<b>55</b>	<b>55</b>	<b>114</b>
<b>(3) Profit Before Dep, Int, Taxes &amp; EP (PBDITEP) (I-II)</b>	<b>-47</b>	<b>-47</b>	<b>-104</b>
(4) Depreciation	7	7	8
(5) Dre/Prel Exp Written Off	0	0	0
<b>(6) Profit Before Int., Taxes &amp; Ep (PBITEP) (3-4-5)</b>	<b>-54</b>	<b>-54</b>	<b>-112</b>
(7) Interest			
(A) On Central Government Loans	367	367	327
(B) On Foreign Loans	0	0	0
(C) Others	267	267	340
(D) Less Interest Capitalised	0	0	0
(E) Charged to P & L Account (A+B+C-D)	634	634	667
<b>(8) Profit Before Tax &amp; EP(PBTPEP) (6-7E)</b>	<b>-688</b>	<b>-688</b>	<b>-779</b>
(9) Tax Provisions	0	0	0
<b>(10) Net Profit / Loss Before EP (8-9)</b>	<b>-688</b>	<b>-688</b>	<b>-779</b>
(11) Net Extra-Ord. Items	2	2	5
<b>(12) Net Profit / Loss(-) (10-11)</b>	<b>-690</b>	<b>-690</b>	<b>-784</b>
(13) Dividend Declared	0	0	0
(14) Dividend Tax	0	0	0
<b>(15) Retained Profit (12-13-14)</b>	<b>-690</b>	<b>-690</b>	<b>-784</b>

Financial Ratios	2010-11	2009-10	2008-09
(i) Sales : Capital Employed	0	0	0
(ii) Cost of Sales : Sales	0	0	0
(iii) Salary / Wages : Sales	0	0	0
(iv) Net Profit : Net Worth	-	-	-
(v) Debt : Equity	41.49	41.49	37.35
(vi) Current Ratio	0.22	0.22	0.21
(vii) Sundry Debtors : Sales (No. of Days)	0	0	0
(viii) Total Inventory : Sales	0	0	0

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Public Enterprises Survey 2010-2011: Vol-II

## 13.2 British India Corp. Ltd.

British India Corp. Ltd. (BIC) was incorporated in the year 1920 in the private sector and was nationalized in 1981 under B.I.C. Ltd. (Acquisition of Shares) Act with the objective to take over the controlling shares from private hands.

BIC is a Schedule-'B' / BIFR / BRPSE referred / taken over CPSE in textile sector under the administrative control of M/o Textiles with 99.75% shareholding by the Government of India. Its Registered and Corporate offices are at Kanpur, Uttar Pradesh.

### Vision / Mission

The Vision of the Company is to provide quality products of Woolen Fabrics to the consumers at reasonable prices.

The Mission of the Company is to increase the production/turnover, productivity and cost effectiveness through the best use of available resources. It also seeks to leverage the brand image for increasing the market share of its products in the country and to take up product diversification and quality enhancement.

### Industrial / Business Operations

BIC is involved in manufacturing of woollen / worsted fabrics through its two units at Kanpur in U.P. and Dhariwal in Punjab. It has three subsidiaries namely Elgin Mills Co. Ltd., Cownpore Textiles Ltd. and Brushware Ltd. The establishments of these subsidiaries have been closed. The physical performances of the company for last three years are given below:

Main Product	Unit	Performance During		
		2010-11	2009-10	2008-09
Total Production (Lohis, Shawls, & Blankets)	Mts in Lacs	0.067	0.59	0.24
Capacity Utilization	%	0.80	3.14	1.83

### Strategic issue

Government of India has approved the revival of the company in 2011. Implementation of the scheme will start as soon as NOC from the Government of Uttar Pradesh is received for the sale of surplus land and the formalities with the BIFR are completed.

### Performance Highlights

The operational performance of the company along with performance indicators and selected financial ratios during the period 2008-09 to 2010-11 can be seen on the opposite page.

The Company registered a reduction of ₹4.39 crore in total income during 2010-11 which went down to ₹ 0.58 crore in 2010-11 from ₹ 4.97 crore during 2009-10. The net loss of the company increased to ₹ 50.82 crore, an increase of ₹ 8.19 crore over the previous year's loss of ₹ 42.63 crore due to fall in turnover and lack of working capital.

### Human Resource Management

The company employed 2132 regular employees as on 31.3.2011. The retirement age in the company is 58 years at Board level and up to supervisors level and 60 years below supervisors level. It is following IDA 1987 pattern of remuneration. Details of employment in last 3 years are given below:

Particulars	2010-11	2009-10	2008-09
Executives including Non-Unionised Supervisors	217	234	262
Non-Executives #	1915	2066	2304
Total Employees	2132	2300	2566

# Detail break-up of Non-Executive employees is at Statement no. 25 of volume-I of PE Survey.

Balance Sheet		(₹ in Lakhs)	
Particulars	2010-11	2009-10	2008-09
Authorised Capital	30462	30462	30462
<b>(1) Sources Of Fund</b>			
<b>(1.1) Shareholders Funds</b>			
(A) Paid-Up Capital			
Central Govt	3163	3171	3171
Others	8	0	0
(B) Share Application Money	0	0	0
(C) Reserves & Surplus	50	50	50
<b>Total (A) + (B) + (C)</b>	<b>3221</b>	<b>3221</b>	<b>3221</b>
<b>(1.2) Loan Funds</b>			
(A) Secured Loans	1527	1386	1249
(B) Unsecured Loans	21678	14828	12253
<b>Total (A) + (B)</b>	<b>23205</b>	<b>16214</b>	<b>13502</b>
(1.3) Deferred Tax Liability	0	0	0
<b>Total (1.1) + (1.2) + (1.3)</b>	<b>26426</b>	<b>19435</b>	<b>16723</b>
<b>(2) Application Of Funds</b>			
<b>(2.1) Fixed Assets</b>			
(A) Gross Block	4149	4149	4148
(B) Less Depreciation	3304	3257	3218
<b>(C) Net Block (A-B)</b>	<b>845</b>	<b>892</b>	<b>930</b>
(D) Capital Work In Progress	334	334	334
<b>Total (C) + (D)</b>	<b>1179</b>	<b>1226</b>	<b>1264</b>
<b>(2.2) Investment</b>	<b>4</b>	<b>4</b>	<b>4</b>
<b>(2.3) Current Assets, Loan &amp; Advances</b>			
(A) Inventories	776	937	1273
(B) Sundry Debtors	266	340	312
(C) Cash & Bank Balances	2926	171	1077
(D) Other Current Assets	188	166	150
(E) Loan & Advances	366	316	370
<b>Total (A)+(B)+(C)+(D)+(E)</b>	<b>4522</b>	<b>1930</b>	<b>3182</b>
<b>(2.4) Less:current Liabilities &amp; Provisions</b>			
(A) Current Liabilities	6154	5512	5047
(B) Provisions	3071	3077	3285
<b>Total (A+B)</b>	<b>9225</b>	<b>8589</b>	<b>8332</b>
<b>(2.5) Net Current Assets (2.3-2.4)</b>	<b>-4703</b>	<b>-6659</b>	<b>-5150</b>
(2.6) Deferred Revenue / Pre. Expenditure	0	0	3
(2.7) Deferred Tax Asset	0	0	0
(2.8) Profit & Loss Account(Dr)	29946	24864	20602
<b>Total (2.1+2.2+2.5+2.6+2.7+2.8)</b>	<b>26426</b>	<b>19435</b>	<b>16723</b>

Important Indicators	2010-11	2009-10	2008-09
(i) Investment	3171	3171	3171
(ii) Capital Employed	-3858	-5767	-4220
(iii) Net Worth	-26725	-21643	-17384
(iv) Cost of Production	5086	4818	4585
(v) Cost of Sales	5239	5133	5050
(vi) Gross Value Added (At Market Price)	-	-	-
(vii) Total Employees (Other Than Casuals) (Nos.)	2132	2300	2566
(viii) Avg. Monthly Emoluments Per Employee (Rs.)	12582	11522	10129

Profit & Loss Account		(₹ in Lakhs)	
Particulars	2010-11	2009-10	2008-09
<b>(1) Income</b>			
(A) Sales/Operating Income	192	371	358
(B) Excise Duty	0	16	4
(C) Net Sales (A-B)	192	355	354
(D) Other Income/Receipts	19	457	308
(E) Accretion/Depletion in Stocks	-153	-315	-465
<b>(I) Total Income (C+D+E)</b>	<b>58</b>	<b>497</b>	<b>197</b>
<b>(2) Expenditure</b>			
(A) Purchase of Finished Goods/ Consumption Of Raw Materials	6	75	6
(B) Stores & Spares	19	29	35
(C) Power & Fuel	85	99	97
(D) Manufacturing / Direct / Operating Expenses	5	28	43
(E) Salary, Wages & Benefits / Employee Exp.	3219	3180	3119
(F) Other Expenses	134	127	131
(G) Provisions	0	53	401
<b>(II) Total Expenditure (A to G)</b>	<b>3468</b>	<b>3591</b>	<b>3832</b>
<b>(3) Profit Before Dep, Int, Taxes &amp; EP (PBDITEP) (I-II)</b>	<b>-3410</b>	<b>-3094</b>	<b>-3635</b>
(4) Depreciation	47	39	44
(5) Dre/Prel Exp Written Off	0	0	0
<b>(6) Profit Before Int., Taxes &amp; Ep (PBITEP) (3-4-5)</b>	<b>-3457</b>	<b>-3133</b>	<b>-3679</b>
(7) Interest			
(A) On Central Government Loans	1275	783	459
(B) On Foreign Loans	0	0	0
(C) Others	296	405	250
(D) Less Interest Capitalised	0	0	0
(E) Charged to P & L Account (A+B+C-D)	1571	1188	709
<b>(8) Profit Before Tax &amp; EP(PBTPEP) (6-7E)</b>	<b>-5028</b>	<b>-4321</b>	<b>-4388</b>
(9) Tax Provisions	0	-2	6
<b>(10) Net Profit / Loss Before EP (8-9)</b>	<b>-5028</b>	<b>-4319</b>	<b>-4394</b>
(11) Net Extra-Ord. Items	54	-56	9
<b>(12) Net Profit / Loss(-) (10-11)</b>	<b>-5082</b>	<b>-4263</b>	<b>-4403</b>
(13) Dividend Declared	0	0	0
(14) Dividend Tax	0	0	0
<b>(15) Retained Profit (12-13-14)</b>	<b>-5082</b>	<b>-4263</b>	<b>-4403</b>

Financial Ratios	2010-11	2009-10	2008-09
(i) Sales : Capital Employed	-4.98	-6.16	-8.39
(ii) Cost of Sales : Sales	2728.65	1445.92	1426.55
(iii) Salary / Wages : Sales	1676.56	895.77	881.07
(iv) Net Profit : Net Worth	-	-	-
(v) Debt : Equity	7.2	5.03	4.19
(vi) Current Ratio	0.49	0.22	0.38
(vii) Sundry Debtors : Sales (No. of Days)	505.68	349.58	321.69
(viii) Total Inventory : Sales	1475.21	963.39	1312.56

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# 13.3 National Jute Manufactures Corporation Ltd.

National Jute Manufactures Corporation Ltd. (NJMC) was incorporated on 3.6.1980 with the objective to take over six jute mills, the management of which was earlier taken over by the Government of India under the Industries (Development and Regulation) Act, 1951.

NJMC is a Schedule 'B' / sick BIFR referred CPSE in Textile sector under the administrative control of M/o Textiles with 100% shareholding by the Government of India. Its Registered and Corporate offices are at Kolkata, West Bengal.

## Industrial / Business Operations

NJMC is engaged in manufacturing of jute goods through its 6 units at North 24 Paraganas, Howrah and Kolkata in West Bengal and Katihar in Bihar. The company also has one subsidiary namely Bird Jute Export Ltd. with 59.87% share holding.

Due to disconnection of power supply in all six units of NJMC, there was no production activity during last six years. Regular production of the company is yet to pick up in all three revival mills which have started after a gap of 8 years. The mills which are revived are; Khardah, Kinnison in West Bengal and RBHM in Bihar.

NJMC has been suffering cash loss since inception due to unfavorable market conditions, unfavorable product mix and absence of strategy, inadequate investment, obsolescence in machinery and technology, poor capacity utilization, very low machinery and labour productivity, very high idle manpower, high wastage generation and high manufacturing cost. The physical performances of the company for last three years are given below:

Main Product	Unit	Performance During		
		2010-11	2009-10	2008-09
Jute	MT	714	-	-

## Strategic issue

The company was referred to BIFR on 11-08-1992. The High Court of Calcutta passed the order for winding up of the company on 6.1.2005 and directed the official liquidator to take possession of the assets of the company. Subsequently, as per the advice of the Ministry of Textiles, Government of India, NJMC Management preferred to appeal before the Division Bench of the High Court, Calcutta against the above order.

Further on the appeal of NJMC officer's Guilds, the Appellate Authority for Industrial & Financial Reconstruction (AAIFR) in 2008 has remanded the matter to BIFR with a direction to take further step for the revival of the company based on the proposal submitted by M/o Textile. Union cabinet approved revival scheme of the company on 19-3-2010, which envisaged revival of three mills viz. Khardah, Kinnison in West Bengal and RBHM in Bihar and closure of remaining three mills. The closure of the other units is under process. The revised cost of scheme is ₹1562.98 crore and Net Worth of the company is expected to be positive by 2015-16. BIFR has also approved the scheme on 31.3.2011.

## Performance Highlights

The operational performance of the company along with performance indicators and selected financial ratios during the period 2008-09 to 2010-11 can be seen on the opposite page.

The Company registered an increase of ₹11.07crore in total income during 2010-11 which went up to ₹22.73crore in

2010-11 from ₹11.66crore during 2009-10 due to increase in other income. The net loss of the company is ₹129.44 crore in 2010-11 an increase of ₹6913.75crore over the previous years book profit of ₹6784.31 crore.

During 2009-10, there were net profit on account of write back off of outstanding GoI loans and interest amounting to ₹2704.63 crore and ₹4093.04 crore respectively as per the revival scheme of the company.

The units of NJMC Ltd were closed for more than last (8) eight years. Increase in operating loss are due to provisions made for VRS and arrears of salaries & wages and initial repairing of factory sheds, machinery and other infrastructure to start production as per revival scheme. The trial run of the plant started during 3rd Quarter of the financial year 2010-11.

## Human Resource Management

The company employed 178 regular employees as on 31.3.2011. The retirement age in the company is 60 years at board level and 58 for the employees below board level. It is following IDA 1987 pattern of remuneration. Details of employment in last 3 years are given below:

Particulars	2010-11	2009-10	2008-09
Executives including Non-Unionised Supervisors	178	216	244
Non-Executives #	0	0	900
Total Employees	178	216	1144

# Detail break-up of Non-Executive employees is at Statement no. 25 of volume-I of PE Survey.



**National Jute Manufactures Corporation Ltd.**

Chartered Bank Building, 2nd Floor, 4, NetajiSubhas Road, Kolkata, West Bengal – 700 001

Balance Sheet	(₹ in Lakhs)		
Particulars	2010-11	2009-10	2008-09
Authorised Capital	6000	6000	6000
<b>(1) Sources Of Fund</b>			
<b>(1.1) Shareholders Funds</b>			
(A) Paid-Up Capital			
Central Govt	5580	5580	5580
Others	0	0	0
(B) Share Application Money	0	0	0
(C) Reserves & Surplus	444	444	444
<b>Total (A) + (B) + (C)</b>	<b>6024</b>	<b>6024</b>	<b>6024</b>
<b>(1.2) Loan Funds</b>			
(A) Secured Loans	0	0	0
(B) Unsecured Loans	30161	15167	680940
<b>Total (A) + (B)</b>	<b>30161</b>	<b>15167</b>	<b>680940</b>
(1.3) Deferred Tax Liability	0	0	0
<b>Total (1.1) + (1.2) + (1.3)</b>	<b>36185</b>	<b>21191</b>	<b>686964</b>
<b>(2) Application Of Funds</b>			
<b>(2.1) Fixed Assets</b>			
(A) Gross Block	5196	5185	5186
(B) Less Depreciation	4415	4400	4387
<b>(C) Net Block (A-B)</b>	<b>781</b>	<b>785</b>	<b>799</b>
(D) Capital Work In Progress	14	0	0
<b>Total (C) + (D)</b>	<b>795</b>	<b>785</b>	<b>799</b>
<b>(2.2) Investment</b>	<b>1</b>	<b>1</b>	<b>0</b>
<b>(2.3) Current Assets, Loan &amp; Advances</b>			
(A) Inventories	2080	0	0
(B) Sundry Debtors	0	0	0
(C) Cash & Bank Balances	20607	4722	17441
(D) Other Current Assets	10403	14039	43
(E) Loan & Advances	415	250	123
<b>Total (A)+ (B)+ (C)+ (D)+ (E)</b>	<b>33505</b>	<b>19011</b>	<b>17607</b>
<b>(2.4) Less:current Liabilities &amp; Provisions</b>			
(A) Current Liabilities	22217	9127	20340
(B) Provisions	266	902	957
<b>Total (A+B)</b>	<b>22483</b>	<b>10029</b>	<b>21297</b>
<b>(2.5) Net Current Assets (2.3-2.4)</b>	<b>11022</b>	<b>8982</b>	<b>-3690</b>
(2.6) Deferred Revenue / Pre. Expenditure	0	0	0
(2.7) Deferred Tax Asset	0	0	0
(2.8) Profit & Loss Account(Dr)	24367	11423	689855
<b>Total (2.1+2.2+2.5+2.6+2.7+2.8)</b>	<b>36185</b>	<b>21191</b>	<b>686964</b>

Important Indicators	2010-11	2009-10	2008-09
(i) Investment	35741	20747	686520
(ii) Capital Employed	11803	9767	-2891
(iii) Net Worth	-18343	-5399	-683831
(iv) Cost of Production	5628	2203	56959
(v) Cost of Sales	5221	2203	56959
(vi) Gross Value Added (At Market Price)	-	-	-
(vii) Total Employees (Other Than Casuals) (Nos.)	178	216	1144
(viii) Avg. Monthly Emoluments Per Employee (Rs.)	78979	38542	17410

Profit & Loss Account	(₹ in Lakhs)		
Particulars	2010-11	2009-10	2008-09
<b>(1) Income</b>			
(A) Sales/Operating Income	0	0	0
(B) Excise Duty	0	0	0
(C) Net Sales (A-B)	0	0	0
(D) Other Income/Receipts	1866	1166	1793
(E) Accretion/Depletion in Stocks	407	0	0
<b>(I)Total Income (C+D+E)</b>	<b>2273</b>	<b>1166</b>	<b>1793</b>
<b>(2) Expenditure</b>			
(A) Purchase of Finished Goods/ Consumption Of Raw Materials	565	0	0
(B) Stores & Spares	43	0	0
(C) Power & Fuel	231	55	34
(D) Manufacturing / Direct / Operating Expenses	1330	241	32
(E) Salary, Wages & Benefits / Employee Exp.	1687	999	2390
(F) Other Expenses	381	543	286
(G) Provisions	356	270	5662
<b>(II)Total Expenditure (A to G)</b>	<b>4593</b>	<b>2108</b>	<b>8404</b>
<b>(3) Profit Before Dep, Int, Taxes &amp; EP (PBDITEP) (I-II)</b>	<b>-2320</b>	<b>-942</b>	<b>-6611</b>
(4) Depreciation	15	16	18
(5) Dre/Prel Exp Written Off	0	0	0
<b>(6) Profit Before Int., Taxes &amp; Ep (PBITEP) (3-4-5)</b>	<b>-2335</b>	<b>-958</b>	<b>-6629</b>
(7) Interest			
(A) On Central Government Loans	0	0	47923
(B) On Foreign Loans	0	0	0
(C) Others	1020	79	614
(D) Less Interest Capitalised	0	0	0
(E) Charged to P & L Account (A+B+C-D)	1020	79	48537
<b>(8) Profit Before Tax &amp; EP(PBTPEP) (6-7E)</b>	<b>-3355</b>	<b>-1037</b>	<b>-55166</b>
(9) Tax Provisions	0	0	11
<b>(10) Net Profit / Loss Before EP (8-9)</b>	<b>-3355</b>	<b>-1037</b>	<b>-55177</b>
(11) Net Extra-Ord. Items	9589	-679468	3190
<b>(12) Net Profit / Loss(-) (10-11)</b>	<b>-12944</b>	<b>678431</b>	<b>-58367</b>
(13) Dividend Declared	0	0	0
(14) Dividend Tax	0	0	0
<b>(15) Retained Profit (12-13-14)</b>	<b>-12944</b>	<b>678431</b>	<b>-58367</b>

Financial Ratios	2010-11	2009-10	2008-09
(i) Sales : Capital Employed	0	0	0
(ii) Cost of Sales : Sales	0	0	0
(iii) Salary / Wages : Sales	0	0	0
(iv) Net Profit : Net Worth	-	-	-
(v) Debt : Equity	5.01	2.52	113.04
(vi) Current Ratio	1.49	1.9	0.83
(vii) Sundry Debtors : Sales (No. of Days)	0	0	0
(viii) Total Inventory : Sales	0	0	0

# 13.4 National Textile Corporation Ltd.

National Textile Corporation Ltd. (NTC) was established in 1968 with the main objective of managing the affairs of 124 sick textile mills taken over by the Government of India in three series of Nationalization Acts viz., The Sick Textile Undertakings (Nationalisation) Act, 1974, The Swadeshi Cotton Mills Company Limited (Acquisition and Transfer of Undertakings) Act, 1986 and The Textile Undertakings (Nationalisation) Act, 1995.

NTC is a Schedule-'A' BIFR / BRPSE referred CPSE in Textile sector under the administrative control of M/o Textiles with 100% shareholding by the Government of India. Its Registered and Corporate offices are at New Delhi.

## Vision/Mission

The Vision of the Company is to be a world class eco-friendly integrated textile company, catering primarily to the clothing needs of the nation. The mission of the company is to be a leading textile enterprise steadily improving capacity utilization, economy of operations, productivity, quality, brand image, market share & export.

## Industrial / Business Operations

NTC Limited was managing 119 mills through its 9 subsidiaries namely NTC (D P and R), NTC (Guj.), NTC (UP), NTC (SM), NTC (MN), NTC (WBABO), NTC (APKKM), NTC (MP) and NTC (TNP). However, as a part of modified revival scheme approved by the BIFR and by the Government in 2006 all the 9 subsidiaries have been merged with the NTC Limited during 2006-07. Now, NTC has 43 mills and as per BIFR / GOI approved strategy, out of these 43 mills, 24 mills are being modernized by NTC itself through generation of funds from sale of surplus assets. Out of 4 new Greenfield mills, 1 mill is being set up at new plot purchased from KIADB while other 3 are being relocated to the land of closed mills.

Joint Venture partnerships in respect of 5 mills have been finalized which are in operation. Although JV in respect of 11 more mills was approved in the 2nd phase, as a result of subsequent review, MOU signed for JV in their respect has been cancelled, which has been challenged in Delhi High Court, though the hearing has been completed, yet the Judgment is still reserved. All the 5 Joint Ventures are running in profit since the last four years.

NTC has its presence across the country and has good infrastructure for the production of a variety of yarns and woven fabrics. The Company has mills in cotton growing areas and cotton centers to market its products. The physical performance of Company for last three years is given below:

Main Product	Unit	Performance During		
		2010-11	2009-10	2008-09
Yarn	Kg	346.03	298.75	281.45
Cloth	Lakh Meter	89.91	127.32	140.19

## Strategic Issues

NTC has undergone a total transformation during the last five years of its journey from a sick company to a potentially profit making organization. The company has been vested with the task of implementation of 9 revival schemes for its subsidiaries. The schemes were approved by the BIFR originally in the year 2002-03 and were modified in 2006 (where merger of all subsidiaries was approved) and 2008 (MS 08), depending upon the changes that had taken place in the sector and the requirements of the organization. The original scheme envisaged closure of 66 unviable mills and revival of 53 viable mills. On

account of the policy decisions taken by the NTC/Government from time to time, the Company has by now closed 78 mills and is in the process of revival of 40 mills. Out of these 40 mills identified for modernization, 24 mills are being modernized by NTC directly and 16 mills are to be revived through joint venture partnership. The entire funds required for payment of MVRS compensation initially was mobilized by private placement of bonds from the market to the extent of ₹2028 crores. The scheme, being self-financing, the amount that has been mobilized from the market was expected to be repaid by sale of assets of the closed mills and the surplus assets of the running mills. The sale of assets has never been a core competence of the Company. However, it has been carried out in a transparent and in a professional manner. Upto now, the Company has sold assets worth ₹6480.71 Crores.

As approved by the Government, the first phase of modernization has been taken up and 18 mills have completed modernization. From a spinning company, NTC will, in the coming days, be an integrated textile company consisting of spinning, weaving, processing and garmenting. Thus, a strong foundation is well laid out today. 13 mills have already been awarded ISO-9001 certification.

NTC will be focusing effectively on branding and retailing of its fabrics through Retail Marketing Division and increase its volume of institutional sales in the coming days. Technical Textiles is an area where there is a tremendous scope for the company to improve its turnover and profitability. There is a lot of scope for the company to focus on energy savings and optimise utilization of manpower in its journey to a profit making organization.

## Performance Highlights

The operational performance of the company along with performance indicators and selected financial ratios during the period 2008-09 to 2010-11 can be seen on the opposite page.

The Company registered an increase of ₹259.59 crore in total income during 2010-11 which went up to ₹800.53 crore in 2010-11 from ₹ 540.94 crore during 2009-10 due to buoyant market and due to increase in Production of Yarn coupled with increase in Sale price from ₹136.20 per kg. to ₹178.46 per Kg. The company is still making operating losses. However, the net profit of the company increased to ₹1304.24 crore, an increase of ₹ 1201.10 crore over the previous year profit of ₹103.14 crore due to net extra ordinary adjustments of ₹2002.27 crore in 2010-11 as against ₹305.37 net extra ordinary adjustments for the year 2009-10 as a result of sale of assets.

The other actions taken during the year to improve the performance of the Corporation are Product Mix change and tap export market. Till date 12 units have received ISO certifications. Modernisation has been completed in eighteen units and their performance is under consolidation.

## Human Resource Management

The Company employed 8478 regular employees as on 31.03.2011. The retirement age in the Company is 58 years. It is following IDA 2007 and CDA 2006 pattern of remuneration. Details of employment in last 3 years are given below:

Particulars	2010-11	2009-10	2008-09
Executives including Non-Unionised Supervisors	904	1112	1598
Non-Executives #	7574	8093	9873
Total Employees	8478	9205	11471

# Detail break-up of Non-Executive employees is at Statement no. 25 of volume-I of PE Survey.

Balance Sheet		(₹ in Lakhs)	
Particulars	2010-11	2009-10	2008-09
Authorised Capital	500000	500000	500000
(1) Sources Of Fund			
(1.1) Shareholders Funds			
(A) Paid-Up Capital			
Central Govt	305488	305488	305488
Others	728	728	728
(B) Share Application Money	0	0	0
(C) Reserves & Surplus	362556	362556	362545
Total (A) + (B) + (C)	668772	668772	668761
(1.2) Loan Funds			
(A) Secured Loans	752	13217	279
(B) Unsecured Loans	39698	35870	84761
Total (A) + (B)	40450	49087	85040
(1.3) Deferred Tax Liability	0	0	0
Total (1.1) + (1.2) + (1.3)	709222	717859	753801
(2) Application Of Funds			
(2.1) Fixed Assets			
(A) Gross Block	118805	87233	85637
(B) Less Depreciation	35816	32172	30207
(C) Net Block (A-B)	82989	55061	55430
(D) Capital Work In Progress	26183	39153	5702
Total (C) + (D)	109172	94214	61132
(2.2) Investment	1812	1812	1812
(2.3) Current Assets, Loan & Advances			
(A) Inventories	24965	10869	9725
(B) Sundry Debtors	2606	2525	3492
(C) Cash & Bank Balances	178979	36989	101369
(D) Other Current Assets	12615	15197	15154
(E) Loan & Advances	6699	8302	8786
Total (A)+ (B)+ (C)+ (D)+ (E)	225864	73882	138526
(2.4) Less:current Liabilities & Provisions			
(A) Current Liabilities	79876	78853	67359
(B) Provisions	43501	18317	16798
Total (A+B)	123377	97170	84157
(2.5) Net Current Assets (2.3-2.4)	102487	-23288	54369
(2.6) Deferred Revenue / Pre. Expenditure	0	0	0
(2.7) Deferred Tax Asset	0	18947	0
(2.8) Profit & Loss Account(Dr)	495751	626174	636488
Total (2.1+2.2+2.5+2.6+2.7+2.8)	709222	717859	753801

Important Indicators	2010-11	2009-10	2008-09
(i) Investment	346364	354698	306216
(ii) Capital Employed	185476	31773	109799
(iii) Net Worth	173021	42598	32273
(iv) Cost of Production	111243	74853	72089
(v) Cost of Sales	102653	74992	75303
(vi) Gross Value Added (At Market Price)	-	-	-
(vii) Total Employees (Other Than Casuals) (Nos.)	8478	9205	11471
(viii) Avg. Monthly Emoluments Per Employee (Rs.)	25629	20769	16593

Profit & Loss Account		(₹ in Lakhs)	
Particulars	2010-11	2009-10	2008-09
(1) Income			
(A) Sales/Operating Income	63705	48657	41182
(B) Excise Duty	12	6	5
(C) Net Sales (A-B)	63693	48651	41177
(D) Other Income/Receipts	7770	5582	14403
(E) Accretion/Depletion in Stocks	8590	-139	-3214
(I)Total Income (C+D+E)	80053	54094	52366
(2) Expenditure			
(A) Purchase of Finished Goods/ Consumption Of Raw Materials	42731	25280	21238
(B) Stores & Spares	2200	1815	2086
(C) Power & Fuel	11239	9037	7108
(D) Manufacturing / Direct / Operating Expenses	1866	1798	5894
(E) Salary, Wages & Benefits / Employee Exp.	26074	22941	22841
(F) Other Expenses	6489	4045	5
(G) Provisions	10229	454	301
(II)Total Expenditure (A to G)	100828	65370	59473
(3) Profit Before Dep, Int, Taxes & EP (PBDITEP) (I-II)	-20775	-11276	-7107
(4) Depreciation	5016	3982	2291
(5) Dre/Prel Exp Written Off	0	0	0
(6) Profit Before Int., Taxes & Ep (PBITEP) (3-4-5)	-25791	-15258	-9398
(7) Interest			
(A) On Central Government Loans	4158	4069	2492
(B) On Foreign Loans	0	0	0
(C) Others	1241	1432	7833
(D) Less Interest Capitalised	0	0	0
(E) Charged to P & L Account (A+B+C-D)	5399	5501	10325
(8) Profit Before Tax & EP(PBTPEP) (6-7E)	-31190	-20759	-19723
(9) Tax Provisions	38613	-536	51
(10) Net Profit / Loss Before EP (8-9)	-69803	-20223	-19774
(11) Net Extra-Ord. Items	-200227	-30537	-437718
(12) Net Profit / Loss(-) (10-11)	130424	10314	417944
(13) Dividend Declared	0	0	0
(14) Dividend Tax	0	0	0
(15) Retained Profit (12-13-14)	130424	10314	417944

Financial Ratios	2010-11	2009-10	2008-09
(i) Sales : Capital Employed	34.34	153.12	37.5
(ii) Cost of Sales : Sales	161.17	154.14	182.88
(iii) Salary / Wages : Sales	40.94	47.15	55.47
(iv) Net Profit : Net Worth	75.38	24.21	1295.03
(v) Debt : Equity	0.06	0.07	0.13
(vi) Current Ratio	1.83	0.76	1.65
(vii) Sundry Debtors : Sales (No. of Days)	14.93	18.94	30.95
(viii) Total Inventory : Sales	143.06	81.54	86.2