1 COAL AND LIGNITE

There were 9 enterprises in the public sector as on 31.3.2006 which were engaged in production of Coal and Lignite. The names of these enterprises along with their year of incorporation in chronological order are given below:

Sl. No.	Enterprise	Year of Incorporation
1.	Neyveli Lignite Corpn. Ltd.	1956
2.	Bharat Coking Coal Ltd.	1972
3.	Coal India Ltd.	1973
4.	Central Coalfields Ltd.	1975
5.	Eastern Coalfields Ltd.	1975
6.	Western Coalfields Ltd.	1975
7.	Northern Coalfields Ltd.	1985
8.	South Eastern Coalfields Ltd.	1985
9.	Mahanadi Coalfields Ltd.	1993

2. The enterprises falling in this group are mainly engaged in the production of coking coal, non-coking coal and lignite.

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

4. **Net Profit/(Loss) :** The details of individual enterprises which earned net profit or sustained net loss (-) in ranking order are given below :

(Rs. in crores)

Sl. No.	Enterprise	Net Profit/(Loss) 2005-06	2004-05
1.	Coal India Ltd.	1711.66	1324.92
2.	Northern Coalfields Ltd.	1300.98	1148.77
3.	Mahanadi Coalfields Ltd.	1256.29	927.18
4.	Western Coalfields Ltd.	990.54	510.16
5.	South Eastern Coalfields Ltd.	929.01	1058.77
6.	Central Coalfields Ltd.	758.37	279.86
7.	Neyveli Lignite Corpn. Ltd.	702.35	1215.00
8.	Eastern Coalfields Ltd.	363.86	(679.20)
9.	Bharat Coking Coal Ltd.	202.66	(959.43)
	Total	**8215.72**	**4826.03**

5. **Dividend :** The following enterprises declared dividend as per details given below:

(*Rs. in crore*)

Sl. No.	Enterprise	Dividend 2005-06	Dividend 2004-05
1.	Coal India Ltd.	1263.27	274.54
2.	Northern Coalfields Ltd.	520.39	459.51
3.	Mahanadi Coalfields Ltd.	504.00	405.20
4.	Western Coalfields Ltd.	416.03	270.06
5.	South Eastern Coalfields Ltd.	380.92	424.45
6.	Neyveli Lignite Corpn. Ltd.	335.54	335.54
7.	Central Coalfields Ltd.	291.40	0.00
	Total	**3711.55**	**2169.30**

6. **Township and Social Overheads**

The operating results of these enterprises after setting off township maintenance and other social overheads such as maintenance of schools, medical facilities, social overheads and cultural subsidies, etc. are given below:

(*Rs. in crore*)

Sl. No.	Particulars	Township & Social Overheads 2005-06	Township & Social Overheads 2004-05
1.	Capital cost of Township	2441.92	2544.77
2.	Gross expenditure on Township	534.38	247.68
3.	*Less :* Rent receipt and other income	220.19	214.08
4.	Net expenditure on Township	314.19	33.60
5.	Social Overheads: Educational, Med. facilities, etc.	966.60	955.88
6.	Total Social Overheads	1280.79	989.48
7.	No. of employees	467422	483394
8.	Per capita expend. on Social Overheads (Rs.)	27401	20469
9.	No. of houses constructed	232701	404886
10.	No. of houses under construction	0	0
11.	Housing satisfaction (%)	49.8	83.8

7. To appreciate the performance of each enterprise falling in this group, the details about their financial position, working results and important mangement ratios for three years are given in Volume-III.

COAL AND LIGNITE

SUMMARISED BALANCE SHEET

(Rs. in Lakhs)

PARTICULARS	2005-06	2004-05	2003-04
AUTHORISD CAPITAL	2100418	2100418	2100418
I. SOURCES OF FUNDS			
(1) SHAREHOLDERS FUND			
(A) PAID-UP CAPITAL			
CENTRAL GOVT.	788600	788600	788600
OTHERS	640539	640539	640539
(B) SHARE APPLICATION MONEY	0	0	0
(C) RESERVES & SURPLUS	2487371	2127507	1740703
TOTAL (A)+(B)+(C)	3916510	3556646	3169842
(2) LOAN FUNDS			
(A) SECURED LOANS	84771	60232	75323
(B) UNSECURED LOANS	752271	839767	894624
TOTAL (A)+(B)	837042	899999	969947
(3) DEFERRED TAX LIABILITY	125696	106546	120673
TOTAL (1)+(2)+(3)	4879248	4563191	4260462
II. APPLICATION OF FUNDS			
(1) FIXED ASSETS			
(A) GROSS BLOCK	3819923	3710921	3640827
(B) LESS: DEPRECIATION	2405466	2270417	2079896
(C) NET BLOCK	1414457	1440504	1560931
(D) CAPITAL WORK IN PROGRESS	171169	151241	134287
TOTAL (C)+(D)	1585626	1591745	1695218
(2) INVESTMENTS	1542718	1759878	1594889
(3) CURRENT ASSETS, LOANS & ADVANCES			
(A) INVENTORIES	325664	280281	249452
(B) SUNDRY DEBTORS	185929	266022	295940
(C) CASH & BANK BALANCES	1594747	993123	414172
(D) OTHER CURRENT ASSETS	53133	57414	430911
(E) LOAN & ADVANCES	1479207	1080738	792708
TOTAL (A+B+C+D+E)	3638680	2677578	2183183
LESS:CURRENT LIABILITIES & PROVN.			
(A) CURRENT LIABILITIES	2589528	2250308	1938920
(B) PROVISIONS	572619	512154	395449
TOTAL (A+B)	3162147	2762462	2334369
NET CURRENT ASSETS	476533	-84884	-151186
(4) DEFERRED REVENUE/PRE.EXPENDITURE	841	613	2231
(5) DEFERRED TAX ASSET	63946	25240	12372
(6) PROFIT & LOSS ACCOUNT (DR)	1209584	1270599	1106938
TOTAL (1+2+3+4+5+6)	4879248	4563191	4260462

COAL AND LIGNITE

SUMMARISED PROFIT AND LOSS ACCOUNT

(Rs. in Lakhs)

PARTICULARS	2005-06	2004-05	2003-04
INCOME			
SALES/OPERATING INCOME	3448946	3369844	2904761
EXCISE DUTY	354278	478859	433334
NET SALES	3094668	2890985	2471427
OTHER INCOME/RECEIPTS	536608	428248	489229
ACCRETION/DEPLETION IN STOCKS	45988	27301	286
TOTAL	3677264	3346534	2960942
EXPENDITURE			
PURCHASE OF FINISHED GOODS/ CONSUMPTION OF RAW MATERIALS	3212	3402	3164
STORES & SPARES	431648	379743	346900
POWER & FUEL	159635	161643	149867
MANUFACTURING/DIRECT/OPERATING EXPENSES	228550	120388	103958
SALARY,WAGES AND BENEFITS/EMPLOYEE EXPENDITURE	1043043	1150725	955706
OTHER EXPENSES	523470	493676	437358
PROVISIONS	5437	24122	19814
TOTAL	2394995	2333699	2016767
PROFIT BEFORE DEP, INTEREST, TAXES, EXTRA-ORDINARY ITEMS & PPA(PBDITEP)	1282269	1012835	944175
DEPRECIATION	169846	185731	189535
DRE/PREL. EXPENSES WRITTEN OFF	0	0	0
PROFIT BEFORE INTEREST, TAXES, EXTRA-ORDINARY ITEMS & PPA (PBITEP)	1112423	827104	754640
INTEREST			
ON CENTRAL GOVERNMENT LOANS	427	1986	2013
ON FOREIGN LOANS	11499	11712	11647
OTHERS	42105	51494	47812
LESS INTEREST CAPITALISED	5685	4769	4414
CHARGED TO P & L ACCOUNT	48346	60423	57058
PROFIT BEFORE TAX, EXTRA-ORDINARY ITEMS & PPA (PBTEP)	1064077	766681	697582
TAX PROVISIONS	258633	291733	212836
NET PROFIT/LOSS BEFORE EXTRA-ORDINARY ITEM	805444	474948	484746
NET EXTRA-ORDINARY ITEMS & PRIOR PERIOD ADJUSTMENT	-16128	-7655	-39088
NET PROFIT/LOSS(-)	821572	482603	523834
DIVIDEND DECLARED	371155	216930	180880
DIVIDEND TAX	52270	29496	23224
RETAINED PROFIT	398147	236177	319730

COAL AND LIGNITE

MANAGEMENT RATIO

DETAILS	2005-06	2004-05	2003-04
GENERAL (RS. IN LAKHS)			
INVESTMENT	2241837	2293173	2355912
CAPITAL EMPLOYED	1890990	1355620	1409745
NET WORTH	2706085	2285434	2060673
COST OF PRODUCTION	2613187	2579853	2263360
COST OF SALES	2567199	2552552	2263074
VALUE ADDED	2546161	2373498	1971782
R AND D EXPENDITURE	584	0	483
PERSONNEL			
EMPLOYEES(OTHER THAN CASUAL) (NOS)	467422	483394	499872
AVERAGE MONTHLY EMOLUMENTS PER EMPLOYEE(Rs)	18596	19838	15933
INVENTORIES (IN TERMS OF NO. OF DAYS)			
TOTAL INVENTORY : SALES	38	35	37
SEMI/FINISHED GOODS : SALES	20	17	17
FINANCIAL RATIOS (%)			
SALES : CAPITAL EMPLOYED	163.65	213.26	175.31
MATERIAL COST : COST OF PRODUCTION	0.12	0.13	0.14
MANPOWER COST : COST OF PRODUCTION	39.91	44.60	42.23
COST OF SALES: SALES	82.96	88.29	91.57
PBDITEP : CAPITAL EMPLOYED	67.81	74.71	66.97
PBITEP : CAPITAL EMPLOYED	58.83	61.01	53.53
PBITEP : SALES	35.95	28.61	30.53
PROFIT BEFORE TAX & EP(PBTEP): NET WORTH	39.32	33.55	33.85
NET PROFIT : NET WORTH	30.36	21.12	25.42
R AND D EXPENDITURE : SALES	0.02	0.00	0.02
SUNDRY DEBTORS : SALES (NO. OF DAYS)	22	34	44

Bharat Coking Coal Ltd. (BCCL)

1. Company Profile

BCCL was incorporated on 1.1.1972 under the Companies Act, 1956 with an objective to take over the private coal mines and produce targeted quantity of coal economically with due regard to safety conservation and consumer satisfaction. BCCL is schedule-'B' / BIFR referred / takenover CPSE in coal sector under the administrative control of M/o Coal having its registered and corporate offices at Dhanbad (Jharkhand). BCCL is a 100% subsidiary of Coal India Ltd. The company is registered with BIFR since 2001.

2. Industrial / Business Activities

BCCL is engaged in extraction of coking coal for supply to steel plants and non-coking coal for power houses, fertilizer, cement and other sectors, from its 78 coal mines (41 are underground, 16 are open cast and 21 are mixed mines). Area of operation is spread over 270 Sq. K.M. in Jharia Coalfield (JCF) and 32 Sq. K.M. in Raniganj Coalfield (RCF) in the States of Jharkhand and West Bengal. The company also has 7 coking coal washeries, 3 non-coking coal washeries, 1 captive power plant and 5 bye-product coke plants in Jharkhand. The enterprise a workforce of 87146 employees as on 31.3.2006.

3. Production / Operational Profile

Major Products	Unit	Production during (% Capacity Utilization)			% increase/ decrease over previous year
		2005-06	2004-05	2003-04	
Raw Coal	MT	*	22.31 (N.A.)	22.68 (61.4)	-
Washed Coal	MT	*	1.87 (N.A.)	1.86 (37.7)	-

Company has not furnished the Production details.

4. Major Financial Highlights

Particulars	Performance during (Rs. in crore)			% increase/ decrease over previous year
	2005-06	2004-05	2003-04	
Turnover	3112.28	2540.61	2258.26	22.5
Cost of prod.	3346.13	3713.27	2903.25	-9.89
Net Profit/Loss(-)	202.66	-959.43	-569.85	-121.12
Net Worth	-4723.36	-4926.02	-3779.83	-4.11
Paid up capital	2118	2118	2118	0
Share of Central Govt./holding co.	2118	2118	2118	0

5. Key Performance Factors

- During last five years the number of employees has reduced from 113738 in 2001 to 86146 in 2006 but Salary still constitute 50% of total cost of production.
- Due to monopolistic product, there is no competition. However various cost control measure like reduction in manpower, improvement in quality and yield have been taken to control cost.

6. Strategic Issues

- A modified rehabilitation scheme was submit to BRPSE during 2005-06. However, BRPSE had remitted back the proposal to the M/o Coal for additional information/ modification of the proposal etc.
- The company has evolved its own Revival Strategy which envisages modernization of UG mines, increased investment in Heavy Earth Moving Machine capacity in open cast mines, closure of heavy loss making mines, continuing deploying Hired HEMM in isolated patches, open up a few large open cast mines and optimization of washery operations.

7. VRS/Outstanding dues

- During the year, 5339 employees left the company out of which 1118 availed of VRS , 2947 retired on superannuation and 1274 left on other grounds. Till 31.3.2006, total 34689 employees have taken VRS.

The reduction in manpower is below the target due to financial crunch for implementation of VRS.

- As on 31.3.2006, there were outstanding dues of Rs.5712.66 crore out of which Rs. 2041.54 crore related to salary and wages, Rs. 221.80 crore statutory dues and Rs. 3449.32 crore other dues.

Central Coalfields Ltd. (CCL)

1. Company Profile

CCL was incorporated on 1.11.1975 under the Companies Act, 1956 with an objective to manage the nationalised takenover coal mines of central division of Coal Mine Authority, now Coal India Ltd. CCL is a schedule-'B' / BIFR referred CPSE in Coal and Lignite sector under the administrative control of M/o Coal having its registered and corporate offices at Ranchi, Jharkhand. CCL is a 100% subsidiary of Coal India Ltd.

2. Industrial / Business Activities

CCL is engaged in production and sale of coal through its 61 operating mines (25 are underground mines and remaining 36 are Open Cast Mines) at Hazaribagh, Ranchi and Bokaro in Jharkhand. The main products are rwa coal, washed coal, washed coal power, slurry, soft coke etc.The enterprise has a workforce of 64200 employees as on 31.3.2006.

3. Production / Operational Profile

Major Products	Unit	Production during (% Capacity Utilization)			%increase/ decrease over previous year
		2005-06	2004-05	2003-04	
COAL	LT	405.13	373.89	373.31	8.36
Coking Coal	LT	22.89 (47.59)	26.44 (54.97)	23.65 (49.17)	-13.43
Non-Coking Coal	LT	65.66 (76)	57.57 (66.63)	55.89 (64.69)	14.05
Middling/ Slurry	LT	22.18 (NA)	23.34 (NA)	21.23 (NA)	-4.97

4. Major Financial Highlights

Particulars	Performance during (Rs. in crore)			%increase/ decrease over previous year
	2005-06	2004-05	2003-04	
Turnover	3910.01	3492.12	2955.79	11.97
Cost of prod.	3133.78	3385.53	2920.73	-7.44
Net Profit/Loss(-)	758.37	279.86	335.86	170.98
Net Worth	1322.48	896.37	629.05	47.54
Paid up capital	940	940	940	0
Share of Central Govt./holding co.	940	940	940	0

5. Key Performance Factors

- Turnover improved by 11.60% and net profit by 167.14% during 2005-06 as compared to previous year.
- Earning Per Share improved from Rs. 297.72 in 2004-05 to Rs. 796.03 in 2005-06.
- The improvement is attributed to various measures taken by the company like outsourcing of coal extraction and OB removal operations, improvement in supply chain management, productivity enhancement through utilization of HEMM, close and effective monitoring, improved work culture etc.

6. Strategic Issues

Higher cost of production is the area which needs attention.

7. Surplus assets

A 2*10MV capacity captive power plant at Kathara Area is considered as surplus assets valued at Rs.23.04 crore. The company has decided to lease out this plant on lease at the rate of Rs.32 Lakhs per month for 20 years.

8. VRS/Outstanding dues

During the year, 2355 employees left the company out of which 792 availed of VRS, 1560 retired on superannuation and 3 left on other grounds. Till 31.3.2006, total 15949 employees have taken VRS. As on 31.3.2006, there were outstanding dues amounting to Rs.1150 crore out of which Rs. 563 crore related to salary and wages, Rs. 58 crore statutory dues and Rs. 529 crore other dues.

Coal India Ltd. (CIL)

1. Company Profile

CIL was incorporated on 14.6.1973 under Coal Mines (Nationalisation) Act as Coal Mines Authority Ltd. This company was merged with Bharat Coking Coal Ltd. in 1975 and renamed as CIL. The objective was to produce and market the planned quantity of Coal and Coal products efficiently and economically with due regard to safety, conservation and quality. CIL is a schedule-'A' CPSE in Coal and Lignite sector under the administrative control of M/o Coal with 100% shareholding by the Government of India. Its Registered and Corporate offices are at Kolkata, West Bengal.

2. Industrial / Business Activities

Coal India is engaged in the business of Coal mining 'including acquisition, manufacturing of Coke and other business, coal belt mithen gas and byproducts and to explore, produce, sale and distribute the coal through its 3 units (North Eastern Coalfields and two marketing offices at Delhi and Kokatta) and 8 subsidiaries, out of which 7 are engaged in production and sale of coal and one in Research and Development of coal mining in the states of Assam, Chhattisgarh, Jharkhand, Madhya Pradesh, Maharashtra, Orissa, Uttar Pradesh and West Bengal. The 8 subsidiaries of CIL are BCCL, CCL, ECL, SECL, MCL, WCL, NCL and CMPDIL. The enterprise is driven by a workforce of 4540 regular employees as on 31.3.2006.

3. Production / Operational Profile

Coal India Ltd. being a holding company provides guidance and direction to its subsidiaries and plays a vital role in the national energy scenario. The income source of company is dividend and interest received from its subsidiary companies.

4. Major Financial Highlights

Particulars	Performance during *(Rs. in crore)*			% increase/ decrease over previous year
	2005-06	2004-05	2003-04	
Turnover	231.7	91.55	124.51	153.09
Cost of prod.	999.41	496.86	469.41	101.15
Net Profit/Loss(-)	1711.66	1324.92	1332.98	29.19
Net Worth	11341.59	10878.08	9697.17	4.26
Paid up capital	6316.36	6316.36	6316.36	0
Share of Central Govt./holding co.	6316.36	6316.36	6316.36	0

5. Key Performance Factors

- CIL surpassed the target of coal production and registered a growth of 6% during the year which was due to increase in productivity by 7% over previous year.
- The company is constantly taking measures to control the cost of production through effective cost control systems like regular monitoring of cost data, budgetary control, exploration of non-conventional energy sources, exploration of underground and overground coal gasification etc. Outsourcing of some activities like removal of overburden and Coal have also helped in growth of Coal production.
- At present there are a total of 305 existing underground mines. Out of these 96 mines are already mechanized. 80 mines are proposed for mechanization in Xth Plan period.
- The total expenditure incurred on R&D was Rs. 8.16 crore which is 0.027% of net sales.
- Company has 'Very Good' MOU rating during the year 2005-06.
- Earning Per Share was Rs. 1201.54 during 2005-06 as compared to Rs. 383.84 in the last year.

6. Strategic Issues

- To boost sales and demand, the system of sale of Coal through E-Auction has been introduced in order to put in place more transparency in marketing of coal.

- CIL also poised to venture into coal business potentialities abroad either through acquisition of equity in any existing Coal company or through Coal mining on green fields area in order to ensure energy security of the country.
- Rs. 1813.39 crore loan raised through Government guarantee on 1.4.2005 was outstanding as on 31.3.2006.

7. *VRS/Outstanding dues*

- During the year, 150 employees left the company out of which 4 availed of VRS, 141 retired on superannuation and 5 left on other grounds. Up-till 31.3.2006 total 380 employees have taken VRS.
- During the year an amount of Rs.1.71 crore was paid as Ex-gratia payment. The total outstanding dues were amounting to Rs.4853.49 crore out of which Rs. 6.33 crore related to salary and wages Rs. 219.46 statutory dues and Rs. 4627.70 crore other dues as on 31.3.2006.

Eastern Coalfields Ltd. (ECL)

1. *Company Profile*

ECL was incorporated as subsidiary of Coal India Ltd. on 1.11.1975 under the Companies Act, 1956 with the objective of reorganizing the nationalized coal industry (as per Coal Mines (Nationalisation) Act 1973) by conversion of one of the production division of erstwhile Coal Mines Authority Ltd. i.e. Eastern Division. The present objective is to produce coal efficiently and economically with due consideration to safety, conservation and quality. ECL is a schedule-'B' / BIFR referred CPSE in Coal and Lignite sector under the administrative control of M/o Coal having its registered and corporate offices at Burdwan, West Bengal. ECL is a 100% subsidiary of Coal India Ltd.

2. *Industrial / Business Activities*

ECL is engaged in managing all the non-coking mines spread over Raniganj Coalfield, Saharjuri (Chitra) Coalfield and Rajamaahl Group of coal fields for producing coal for the power sector through its 112 operating fields at Burdwan, Bankura and Purulia in West Bengal and Dhanbad, Godda, Deoghar and Pakur in Jharkhand. The enterprise has a workforce of 101474 employees as on 31.3.2006.

3. *Production / Operational Profile*

Major Products	Unit	Production during (% Capacity Utilization)			%increase/ decrease over previous year
		2005-06	2004-05	2003-04	
Coal Production	MT	NA	27.26 (81)	28.00 (77)	-

Company has not furnished the Production details.

4. *Major Financial Highlights*

Particulars	Performance during (Rs. in crore)			%increase/ decrease over previous year
	2005-06	2004-05	2003-04	
Turnover	3417.68	3048.19	2746.24	12.12
Cost of prod.	3455.76	3941.01	3571.14	-12.31
Net Profit/Loss(-)	363.86	-679.2	-326.38	-153.57
Net Worth	-3036.02	-3399.88	-2570.84	-10.7
Paid up capital	2218.45	2218.45	2218.45	0
Share of Central Govt./holding co.	2218.45	2218.45	2218.45	0

5. *Key Performance Factors*

- Company has furnished provisional information for the year 2005-06 without any performance analysis.
- The main strength of ECL is high quality coal reserves of its mines, which is quite suitable for Power plants as it has less than 34% ash content. ECL, one of the oldest coalfields in the country has been incurring losses since its inception and referred to BIFR in 1997. The main reasons for sickness includes large no. of mines with low productivity, difficult geo-mining conditions, limited scope of opencast mining, extensive manual

loading, resistance from trade union for transfer of surplus manpower etc. ECL and BCCL (Bharat Cooking Coal Limited) are the two loss making subsidiaries of CIL. The discontinuation of retention price mechanism restricted the scope of cross subsidization and required CIL to regulate financial flows between itself and its subsidiary companies on the principals of corporatization. Access of ECL to the operating surpluses generated by the other profit making subsidiary companies is now restricted only to the reasonable dividends paid out of post-tax profits by these companies to CIL.

6. *Strategic Issues*

- Based on the recommendations of the BRPSE the Government approved a revival plan for ECL on 20.9.2006 which envisaged investment of Rs.2956.83 crore from 2003-04 to 2012-13 to be met from internal generation by the company for augmentation of its production and non-cash assistant of about Rs. 2470.57 crore by CIL in the form of waivers/conversion etc. The plan also envisaged waiver of service charges @Rs. 14 crore per annum from 2004-05 by CIL and waiver of electricity charges @ Rs. 18 crore per annum from 2004-05 for 5 years from Governments of West Bengal/Jharkhand.
- Further on 15.7.2005, NCWA-VII was signed amongst the operating trade unions and CIL, which was made applicable to all the subsidiaries of CIL including ECL. It is stated by M/o Coal that NCWA-VII was implemented in ECL in order to ensure industrial peace in the Coal sector.

Mahanadi Coalfields Ltd. (MCL)

1. *Company Profile*

MCL was incorporated on 3.4.1992 as a wholly owned subsidiary of Coal India Limited under the Companies Act, 1956 with an objective to acquire and take over the business of the coalfields of Orissa region of South Eastern Coalfields Ltd. with due regard to environment, social obligation and quality of production. MCL is a schedule-'B' PSE in Coal and Lignite sector under the administrative control of M/o Coal having its registered and corporate office at Sambhalpur, Orissa.

2. *Industrial / Business Activities*

MCL is engaged in mining/production and marketing of coal and having coal reserves spread over two coalfields viz. Talcher and Ib Valley with 10 operating areas consisting of 22 Mining projects and 2 Central Workshop at Angul, Jharsuguda and Sundargarh districts of Orissa. It has two Liaision Offices at Kolkata and Bhubneswar. The enterprise is driven by a workforce of 20876 employees as on 31.3.2006.

3. *Production / Operational Profile*

Major Products	Unit	Production during (% Capacity Utilization)			% increase/ decrease over previous year
		2005-06	2004-05	2003-04	
Coal	MT	69.60	66.080	60.048	5.33

4. *Major Financial Highlights*

Particulars	Performance during (Rs. in crore)			% increase/ decrease over previous year
	2005-06	2004-05	2003-04	
Turnover	3159.67	2897.67	2336.44	9.04
Cost of prod.	1993.3	1887.68	1436.12	5.6
Net Profit/Loss(-)	1256.29	927.18	932.34	35.5
Net Worth	3484.16	2804.71	2343.15	24.23
Paid up capital	186.4	186.4	0	0
Share of Central Govt./holding co.	186.4	186.4	186.4	0

5. *Key Performance Factors*

There was no change in basic price of coal during the year. However the profitability has gone up due to higher sale and better price realisation. The capacity utilization of open cast project during the year was 89%. The productivity in terms of Output per Manshifts

(OMS) has increased by 0.87% in respect of Opencast Mines. The overall OMS of the year 2005-06 was 13.30 tonne as compared to 12.93 tonne in previous year indicating a growth of 2.86%. Due to monopolistic product, there is no competition. However various cost control measure have been taken to control cost.

6. Strategic Issues

- There are 33 sanctioned mining projects with production capacity of 103.31 MTY with a sanctioned capital outlay of Rs3436.92 crore, out of which 16 have been completed with a capacity of 43.23 MTY and sanctioned capital outlay of Rs1714.49 crore.
- Formation of Joint Venture with NCLand HIL for mining Talabira II and III coal blocks, with NCL for generation of 2000 MW power at IB Valley and with M/s JSWL Steel % M/s JTPC Limited , M/s JSS Limited & M/s Shyam DRI Limited are in progress at various stages.

7. VRS / Outstanding dues

During the year, 688 employees left the company out of which 62 availed of VRS, 416 retired on superannuation and 210 left on other grounds. Till 31.3.2006, total 602 employees have taken VRS.

Neyveli Lignite Corp. Ltd. (NLC)

1. Company Profile

NLC was incorporated in November, 1956 under the Companies Act, 1956 with an objective to meet the electricity demand of southern states of India by excavating Lignite used for generation of power. The vision of the company is to emerge as an environmental friendly and socially responsible leading mining and power company and to strive for operational excellence in mining and exploration of lignite and power generation. NLC is a schedule-'A' Mini-ratna PSE in Coal and Lignite sector under the administrative control of M/o Coal having 93.56% Government holding with its registered office at Chennai, Tamilnadu and corporate office at Neyveli, Tamilnadu.

2. Industrial / Business Activities

NLC is engaged in exploration and mining of Lignite and generation / sale of power through its two mines and three thermal power station at Neyveli, Tamilnadu. NLC is implementing Barsingsar Mine and Thermal Power project in Bikaner Rajasthan. The company has entered into a 50:50 % Joint Venture agreement with Tamil Nadu Electricity Board viz. NLC Tamil Nadu Power Ltd. for setting up of 1000 MW coal based power project at Tuticorin. The enterprise is driven by a workforce of 19023 regular employees as on 31.3.2006.

3. Production / Operational Profile

Major Products	Unit	Production during (% Capacity Utilization)			%increase/ decrease over previous year
		2005-06	2004-05	2003-04	
Lignite	MT	20.44 (100)	21.5 (105.19)	20.6 (100.78)	4.93%
Power	MU	14622	15062	14824	-2.92%

4. Major Financial Highlights

Particulars	Performance during (Rs. in crore)			%increase/ decrease over previous year
	2005-06	2004-05	2003-04	
Turnover	2201.41	3001.94	2806.82	-26.67
Cost of prod.	1838.22	1903.18	2044.77	-3.41
Net Profit/Loss(-)	702.35	1215	1143.51	-42.19
Net Worth	7990.38	7673.05	6824.25	4.14
Paid up capital	1677.71	1677.71	1677.71	0
Share of Central Govt./holding co.	1569.64	1569.64	1569.64	0

5. Key Performance Factors

- The variation in performance is due to reduction in the power generation and the export due to less off-take by the Electricity Boards owing to increased availability of hydel power following heavy rainfall in the southern region and short fall in lignite production from Mine-II due to non-availability of land.

- Profitability was down due to reduction in the sale income on account of anticipated reduction in tariff for the current year as well as due to aforesaid reasons
- The price of power is fixed by the Central Electricity Regulatory Commission. However the cost is optimized by means of outsourcing, productivity improvement measures and energy conversion and expenditure control.
- Company has 'Excellent' MOU rating during the year 2005-06.
- Earning Per Share was Rs. 4.27 during 2005-06 as against Rs. 7.64 in the previous year.
- The market price of the company's shares was between Rs. 65.10 to Rs. 89.90 during the year 2005-06 as against between Rs. 38 to Rs. 82 during 2004-05.
- Projects such as Mine II expansion and TPS II expansion at Neyveli, Barsingsar Mine and Thermal Project in Rajasthan and Coal based Thermal Power Plant at Tuticorin are under implementation

6. Strategic Issues

The transfer price of lignite is the main cost component for determination of the power tariff. Central Electricity Regulatory Commission is yet to finalize and notified the tariff giving effect to the revised lignite transfer price in respect of all the powers plants of the company.

7. VRS/Outstanding dues

- During the year, 203 employees left the company out of which 8 availed VRS 120 retired on superannuation and 75 left on other grounds. Up to 31.3.2006 total of 961 employees availed of VRS.
- During 2005-06 the company paid Rs. 33 crore as ex-gratia. The outstanding dues were amounting to Rs. 53.56 crore comprising Rs. 50.04 crore on salary and wages and Rs. 3.52 crore statutory dues.

Northern Coalfields Ltd. (NCL)

1. Company Profile

NCL was incorporated on 28.11.1985 under the Companies Act, 1956 with an objective to acquire and takeover any business activities carried out by Coal India Limited and to carry on the trade of coal mining business. NCL is a schedule-'B' Mini-ratna PSE in Coal and Lignite sector under the administrative control of M/o Coal having its Registered and Corporate offices at Sidhi (Singrauli), Madhya Pradesh. NCL is a 100% subsidiary of Coal India Ltd.

2. Industrial / Business Activities

NCL is engaged in Coal extraction from its 8 operating mining projects at Jhingurda, Jayant, Amlohri, Nigahi in Madhya Pradesh and Bina, Kakri, Dudhichua and Khadia in U.P. The enterprise is driven by a workforce of 16914 regular employees as on 31.3.2006.

3. Production / Operational Profile

Major Products	Unit	Production during			% increase/ decrease over previous year
		2005-06	2004-05	2003-04	
COAL	Million Tones	51.518	49.950	47.033	3.14

4. Major Financial Highlights

Particulars	Performance during (Rs. in crore)			% increase/ decrease over previous year
	2005-06	2004-05	2003-04	
Turnover	4546.86	4357.38	3661.01	4.35
Cost of prod.	2791.54	2623.38	2233.13	6.41
Net Profit/Loss(-)	1300.98	1148.77	1007.66	13.25
Net Worth	4725.26	4017.65	3303.37	17.61
Paid up capital	177.67	177.67	177.67	0
Share of Central Govt./holding co.	177.67	177.67	177.67	0

5. Key Performance Factors

- NCL achieved all time high coal production with growth rate of 3.14%. The overburden removal of 133.864 million cu. M. recorded a growth of 0.59%.

- Turnover was higher by 4.35% and profit after tax by 5.26% than last year. This could be possible due to increase in production and Various cost control measures taken.
- The productivity in terms of output per man-shift (OMS) increased to 10.62 tonnes from previous year's achievement of 10.23 tonnes. The overall capacity utilization was 86.85 % during 2005-06 as compared to 91.14% in the previous year.
- E-Auction of coal has fetched a revenue of Rs.22 crore.
- Earning Per Share was Rs. 7322.35 during 2005-06 as compared to Rs. 6465.64 in the previous year.

6. Strategic Issues

The estimated coal production of the company during the terminal year of X plan and XI plan i.e. 2006-07 and 2011-12 will be 52 million tonnes and 70 million tonnes respectively. To achieve the above production level, seven new open-cast projects (OCP) have been identified in NCL command area namely Krishnashil OCP (4 mtpa) , Bina-extension OCP (4.5 to 6 mtpa), Block'B OCP (3.50 mtpa), Khadia-extension OCP (4 to 10 mtpa), Amlori-Extension OCP (4 to 10 mtpa), Nigahi Expansion OCP (10 to 15 mtpa) and Moher OCP (10 mtpa).

7. VRS/Outstanding dues

- Up to 31.3.2006 total 8 employees availed of VRS. During the year 2005-06 362 employees left the company out of which 267 retired on superannuation and 95 on other ground. None availed of VRS during the year.
- There were outstanding dues of Rs.763.92 crore including Rs.164.95 crore on salary and wagesRs. 70.76 crore statutory dues and Rs. 528.21 crore on other grounds as on 31.3.2006. An amount of Rs.5.98 crore was paid as ex-gratia during 2005-06.

South Eastern Coalfields Ltd. (SECL)

1. Company Profile

SECL was incorporated in the year, 1985 under the Companies Act, 1956 with an objective to acquire and take over business of the Bilaspur division of Western Coalfields and Talchar area of Central Coalfields Ltd. (Talchar area was taken out in 1992 to form Mahanadi Coalfields Ltd.) to produce and market the planned quantity of coal and coal products efficiently and economically. SECL is a schedule-'B' PSE in Coal and Lignite sector under the administrative control of M/o Coal with its Registered and Corporate offices at Bilaspur, Chhattisgarh. SECL is a 100% subsidiary of Coal India Ltd.

2. Industrial / Business Activities

SECL is one of the subsidiary enterprises engaged in production and selling of coal through its 16 operating areas at Korba, Raigarh, Korea and Sunguja in Chhattisgarh and Sahhdol in Madhya Pradesh and a Liaison Office ay Delhi. The enterprise is driven by a workforce of 85871 employees as on 31.3.2006.

3. Production / Operational Profile

Major Products	Unit	Production during			% increase/ decrease over previous year
		2005-06	2004-05	2003-04	
Coal	MT	83.024	78.550	71.009	5.70

4. Major Financial Highlights

Particulars	Performance during (Rs. in crore)			% increase/ decrease over previous year
	2005-06	2004-05	2003-04	
Turnover	5984.72	5539.04	4465.46	8.05
Cost of prod.	5274.33	4372.19	3973.03	20.63
Net Profit/Loss(-)	929.01	1058.77	920.57	-12.26
Net Worth	3441.23	2946.57	2414.43	16.79
Paid up capital	359.7	359.7	359.7	0
Share of Central Govt./holding co.	359.7	359.7	359.7	0

5. ***Key Performance Factors***

- The output per manshift improved to 4.19 tonnes during 2005-06 from 3.95 tonnes in the previous year thereby registering a growth of 6.07%.
- The capacity utilization was 131.83% in major CHPs and 145.89% in mini CHPs during 2005-06 as compared to 150.52% and 187.83% respectively in the previous year.
- The demand satisfaction of coal to different sectors was 98% in the year as compared to 101% in the previous year. The decline was due to poor lifting of coal by the non-core coal consumers and acute shortage of wagons.
- Although the performance of the company has improved it could not translate these achievements into additional profit, primarily on account of additional liability of Rs. 553.06 crore incurred towards revision of wages of the employees under NCWA-VII.
- The company has 24.18% of market share for its product in India during 2005-06 as compared to 24.50% share in 2004-05.
- Due to monopolistic product, there is no competition. However various cost control measures have been taken.
- Earning Per Share was Rs. 2646.74 during 2005-06 as compared to Rs. 2941.53 in the previous year.

6. ***Strategic Issues***

- Company has introduced modern eco-friendly technology for production of coal from opencast mines. E-Auction of coal has fetched an additional revenue of Rs.140 crore.

7. ***VRS/Outstanding dues***

- During the year, 2197 employees left the company out of which 14 availed of VRS, 1129 retired on superannuation and 1054 left on other grounds. Till 31.3.2006 total 4301 employees have taken VRS.
- The total outstanding dues were amounting to Rs.3239.11 crore as on 31.3.2006 out of which Rs. 802.97 crore related to salary and wages, Rs. 231.12 crore to statutory dues and Rs. 2205.02 crore other dues.

Western Coalfields Ltd. (WCL)

1. ***Company Profile***

WCL was incorporated on 29.10.1975 under the Companies Act, 1956 and came into being from 1.11.1975 after re-organization of the Nationalized Coal Industry with an objective to produce coal efficiently and economically with due regard to safety conservation and quality. Keeping in view the tremendous growth of the company it was bifurcated into South Eastern Coalfields Limited and WCL w.e.f. 1.1.1986. WCL is a schedule-'B' PSE in Coal and Lignite sector under the administrative control of M/o Coal having its Registered and Corporate offices at Nagpur, Maharashtra. WCL is a 100% subsidiary of Coal India Ltd.

2. ***Industrial / Business Activities***

WCL is one of the subsidiary enterprises involved in extraction of coal from 83 open cast and underground mines spreading in Nagpur, Chandrapur and Yeotmal districts of Maharashtra and Betul and Chindwara districts of Madhya Pradesh. Out of 83 mines 35 are open cast, 42 are underground and 6 are mixed mines. The company has 10 field area and 2 Zonal/Regional Offices at Kolkata and New Delhi. The enterprise is driven by a workforce of 67378 regular employees as on 31.3.2006.

3. ***Production / Operational Profile***

Major Products	Unit	Production during (% Capacity Utilization)			% increase/ decrease over previous year
		2005-06	2004-05	2003-04	
Coal	MT	43.204 (116.37)	41.410 (112.59)	39.526 (104.66)	4.33
Coal despatch	MT	41.687	40.309	30.109	3.42

4. *Major Financial Highlights*

Particulars	Performance during (Rs. in crore)			% increase/ decrease over previous year
	2005-06	2004-05	2003-04	
Turnover	4382.35	3941.35	3359.74	11.19
Cost of prod.	3299.4	3475.43	3082.02	-5.06
Net Profit/Loss(-)	990.54	510.16	461.65	94.16
Net Worth	2515.13	1963.81	1745.98	28.07
Paid up capital	297.1	297.1	297.1	0
Share of Central Govt./holding co.	297.1	297.1	297.1	0

5. Key Performance Factors

- The company achieved highest ever coal production and overall productivity during the year.
- The coal dispatch of WCL is around 13% of total dispatches of Coal India Ltd.
- Out of total dispatch 80.3% goes to State Power Sector, 4.8% to cement sector and 14.9% to others. There is no competition in the sale of product of the company.
- Earning Per Share of WCL was 3334.02 during 2005-06 as compared to 2020.16 in the previous year.
- Daily monitoring of different elements of cost, increase in production and productivity and system capacity utilization resulted in cost reduction. Efforts for quality improvement such as review and rationalization of coal grades, proper OB benching and cleaning of coal benches before extraction, removal of intermittent shale/stone bands etc. were made.
- Introduction of Continuous Miner Technology from M/s Jay Mining Machinery Limited of U.K. is being considered in five operating under ground mines and six virgin blocks.

6. Strategic Issues

- There was a general strike on 29.9.2005 at National/Industrial Level and from 2nd shift of 22.4.2005 to 26.4.2005 at pit no. 3 and 4 at Ballarpur area at local level. No. of Mandays loss was 12587 and production loss was 21000 tonnes of coal.

7. *Non-performing Assets*

- The company has identified non-performing assets (intangible in the head, prospecting and boring expenses and development expenses) for the mines/ projects incurring losses in consecutive five years as on 31.3.2006. The value of these assets is Rs. 8193 crore including Rs. 4.82 crore on prospecting and boring expenses, Rs. 7705crore on developmental expenses and Rs. 0.06 crore on plant & machinery.

8. *VRS/Outstanding dues*

- During the year, 2206 employees left the company out of which 507 availed of VRS, 984 retired on superannuation and 715 on other grounds. Till 31.3.2006 total of 9305 employees have taken VRS including 1740 during 1992-93 to 1994-95 and 7565 from 1998-99 to 2005-06.
- The total outstanding dues as on 31.3.2006 were Rs. 1375.84 crore out of which Rs. 726.72 crore on account of salary and wages, Rs. 79.95 crore as statutory dues and Rs. 569.17 crore other dues.

2 MINERALS AND METALS

There were 10 enterprises in the public sector as on 31.3.2006 which were engaged in Mining and Allied activities. The names of these enterprises along with their year of incorporation in chronological order are given below:

Sl. No.	Enterprise	Year of Incorporation
1.	Indian Rare Earths Ltd.	1950
2.	National Mineral Development Corporation Ltd.	1958
3.	Hindustan Copper Ltd.	1967
4.	Uraium Corporation of India Ltd.	1967
5.	Bharat Refractories Ltd.	1974
6.	Kudremukh Iron Ore Co. Ltd.	1976
7.	Manganese Ore (India) Ltd.	1977
8.	National Aluminium Company Ltd.	1981
9.	J&K Mineral Development Corporation Ltd.	1989
10.	FCI Aravali Gypsum and Minerals (India) Ltd.	2003

2. The enterprises falling in this group are mainly engaged in recovering, refining and extracting basic raw materials such as aluminium, copper, iron, rare earth chemicals, lead, manganese and manufacturing of fire/silica bricks, etc.

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

4. Net Profit/(Loss) : The details of individual enterprises which earned net profit or sustained net loss (-) in ranking order are given below:

(Rs. in crores)

Sl. No.	Enterprise	Net Profit/(Loss) 2005-06	Net Profit/(Loss) 2004-05
1.	National Mineral Development Corporation Ltd.	1827.80	755.44
2.	National Aluminium Company Ltd.	1562.20	1234.84
3.	Kudrmukh Iron Ore Co. Ltd.	356.30	649.84
4.	Manganese Ore (India) Ltd.	114.52	126.90
5.	Hindustan Copper Ltd.	105.88	55.98
6.	Indian Rare Earths Ltd.	42.41	24.01
7.	Uranium Corpn. of India Ltd.	31.61	29.26
8.	FCI Aravali Gypsum and Minerals (I) Ltd.	9.00	6.05
9.	J&K Mineral Development Corpn.	(3.42)	(0.72)
10.	Bharat Refractories Ltd.	(7.07)	(5.21)
	Total	**4039.23**	**2876.39**

5. **Dividend :** The following enterprises declared dividend as per details given below:

(*Rs. in crore*)

Sl. No.	Enterprise	Dividend 2005-06	Dividend 2004-05
1.	National Mineral Development Corporation Ltd.	365.57	151.32
2.	National Aluminium Company Ltd.	322.16	257.72
3.	Kudrmukh Iron Ore Co. Ltd.	126.90	130.08
4.	Manganese Ore (India) Ltd.	19.92	9.20
5.	Indian Rare Earths Ltd.	10.46	5.07
6.	Uranium Corporation of India Ltd.	8.00	6.00
7.	FCI Aravali Gypsum and Minerals (I) Ltd.)	1.47	1.47
	Total	**854.48**	**560.86**

6. **Township and Social Overheads**

The operating results of these enterprises after setting off township maintenance and other social overheads such as maintenance of schools, medical facilities, social overheads and cultural subsidies, etc. are given in the next column:

(*Rs. in crore*)

Sl. No.	Particulars	Township & Social Overheads 2005-06	Township & Social Overheads 2004-05
1.	Capital cost of Township	449.47	524.07
2.	Gross expenditure on Township	73.53	81.84
3.	*Less :* Rent receipt and other income	9.55	9.18
4.	Net expenditure on Township	63.98	72.66
5.	Social Overheads: Educational, Med. facilities, etc.	91.46	102.68
6.	Total Social Overheads	155.44	175.34
7.	No. of employees	36322	36139
8.	Per capita expend. on Social Overheads (Rs.)	42795	48518
9.	No. of houses constructed	36037	37345
10.	No. of houses under construction	0	0
11.	Housing satisfaction (%)	99.2	103.3

7. To appreciate the performance of each enterprise falling in this group, the details about their financial position, working results and important mangement ratios for three years are given in Volume-III.

MINERALS AND METALS

SUMMARISED BALANCE SHEET

(Rs. in Lakhs)

PARTICULARS	2005-06	2004-05	2003-04
AUTHORISD CAPITAL	462100	428100	408100
I. SOURCES OF FUNDS			
(1) SHAREHOLDERS FUND			
(A) PAID-UP CAPITAL			
CENTRAL GOVT.	320641	311491	267217
OTHERS	10297	10297	10297
(B) SHARE APPLICATION MONEY	7805	10550	36574
(C) RESERVES & SURPLUS	1132836	823214	604887
TOTAL (A)+(B)+(C)	1471579	1155552	918975
(2) LOAN FUNDS			
(A) SECURED LOANS	25723	39923	108370
(B) UNSECURED LOANS	32792	25453	29067
TOTAL (A)+(B)	58515	65376	137437
(3) DEFERRED TAX LIABILITY	69983	73171	68972
TOTAL (1)+(2)+(3)	1600077	1294099	1125384
II. APPLICATION OF FUNDS			
(1) FIXED ASSETS			
(A) GROSS BLOCK	1321396	1291856	1214801
(B) LESS: DEPRECIATION	781916	722551	654299
(C) NET BLOCK	539480	569305	560502
(D) CAPITAL WORK IN PROGRESS	95327	67021	122553
TOTAL (C)+(D)	634807	636326	683055
(2) INVESTMENTS	7405	7406	29106
(3) CURRENT ASSETS, LOANS & ADVANCES			
(A) INVENTORIES	145724	115222	102545
(B) SUNDRY DEBTORS	59133	58361	53447
(C) CASH & BANK BALANCES	759112	471417	231976
(D) OTHER CURRENT ASSETS	15422	11198	10071
(E) LOAN & ADVANCES	284505	201859	145452
TOTAL (A+B+C+D+E)	1263896	858057	543491
LESS:CURRENT LIABILITIES & PROVN.			
(A) CURRENT LIABILITIES	185499	153110	130860
(B) PROVISIONS	251355	179297	131942
TOTAL (A+B)	436854	332407	262802
NET CURRENT ASSETS	827042	525650	280689
(4) DEFERRED REVENUE/PRE.EXPENDITURE	4467	5262	10971
(5) DEFERRED TAX ASSET	14911	3231	2709
(6) PROFIT & LOSS ACCOUNT (DR)	111445	116224	118854
TOTAL (1+2+3+4+5+6)	1600077	1294099	1125384

MINERALS AND METALS

SUMMARISED PROFIT AND LOSS ACCOUNT

(Rs. in Lakhs)

PARTICULARS	2005-06	2004-05	2003-04
INCOME			
SALES/OPERATING INCOME	1238431	1015304	715963
EXCISE DUTY	65424	46542	34001
NET SALES	1173007	968762	681962
OTHER INCOME/RECEIPTS	65134	49910	38267
ACCRETION/DEPLETION IN STOCKS	6099	8842	37
TOTAL	1244240	1027514	720266
EXPENDITURE			
PURCHASE OF FINISHED GOODS/ CONSUMPTION OF RAW MATERIALS	95707	57543	54291
STORES & SPARES	43395	42771	38083
POWER & FUEL	150879	127462	116454
MANUFACTURING/DIRECT/OPERATING EXPENSES	51268	53482	46554
SALARY,WAGES AND BENEFITS/EMPLOYEE EXPENDITURE	101589	93535	86271
OTHER EXPENSES	104904	102613	78842
PROVISIONS	3097	5681	4892
TOTAL	550839	483087	425387
PROFIT BEFORE DEP, INTEREST, TAXES, EXTRA-ORDINARY ITEMS & PPA(PBDITEP)	693401	544427	294879
DEPRECIATION	69725	68567	61319
DRE/PREL. EXPENSES WRITTEN OFF	5987	5299	5535
PROFIT BEFORE INTEREST, TAXES, EXTRA-ORDINARY ITEMS & PPA (PBITEP)	617689	470561	228025
INTEREST			
ON CENTRAL GOVERNMENT LOANS	1283	1222	1235
ON FOREIGN LOANS	0	0	0
OTHERS	4147	10696	16772
LESS INTEREST CAPITALISED	0	0	695
CHARGED TO P & L ACCOUNT	5430	11918	17312
PROFIT BEFORE TAX, EXTRA-ORDINARY ITEMS & PPA (PBTEP)	612259	458643	210713
TAX PROVISIONS	210249	168992	64910
NET PROFIT/LOSS BEFORE EXTRA-ORDINARY ITEM	402010	289651	145803
NET EXTRA-ORDINARY ITEMS & PRIOR PERIOD ADJUSTMENT	-1913	2012	-936
NET PROFIT/LOSS(-)	403923	287639	146739
DIVIDEND DECLARED	85448	56086	36281
DIVIDEND TAX	11983	7731	4650
RETAINED PROFIT	306492	223822	105808

MINERALS AND METALS

MANAGEMENT RATIO

DETAILS	2005-06	2004-05	2003-04
GENERAL (RS. IN LAKHS)			
INVESTMENT	390285	380066	436156
CAPITAL EMPLOYED	1366522	1094955	841191
NET WORTH	1355667	1034066	789150
COST OF PRODUCTION	631981	568871	509553
COST OF SALES	625882	560029	509516
VALUE ADDED	889125	749828	473171
R AND D EXPENDITURE	1206	1694	1829
PERSONNEL			
EMPLOYEES(OTHER THAN CASUAL) (NOS)	36322	36139	36660
AVERAGE MONTHLY EMOLUMENTS PER EMPLOYEE(Rs)	23307	21568	19611
INVENTORIES (IN TERMS OF NO. OF DAYS)			
TOTAL INVENTORY : SALES	45	43	55
SEMI/FINISHED GOODS : SALES	19	21	25
FINANCIAL RATIOS (%)			
SALES : CAPITAL EMPLOYED	85.84	88.48	81.07
MATERIAL COST : COST OF PRODUCTION	15.14	10.12	10.65
MANPOWER COST : COST OF PRODUCTION	16.07	16.44	16.93
COST OF SALES: SALES	53.36	57.81	74.71
PBDITEP : CAPITAL EMPLOYED	50.74	49.72	35.05
PBITEP : CAPITAL EMPLOYED	45.20	42.98	27.11
PBITEP : SALES	52.66	48.57	33.44
PROFIT BEFORE TAX & EP(PBTEP): NET WORTH	45.16	44.35	26.70
NET PROFIT : NET WORTH	29.80	27.82	18.59
R AND D EXPENDITURE : SALES	0.10	0.17	0.27
SUNDRY DEBTORS : SALES (NO. OF DAYS)	18	22	29

Bharat Refractories Ltd. (BRL)

1. *Company Profile*

BRL was incorporated on 22.7.1974 under the Companies Act, 1956 with an objective to run the production unit of Bhandaridah Refractories Plant, which was earlier acquired by the Government of India in 1972 and was placed under the management of Bokaro Steel Ltd. BRL is a schedule-'C' CPSE in Minerals and Metals sector under the administrative control of M/o Steel with 99.86% shareholding by the Government of India. Its registered and corporate offices are at Bokaro, Jharkhand. The company is registered with BIFR since 1992.

2. Industrial / Business Activities

BRL is involved in manufacturing and supply of various kinds of refractories to the integrated / mini steel plants through its 4 operating units at Bokaro and Hazaribagh in Jharkhand and Bhilai in Chhattisgarh. The enterprise has a workforce of 1690 employees as on 31.3.2006.

3. Production / Operational Profile

Major Products	Unit	Production during (% Capacity Utilization)			%increase/ decrease over previous year
		2005-06	2004-05	2003-04	
Basic Bricks	MT	1652 (29)	17373 (30)	10902 (19)	-90.49
Silica Bricks	MT	761 (8)	641 (6)	0 (-)	18.72
Fireclay Bricks	MT	21823 (32)	21686 (32)	15151 (22)	0.63
Mortar	M T	33094 (-)	25785 (-)	27063 (-)	28.35

4. Major Financial Highlights

Particulars	Performance during (Rs. in crore)			%increase/ decrease over previous year
	2005-06	2004-05	2003-04	
Turnover	142.5	109.35	86.4	30.32
Cost of prod.	155.98	132.64	111.53	17.6
Net Profit/Loss(-)	-7.07	-5.21	-9.4	35.7
Net Worth	-159.31	-159.37	-161.3	-0.04
Paid up capital	215.79	215.79	208.79	0
Share of Central Govt./holding co.	215.5	215.5	208.5	0

5. Key Performance Factors

- The overall capacity utilization during 2005-06 was 53%. However losses increased due to high interest burden and un-remunerative selling price.
- Over the years, 3 revival plans were approved in the years 1996, 1998 and 2002. The reasons for failure of previous schemes are delay in the implementation of the scheme, under utilization of capacity, low manpower utilization and changing demand pattern of refractories.
- MOU has been signed with SAIL and raw material suppliers to ensure advance planning for procurement of inputs and production and to maintain price line. Other steps taken for performance improvement are strengthening of marketing and after sale service.

6. Strategic Issues

Successful and timely implementation of revival plan is very important as two revival plans have failed.

7. VRS/Outstanding dues

During the year, 26 employees left the company out of which 4 availed of VRS and 22 retired on superannuation.

FCI Aravali Gypsum & Minerals (India) Ltd. (FAGMIL)

1. *Company Profile*

FAGMIL was incorporated on 14.02.2003 (after de-merging from Fertilizer Corporation of India (FCI) as per BIFR order) under the Companies Act, 1956 with an objective to take over the entire unit of FCI namely Jodhpur Mining Organisation (JMO) and to establish and carry on in India or any part of the world all kinds of business relating to Gypsum and other Minerals and their by-products and manufacture of various types of fertilizers, all organic and inorganic chemical compounds including by-products, derivatives and mixures thereof. FAGMIL is a schedule ‘C’ CPSE in Minerals & Metals sector under the administrative control of M/o Chemicals and Fertilizers, D/o Fertilizers with 100% share holding by the Government. Its Registered and Corporate office are at Jodhpur, Rajasthan.

2. Industrial / Business Activities

FAGMIL is one of the enterprises involved mainly in the mining and selling of gypsum with its 9 Mines at Jaislmer, Barmer, Bikaner and Sriganganagar in Rajasthan and a Liaison office at NOIDA in U.P. The enterprise is driven by a workforce of 127 employees as on 31.3.2006.

3. Production / Operational Profile

Major Products	Unit	Production during (% Capacity Utilization)			%increase/ decrease over previous year
		2005-06	2004-05	2003-04	
Mining & Selling of Gypsum	MT	827026	772945	463507	100

4. Major Financial Highlights

Particulars	Performance during (Rs. in crore)			%increase/ decrease over previous year
	2005-06	2004-05	2003-04	
Turnover	38.45	29.94	19.4	28.42
Cost of prod.	29.21	24.68	17.91	18.35
Net Profit/Loss(-)	9	6.05	2.61	48.76
Net Worth	21.57	14.2	9.79	51.9
Paid up capital	7.33	7.33	7.33	0
Share of Central Govt./holding co.	7.33	7.33	7.33	0

5. Key Performance Factors

- Company was incorporated as per revival plan of Fertilizer Corp. of India Ltd. and has been showin1g profits consistently during its last three years of operation.
- The earning per share during 2005-06 was Rs. 12.28 as compared to Rs. 8.26 in the previous year.
- Market share of the major products in India /abroad has increased from 20% in 2004-05 to 23% in 2005-06
- The value of deemed exports of the company were Rs. 11.18 crore in 2005-06.
- The company declared dividend of 20% during 2005-06.

6. Strategic Issues

- The general industrial environment is very conducive for growth of the company.
- Optimization of resources and adopting an aggressive marketing strategy were the main reasons for performance improvement during 2005-06 as compared to 2004-05.
- The company has cash and bank balances of Rs. 24.88 crore which are higher than the networth of Rs. 21.65 crore as on 31.3.2006. The company may evolve appropriate planning/strategy to make optimum use of these resources.

7. VRS/Outstanding dues

- During the year 2005-06, 11 employees retired on superannuation.
- As on 31.3.2006, Rs. 0.12 crore were outstanding on account of salary and wages.

Hindustan Copper Ltd. (HCL)

1. Company Profile

HCL was incorporated on 9.11.1967 under the Companies Act, 1956 with an objective to takeover assets from National Mineral Development Corp. Ltd. when Government of India nationalised Indian Copper Complex Ltd. at Ghatsila, Jharkhand, in March, 1972 and subsequently handed over its Management and ownership to HCL. HCL is a schedule-'A' PSE in Minerals and Metal sector under the administrative control of M/o Mines with 99.38% shareholding by the Government. Its Registered and Corporate offices are at Kolkata, West Bengal.

2. Industrial / Business Activities

HCL is one of the pioneering enterprises in exploration, mining, beneficiation, smelting, refining and production of cathodes, wire bar and CCR as saleable products. It also recovers various by-products associated with copper ore. The entire marketing operation of all its products is carried out by the company directly. HCL has 4 operating units at Khetrinagar in Rajasthan, Ghatsila in Jharkhand, Malanjkhand in Madhya Pradesh and Taloja in Maharashtra. The company has branch offices at Delhi, Mumbai, Bangalore and Indore. The enterprise is driven by a workforce of 5583 employees as on 31.3.2006.

3. Production / Operational Profile

Major Products	Unit	Production during (% Capacity Utilization)			%increase/ decrease over previous year
		2005-06	2004-05	2003-04	
Wire Rod	MT	34624 (57.71)	23203 (38.67)	28003 (46.67)	88.22
Cathodes	MT	36087 (75.97)	24186 (50.92)	30598 (64.42)	5.11
Sulphuric Acid	MT	40297 (17.08)	15878 (6.73)	20439 (8.66)	0.92
Gold	Kg	166 (23.78)	Nil	195 (27.94)	0.91

4. Major Financial Highlights

Particulars	Performance during (Rs. in crore)			%increase/ decrease over previous year
	2005-06	2004-05	2003-04	
Turnover	914.49	483.27	449.71	89.23
Cost of prod.	824.31	501.77	520.32	64.28
Net Profit/Loss(-)	105.88	55.98	-56.16	89.14
Net Worth	362.24	177.25	76.83	104.37
Paid up capital	908.95	908.95	543.61	0
Share of Central Govt./holding co.	905.15	905.15	539.81	0

5. Key Performance Factors

- Financial performance of the HCL has shown tremendous improvement during 2005-06 as compared to last year. The company registered 88.47% growth in sales and 89% in profit. It sold 38631 tonnes of refined copper of which 1402 tonnes was by way of exports. This is first time that the company exported refined copper. Physical performance in the mining sector(ore and metal in concentrates)affected due to low grade of ore and backlog in mine development work.
- The market share of the company in major copper products has increased to 9.02% in 2005-06 from 6.75% in 2004-05.
- The Earning Per Share was Rs. 1.45 during 2005-06 as against 1.25 in the previous year.
- The company got ‘Very Good’ MOU rating during the year 2005-06.
- The market price of the company’s shares was between Rs. 43 to Rs. 78 during the year, 2005-06.

6. Strategic Issues

- The Government has sanctioned two restructuring plans during 1999 and 2002. During the year 2005-06, the company received Rs.25 crore as budgetary support.
- The company raised loan of Rs. 100 crore against Government guarantee during 13.11.2000 to 15.9.2007. The outstanding amount of loan raised through Government guarantee was Rs. 37.50 crore as on 31.3.2006.
- HCL received total orders of Rs. 1053.76 crore during 2005-06, out of which orders worth Rs. 32.10 crore were from Government Departments/CPSEs.
- Fixed assets are physically verified every year to find out its usability. The assets which have retired from active life are removed from fixed assets registered as per the requirement of Accounting Standard issued by ICAI. The company has a system of disposing these assets on regular basis.
- Expansion of Refinery plant of ICC from 16500 tonne capacity to 19200 tonne is under progress. The total cost of the project is Rs. 1.20 crore out of which Rs. 79.43 lakhs have already been spent. The company spent Rs. 11 crore for renewal

& replacement of plant and machinery for maintaining existing operations from internal generation of funds.

- HCL's thrust for 2006-07 is to augment mineral production, increase operational efficiency of process plants, streamline the procurement/disposal process etc. Another area of thrust is to reduce the interest burden and restructuring of loans etc.

7. VRS/Outstanding dues

During the year, 115 employees left the company out of which 44 availed of VRS and 75 left on superannuation/other grounds. Upto 31.3.2006 a total of 12186 employees have taken VRS.

Indian Rare Earths Ltd. (IREL)

1. Company Profile

IREL was incorporated in the year, 1950 under the Companies Act, 1913 as a joint venture with the then Government of Travancore, Cochin. It became a wholly owned Central Government enterprise in 1963 under the Department of Atomic Energy when the Shares of the State Bank of Tranvacore were handed over to the Government of India. Its main objective is to emerge as a leading international player in the areas of mining and separation of beach sand minerals as well as value added products thereof. IREL is a schedule-'B' PSE in Minerals and Metals sector under the administrative control of D/o Atomic Energy with 100% shareholding by the Government of India. Its Registered and Corporate offices are at Mumbai, Maharashtra.

2. Industrial / Business Activities

The main activity of the company is to separate beach sand deposits to produce ilmenite, monazite, rutile, zircon, garnet and sillimanite. The monazite recovered is processed further to produce rare earths chloride and trisodium phosphate with uranium and thorium. It operates through 4 operating units at Chavara and Udyogamandal in Kerala, Manavalakurichi in Tamilnadu and Chatrapur in Orissa. The enterprise is driven by a workforce of 2734 regular employees as on 31.3.2006.

3. Production / Operational Profile

Major Products	Unit	Production during (% Capacity Utilization)			% increase/ decrease over previous year
		2005-06	2004-05	2003-04	
Ilmenite	MT	453606 (97.55)	417275 (89.74)	414631 (89.16)	38.83
Zircon	MT	25269 (109.87)	23376 (101.63)	23634 (102.76)	18.63
Rutile	MT	17510 (72.96)	16317 (67.99)	15753 (65.63)	16.46

4. Major Financial Highlights

Particulars	Performance during (Rs. in crore)			% increase/ decrease over previous year
	2005-06	2004-05	2003-04	
Turnover	306.03	295.48	266.81	3.57
Cost of prod.	261.63	222.4	227.56	17.64
Net Profit/Loss(-)	42.41	24.01	22.57	76.63
Net Worth	263.54	232.98	214.26	13.12
Paid up capital	86.37	86.37	85.97	0
Share of Central Govt./holding co.	86.37	86.37	85.97	0

5. Key Performance Factors

- The turnover and profit of the company increased due to improvement in product quality and recovery of various mineral products / production of value added products along with increase in production and sale.
- The earning PER Share of the company was 491.04 during 2005-06 as compared to Rs. 277.97 in the previous year.
- IREL is not a listed company.
- Export sale was 21.66% of he total sales of Rs. 306.03 crore.
- Company has 'Very Good' MOU rating during the year 2005-06.
- As a result of R&D the company would

improve quality, productivity, value addition, cost control and product diversification. An amount of Rs. 2.02 crore was spent on R&D which was 0.66% of the sales.

6. Strategic Issues

The company has plan to increase the capacity of all the three Mineral operating Plants at Chavara, Manavalakurichi and OSCOM. The capacity expansion of Chavara and Oscom plant has been started.

7. Separation of employees/outstanding dues

- During 2005-06, 62 employees left the company out of which 42 retired on superannuation and 20 left on other grounds. None availed of VRS.
- Total outstanding dues were amounting to Rs. 2.10 crore including Rs. 0.08 crore on salary and wages, Rs. 2.00 crore statutory dues and Rs. 0.02 crore other dues.

J&K Mineral Development Corp. Ltd. (JKMDCL)

1. Company Profile

JKMDCL was incorporated on 19.5.1989 as a joint venture of National Minerals Development Corporation Ltd. (NMDC) and J&K Government under the Companies Act, 1956 with an objective to undertake exploration, prospecting, mining and processing of Magnesite, sapphire, marble, limestone, iron ore, coal, phosphate, manganese ore & other mineral deposits. JKMDCL is an uncategorised PSE in Minerals and Metals Sector under the administrative control of M/o Steel having its Registered and Corporate offices at Jammu and Kashmir. It is a subsidiary of NMDC which has 84% shareholding in JKMDCL.

2. Industrial / Business Activities

JKMDCL is one of the subsidiary enterprises in the mining of raw Magnesite ore at Udhampur, Jammu and Kashmir. The enterprise is driven by a workforce of 7 employees as on 31.3.2006.

3. Production / Operational Profile

The company is under closure and in the process of winding up. There is no production during last four years.

4. Major Financial Highlights

Particulars	Performance during *(Rs. in crore)*			% increase/ decrease over previous year
	2005-06	2004-05	2003-04	
Turnover	0	0	0.00*	*********
Cost of prod.	3.58	0.71	1.05	404.23
Net Profit/Loss(-)	-3.42	-0.72	-1.23	375
Net Worth	-4.4	-1.32	-0.92	233.33
Paid up capital	4.74	4.74	4.74	0
Share of Central Govt./holding co.	3.96	3.96	3.96	0

5. Key Performance Factors

- There is no production in the company. The company was to take up the development of magnesite deposit and setup a DBM Plant. However, due to fall in international prices of DBM and reduction of import duty, the project could not progress. Due to locational disadvantage and less demand due to technological change by steel plants, the demand for raw magnesite is not as good as envisaged earlier.
- The Board of company desired to stop all the development activities of company and to take up the issue of dissolution and winding up of the company with Govt. of India and State Govt. of J & K.

Kudremukh Iron Ore Co. Ltd. (KIOCL)

1. Company Profile

KIOCL was incorporated in the year 1976 under the Companies Act, 1956 with an objective to meet the long term requirement of Iron Ore for the steel mills of Iran. However, due to political developments in Iran, company diversified into Pellet. KIOCL is a schedule-'A' Mini-ratna CPSE in Mineral and Metal sector under the administrative control of M/o Steel with 98.99% share holding by the Government. Its registered and corporate offices are at Bangalore, Karnataka.

2. Industrial / Business Activities

KIOCL is one of the pioneering enterprises engaged in the mining of Iron Ore, beneficiation of Iron Ore into concentrate, production and export of Iron Ore Concentrate and also Iron Oxide Pellets through its operating units at Kudremukh and Mangalore districts of Karnataka. The company has one financial Joint Venture with MECON Ltd. and MSTC Ltd. namely Kudremukh Iron and Steel Co. Ltd. (KISCO) to manufacture low sulphur, low phosphorous, Pig iron and Ductile Iron Spun pipes at Mangalore. The enterprise is driven by a workforce of 1889 employees as on 31.3.2006.

3. Production / Operational Profile

Major Products	Unit	Production during (% Capacity Utilization)			%increase/ decrease over previous year
		2005-06	2004-05	2003-04	
Iron Ore Concentrate	MT	2.922 (58)	4.350 (65)	5.090 (76)	9.81
Iron Oxide Pellets	MT	3.671 (81)	3.795 (95)	3.671 (92)	90.19

4. Major Financial Highlights

Particulars	Performance during (Rs. in crore)			%increase/ decrease over previous year
	2005-06	2004-05	2003-04	
Turnover	1179.78	1806.75	1005.73	-34.7
Cost of prod.	736.78	752.09	642.86	-2.04
Net Profit/Loss(-)	356.3	649.84	300.7	-45.17
Net Worth	2063.95	1846.78	1339.37	11.76
Paid up capital	634.51	634.51	634.51	0
Share of Central Govt./holding co.	628.14	628.14	628.14	0

5. Key Performance Factors

- KIOCL is one of the largest 100% EOUs of the country and enjoys a Golden Star Trading House with ISO 9001-2000 certification.
- The capacity utilization of Concentrate Plant has been refixed taking into account the fact that the mining activities at Kudremukh had been stopped on 31.12.2005 in pursuance to the directions of the Supreme Court.
- Production of Iron Ore Concentrate during 2005-06 was 94% of the target of 3.100 MT
- The company has achieved 108% capacity utilization of its target.
- The performance of the company declined during 2005-06 as compared to 2004-05 in terms of production, sales, profitability etc.
- The market share of company's products in India was 4.12 % and in abroad 0.46 % as against 7.14 % and 0.71 % respectively during 2004-05 and 9.04% and 0.88% respectively during 2003-04.
- Technological innovation and R&D activities are directed towards quality improvement through process development/modifications to suit multi-product needs. Energy conservation and cost control measures are taken to improve performance.
- Certain portion of shaft pelletisation plant is not performing and Rs 29.82 crore has been provided for the year 2004-05.
- Company has 'Very Good' MOU rating during the year 2005-06.
- The company's shares are not traded on a large scale frequently and are quoted at its face value of Rs. 10 each.

6. Strategic Issues

- In the absence of long term mining lease, no major projects were undertaken during the year 2005-06.
- The company has submitted applications for grants of Mining lease in the state of Karnataka. Since some of the applicants

for grant of Mining lease have filed petition in the High Court of Karnataka, the Court is yet to take a view. However, The State Government has taken a decision to allot 50% of Ramanadurg Iron Ore deposits for KIOCL. Further the Government of Karnataka had recommended for granting of lease over an area of 116.55 Hectares in Hombalghatta and requested for certain details. Government of Orissa has also identified iron ore deposits at Kandadhar. KIOCL has applied for mining lease in this area. KIOCL has also entered in an MOU with SAIL to form a joint venture company to mine iron ore at Kalta, Taldih and Barsua mines in Orissa. Work on Detailed Project Report is under progress.

7. VRS/Outstanding dues

- During the year, 55 employees left the company out of which 2 availed of VRS and 12 left on superannuation and 41 on other grounds. Up-to 31.3.2006 total 373 employees have taken VRS.
- There were no outstanding due as on 31.3.2006. However, the company made a payment of ex-gratia of Rs. 0.27 crore during 2005-06.

Manganese Ore (India) Ltd. (MOIL)

1. Company Profile

MOIL was originally setup in 1896 as Central Provinces Syndicate, which was later taken over by the Central Provinces Manganese Ore Company Limited (CPMO), a British Company incorporated in the UK. In 1962 as a result of an agreement between Government of India(GOI) and the CPMO, the assets of CPMO were taken over by the Government and the MOIL was formed with 51% capital held between GOI and the state Governments of Maharashtra and Madhya Pradesh. The balance 49% shares were still held by the CPMO. In 1977, the balance 49% shares too were acquired from CPMO and MOIL became a 100% Government Company.

MOIL is a schedule-'B' / Mini-ratna PSE in Minerals and Metals sector under the administrative control of M/o Steel with 81.54% shareholding by the GOI and the remaining by the State Governments of Maharashtra(9.62%) and Madhya Pradesh(8.81%). Its Registered and Corporate offices are at Nagpur, Maharashtra.

2. Industrial / Business Activities

The company produces various grades of Manganese Ore, Electrolytic manganese Di-oxide and Ferro Manganese at its 10 operating Mines (6 in the State of Maharashtra and 4 in Madhya Pradesh) and manufacturing facilities for EMD at Dongri Buzurg and Ferro Manganese at Balaghat. Recently in June, 2006 the company has set up a 5 MW Wind Power Generation Unit at Dewas (MP) for captive consumption.The enterprise is driven by a workforce of 6998 employees as on 31.3.2006.

3. Production / Operational Profile

Major Products	Unit	Production during (% Capacity Utilization)			%increase/ decrease over previous year
		2005-06	2004-05	2003-04	
Manganese Ore	Ton	864890	943169	799096	90.61
Electrolytic manganese Di-oxide	Ton	1301 (130.10)	1123 (112)	975 (97)	1.97
Ferro Manganese	Ton	6170 (61.70)	10325 (103)	10899 (109)	7.42

4. Major Financial Highlights

Particulars	Performance during *(Rs. in crore)*			%increase/ decrease over previous year
	2005-06	2004-05	2003-04	
Turnover	329.75	374.77	224.02	-12.01
Cost of prod.	193.92	205.44	174.71	-5.61
Net Profit/Loss(-)	114.52	126.9	28.51	-9.76
Net Worth	346.05	257.27	139.77	34.51
Paid up capital	15.33	15.33	15.33	0
Share of Central Govt./holding co.	12.5	12.5	12.5	0

5. Key Performance Factors

- MOIL is the largest indigenous producer of high grade Manganese Ore which is the raw material for manufacturing of alloys, an essential input for steel making and dioxide ore for manufacturing dry batteries.
- The production has declined in manganese ore and ferro manganese during 2005-06 as compared to last year. The company has also recorded decline in turnover as well as profitability.
- The earning per share was Rs. 747.25 and market share was 44% in 2005-06.
- Company has 'Excellent' MOU rating during the year 2005-06.

6. Strategic Issues

- Performance of company declined in 2005-06 due to low demand of Manganese Ore in the domestic as well as international market. Company is also forced to reduce the price which affected turn over and profit.
- MOIL received orders from Government Departments/Organisations amounting to Rs. 75.03 crore during 2005-06.

7. VRS/Outstanding dues

- During the year, 355 employees left the company out of which 109 availed of VRS, 61 left on superannuation and 185 on other grounds. Up-to 31.3.2006 total 109 employees have taken VRS.
- There were no outstanding due as on 31.3.2006. However, the company made payment of ex-gratia of Rs. 7.28 crore during 2005-06.

National Aluminium Co. Ltd. (NALCO)

1. Company Profile

NALCO was incorporated on 07.01.1981 under the Companies Act, 1956 with the objective to be a company of global repute in Aluminium sector. NALCO is a schedule-'A' Mini-ratna CPSE in Minerals and Metal sector under the administrative control of M/o Mines with 87.15% shareholding by the Government of India. Its registered and corporate offices are at Bhubaneswar, Orissa.

2. Industrial / Business Activities

NALCO is engaged in production of Alumina and Aluminium metal and generation of power through its 5 operating units (Bauxite Mines, Alumina Refinery, Aluminium Smelter, Captive Power Plant and Rolled Product unit) at Koraput and Angul districts of Orissa and one port facilities area at Visakhapatnam in Andhra Pradesh. The enterprise has a workforce of 7406 employees as on 31.3.2006.

3. Production / Operational Profile

Major Products	Unit	Production during (% Capacity Utilization)			% increase/ decrease over previous year
		2005-06	2004-05	2003-04	
Bauxite	MT	4854253 (101.13)	4851726 (101.07)	-	0.05
Aluminium Metal	MT	358954 (104.04)	338483 (106)	298207 (104)	6.05
Alumina Hydrate	MT	1590000 (100.95)	1575500 (99)	1556100 (98)	0.92
Electricity	MU	6037.79	5962.85	NA	1.26

4. Major Financial Highlights

Particulars	Performance during (Rs. in crore)			% increase/ decrease over previous year
	2005-06	2004-05	2003-04	
Turnover	4851.9	4123.96	3124.07	17.65
Cost of prod.	2736.54	2530.68	2295.39	8.13
Net Profit/Loss(-)	1562.2	1234.84	737.37	26.51
Net Worth	5892.67	4697.81	3756.67	25.43
Paid up capital	644.31	644.31	644.31	0
Share of Central Govt./holding co.	561.5	561.5	561.5	0

5. Key Performance Factors

- Sales and profit of the company have shown improvement due to increased in output and better price realisation. The performance of the company depends, among other factors, on the international price of aluminum. The LME aluminium rates per MT increased to US $2029 during 2005-06 as against US $1778 in 2004-05.

- The chemicals (Alumina)segment accounted for 43% of total revenue and the Aluminium 57% during 2005-06.
- Company has 'Excellent' MOU rating during the year 2005-06.
- The market price of the company's shares was between Rs.135 to Rs. 311 during the year 2005-06 as against Rs.103.60 to Rs.209 during 2004-05.

6. *Strategic Issues*

- During the year 2005-06 NALCO remained a 'Zero Debt' company. As on 31.3.2006 the company has a surplus cash balance of Rs.2134 crore, which is to be utilized to finance the 2nd phase expansion. Government of India has approved 2nd phase of expansion of NALCO in 2004-05. The proposed expansion will augment the capacity of Bauxite Mines to 63 lakhs tonnes from 48 lakhs tonnes, Alumina Refinery to 21 lakhs tonnes from 15.75 lakhs tonnes, Smelter to 4.6 lakhs tonnes from 3.45 lakhs tonnes and power generation to 1200 MW from 960 MW. Accordingly in 2005-06 the manpower strength increased from 7085 to 7406 primarily for catering to new expansions needs.
- With a view to keep pace with the rapid changes in global business environment, NALCO has recast its corporate plan and vision document in tune with the varying scenario. Further actions are being initiated for capacity enhancement of Alumina Refinery, Smelting operations and for backward integration.
- The rising price of fuel oil, coal and other input materials are a cause of concern for the aluminium industry.

National Mineral Development Corp. Ltd. (NMDC)

1. *Company Profile*

NMDC was incorporated on 15.11.1958 under the Companies Act, 1956 with an objective to emerge as a global mining organisation with international standards of excellence, rendering optimum satisfaction to all its stakeholders. NMDC is a schedule-‘A’ Miniratna CPSE in Mineral and Metals sector under the administrative control of M/o Steel with 98.39% shareholding by the Government of India. Its Registered and Corporate offices are at Hyderabad, Andhra Pradesh.

2. *Industrial / Business Activities*

NMDC is engaged in the production of iron ore and mining of diamond. It is operating 3 iron ore production units, two in Chhattisgarh and one in Karnataka. It has one diamond mining project in Madhya Pradesh and one silica sand project at Allahabad in Uttar Pradesh. The company has one Indian subsidiary namely J&K Mineral Development Corporation Limited with 76% shareholding and two wholly owned subsidiaries abroad namely NMDC-SARL in the Republic of Madagascar and NAM-India Mineral Development Corporation (Pty) Ltd. in the Republic of Namibia. The enterprise is driven by a workforce of 5776 employees as on 31.3.2006.

3. *Production / Operational Profile*

Major Products	Unit	Production during (% Capacity Utilization)			% increase/ decrease over previous year
		2005-06	2004-05	2003-04	
IRON Ore	Lakh Ton	229.23 (119)	207.43 (110)	179.59 (103)	10.51
Diamnds	Carats	43878 (93)	78217 (93)	71163 (85)	-43.90
Silica Sand	Ton	62636 (21)	70832 (24)	57011 (19)	-11.57

4. *Major Financial Highlights*

Particulars	Performance during (Rs. in crore)			% increase/ decrease over previous year
	2005-06	2004-05	2003-04	
Turnover	3710.92	2229.99	1453.69	66.41
Cost of prod.	1145.21	1107.43	916.29	3.41
Net Profit/Loss(-)	1827.8	755.44	432.63	141.95
Net Worth	3984.7	2568.94	1968.82	55.11
Paid up capital	132.16	132.16	132.16	0
Share of Central Govt./holding co.	130.03	130.03	130.03	0

5. *Key Performance Factors*

- The company is having a market share of 14% for its major products in India during 2005-06 as compared to 15% during last two years. The market share of company abroad is stagnated at 2% during three years.
- Optimization of resources for higher productivity is the basic factor for improvement in financial performance. The demand of Iron ore in domestic and export market during 2005-06 remained encouraging due to favorable demand from China.
- The production of diamonds was low during the year due to stoppage of mining activities from 22.8.05 to year end as per directives of MPPCB, Bhopal.
- During 2005-06, NMDC exported 6.05 million tones of iron ore. The total export sale was 31.94% of the total sales of Rs. 3710.92 crore .
- Earning Per Share was Rs. 138.30 during 2005-06 as compared to Rs. 57.16 in the previous year.
- Company has 'Excellent' MOU rating during the year 2005-06.
- The market price of the company's shares was between Rs. 820 to Rs.2200 during 2005-06 as compared to Rs. 195 To Rs. 1280 during the year, 2004-05.

6. *Strategic Issues*

- The company has applied for mining lease in the state of Andhra Pradesh, Orissa, Chattisgarh and Tamilnadu. The company has signed an MOU with Kerala State Industrial Development Corporation and Indian Rare Earths Ltd. to set up a Synthetic Rutile Plant at Chavara in Kerala as a Joint Venture.
- The total expenditure on R&D was Rs. 6.17 crore which was 0.17% of the total sales.
- Replacement of 50T ton dumpers, 4.6 cum .mtr shovels by 85 ton dumpers and 10 cum mtr. Sholves in phased manner, monitoring of plant operations with the help of CCTV and installation of PLC system to minimize downtime in identifying the breakdown point were the measures taken for technology upgradation.

7. *VRS/Outstanding dues*

- Till 31.3.2006 total 199 employees availed of VRS. During the year 2005-06 356 employees left the NMDC out of which 228 retired on superannuation and 128 left on other ground. None availed of VRS during the year.
- There were outstanding dues of Rs.10.56 crore including Rs. 6.30 on salary and wages, Rs. 2.95 statutory dues and Rs. 1.31 otherdues. An amount of Rs.0.07 crore was paid as ex-gratia payment during 2005-06.

Uranium Corporation of India Ltd. (UCIL)

1. *Company Profile*

UCIL was incorporated on 04.10.1967 under the Companies Act, 1956 with an objective to mine and refine uranium ore to produce concentrate and recover by-products at the most economic cost and market them efficiently to meet the requirement of Nuclear Power Programme. UCIL is a schedule-'B' Miniratna CPSE in Minerals and Metals sector under the administrative control of D/o Atomic Energy with 100% shareholding by the Government of India. Its registered and corporate offices are at Singbhum East, Jharkhand.

2. *Industrial / Business Activities*

UCIL is engaged in Mining and processing of Uranium Ore through its 4 operating mines at Jaduguda, Bhatin, Narwapahar and Turamdih in Jharkhand. The enterprise has a workforce of 4112 employees as on 31.3.2006.

3. *Production / Operational Profile*

Major Products	Unit	Production during			% increase/ decrease over previous year
		2005-06	2004-05	2003-04	
U308	KG.	110.39	109.81	100.53	0.53
Magnatite	Ton.	84.64	78.62	71.08	7.66

4. *Major Financial Highlights*

Particulars	Performance during (Rs. in crore)			% increase/ decrease over previous year
	2005-06	2004-05	2003-04	
Turnover	256.25	234.11	189.79	9.46
Cost of prod.	232.65	210.87	187.91	10.33
Net Profit/Loss(-)	31.61	29.26	9.79	8.03
Net Worth	785.66	706.12	548.21	11.26
Paid up capital	659.89	568.39	498.39	16.1
Share of Central Govt./holding co.	659.89	568.39	498.39	16.1

5. *Key Performance Factors*

- UCIL is working under monopolistic conditions with 100% market share. The company has given major emphasis on reduction of manpower, which accounted for around 40% of the total cost. As a part of this exercise VRS has been introduced.
- Emphasis has also been laid on searching of import substitutes of certain valuable spares and better inventory management, which leads to reduction in inventory.
- Earning Per Share of the company was Rs. 49.82 during 2005-06 as compared to Rs. 53.10 in the previous year.
- Company has 'Very Good' MOU rating during the year 2005-06.
- Leaching tests of Tummalapalle, different kinds of rock samples and experiments on alkaline leaching were carried out as R&D activities. Efforts were also made to precipitate uranium peroxide from sodium diuranate obtained from Tummalapalle ore.

6. *Strategic Issues*

- The performance of the company depends on Nuclear Power programmes of the Government.

7. *VRS/Outstanding dues*

During the year 2005-06 total 81 employees left the company out of which 20 have taken VRS, 4 retired on superannuation and 57 left on other accounts. Till 31.3.2006, total 291 employees have taken VRS. There was no outstanding dues on this date. The company made a payment of Rs. 13.05 crore as ex-gratia.

3 STEEL

There were 6 enterprises in the public sector as on 31.3.2006 which were engaged in producing steel and allied products. The names of these enterprises alongwith 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 Elektrosmelt Ltd.	1974
4.	Sponge Iron India Ltd.	1978
5.	Ferro Scrap Nigam Ltd.	1979
6.	Rashtriya Ispat Nigam Ltd.	1982

2. The enterprises falling in this group are mainly engaged in production 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. Net profit/(Loss): The details of individual enterprises which earned net profit or sustained net loss (-) in ranking order are given in the next column:

(Rs. in crore)

Sl. No.	Enterprise	Net Profit/(Loss) 2005-06	2004-05
1.	Steel Authority of India Ltd.	4012.97	6816.97
2.	Rashtriya Ispat Nigam Ltd.	1252.37	2008.09
3.	Maharashtra Elektrosmelt Ltd.	20.97	52.23
4.	*Indian Iron and Steel Co. Ltd.	-	46.59
5.	Mishra Dhatu Nigam Ltd.	12.03	6.86
6.	Ferro Scrap Nigam Ltd.	5.68	5.41
7.	Sponge Iron India Ltd.	3.18	3.93
Total		**5307.20**	**8940.08**

* Merged with SAIL.

5. Dividend : The following enterprises declared dividend as per details given below :

(Rs. in crore)

Sl. No.	Enterprise	Dividend 2005-06	2004-05
1.	Steel Authority of India Ltd.	826.08	1363.03
2.	Mishra Dhatu Nigam Ltd.	2.41	1.37
3.	Ferro Scrap Nigam Ltd.	1.14	1.08
4.	Sponge Iron India Ltd.	0.65	1.79
	Total	**830.28**	**1367.27**

6. Township & Social Overheads :

The operating results of these enterprises after setting off township maintenance and other social overheads such as maintenance of schools, medical facilities, social overheads and cultural subsidies, etc. are given below :

(Rs. in crore)

Sl. No.	Particulars	Township & Social Overheads	
		2005-06	**2004-05**
1.	Capital cost of Township	263.14	312.59
2.	Gross expenditure on Township	18.13	28.36
3.	*Less :* Rent receipt and other income	2.91	14.17
4.	Net expenditure on Township	15.22	14.19
5.	Social Overheads: Educational, Med. facilities, etc.	48.73	67.35
6.	Total Social Overheads	63.95	81.54

7. To appreciate the performance of each enterprise falling in this group, the details about their financial position, working results and important management ratios for three years are given in Volume-III.

(Rs. in crore)

Sl. No.	Particulars	Township & Social Overheads	
		2005-06	**2004-05**
7.	No. of employees	158383	163292
8.	Per capita expend. on Social Overheads (Rs.)	4038	4994
9.	No. of houses constructed	150150	165577
10.	No. of houses under construction	0	0
11.	Housing satisfaction (%)	94.8	101.4

STEEL

SUMMARISED BALANCE SHEET

(Rs. in Lakhs)

PARTICULARS	2005-06	2004-05	2003-04
AUTHORISD CAPITAL	1323800	1378800	1378800
I. SOURCES OF FUNDS			
(1) SHAREHOLDERS FUND			
(A) PAID-UP CAPITAL			
CENTRAL GOVT.	1157362	1157362	1157362
OTHERS	61254	100020	100020
(B) SHARE APPLICATION MONEY	0	0	0
(C) RESERVES & SURPLUS	899451	632662	103606
TOTAL (A)+(B)+(C)	2118067	1890044	1360988
(2) LOAN FUNDS			
(A) SECURED LOANS	121032	169328	345707
(B) UNSECURED LOANS	356047	482182	558182
TOTAL (A)+(B)	477079	651510	903889
(3) DEFERRED TAX LIABILITY	181602	201826	854
TOTAL (1)+(2)+(3)	2776748	2743380	2265731
II. APPLICATION OF FUNDS			
(1) FIXED ASSETS			
(A) GROSS BLOCK	3859476	3803491	3763570
(B) LESS: DEPRECIATION	2422281	2268327	2068023
(C) NET BLOCK	1437195	1535164	1695547
(D) CAPITAL WORK IN PROGRESS	94516	45096	43709
TOTAL (C)+(D)	1531711	1580260	1739256
(2) INVESTMENTS	29410	75507	71639
(3) CURRENT ASSETS, LOANS & ADVANCES			
(A) INVENTORIES	762681	583670	403242
(B) SUNDRY DEBTORS	211509	208824	177033
(C) CASH & BANK BALANCES	1204948	1044630	367223
(D) OTHER CURRENT ASSETS	27759	25848	11776
(E) LOAN & ADVANCES	414889	257048	190227
TOTAL (A+B+C+D+E)	2621786	2120020	1149501
LESS:CURRENT LIABILITIES & PROVN.			
(A) CURRENT LIABILITIES	628582	610288	636004
(B) PROVISIONS	802421	643965	500463
TOTAL (A+B)	1431003	1254253	1136467
NET CURRENT ASSETS	1190783	865767	13034
(4) DEFERRED REVENUE/PRE.EXPENDITURE	24304	39985	50411
(5) DEFERRED TAX ASSET	540	0	0
(6) PROFIT & LOSS ACCOUNT (DR)	0	181861	391391
TOTAL (1+2+3+4+5+6)	2776748	2743380	2265731

STEEL

SUMMARISED PROFIT AND LOSS ACCOUNT

(Rs. in Lakhs)

PARTICULARS	2005-06	2004-05	2003-04
INCOME			
SALES/OPERATING INCOME	4174228	4230731	3205911
EXCISE DUTY	568560	444707	373611
NET SALES	3605668	3786024	2832300
OTHER INCOME/RECEIPTS	160768	158826	96263
ACCRETION/DEPLETION IN STOCKS	101016	78055	-51167
TOTAL	3867452	4022905	2877396
EXPENDITURE			
PURCHASE OF FINISHED GOODS/ CONSUMPTION OF RAW MATERIALS	1612917	1301279	934968
STORES & SPARES	302416	262074	237845
POWER & FUEL	283832	261340	254539
MANUFACTURING/DIRECT/OPERATING EXPENSES	49797	6606	4947
SALARY,WAGES AND BENEFITS/EMPLOYEE EXPENDITURE	482675	513770	567235
OTHER EXPENSES	133609	186782	137982
PROVISIONS	6245	10634	23053
TOTAL	2871491	2542485	2160569
PROFIT BEFORE DEP, INTEREST, TAXES, EXTRA-ORDINARY ITEMS & PPA(PBDITEP)	995961	1480420	716827
DEPRECIATION	163795	215200	161753
DRE/PREL. EXPENSES WRITTEN OFF	19677	18687	34443
PROFIT BEFORE INTEREST, TAXES, EXTRA-ORDINARY ITEMS & PPA (PBITEP)	812489	1246533	520631
INTEREST			
ON CENTRAL GOVERNMENT LOANS	0	0	5
ON FOREIGN LOANS	7458	7670	8479
OTHERS	39155	56805	89029
LESS INTEREST CAPITALISED	469	169	802
CHARGED TO P & L ACCOUNT	46144	64306	96711
PROFIT BEFORE TAX, EXTRA-ORDINARY ITEMS & PPA (PBTEP)	766345	1182227	423920
TAX PROVISIONS	235261	282500	12751
NET PROFIT/LOSS BEFORE EXTRA-ORDINARY ITEM	531084	899727	411169
NET EXTRA-ORDINARY ITEMS & PRIOR PERIOD ADJUSTMENT	364	5719	-620
NET PROFIT/LOSS(-)	530720	894008	411789
DIVIDEND DECLARED	83028	136727	594
DIVIDEND TAX	11645	18581	76
RETAINED PROFIT	436047	738700	411119

STEEL

MANAGEMENT RATIO

DETAILS	2005-06	2004-05	2003-04
GENERAL (RS. IN LAKHS)			
INVESTMENT	1606948	1806171	1993996
CAPITAL EMPLOYED	2627978	2400931	1708581
NET WORTH	2093763	1668198	919186
COST OF PRODUCTION	3101107	2840678	2453476
COST OF SALES	3000091	2762623	2504643
VALUE ADDED	1507519	2039386	1353781
R AND D EXPENDITURE	1224	6810	7545
PERSONNEL			
EMPLOYEES(OTHER THAN CASUAL) (NOS)	158383	163292	169261
AVERAGE MONTHLY EMOLUMENTS PER EMPLOYEE(Rs)	25396	26219	27927
INVENTORIES (IN TERMS OF NO. OF DAYS)			
TOTAL INVENTORY : SALES	77	56	52
SEMI/FINISHED GOODS : SALES	39	26	25
FINANCIAL RATIOS (%)			
SALES : CAPITAL EMPLOYED	137.20	157.69	165.77
MATERIAL COST : COST OF PRODUCTION	52.01	45.81	38.11
MANPOWER COST : COST OF PRODUCTION	15.56	18.09	23.12
COST OF SALES: SALES	83.20	72.97	88.43
PBDITEP : CAPITAL EMPLOYED	37.90	61.66	41.95
PBITEP : CAPITAL EMPLOYED	30.92	51.92	30.47
PBITEP : SALES	22.53	32.92	18.38
PROFIT BEFORE TAX & EP(PBTEP): NET WORTH	36.60	70.87	46.12
NET PROFIT : NET WORTH	25.35	53.59	44.80
R AND D EXPENDITURE : SALES	0.03	0.18	0.27
SUNDRY DEBTORS : SALES (NO. OF DAYS)	21	20	23

Ferro Scrap Nigam Ltd. (FSNL)

1. Company Profile

FSNL was incorporated in the year 1979 under the Companies Act, 1956 in collaboration with M/s Harsco Corporation (Inc.), USA as a subsidiary of M/s Metal Scrap Trading Corp. Litd. to take over the running business of M/s Heckett Engineering Company in India in order to Indigenise the entire scrap recovery process in the steel sector under SAIL, RINL and IISCO. The main objective of the company is to reclaim iron and steel scrap from slag in all the integrated steel plants under SAIL, RINL, IISCO. It is also operating under private sector plants like NINL, IIL and JSPL. FSNL is a Schedule-'C' / Mini Ratna CPSE in Steel sector under the administrative control of M/o Steel having its Registered and Corporate offices at Bhilai, Chhattisgarh. FSNL is now a 100% subsidiary of MSTC Ltd.

2. Industrial / Business Activities

FSNL is one of the subsidiary enterprises processing and recovering iron and steel from slag and executing Job of slag handling through its 9 units at Burnpur and Durgapur in West Bengal, Rourkela and Jajpur (NINL) in Orissa, Bhilai and Raigarh in Chhatisgarh, Bokaro, Visakhapatnam and Dolvi in Jharkhand, Andhra Pradesh and Maharashtra respectively. It has one Liaison Office in New Delhi. The enterprise is driven by a workforce of 1166 employees as on 31.3.2006.

3. Production / Operational Profile

Major Products	Unit	Production during (% Capacity Utilization)			%increase/ decrease over previous year
		2005-06	2004-05	2003-04	
Processing and recovery of Iron & Steel Scrap	MT	2245855	2174047	1936118	3.30

4. Major Financial Highlights

Particulars	Performance during *(Rs. in crore)*			%increase/ decrease over previous year
	2005-06	2004-05	2003-04	
Turnover	99.85	90.78	82.01	9.99
Cost of prod.	98.37	89.66	79.84	9.71
Net Profit/Loss(-)	5.68	5.41	5.36	4.99
Net Worth	129.62	124.55	119.66	4.07
Paid up capital	2	2	2	0
Share of Central Govt./holding co.	2	2	2	0

5. Key Performance Factors

- Increase in turnover is due to increase in production. Profitability did not increase in proportion to increase in turnover due to increase in input cost like diesel, power and steel price etc. whereas service charge rates are fixed without price escalation.
- During 2005-06, 22.46 lakh MT of scrap was processed and given back to steel plants against 21.74 lakh MT in 2004-05. FSNL's performance depends on steel plant production of liquid steel and the scrap generation in various forms.
- FSNL is a pioneer organization in the field of steel mill services and presently having a market share of about 60%.
- The company achieved 'Very Good' rating in MOU during 2005-06.
- The Earning Per Share of the FSNL was Rs. 2842 during 2005-06 as compared to Rs. 2703 in 2004-05.

6. Strategic Issues

- Efforts are being made to reduce the cost reasonably within limit despite increase in input cost.
- Steel Industry is poised for growth to reach 100 million MT by the year 2019. FSNL will also grow with the existing customers

as well as adding new customers in the coming years.

7. VRS/Outstanding dues

- During the year 2005-06, 7 employees left the company on superannuation. Till 31.3.2006, total 67 employees availed of VRS. During the year an ex-gratia payment of Rs. 0.64 crore was made. There were outstanding dues of Rs. 22.65 crore on account of Sundry Creditors and their liabilities.

Maharashtra Electrosmelt Ltd. (MEL)

1. *Company Profile*

MEL was incorporated in the year 1974 under the Companies Act, 1956 and promoted by the State Industrial and Investment Corporation of Maharashtra with an objective to develop the Chandrapur area in Maharashtra which had vast deposits of good grade iron ore. MEL is an uncategorised BIFR referred PSE in Steel sector under the administrative control of M/o Steel having its registered office at Mumbai and corporate office at Chandrapur, Maharashtra. MEL is a subsidiary of Steel Authority of India Ltd. (SAIL) which holds 99% of its equity.

2. Industrial / Business Activities

MEL is engaged in manufacturing of Ferro Alloys through its operating unit at Chandrapur, Maharashtra. The enterprise has a workforce of 802 employees as on 31.3.2006.

3. Production / Operational Profile

Major Products	Unit	Production during (% Capacity Utilization)			%increase/ decrease over previous year
		2005-06	2004-05	2003-04	
HC FeMn	MT	51525	65245	24531	- 21.03
SiMn	MT	46712	33078	35670	41.22
MC FeMn	MT	2344	2218	1443	5.68
Capacity Utilization	%	120	118	82	-

4. Major Financial Highlights

Particulars	Performance during (Rs. in crore)			%increase/ decrease over previous year
	2005-06	2004-05	2003-04	
Turnover	195.74	222.95	125.33	-12.2
Cost of prod.	183.58	186.9	119.39	-1.78
Net Profit/Loss(-)	20.97	52.23	6.3	-59.85
Net Worth	53.96	33.92	-18.2	59.08
Paid up capital	23.79	23.79	23.79	0
Share of Central Govt./holding co.	24	24	24	0

5. Key Performance Factors

- MEL had to operate two furnaces for two months for Sillico Manganese in order to meet enhanced demand for SAIL plants and reduced demand for Ferro Manganese.
- Though the quantity of sales increased in 2005-06, the sales realization declined due to increase in raw material cost.
- The company is registered with stock exchanges of Mumbai and Ahmedabad since 1975, however there is no floor trading of its shares.

6. Strategic Issues

- The company's status with BIFR is now listed as 'Dropped' as net worth has become positive.
- As recommended by the Export Group, constituted by the Ministry of Steel, the Board of MEL has in principle approved for merger of the company with SAIL subject to provisions of Companies Act, 1956.

7. VRS / Outstanding dues

During the year, 10 employees left the company including separation of one person under VRS. Up-to 31.3.2006 total 199 mployees have taken VRS.

Mishra Dhatu Nigam Ltd. (MIDHANI)

1. *Company Profile*

MIDHANI was incorporated in the year 1973 under the Companies Act, 1956 with the objective of manufacturing Super-alloys, Titanium alloys and Special purpose steel required in strategic sectors like Space, Aeronautics, Defence and Atomic Energy etc. MIDHANI is a schedule-'B' CPSE in Steel 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.

2. *Industrial / Business Activities*

MIDHANI is engaged in manufacturing of some of the very complex alloys like super alloys, maraging steel, titanium and titanium alloys, special purpose steels and welding electrodes through its single operating unit at Hyderabad, Andhra Pradesh. The enterprise has a workforce of 1319 employees as on 31.3.2006.

3. *Operational Profile*

Major Products	Unit	Production during (% Capacity Utilization)			%increase/ decrease over previous year
		2005-06	2004-05	2003-04	
Supperalloys, Special Stainless Steel & Titanium Based alloys	MT	1215 (45)	1337 (49)	1088 (40)	-9.12

4. *Major Finan.cial Highlights*

Particulars	Performance during *(Rs. in crore)*			%increase/ decrease over previous year
	2005-06	2004-05	2003-04	
Turnover	146.77	123.64	116.49	18.71
Cost of prod.	164.47	131.04	105.74	25.51
Net Profit/Loss(-)	12.03	6.86	6.89	75.36
Net Worth	154.29	144.69	138.66	6.63
Paid up capital	137.34	137.34	137.34	0
Share of Central Govt./holding co.	137.34	137.34	137.34	0

5. *Key Performance Factors*

- During the year 2005-06 the order booking from sectors like space, atomic energy and defence was quite encouraging. Major customers of the company are DRDO, ISRO, HAL, DAE and OFB. The overall capacity utilization for the year 2005-06 was 45%.
- Thrust is on booking and executing high value orders having good profit margins and production and supply of value related items.
- The company has 'Excellent' MOU rating during the year 2005-06.
- Earning Per Share was Rs. 87.57 during 2005-06 as compared to Rs. 49.91 in the previous year.

6. *Strategic Issues*

- Thrust on R&D is to be given. MIDHANI is wholly dependent on Government customers. It has to develop its product for export areas also.
- The company has decided to go in for implementation of suitable Enterprise Resource Planning (ERP) package.

Rashtriya Ispat Nigam Ltd. (RINL)

1. *Company Profile*

RINL was incorporated on 18.2.1982 under the Companies Act, 1956 with an objective to be a self supporting, growing company in production of steel with continuous improvement in productivity, quality and customer satisfaction. RINL is a schedule-'A' CPSE in Steel sector under the administrative control of M/o Steel with 100% shareholding by the Government Govt. of India. Its registered and corporate offices are at Visakhapatnam, Andhra Pradesh.

2. *Industrial / Business Activities*

RINL is involved in production and marketing of carbon steel products in the longs category and basic grade pig iron through its one operating unit at Visakhapatnam, Andhra Pradesh. The enterprise is driven by a workforce of 16574 employees as on 31.3.2006.

3. Production / Operational Profile

Major Products	Unit	Production during (% capacity utilization)			% increase/ decrease over previous year
		2005-06	2004-05	2003-04	
Saleable Steel	'000T	3237 (122)	3173 (119)	3169 (119)	2.02
Pig Iron	'000T	439 (79)	273 (49)	439 (79)	60.81
WRM Products	'000T	1043 (123)	1014 (119)	974 (115)	2.86
MMSM Products	'000T	1058 (124)	1014 (119)	993 (117)	4.34
LMMM Products	'000T	873 (123)	858 (121)	815 (115)	1.75
Semis	'000T	263 (107)	287 (117)	386 (157)	- 8.36

4. Major Financial Highlights

Particulars	Performance during (Rs. in crore)			% increase/ decrease over previous year
	2005-06	2004-05	2003-04	
Turnover	7305.71	7359.84	5463.5	-0.74
Cost of prod.	5813.05	5704.24	4111.57	1.91
Net Profit/Loss(-)	1252.37	2008.09	1547.19	-37.63
Net Worth	8148.83	6878.32	4851.78	18.47
Paid up capital	7827.32	7827.32	7827.32	0
Share of Central Govt./holding co.	7827.32	7827.32	7827.32	0

5. Key Performance Factors

- Production in 2005-06 showed increase over that of 2004-05 on account of numerous performance improvement measures taken throughout the plant. However, profitability declined during 2005-06 compared to the previous year mainly due to (i) lower net sales realizations of iron and steel products, (ii) increase in the prices of major raw materials like iron ore and medium coking coal, and (iii) increase in the income tax liability on account of wiping out accumulated losses (higher income Tax rate of 33.66% as against previous year's Minimum Alternate Tax rate of 7.841%).
- Company is having Indian market share of 53% in Bars and Rods, 45% in Pig Iron, 39% in saleable steel and 49% in finished steel.
- Earning Per Share was Rs. 256.12 during 2005-06 as compared to Rs. 410.67 in the previous year.
- Company has 'Excellent' MOU rating during the year 2005-06.

6. Strategic Issues

- With a view to sustaining the growth levels already achieved and improving the performance further, VSP has embarked on expansion of its capacity. This is also in line with the National Steel Policy of the Government of India (GoI) which envisaged increase in steel production in the country to 60 Mt by 2012 and 110 Mt by 2020.
- Price of steel is cyclic in nature. Financial performance is also affected due to changes in prices of finished products.

7. VRS / Outstanding dues

During the year, 194 employees left the company out of which 8 availed of VRS, 70 retired on superannuation and 116 left on other grounds. An Ex-gratia payment of Rs. 20.91 crore was made during 2005-06. As on 31.3.2006, there was no outstanding dues.

Sponge Iron India Ltd. (SIIL)

1. Company Profile

SIIL was incorporated in the year 1975 under the Companies Act, 1956 with an objective to produce sponge iron and Ferro Alloys and to develop new technology in the field of production of coal based sponge iron through continuous R & D efforts. SIIL is a schedule-'CPSE' in Steel sector under the administrative control of M/o Steel with 98.72% shareholding by the Government. Its

Registered and corporate offices are at Hyderabad, Andhra Pradesh.

2. *Industrial / Business Activities*

SIIL is involved in manufacturing of Sponge Iron and generation of power at its operating unit at Khammam, Andhra Pradesh. The enterprise is driven by a workforce of 311 employees as on 31.3.2006.

3. *Production / Operational Profile*

Major Products	Unit	Production during (% Capacity Utilization)			% increase/ decrease over previous years
		2005-06	2004-05	2003-04	
Sponge Iron	MT	48600 (81%)	57600 (96%)	69600 (116%)	-15.62

4. *Major Financial Highlights*

Particulars	Performance during (Rs. in crore)			% increase/ decrease over previous year
	2005-06	2004-05	2003-04	
Turnover	43.04	61.98	58.86	-30.56
Cost of prod.	42.52	52.94	42.51	-19.68
Net Profit/Loss(-)	3.18	3.93	12.98	-19.08
Net Worth	65.34	62.9	61.01	3.88
Paid up capital	65.1	65.1	65.1	0
Share of Central Govt./holding co.	64.27	64.27	64.27	0

5. *Key Performance Factors*

- Production declined due to non availability of qualitative and quantitative iron ore. Turnover and profitability declined due to sluggish market and decrease in average sales realization.
- Earning per share declined from Rs. 20 in 2003-04 and Rs. 6 during 2004-05 to Rs. 5 during 2005-06.
- Company has 'Fair' MOU rating during the year 2005-06.

6. *Strategic Issues*

- Industrial environment is not encouraging. Non availability of raw material and rise in input cost has slowed down the pace of development in the sponge iron sector. Market share of SIIL is only 0.5%.
- Improved quality of Iron Ore and Coal identified may improve the operation of the company.

7. *Surplus assets*

A plant for production of 8300 tones of silco manganese with an asset base of Rs.39 crore is not in operation due to un-remunerative price. Considering the ongoing merger proposal of the company with M/s. NMDC Ltd. the disposal action of surplus assets initiated in 2004-05 could not be pursued.

8. *VRS/Outstanding dues*

During the year 2005-06, 5 employees left the company out of which 3 availed of VRS and 2 retired on superannuation. Till 31.3.2006 total 287 employees left the company due to VRS. During the year an ex-gratia payment of Rs. 0.18 crore was made and there were no outstanding dues as on 31.3.2006.

Steel Authority of India Ltd. (SAIL)

1. *Company Profile*

SAIL was incorporated on 24.1.1973 under the Companies Act, 1956 with an objective to plan, promote and organise an integrated and efficient development of the iron and steel and associated input industries. Subsequently, "The Public Sector Iron and Steel Companies (restructuring) and Miscellaneous Provisions Act, 1978" was enacted and come 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 integral steel complex. SAIL is a schedule-'A' / Navratna 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.

2. Industrial / Business Activities

SAIL is engaged in the production of Iron and Steel and other by products through its 8 operating plants at Bhilai in Chhattisgarh, Durgapur and Burnpur in West Bengal, Rourkela in Orissa, Bokaro in Jharkhand, Salem in Tamilnadu and Bhadravati in Karnataka. It has one subsidiary namely Maharashtra Electrosmelt Ltd. The company also has 9 joint ventures and 10 other Marketing / R&D / Training / consultancy units. The enterprise has a workforce of 1,38,211 employees as on 31.3.2006.

3. Production / Operational Profile

Major Products	Unit	Production during (% Capacity Utilization)			% increase/ decrease over previous year
		2005-06	2004-05	2003-04	
Semis	000 t	2273	1751	2146	29.8
Finished	000 t	9351	8900	8581	5.07
Total Saleable Steel	000 t	11624 (109)	11030 (104)	11026 (104)	5.39

4. Major Financial Highlights

Particulars	Performance during (Rs. in crore)			% increase/ decrease over previous year
	2005-06	2004-05	2003-04	
Turnover	28265.57	28629.94	21528.39	-1.27
Cost of prod.	24709.08	20534.68	19028.16	20.33
Net Profit/Loss(-)	4012.97	6816.97	2512.08	-41.13
Net Worth	12385.59	10011.72	4659.17	23.71
Paid up capital	4130.4	4130.4	4130.4	0
Share of Central Govt./holding co.	3544.69	3544.69	3544.69	0

5. Key Performance Factors

- The profitability of the company during the year was affected due to increase in prices of coking coal, demurrage rates, freight rates on iron ore & fluxes and lower steel price. However, the lower profitability has been partially offset by higher production, improvement in techno-economic parameters, reduction in interest charges and higher interest earnings on investment of surplus funds.
- During the year the merger of IISCO with SAIL provided added opportunities for better synergy and growth, especially in mild steel business. However, all the assets, liabilities, reserves and accumulated losses of IISCO have also been merged with SAIL. With the above merger SAIL has grown in size as such the earning per share during the year 2005-06 reduces to 9.72 from 16.50 during 2004-05. The market share of SAIL for finished steel product also declined to 22.4% during 2005-06 from 25.3% in 2004-05. Further with the merger of IISCO with SAIL the Financial & Business Restructuring Plan of SAIL as was approved by the GOI in February, 2000 have been successfully implemented.
- The company spent Rs. 62.38 crore on R&D which is 0.19% of the turnover. Steps were taken to upgrade technology in field of making coke, sinter, iron and steel and rolling and furnishing of long and flat products etc.
- The Bhilai Oxygen Ltd., a newly created subsidiary of SAIL to take over the Oxygen Plant as a joint venture has been closed on construction stage during the year as decided by the Board of the company last year.
- Company has 'Excellent' MOU rating during the year 2005-06.
- The market price of the company's shares was between Rs. 41.80 to Rs. 86.60 during the year 2005-06 as compared to Rs 20 to Rs 70.30 during 2004-05.

6. Strategic Issues

- Low customs duty on steel items and volatility in international prices may have direct impact on domestic steel prices. Further the per capita steel consumption in India is estimated at 33 Kg as compared to the world average of around 180 kg. there is substantial scope for increase in domestic steel consumption.
- Corporate Plan 2012 of SAIL envisages

increase in production of Hot Metal to 20.5 MT by 2012 and investment of about Rs.37,000 crore by de-bottlenecking the existing facilities and also by installation of new facilities as per requirement. The corporate plan also laid down the roadmap of four integrated steel plants and growth through acquisitions / mergers.

- Out of Rs. 2500 crore loan raised through Government guarantee during February, 2000 to July, 2002, Rs. 1390.55 crore loan was outstanding as on 31.3.2006. In addition, Rs. 529.35 crore foreign loan raised through guarantee was also outstanding.

7. VRS / Outstanding dues

During the year, 5895 employees left the company out of which 881 availed of VRS, 4089 retired on superannuation and 925 left on other grounds. An ex-gratia payment of Rs.157.98 crore was paid during 2005-06. The total outstanding dues as on 31.3.2006 were Rs.626.08 crore out of which Rs. 241.97 crore on account of Salary and Wages, Rs. 134.26 crore statutory dues and Rs. 249.85 crore other dues.

4 POWER

There were 7 enterprises in the public sector as on 31.3.2006 which were engaged in production of Power. The names of these enterprises along with their year of incorporation in chronological order are given below:

Sl. No.	Enterprise	Year of Incorporation
1.	National Hydroelectric Power Corpn. Ltd.	1975
2.	National Thermal Power Corporation Ltd.	1975
3.	North Eastern Electric Power Corporation Ltd.	1976
4.	Nuclear Power Corpn. of India Ltd.	1987
5.	Satluj Jal Vidyut Nigam Ltd.	1988
6.	Narmada Hydro Electric Development Corpn. Ltd.	2000
7.	NTPC Vidyut Vyapar Nigam Ltd.	2003

2. The enterprises falling in this group are mainly engaged in generating and distribution of all kinds of Power viz. hydel, thermal and nuclear (excluding solar).

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

4. Net Profit/(Loss) : The details of individual enterprises which earned net profit or sustained net loss (-) in ranking order are given below :

(Rs. in crores)

Sl. No.	Enterprise	Net Profit/(Loss) 2005-06	2004-05
1.	National Thermal Power Corpn. Ltd.	5820.20	5807.01
2.	Nuclear Power Corpn. of India Ltd.	1712.97	1704.59
3.	National Hydro-electric Power Corpn. Ltd.	742.75	684.58
4.	Satluj Jal Vidyut Nigam Ltd.	498.22	298.43
5.	North Eastern Electric Power Corpn. Ltd.	198.55	196.19
6.	Narmada Hydro Electric Develop-ment Corpn. Ltd.	106.10	33.95
7.	NTPC Vidyut Vyapar Nigam Ltd.	3.33	5.74
	Total	**9082.12**	**8730.49**

5. Dividend : The following enterprises declared dividend as per details given below:

(*Rs. in crore*)

Sl. No.	Enterprise	Dividend 2005-06	Dividend 2004-05
1.	National Thermal Power Corpn. Ltd.	2308.73	1978.92
2.	Nuclear Power Corpn. of India Ltd.	514.37	341.51
3.	National Hydro-electric Power Corpn. Ltd.	223.00	140.00
4.	Satluj Jal Vidyut Nigam Ltd.	159.43	143.15
5.	North Eastern Electric Power Corpn. Ltd.	60.00	30.00
6.	Narmada Hydro Electric Development Corpn. Ltd.	21.22	6.80
7.	NTPC Vidyut Vyapar Nigam Ltd.	2.00	2.00
	Total	**3288.75**	**2642.38**

6. Township and Social Overheads

The operating results of these enterprises after setting off township maintenance and other social overheads such as maintenance of schools, medical facilities, social overheads and cultural subsidies, etc. are given in next column:

(*Rs. in crore*)

Sl. No.	Particulars	Township & Social Overheads 2005-06	Township & Social Overheads 2004-05
1.	Capital cost of Township	1473.24	613.52
2.	Gross expenditure on Township	135.37	132.45
3.	*Less :* Rent receipt and other income	19.15	18.64
4.	Net expenditure on Township	116.22	113.81
5.	Social Overheads: Educational, Med. facilities, etc.	277.20	234.12
6.	Total Social Overheads	393.42	347.93
7.	No. of employees	53243	54406
8.	Per capita expend. on Social Overheads (Rs.)	73891	63951
9.	No. of houses constructed	45521	46149
10.	No. of houses under construction	0	0
11.	Housing satisfaction (%)	85.5	84.8

7. To appreciate the performance of each enterprise falling in this group, the details about their financial position, working results and important mangement ratios for three years are given in Volume-III.

POWER

SUMMARISED BALANCE SHEET

(Rs. in Lakhs)

PARTICULARS	2005-06	2004-05	2003-04
AUTHORISD CAPITAL	5102000	5102000	5102000
I. SOURCES OF FUNDS			
(1) SHAREHOLDERS FUND			
(A) PAID-UP CAPITAL			
CENTRAL GOVT.	3301945	3212979	2952895
OTHERS	387561	354538	259625
(B) SHARE APPLICATION MONEY	42267	81289	126809
(C) RESERVES & SURPLUS	5518910	4903373	4137504
TOTAL (A)+(B)+(C)	9250683	8552179	7476833
(2) LOAN FUNDS			
(A) SECURED LOANS	1977478	1918722	1737161
(B) UNSECURED LOANS	2298754	2077201	1956639
TOTAL (A)+(B)	4276232	3995923	3693800
(3) DEFERRED TAX LIABILITY	7648	13	13
TOTAL (1)+(2)+(3)	13534563	12548115	11170646
II. APPLICATION OF FUNDS			
(1) FIXED ASSETS			
(A) GROSS BLOCK	8801623	7907930	7220420
(B) LESS: DEPRECIATION	3183114	2832899	2517009
(C) NET BLOCK	5618509	5075031	4703411
(D) CAPITAL WORK IN PROGRESS	3859632	3412179	2758965
TOTAL (C)+(D)	9478141	8487210	7462376
(2) INVESTMENTS	2719734	2856038	2461222
(3) CURRENT ASSETS, LOANS & ADVANCES			
(A) INVENTORIES	288686	220842	220933
(B) SUNDRY DEBTORS	230989	284221	223010
(C) CASH & BANK BALANCES	1278262	1232243	689530
(D) OTHER CURRENT ASSETS	149355	151049	881578
(E) LOAN & ADVANCES	402305	350366	370770
TOTAL (A+B+C+D+E)	2349597	2238721	2385821
LESS:CURRENT LIABILITIES & PROVN.			
(A) CURRENT LIABILITIES	759718	734128	861257
(B) PROVISIONS	265365	301960	289206
TOTAL (A+B)	1025083	1036088	1150463
NET CURRENT ASSETS	1324514	1202633	1235358
(4) DEFERRED REVENUE/PRE.EXPENDITURE	4541	2234	2381
(5) DEFERRED TAX ASSET	7633	0	0
(6) PROFIT & LOSS ACCOUNT (DR)	0	0	9309
TOTAL (1+2+3+4+5+6)	13534563	12548115	11170646

POWER

SUMMARISED PROFIT AND LOSS ACCOUNT

(Rs. in Lakhs)

PARTICULARS	2005-06	2004-05	2003-04
INCOME			
SALES/OPERATING INCOME	3430565	3000951	2532088
EXCISE DUTY	0	0	0
NET SALES	3430565	3000951	2532088
OTHER INCOME/RECEIPTS	371931	410767	921090
ACCRETION/DEPLETION IN STOCKS	0	0	0
TOTAL	3802496	3411718	3453178
EXPENDITURE			
PURCHASE OF FINISHED GOODS/ CONSUMPTION OF RAW MATERIALS	155183	149939	111462
STORES & SPARES	9626	4165	3543
POWER & FUEL	1667096	1392946	1240020
MANUFACTURING/DIRECT/OPERATING EXPENSES	170453	155644	131696
SALARY,WAGES AND BENEFITS/EMPLOYEE EXPENDITURE	157270	142864	134937
OTHER EXPENSES	42867	34706	66277
PROVISIONS	5310	3113	61442
TOTAL	2207805	1883377	1749377
PROFIT BEFORE DEP, INTEREST, TAXES, EXTRA-ORDINARY ITEMS & PPA(PBDITEP)	1594691	1528341	1703801
DEPRECIATION	326804	305022	299974
DRE/PREL. EXPENSES WRITTEN OFF	1108	969	355
PROFIT BEFORE INTEREST, TAXES, EXTRA-ORDINARY ITEMS & PPA (PBITEP)	1266779	1222350	1403472
INTEREST			
ON CENTRAL GOVERNMENT LOANS	982	14914	26406
ON FOREIGN LOANS	37277	34710	34310
OTHERS	351733	324799	447492
LESS INTEREST CAPITALISED	105992	84985	71899
CHARGED TO P & L ACCOUNT	284000	289438	436309
PROFIT BEFORE TAX, EXTRA-ORDINARY ITEMS & PPA (PBTEP)	982779	932912	967163
TAX PROVISIONS	40444	53994	102935
NET PROFIT/LOSS BEFORE EXTRA-ORDINARY ITEM	942335	878918	864228
NET EXTRA-ORDINARY ITEMS & PRIOR PERIOD ADJUSTMENT	34123	5869	3699
NET PROFIT/LOSS(-)	908212	873049	860529
DIVIDEND DECLARED	328875	264238	173133
DIVIDEND TAX	46229	35712	22183
RETAINED PROFIT	533108	573099	665213

POWER

MANAGEMENT RATIO

DETAILS	2005-06	2004-05	2003-04
GENERAL (RS. IN LAKHS)			
INVESTMENT	7985404	7530045	6801210
CAPITAL EMPLOYED	6943023	6277664	5938769
NET WORTH	9246142	8549945	7465143
COST OF PRODUCTION	2819717	2478806	2486015
COST OF SALES	2819717	2478806	2486015
VALUE ADDED	1598660	1453901	1177063
R AND D EXPENDITURE	1461	1871	1540
PERSONNEL			
EMPLOYEES(OTHER THAN CASUAL) (NOS)	53243	54406	54349
AVERAGE MONTHLY EMOLUMENTS PER EMPLOYEE(Rs)	24615	21882	20690
INVENTORIES (IN TERMS OF NO. OF DAYS)			
TOTAL INVENTORY : SALES	31	27	32
SEMI/FINISHED GOODS : SALES	1	1	0
FINANCIAL RATIOS (%)			
SALES : CAPITAL EMPLOYED	49.41	47.80	42.64
MATERIAL COST : COST OF PRODUCTION	5.50	6.05	4.48
MANPOWER COST : COST OF PRODUCTION	5.58	5.76	5.43
COST OF SALES: SALES	82.19	82.60	98.18
PBDITEP : CAPITAL EMPLOYED	22.97	24.35	28.69
PBITEP : CAPITAL EMPLOYED	18.25	19.47	23.63
PBITEP : SALES	36.93	40.73	55.43
PROFIT BEFORE TAX & EP(PBTEP): NET WORTH	10.63	10.91	12.96
NET PROFIT : NET WORTH	9.82	10.21	11.53
R AND D EXPENDITURE : SALES	0.04	0.06	0.06
SUNDRY DEBTORS : SALES (NO. OF DAYS)	25	35	32

Narmada Hydroelectric Development Corp. Ltd. (NHDC)

1. *Company Profile*

NHDC was incorporated on 1.8.2000 under the Companies Act, 1956 with an objective to plan, promote, organize an integrated and efficient development of Hydropower potential of Narmada river and its tributaries in Madhya Pradesh for generation and distribution of hydroelectric power. NHDC is a uncategorised CPSE in Power sector under the administrative control of M/o Power. 51% equity is held by its holding company namely National Hydroelectric Power Corp. Ltd. (NHPC). The balance 49% shareholding of the company is with State Government of Madhya Pradesh. Its registered and Corporate offices are at Bhopal, Madhya Pradesh.

2. Industrial / Business Activities

NHDC is one of the subsidiary enterprises engaged in generation and distribution of Hydro-Electricity. Currently company is running two projects namely Indira Sagar Project (ISP) and Omkareshwar Project (OSP) in Madhya Pradesh. The enterprise has a workforce of 684 employees as on 31.3.2006.

3. Production / Operational Profile

Major Products	Unit	Production during (% Capacity Utilization)			%increase/ decrease over previous year
		2005-06	2004-05	2003-04	
Power (Electicity)	Mus	2573.36	1331.85	196.54	93.21

4. Major Financial Highlights

Particulars	Performance during (Rs. in crore)			%increase/ decrease over previous year
	2005-06	2004-05	2003-04	
Turnover	335.98	177.67	27.34	89.1
Cost of prod.	224.54	137.87	14.55	62.86
Net Profit/Loss(-)	106.1	33.95	12.37	212.52
Net Worth	3213.22	2809.39	2303.21	14.37
Paid up capital	1962.58	1632.35	1632.35	20.23
Share of Central Govt./holding co.	1002.42	834	834	20.19

5. Key Performance Factors

- Company has started commercial operation since 2004-05 and is earning profit. Routine works like secretarial & security services, repair and maintenance of buildings, vehicles etc. have been outsourced to keep the costs and manpower at the minimum.
- Company has commissioned all the 8 units of 125 MW each (1000 MW) of Indira Sagar Project (ISP).

6. Strategic Issues

- The work (incl. R &R) at Omkareshwar is going on in full swing and all out efforts are being made to commission all the eight units (65 MW each) before or by Oct. 2007.
- NHDC has been assigned the job of preparations of Detailed Project Report (DPR) of three new projects, namely Bauras (55 MW), Hoshangabad (60 MW) and Handia (51 MW) on upstream of ISP, on river Narmada in Madhya Pradesh.

National Hydroelectric Power Corporation Ltd. (NHPC)

1. *Company Profile*

NHPC was incorporated on 7.11.1975 under the Companies Act, 1956 with an objective/ mission to become a world class, diversified and transnational organization for sustainable development of hydro power and water resources with strong environment conscience. NHPC is a schedule-'A' PSE in power sector under the administrative control of M/o Power with 95.30% shareholding by the Government of India. Its Registered and Corporate offices are at Faridabad, Haryana.

2. Industrial / Business Activities

NHPC is one of the pioneering enterprises engaged in generation of hydroelectric power with its 51 units/offices including 10 operating power stations at Baira Siul and Chamera (I&II) in Himachal Pradesh, Loktak in Manipur, Salal and Uri in Jammu & Kashmir, Tanakpur and Dhauliganga in Uttaranchal, Rangit in Sikkim and Indira Sagar in Madhya Pradesh besides a number of projects under execution in different parts of the country. The company is having one subsidiary joint venture namely Narmada Hydroelectric Development Corp. Ltd. (NHDC) with 51% equity . The enterprise is driven by a workforce of 13118 regular employees as on 31.3.2006.

3. Production / Operational Profile

Major Products	Unit	Production during (% Capacity Utilization)			%increase/ decrease over previous year
		2005-06	2004-05	2003-04	
Generation of Electricity	M U	12567 (98.16)	11286 (95.30)	11046 (96.82)	11.35

4. Major Financial Highlights

Particulars	Performance during (Rs. in crore)			%increase/ decrease over previous year
	2005-06	2004-05	2003-04	
Turnover	1614.11	1449.98	1276.09	11.32
Cost of prod.	1155.11	1063.06	1186.48	8.66
Net Profit/Loss(-)	742.75	684.58	621.38	8.5
Net Worth	16291.61	15171.73	13161.99	7.38
Paid up capital	10215.28	9425.62	7775.63	8.38
Share of Central Govt./holding co.	10215.28	9425.62	7775.63	8.38

5. Key Performance Factors

- Earning Per Share of the NHPC was Rs. 72.53 during 2005-06 as against Rs. 74.17 in the previous year.
- Dhauliganga project completed and made operational w.e.f. 1.11.2005.
- Company has 'Very Good' MOU rating during the year 2005-06.
- NHPC is not a listed company.
- Market share of NHPC vis a vis hydel sector is 8.42%.
- Efforts were made to reduce the O&M expenditure as also to conserve energy through energy audit of power stations to assess and optimize the performance. In order to have effective and efficient coordination of project work some restructuring exercises were initiated within the organization.
- Various experimental studies/trial in associations with specialized organizations in the field of hard coating were made to update technology.

6. Strategic Issues

- NHPC has entered into Rural Electrification Programme in Orissa, West Bengal, Bihar, Chhatisgarh and J&K under Rajiv Gandhi Gramin Vidyutikaran Yojana (RGGVY) and also taken up the work of constructing rural roads under the Prime Minister Gramin Sarak Yojana (PMGSY) in Bihar.
- The corporation operates under the regulatory regime where the tariff is fixed by the Central Electricity Regulatory Commission (CERC). As per the notification of CERC dated 6.1.2006 the Depreciation would be considered for the purpose of tariff as well as for accounting purpose.
- NHPC could not meet the MOU targets in implementation of its two projects namely Dulhasti and Subansiri due to abnormal reasons such as ingress of excessive water encountered in Hard Race Tunnel, excessive smoke inside due to non-existence of any audit and labour problems in Dulhast project and lack of cooperation of state Government and locals at Subsansiri projects.
- During 2005-06 the company received a budgetary support of Rs. 642.82 crore as equity as against Rs. 1304.24 crore during 2004-05. As on 31.3.2006 outstanding loan raised through Government guarantee over the years was Rs. 642.05 crore.

7. VRS/Outstanding dues

- During the year, 341 employees left the company out of which 81 availed of VRS, 105 left on superannuation and 155 on other grounds. Up-to 31.3.2006 total 4997 employees have taken VRS.

- There were Rs. 292.08 crore outstanding due as on 31.3.2006 out of which Rs. 0.86 crore was on account of salary and wages, Rs. 19.12 crore as statutory dues and Rs. 272.10 crore on other grounds. However, the company made payment of ex-gratia of Rs. 5.02 crore during 2005-06.

National Thermal Power Corp. Ltd. (NTPC)

1. *Company Profile*

NTPC was incorporated on 7.11.1975 under the Companies Act, 1956 with an objective to plan, promote and organize integrated and efficient development of Thermal / Hydro Power. NTPC is a schedule-'A' / Navratna PSE in Power sector under the administrative control of M/o Power with 89.50% shareholding by the Government of India. Its registered and corporate offices are at New Delhi.

2. *Industrial / Business Activities*

NTPC is engaged in an integrated and efficient development of Thermal / Hydro power and power through Non-Conventional / Renewable energy sources in India and abroad including planning, construction, generation, operation, maintenance, transmission, distribution etc. in accordance with national economic policies and objectives. NTPC has 25 stations / projects consisting of 14 coal based power plants (3 projects) and 7 gas / liquid gas fuel based power plants (one joint venture) at Delhi, U.P., Rajasthan, Haryana, Gujarat, Kerala, Himachal Pradesh, Chhattisgarh, Uttaranchal, Andhra Pradesh, Orissa, Madhya Pradesh, Bihar and West Bengal. It has four wholly owned subsidiaries namely Pipavav Power Development Co., NTPC Electric Supply Co. Ltd., NTPC Vidyut Vyapar Nigam Ltd. and NTPC Hydro Ltd. The company also has 7 joint venture projects with a share holding 0f 50% in 5 JVs and 8% and 28.33% respectively in two JVs. The enterprise has a workforce of 24044 employees as on 31.3.2006.

3. *Production / Operational Profile*

Major Products	Unit	Production during (% Capacity Utilization)			% increase/ decrease over previous year
		2005-06	2004-05	2003-04	
Generation ofelectricity	MW	170880 (87.54)	159110 (87.51)	149161 (84.4)	7.40

4. *Major Financial Highlights*

Particulars	Performance during (Rs. in crore)			% increase/ decrease over previous year
	2005-06	2004-05	2003-04	
Turnover	26142.92	22564.92	18868.4	15.86
Cost of prod.	22481.87	19477.98	20056.2	15.42
Net Profit/Loss(-)	5820.2	5807.01	5260.77	0.23
Net Worth	45399.46	41776.29	36087.61	8.67
Paid up capital	8245.46	8245.46	7812.55	0
Share of Central Govt./holding co.	7379.63	7379.63	7812.55	0

5. *Key Performance Factors*

- NTPC contributes more than one-fourth of India's total power generation with around one-fifth capacity. Projects in NTPC are implemented within optimum cost and time with desired quality through Integrated Project Management and Control System. With 19.3% share of total installed capacity of the nation, NTPC contributed 28% to electricity generation in the country during 2005-06.
- Tariff for sale of power from NTPC's stations is regulated and determined by Central Electricity Regulatory Commission (CERC). Turnover of the company depends on the tariff as well as total generation of electricity. With effects from 1.4.2004, CERC has reduced return on equity from 16% to 14% resulting in lower tariff. However, NTPC's revenue and profit improved as a result of new capacity addition and improved operating performance.
- The financial health of company's customers is a key concern. However, during last three yeas ther company has

been able to realize 100% of the amount due from its customers.

- During the year one unit of 500 MW capacity was commissioned ahead of schedule at Rihand. During the year a new JV namely Ratnagiri Gas and Power Private Limited was formed between NTPC, GAIL, Indian financial institutions and MSEB to take over assets of erstwhile Dabhol Power Company.
- The market price of the company's shares was between Rs. 80.10 to Rs. 142 during the year 2005-06 as compared to Rs.68 to Rs.95 during 2004-05.
- The company has 'Very Good' MOU rating during the year 2005-06.

6. *Strategic Issues*

- NTPC plans to add 9160 MW during Tenth Plan period of 2003-07, out of which 4500 MW capacity has been added and by 2007 NTPC schedule to commission a further capacity of 3210 MW from 5 on going projects.
- For the XI th plan period of 2007-12 the target is 21941MW for which 8 projects are going on with a total capacity of 7840 MW. Planning of 15 new projects is under way with a combined capacity of 14101 MW.
- Availability of fuel at an affordable price is major challenge for which company is planning to adopt a strategy of backward integration and is entering into coal mining and exploration for gas.

7. *VRS / Outstanding dues*

During the year, 324 employees left the company out of which 39 availed of VRS, 172 retired on superannuation and 113 left on other grounds. Till 31.3.2006 total 1299 employees have taken VRS. During 2005-06 an amount of Rs.14.15 crore was paid as Ex-gratia.

North Eastern Electric Power Corp. Ltd. (NEEPCO)

1. *Company Profile*

NEEPCO was incorporated in the year 1976 under the Companies Act, 1956 with an objective to plan, promote, investigate, survey, design, construct, generate, operate and maintain hydro and thermal/gas power stations and to explore and utilise the power potential of the North Eastern Region(NRE) in particular and also to improve socio-economic condition of the people of NRE. NEEPCO is a schedule-'B' CPSE in Power sector under the administrative control of M/o Power with 100% shareholding by the Government. Its Registered and Corporate offices are at Shillong, Meghalaya.

2. *Industrial / Business Activities*

NEEPCO is one of the enterprises engaged in construction of power projects and consequent generation and sale of electricity with its 5 operating units at Umrongso, district N.C.Hills and Bokuloni district Dibrugarh in Assam, Ramchandranagar, district West Tripura in Tripura, Doyang, district Wokha in Nagaland and Yazali, district lower subansiri in Arunachal Pradesh. The enterprise has a workforce of 3319 regular employees as on 31.3.2006.

3. *Production / Operational Profile*

Major Products	Unit	Production during (% Capacity Utilization)			%increase/ decrease over previous year
		2005-06	2004-05	2003-04	
Electricity	M U	5260 (92.30)	5195 (91.70)	4148 (74.34)	1.25

4. *Major Financial Highlights*

Particulars	Performance during (Rs. in crore)			%increase/ decrease over previous year
	2005-06	2004-05	2003-04	
Turnover	839.62	798.97	670.31	5.09
Cost of prod.	677.25	606.31	623.75	11.7
Net Profit/Loss(-)	198.55	196.19	197.58	1.2
Net Worth	2741.01	2452.93	2141.89	11.74
Paid up capital	2197.6	2097.6	1926.99	4.77
Share of Central Govt./holding co.	2197.6	2097.6	1926.99	4.77

5. Key Performance Factors

- Company has recorded increasing trend in performance during last three years mainly due to increase in generation of power and reduction in the amount of interest owing to repayment of loan.
- The capacity utilization in Hydro Electric Plant was 91% and in Thermal 84% during 2005-06 as compared to 84% in each case in the previous year.
- The company has achieved 'Excellent' MOU rating during 2005-06 as per provisional data.
- The Earning Per Share was Rs. 91.04 during 2005-06 as against Rs. 100.33 in 2004-05 and Rs. 102.54 in 2003-04.
- NEEPCO being unlisted company its shares are not traded.

6. VRS/Outstanding dues

- During the year, 84 employees left the company out of which 23 retired on superannuation and 61 on other grounds. None has taken VRS.
- There were Rs. 187.14 crore outstanding dues as on 31.3.2006 out of which Rs. 6.37 crore was on account of non-payment of salary and wages, Rs. 1.53 crore as Statutory dues (since have been paid now) and Rs. 179.24 crore on other grounds.

NTPC Vidyut Vyapar Nigam Ltd. (NVVN)

1. Company Profile

NVVN was incorporated in November, 2002 under the Companies Act, 1956 with an objective to be a catalyst in developing of wholesale power market in India to enable trading of surplus power. NVVN is an un-categarised CPSE in power sector under the administrative control of M/o Power with its Registered and Corporate offices at New Delhi. NVVN is a 100% subsidiary of NTPC Ltd.

2. Industrial / Business Activities

NVVN is one of the subsidiary enterprises to undertake the business of purchase of all forms of electrical power from any source including import and to sell such power to any source including export i.e., trading in electricity. The enterprise has a workforce of 39 employees as on 31.3.2006.

3. Production / Operational Profile

Major Products	Unit	Production during (% Capacity Utilization)			% increase/ decrease over previous year
		2005-06	2004-05	2003-04	
Electricity	000 KWH	1643299	2616253	962236	-37.19
Fly Ash	MT	50	-	-	-

4. Major Financial Highlights

Particulars	Performance during (Rs. in crore)			% increase/ decrease over previous year
	2005-06	2004-05	2003-04	
Turnover	434.46	574.97	219.02	-24.44
Cost of prod.	439.07	565.88	215.66	-22.41
Net Profit/Loss(-)	3.33	5.74	2.13	-41.99
Net Worth	25.9	24.85	21.4	4.23
Paid up capital	20	20	20	0
Share of Central Govt./holding co.	20	20	20	0

5. Key Performance Factors

- The Earning Per Share of the company was 1.66 during 2005-06 as compared to 2.87 in the previous year.

6. Strategic Issues

- The power trading activities have been affected due to licenses issued to many other new trading companies and the state power utilities to the tender route for sale of power.

7. VRS/Outstanding dues

- During the year 2005-06 only one employee left the company on the ground other than VRS and superannuation. The company paid ex-gratia of Rs. 0.04 crore during 2005-06.

Nuclear Power Corp. of India Ltd. (NPCIL)

1. *Company Profile*

The NPCIL was incorporated on 17.9.1987 under the Companies Act, 1956 and under the provision of Atomic Energy Act 1962 with an objective to develop Nuclear power technology and to produce Nuclear power as a safe, environmentally benign and an economically viable source of electrical energy to meet the growing electricity needs of the country. NPCIL is a schedule-'B' PSE in Power sector under the administrative control D/o Atomic Energy with 100% shareholding by the Government of India. Its Registered and Corporate offices are at Mumbai, Maharashtra.

2. *Industrial / Business Activities*

NPCIL is engaged in generation of electricity with nuclear energy through its 6 operating units at Thane (Maharashtra), Kota (Rajasthan), Kalpakkam, Chennai (Tamilnadu), Narora (U.P.), Anumala, Surat (Gujarat) and Karwar, Uttar Kannada (Karnataka). The company also has 4 under construction projects namely Tarapur Atomic Power Project, Kudankulam Nuclear Power Project, Kaiga Project and Rajasthan Atomic Power Project in the states of Maharashtra, Tamilnadu, Karnataka and Rajasthan respectively. In all the company own and operates 14 nuclear power reactors. The enterprise is driven by a workforce of 12039 employees as on 31.3.2006.

3. *Production / Operational Profile*

Major Products	Unit	Production during (% Capacity Utilization)			%increase/ decrease over previous year
		2005-06	2004-05	2003-04	
Electricity	MU	17324	16709 (74)	17785 (76)	31.8

4. *Major Financial Highlights*

Particulars	Performance during (Rs. in crore)			%increase/ decrease over previous year
	2005-06	2004-05	2003-04	
Turnover	3567.06	3344.72	4042.79	6.65
Cost of prod.	2389.08	2124.29	2446.88	12.46
Net Profit/Loss(-)	1712.97	1704.59	2604.16	0.49
Net Worth	20325.03	19112.38	16984.21	6.34
Paid up capital	10145.33	10145.33	8932.17	0
Share of Central Govt./holding co.	10145.33	10145.33	8932.17	0

5. *Key Performance Factors*

- The turnover and profitability of the company have improved due to increase in production.
- The Earning Per Share was 168.84 during 2005-06 as compared to Rs. 179.69 in the previous year
- NPCIL is not a listed company.
- Company has 'Excellent' MOU rating during the year 2005-06.

6. *Strategic Issues*

- Vision 2020 of D/o Atomic Energy envisages a nuclear power capacity of about 20,000 MWe by the year 2020 from present capacity of 3260 MWe. The company is pursuing the mandate of expanding the nuclear power base in the country in accordance with the plans and schemes of the Government of India.
- The future strategy of nuclear power sector is being oriented towards further reducing capital cost of projects construction and recurring cost during operation.
- Technology has been assimilated and absorbed with respect to VVER, FBRs and BWRs. R&D requirements are met through in-house efforts as well as with other organizations including DAE units and academic institutions in the country. Thrust areas for R & D are Nuclear Systems and Electronic Systems.

Satluj Jal Vidyut Nigam Ltd. (SJVNL)

1. Company Profile

The SJVNL (formally Nathpa Jhakri power Corporation Ltd. - NJPC) was incorporated on 24.5.1988 under the Companies Act, 1956 with an objective to develop Hydro-electric power projects in river Satluj Basin (Himachal Pradesh) and at any other place optimally and economically. SJVNL is a schedule-'B' CPSE in Power sector under the administrative control of M/o Power with 76.55% shareholding by the Government of India. Its registered and corporate offices are at New Shimla, Himachal Pradesh.

2. Industrial / Business Activities

SJVNL is one of the center/ state joint venture enterprises engaged in generation of Hydro power and rendering technical consultancy services in major civil works through its operating unit at Jhakri (Shimla), Himachal Pradesh. The enterprise has a workforce of 1725 employees as on 31.3.2006.

3. Production / Operational Profile

Major Products	Unit	Production during			% increase/ decrease over previous year
		2005-06	2004-05	2003-04	
Hydro Power (electricity)	KWh	4104.422	5170.643	1195.939	- 20.62

4. Major Financial Highlights

Particulars	Performance during (Rs. in crore)			% increase/ decrease over previous year
	2005-06	2004-05	2003-04	
Turnover	1371.5	1098.28	216.93	24.88
Cost of prod.	830.25	812.67	316.63	2.16
Net Profit/Loss(-)	498.22	298.43	-93.1	66.95
Net Worth	4465.19	4151.88	3951.12	7.55
Paid up capital	4108.81	4108.81	4025.51	0
Share of Central Govt./holding co.	3081.61	3081.61	3081.61	0

5. Key Performance Factors

- The first project of the company namely Nathpa Jhakri hydro Electric Project, the largest underground hydro project, with its all 6 units was commissioned on May, 18 2004. Naptha Jhakri HPS had to be shut down initially on account of heavy silt beyond acceptable parameters and then due to flash floods on 25.6.2005 which resulted in sustaining considerable loss in generation.
- The company's tariff is quite competitive amongst the various power generators.
- Company has 'Excellent' MOU rating during the year 2005-06.

5 PETROLEUM

There were 12 enterprises in the public sector as on 31.3.2006 which were engaged in production of Petroleum. The names of these enterprises along with their year of incorporation in chronological order are given below:

Sl. No.	Enterprise	Year of Incorporation
1.	Oil and Natural Gas Corporation Ltd.	1956
2.	Indian Oil Corporation Ltd.	1964
3.	ONGC Videsh Ltd.	1965
4.	Chennai Petroleum Corporation Ltd.	1965
5.	I.B.P. Co. Ltd.	1971
6.	Bongaigaon Refinery and Petrochemicals Ltd.	1974
7.	Bharat Petroleum Corpn. Ltd.	1976
8.	Hindustan Petroleum Corpn. Ltd.	1976
9.	Oil India Ltd.	1981
10.	GAIL (India) Ltd.	1984
11.	Mangalore Refinery and Petrochemicals Ltd.	1988
12.	Numaligarh Refinery Ltd.	1993

2. The enterprises falling in this group are mainly engaged in extraction and exploration of crude oil, refining and selling 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. Net Profit/(Loss): The details of individual enterprises which earned net profit or sustained net loss (-) in ranking order are given below :

(Rs. in crore)

Sl. No.	Enterprise	Net Profit/(Loss) 2005-06	Net Profit/(Loss) 2004-05
1.	Oil and Natural Gas Corpn. Ltd.	14430.78	12983.05
2.	Indian Oil Corporation Ltd.	4915.12	4891.38
3.	GAIL (India) Ltd.	2310.07	1953.91
4.	Oil India Ltd.	1689.93	1061.68
5.	*Kochi Refineries Ltd.	-	842.12
6.	ONGC Videsh Ltd.	649.45	402.98
7.	Chennai Petroleum Corporation Ltd.	480.96	596.97
8.	Numaligarh Refinery Ltd.	448.93	409.15
9.	Hindustan Petroleum Corpn. Ltd.	405.63	1277.33
10.	Mangalore Refinery and Petro-chemicals Ltd.	371.61	879.76

Sl. No.	Enterprise	Net Profit/(Loss) 2005-06	2004-05
11.	Bharat Petroleum Corpn. Ltd.	291.65	965.80
12.	Bongaigaon Refinery and Petro-chemicals Ltd.	174.76	478.29
13 .	I.B.P. Co. Ltd.	12.44	58.87
14.	**Indian Oil Blending Ltd.	-	(4.88)
	Total	**26181.33**	**26796.41**

* Merged with Bharat Petroleum Corp. Ltd.

** Merged with Indian Oil Corp. Ltd.

5. **Dividend :** The following enterprises declared dividend as per details given below:

(*Rs. in crore*)

Sl. No.	Enterprise	Dividend 2005-06	2004-05
1.	Oil and Natural Gas Corpn. Ltd.	6416.70	5703.74
2.	Indian Oil Corporation Ltd.	1460.02	1693.62
3.	GAIL (India) Ltd.	845.65	676.52
4.	Oil India Ltd.	561.11	342.41
5.	ONGC Videsh Ltd.	0.00	105.00
6.	Chennai Petroleum Corporation Ltd.	178.71	178.71
7.	Numaligarh Refinery Ltd.	139.77	125.06
8.	Mangalore Refinery and Petro-chemicals Ltd.	122.70	175.26
9.	Hindustan Petroleum Corpn. Ltd.	101.80	509.00
10.	Bharat Petroleum Corpn. Ltd.	90.39	375.00
11.	Bongaigaon Refinery and Petro-chemicals Ltd.	53.95	239.78
12.	Kochi Refineries Ltd.	-	77.55
13 .	I.B.P. Co. Ltd.	4.43	22.15
	Total	**9981.23**	**10223.80**

6. Township and Social Overheads

The operating result of these enterprises after setting off township maintenance and other social overheads such as maintenance of schools, medical facilities, social overheads and cultural subsidies etc. are given below:

(*Rs. in crore*)

Sl. No.	Particulars	Township & Social Overheads 2005-06	2004-05
1.	Capital cost of Township	1122.57	762.26
2.	Gross expenditure on Township	178.35	171.56
3.	Less : Rent receipt and other income	27.39	23.35
4.	Net expenditure on Township	150.96	148.21

Sl. No.	Particulars	Township & Social Overheads	
		2005-06	**2004-05**
5.	Social Overheads: Educational, Med. facilities, etc.	168.16	149.05
6.	Total Social Overheads	319.12	297.26
7.	No. of employees	109554	110929
8.	Per capita expend. on Social Overheads (Rs.)	29129	26797
9.	No. of houses constructed	46785	48499
10.	No. of houses under construction	0	0
11.	Housing satisfaction (%)	42.7	43.7

7. To appreciate the performance of each enterprise falling in this group, the details about their financial position, working results and important mangement ratios for three years are given in Volume-III

PETROLEUM

SUMMARISED BALANCE SHEET

(Rs. in Lakhs)

PARTICULARS	2005-06	2004-05	2003-04
AUTHORISD CAPITAL	15875000	2375040	2375040
I. SOURCES OF FUNDS			
(1) SHAREHOLDERS FUND			
(A) PAID-UP CAPITAL			
CENTRAL GOVT.	308207	308207	308207
OTHERS	444040	451772	451769
(B) SHARE APPLICATION MONEY	0	0	0
(C) RESERVES & SURPLUS	11900608	10379894	8948634
TOTAL (A)+(B)+(C)	12652855	11139873	9708610
(2) LOAN FUNDS			
(A) SECURED LOANS	1647499	800441	1059741
(B) UNSECURED LOANS	5003178	3851532	2956532
TOTAL (A)+(B)	6650677	4651973	4016273
(3) DEFERRED TAX LIABILITY	2986577	2385867	2353877
TOTAL (1)+(2)+(3)	22290109	18177713	16078760
II. APPLICATION OF FUNDS			
(1) FIXED ASSETS			
(A) GROSS BLOCK	21901298	19614757	18347607
(B) LESS: DEPRECIATION	11737679	10615593	9565793
(C) NET BLOCK	10163619	8999164	8781814
(D) CAPITAL WORK IN PROGRESS	2622639	2293789	1372094
TOTAL (C)+(D)	12786258	11292953	10153908
(2) INVESTMENTS	5005018	3110153	2942236
(3) CURRENT ASSETS, LOANS & ADVANCES			
(A) INVENTORIES	5198409	4227306	3248232
(B) SUNDRY DEBTORS	1762091	1671570	1205688
(C) CASH & BANK BALANCES	1803016	1726527	1442687
(D) OTHER CURRENT ASSETS	183392	99986	57946
(E) LOAN & ADVANCES	2198965	2138864	2015534
TOTAL (A+B+C+D+E)	11145873	9864253	7970087
LESS:CURRENT LIABILITIES & PROVN.			
(A) CURRENT LIABILITIES	5815033	5233091	4298725
(B) PROVISIONS	874620	927151	883068
TOTAL (A+B)	6689653	6160242	5181793
NET CURRENT ASSETS	4456220	3704011	2788294
(4) DEFERRED REVENUE/PRE.EXPENDITURE	42613	62798	72563
(5) DEFERRED TAX ASSET	0	7798	59045
(6) PROFIT & LOSS ACCOUNT (DR)	0	0	62714
TOTAL (1+2+3+4+5+6)	22290109	18177713	16078760

PETROLEUM

SUMMARISED PROFIT AND LOSS ACCOUNT

(Rs. in Lakhs)

PARTICULARS	2005-06	2004-05	2003-04
INCOME			
SALES/OPERATING INCOME	49955545	42172529	34182488
EXCISE DUTY	4181244	3313283	3372273
NET SALES	45774301	38859246	30810215
OTHER INCOME/RECEIPTS	1067761	655871	756505
ACCRETION/DEPLETION IN STOCKS	523223	432329	124082
TOTAL	47365285	39947446	31690802
EXPENDITURE			
PURCHASE OF FINISHED GOODS/ CONSUMPTION OF RAW MATERIALS	37935726	30467285	23238062
STORES & SPARES	150815	116824	107549
POWER & FUEL	105379	112920	102956
MANUFACTURING/DIRECT/OPERATING EXPENSES	2562272	2321405	1870309
SALARY,WAGES AND BENEFITS/EMPLOYEE EXPENDITURE	567915	567079	495512
OTHER EXPENSES	1254739	1112210	1012041
PROVISIONS	70192	39481	28256
TOTAL	42647038	34737204	26854685
PROFIT BEFORE DEP, INTEREST, TAXES, EXTRA-ORDINARY ITEMS & PPA(PBDITEP)	4718247	5210242	4836117
DEPRECIATION	1382716	1170053	1029908
DRE/PREL. EXPENSES WRITTEN OFF	3077	4289	6408
PROFIT BEFORE INTEREST, TAXES, EXTRA-ORDINARY ITEMS & PPA (PBITEP)	3332454	4035900	3799801
INTEREST			
ON CENTRAL GOVERNMENT LOANS	247	349	454
ON FOREIGN LOANS	57456	32676	23565
OTHERS	148427	118148	134720
LESS INTEREST CAPITALISED	5426	3383	17681
CHARGED TO P & L ACCOUNT	200704	147790	141058
PROFIT BEFORE TAX, EXTRA-ORDINARY ITEMS & PPA (PBTEP)	3131750	3888110	3658743
TAX PROVISIONS	1198090	1192192	1226459
NET PROFIT/LOSS BEFORE EXTRA-ORDINARY ITEM	1933660	2695918	2432284
NET EXTRA-ORDINARY ITEMS & PRIOR PERIOD ADJUSTMENT	-684473	16277	-5151
NET PROFIT/LOSS(-)	2618133	2679641	2437435
DIVIDEND DECLARED	998123	1022380	865987
DIVIDEND TAX	139987	140538	110951
RETAINED PROFIT	1480023	1516723	1460497

PETROLEUM

MANAGEMENT RATIO

DETAILS	2005-06	2004-05	2003-04
GENERAL (RS. IN LAKHS)			
INVESTMENT	4732893	3485977	3525977
CAPITAL EMPLOYED	14619839	12703175	11570108
NET WORTH	12610242	11077075	9573333
COST OF PRODUCTION	44233535	36059336	28032059
COST OF SALES	43710312	35627007	27907977
VALUE ADDED	8105604	8594546	7485730
R AND D EXPENDITURE	10184	21624	21616
PERSONNEL			
EMPLOYEES(OTHER THAN CASUAL) (NOS)	109554	110929	114266
AVERAGE MONTHLY EMOLUMENTS PER EMPLOYEE(Rs)	43199	42601	36137
INVENTORIES (IN TERMS OF NO. OF DAYS)			
TOTAL INVENTORY : SALES	41	40	38
SEMI/FINISHED GOODS : SALES	24	24	25
FINANCIAL RATIOS (%)			
SALES : CAPITAL EMPLOYED	313.10	305.90	266.29
MATERIAL COST : COST OF PRODUCTION	85.76	84.49	82.90
MANPOWER COST : COST OF PRODUCTION	1.28	1.57	1.77
COST OF SALES: SALES	95.49	91.68	90.58
PBDITEP : CAPITAL EMPLOYED	32.27	41.02	41.80
PBITEP : CAPITAL EMPLOYED	22.79	31.77	32.84
PBITEP : SALES	7.28	10.39	12.33
PROFIT BEFORE TAX & EP(PBTEP): NET WORTH	24.83	35.10	38.22
NET PROFIT : NET WORTH	20.76	24.19	25.46
R AND D EXPENDITURE : SALES	0.02	0.06	0.07
SUNDRY DEBTORS : SALES (NO. OF DAYS)	14	16	14

Bharat Petroleum Corporation Limited (BPCL)

1. *Company Profile*

BPCL was incorporated in the year 1976 under the Burmah-Shell (Acquisition of Undertakings in India) Act 1976 with an objective to undertake refining and marketing of Petroleum products. BPCL is a schedule-'A' / Navratna CPSE in petroleum sector under the administrative control of M/o Petroleum and Natural Gas. As per the approval of the Ministry of Company Affairs dated 18.8.2006, Kochi Refineries Limited, a subsidiary of the company, has been merged with the BPCL w.e.f. 1.4.2004(the appointed date), thereby reducing Government holding to 54.93%. The company has its registered and corporate offices at Mumbai.

2. *Industrial / Business Activities*

BPCL is one of the Nationalised enterprises involved in the field of refining and marketing of petroleum products through its two refineries at Mumbai and Ernakulam and Lube blending / filling plants at Mumbai, Calcutta, Delhi and Chennai. In addition company has Depots, Installations and LPG plants across India. It has one subsidiary namely Numaligarh Refinery Ltd. with an equity holding of 62.96% respectively. The company has ten financial joint ventures with equity participation of 11% to 50% in the respective JV. The enterprise has a workforce of 13876 employees as on 31.3.2006.

3. *Production / Operational Profile*

Major Products	Unit	Production during (% Capacity Utilization)			%increase/ decrease over previous year
		2005-06	2004-05	2003-04	
Fuel Refinery	MMT	17.24 (88.41)	10.30 (104.04)	9.14 (132.46)	67.38
Benzene	MT	61335 (31.80)	23856 (22.56)	44243 (41.86)	157.11
Toulene	MT	43051 (122.65)	9641 (41.73)	10042 (43.47)	346.54
Lubricants*	MT	100461 (55.50)	100461 (55.50)	106287 (58.72)	-
Sulphur	MT	27800 (92.67)	27800 (92.67)	15000 (50.0)	-

* Installed capacity of Mumbai Refinary for 2003-04 and 2004-05 was 6.90 MMT

4. *Major Financial Highlights*

Particulars	Performance during (Rs. in crore)			%increase/ decrease over previous year
	2005-06	2004-05	2003-04	
Turnover	77035.92	58969.99	48254.3	30.64
Cost of prod.	77865.04	59648.55	45768.08	30.54
Net Profit/Loss(-)	291.65	965.8	1694.57	-69.8
Net Worth	9139.42	6388.43	5849.72	43.06
Paid up capital	361.54	300	300	20.51
Share of Central Govt./holding co.	198.6	198.6	198.6	0

5. *Key Performance Factors*

- Though production in physical terms has increased, profit has declined due to higher subsidy under recovery, lower marketing margin and absence of pool claims.
- The Refinery Modernisation Project has been implemented resulting in increased crude oil processing capacity to 12 MMTPA
- The company has a 26% market share of LPG (Bulk and Packed), 30% share in Motor Spirit, 20% share in Aviation Turbine fuel and 27% share in High Speed Diesel.
- Company has 'Very Good' MOU rating during the year 2005-06.
- The market price of the company's shares was between Rs. 323.80 to Rs. 469.30 during the year 2005-06.
- With the availability of real time information in ERP system the monitoring of inventory data and credit management process have been strengthened for better working capital management. Strengthening of Financial Risk Management process, optimization of Gross Refiner's Margin through integrated approach, diversification in the field of Oil and Gas exploration and a number of new initiatives like 'B2B business', e-banking, introduction of branded fuel etc. were the other measures taken for improving competitiveness and control costs.

- New products like high performance gasoline engine oil, long life oil, synthetic gear oil, new grades of greases etc. were developed during the year by the company.
- There are currently three major projects under implementation namely Extension of the Mumbai Manmad Pipeline to Piyala with feeder line from Piyala to Bijwasan (Delhi), UP Refinery Project and Product Terminal at Bina. In addition the company has 5 Joint Venture Projects under implementation. Production of High Quality Lube oil base stock project has been commissioned in May, 2006.

6. *Strategic Issues*

- After the amalgamation and merger of the Kochi Refineries Limited with BPCL the strengths of both the companies have been synergized and this will help in crude optimization, allocation and better supply chain management for improving overall performance.

7. *VRS / Outstanding dues*

During the year, 377 employees left the company out of which 6 availed of VRS, 92 retired on superannuation and 279 left on other grounds. Total Number of employees opted for VRS till 31.3.2006 is 436.

Bongaigaon Refinery & Petrochemicals Ltd. (BRPL)

1. *Company Profile*

BRPL was incorporated on 28.2.1974 under the Companies Act, 1956 with an objective to supply quality products and services to ensure competitive edge. BRPL is a schedule-B/ Mini-Ratna PSE in petroleum sector under the administrative control of M/o Petroleum and Natural Gas. It is a subsidiary of Indian Oil Corporation Limited which holds 74.46% equity shares of this company. Its Registered and Corporate offices are at P.O. Dhaligaon, District Chirang (Assam).

2. *Industrial / Business Activities*

BRPL is engaged in the refining of crude oil and production and marketing of value added petrochemicals and polyester staple fibre products through its seven operating units (two crude distillation units, two delayed coking units, one coke calcinations unit, one LPG Bottling Plant and one petrochemical unit) at Bongaigaon (Assam). The company has liaison offices at Delhi, Mumbai, Kolkata and Guwahati. The petroleum products of BRPL are marketed by IOC. The enterprise is driven by a workforce of 1726 employees as on 31.3.2006.

3. *Production / Operational Profile*

Major Products	Unit	Production during (% Capacity Utilization)			% increase/ decrease over previous year
		2005-06	2004-05	2003-04	
HSD	MT	1038170	1013425	892424	47.7
SKO	MT	238141	235637	228338	9.9
LDO	MT	240469	237826	262447	7.8
MS	MT	200055	212159	195933	9.0
SRN	MT	171608	164272	157306	6.7
LPG	MT	50368	49117	47751	2.0
LVFO	MT	54344	55537	13783	1.6
PSF	MT	9437	23251	6666	1.0

4. *Major Financial Highlights*

Particulars	Performance during (Rs. in crore)			% increase/ decrease over previous year
	2005-06	2004-05	2003-04	
Turnover	5636.95	4543.11	2927.92	24.08
Cost of prod.	5457.02	3942.58	2607.97	38.41
Net Profit/Loss(-)	174.76	478.29	303.75	-63.46
Net Worth	871.39	757.9	550.07	14.97
Paid up capital	199.82	199.82	199.82	0
Share of Central Govt./holding co.	148.79	148.79	148.79	0

5. *Key Performance Factors*

- The over all capacity utilization during 2005-06 was100.01% as against 98% during 2004-05.
- Production of DMT and PSF during 2005-06 was lower than previous year as DMT

and PSF plant were under shut down since November, 2005 on account of economic reasons.

- BRPL in collaboration with R&D Centre of IOC started commercial production of Needle Coke in DCU/CCU plant using suitable feedstock, which is a high value import substitute product and the company is the only producer in the country.
- Earning Per Share(EPS) of the company during 2005-06 was Rs. 8.75 which is quite lower of Rs. 23.94 in 2004-05.
- The market price of the company's shares was between Rs. 64 to Rs. 105 during the year 2005-06.

6. Strategic Issues

- Increase in price of crude oil in the international market without commensurate increase in the product price, introduction of entry tax by the Government of Assam on crude oil, increase in freight under recovery, increase in the central sales tax under recovery etc. are the reasons for decline in profitability of the company.
- Optimum utilization of resources; implementation of ERP in major functional areas; diversification in products etc. are the steps taken for performance improvement.
- In principle decision of merging the BRPL with parent company IOC has been taken by the Board of Directors of both the companies.
- Petrochemicals Instrument Modernization; revamping Power Distribution System in Captive Power Plant; and construction of one crude tank are the ongoing projects. The company has initiated implementation of two more projects namely Diesel Hydrotreatment Project and MS Maximisation and quality upgradation project to meet the Euro-III quality specification of diesel and petrol.

7. Non-performing/Surplus Assets

- Kerosene Treating Unit (KTU)under the refinery segment has been closed w.e.f. 21st June, 2003 due to change of technology. DMT and PSF units are not in operation since October/November, 2005 due to economic reasons.
- Process of valuation of KTU is going on. An international consultant has been appointed to study the revival/viability of DMT and PSF units.

8. VRS/Outstanding dues

- During the year, 20 employees left the company out of which 11 left on superannuation and 9 on other grounds. Up-to 31.3.2006 total 20 employees have taken VRS.
- There were outstanding dues of Rs. 4.13 crore out of which Rs. 4.00 crore were related to salary and wages and Rs. 0.13 crore statutory dues as on 31.3.2006. However, the company made payment of ex-gratia of Rs.1.00 crore during 2005-06.

Chennai Petroleum Corpn. Ltd. (CPCL)

1. Company Profile

CPCL was incorporated on 13.12.1965 as Madras Refineries Ltd. under the Companies Act, 1956 with an objective of maximizing profit through manufacturing and supply of petroleum products and other related business in a reliable, ethical and socially responsible manner and to be a world class energy company with a dominant presence in South India. CPCL is a schedule-'B' / Mini-Ratna CPSE in Petroleum sector under the administrative control of M/o Petroleum and Natural Gas. It is a subsidiary of Indian Oil Corporation (IOC) which holds 51.88% equity shares of the CPCL. Its Registered and Corporate offices are at Chennai, (Tamilnadu).

2. Industrial / Business Activities

CPCL is one of the joint venture subsidiary companies of IOC engaged in refining of crude oil and manufacturing of petroleum products like Motor Spirit, High Speed Diesel, LPG, ATF, Naphtha, Kerosene, etc. and other allied products like propylene, sulphur, wax, etc. It is operating through its two refineries at Manali and Nagapattinam districts of Tamilnadu and one Liaison Office at New Delhi. The company has two financial joint ventures namely Indian Additives Ltd. and National Aromatics and Petrochemicals Corp. Ltd. However it has withdrawn from 2nd joint venture. In Indian Additive Ltd. CPCL has an equity participation of 50% with M/s. Chevron Oronite of USA. The enterprise is driven by a workforce of 1672 employees as on 31.3.2006.

3. Production / Operational Profile

Major Products	Unit	Production during			% increase/ decrease over previous year
		2005-06	2004-05	2003-04	
High Speed Diesel	'000 MT	3244	2749	2332	18.01
Motor Spirit	'000 MT	754	583	399	29.33
Superior Kerosene oil	'000 MT	750	740	605	1.35
LPG	'000 MT	382	239	-	59.83
Aviation Turbine Fuel	'000 MT	555	430	-	29.07
Asphalt	'000 MT	433	375	-	15.47

4. Major Financial Highlights

Particulars	Performance during (Rs. in crore)			% increase/ decrease over previous year
	2005-06	2004-05	2003-04	
Turnover	21128.77	14213.6	8739.03	48.65
Cost of prod.	20855.52	13751.06	8248.89	51.66
Net Profit/Loss(-)	480.96	596.97	400.05	-19.43
Net Worth	2279.51	2003.46	1609.91	13.78
Paid up capital	149	149	149	0
Share of Central Govt./holding co.	77.26	77.26	77.26	0.01

5. Key Performance Factors

- The company achieved capacity utilization of 102% during 2005-06. It processed highest ever crude of 9680 TMT in the first full year of operation after commissioning of the 3 MMTPA expansion project against the design capacity of 9500 TMT.
- Production improvement is due to higher throughput aided by optimization of crude mix and product pattern by adopting the Refinery Business Optimization(RBO.
- The profit was lower mainly due to sharing of under recovery of oil marketing companies in respect of LPG / SKO / MS /HSD amounting to Rs.439 crore.
- The value addition was lower by 2.07% during 2005-06 as compared to previous year.
- IOC is marketing the major products of the company.
- Earning Per Share declined from Rs. 40.08 in 2004-05 to Rs. 32.29 in 2005-06.
- The market price of the company's shares was between Rs. 183.20 to Rs. 292.00 at NSE during 2005-06.

6. Strategic Issues

- Rise in oil prices had its impact on the consumption. Further the lack of flexibility to price products at market rates and the sharing of subsidy by refining companies was a cause of concern.
- Capacity augmentation through low cost unit revamps at Manali Refinery to increase its refining capacity from 9.5 MMTPA to around 11.2 MMTPA is under finalization.

7. VRS/Outstanding dues

- During the year, 61 employees left the company out of which 18 availed of VRS, 11 retired on superannuation and 32 left on other grounds. Till 31.3.2006 total 78 employees have taken VRS.
- During the year an ex-gratia payment of Rs.0.91 crore was made.

GAIL (India) Ltd. (GAIL)

1. Company Profile

GAIL was incorporated on 16.8.1984 under the Companies Act, 1956 with an objective to undertake transportation of natural gas. The vision of the company is to be a dominant natural gas company committed to customer care, value creation for all stakeholders and environmental responsibilities. GAIL is a schedule-'A' / Navratna CPSE in petroleum sector under the administr11ative control of M/o Petroleum and Natural Gas with 57.34% shareholding by the Government of India. Its Registered and Corporate offices are at New Delhi.

2. Industrial / Business Activities

GAIL is involved in supplying of natural gas to industrial consumers, producing LPG, Propane, Pentane, SBP and Polymers transporting LPG and providing infrastructure facilities for Telecom by leasing bandwidth capacity. It has entered into ISP business also. GAIL has total 40 accounting units spreading in the states of Delhi, Tripura, Assam, Andhra Pradesh, Pondicherry, Madhya Pradesh, Gujrat, Maharashtra, Uttar Pradesh and Rajasthan. The company has 9 joint ventures namely Mahanagar Gas Ltd., Petronet LNG Ltd., Indraprastha Gas Ltd., Bhagyanagar Gas Ltd., Central UP Gas Ltd., Tripura Natural Gas Co. Ltd., Green Gas Limited, Mahanagar Natural Gas Limited, and Ratnagiri Gas and Power Pvt. Limited with a shareholding ranging between 12.50% to 49.75%. During the year GAIL has formed a wholly owned overseas subsidiary company namely GAIL (Global) Singapore Pvt. Ltd. The enterprise is driven by a workforce of 3443 employees as on 31.3.2006.

3. Production / Operational Profile

Major Products	Unit	Production during (% Capacity Utilization)			%increase/ decrease over previous years
		2005-06	2004-05	2003-04	
Natural Gas (HVJ, GREP & DVPL)	MMS-CMD	47.15 (88.30)	47.29 (88.56)	42.27 (79.16)	-
Natural Gas (Others)	MMS-CMD	20.48	20.81	20.57	-
LPG	MT	1042219 (617.26)	1094835 (648.43)	1088686 (644.79)	-
PROPANE	MT	173920 (86.49)	181863 (90.44)	157303 (78.23)	-
PENTANE	MT	53346 (13.34)	57525 (14.38)	51872 (12.97)	-
ETHYLENE	MT	325808 (81.45)	319290 (79.82)	275610 (68.90)	-
HDPE/ LLDPE	MT	311469 (100.47)	298787 (96.38)	263720 (85.07)	-

4. Major Financial Highlights

Particulars	Performance during (Rs. in crore)			%increase/ decrease over previous year
	2005-06	2004-05	2003-04	
Turnover	16351.29	13591.38	11945.18	20.31
Cost of prod.	13479.97	11041.3	9415.99	22.09
Net Profit/Loss(-)	2310.07	1953.91	1869.34	18.23
Net Worth	9973.29	8626.11	7445.15	15.62
Paid up capital	845.65	845.65	845.65	0
Share of Central Govt./holding co.	484.94	484.94	484.94	0

5. Key Performance Factors

- GAIL has found a prominent position within the top 15 largest listed gas utility firms in the oil and gas industry in terms of market capitalization by the PFC Energy rankings.
- The company has invested US$ 70 million by making significant forays in exploring growth ventures and entering new markets across the world such as China, Myanmar, Egypt and recently being awarded Block 56 in Oman for exploration and production of hydrocarbons.
- The company has first time started production of crude oil in the Cambay Oil Basin.
- Company has 'Excellent' MOU rating during the year 2005-06.
- The market price of the company's shares was between Rs. 201.20 to Rs. 318.25 during the year 2005-06 as against Rs. 101.25 to Rs. 270 during 2004-005. The average share price during the year was Rs. 247.84. Earning pershare of the company during 2005-06 was Rs. 28.84 (Rs. 24.11 in the previous year) as against face value of Rs. 10/-.
- The company incurred recurring expenditure of Rs. 84.40 lakhs on R&D during 2005-06.
- Efforts to absorb, adaptation and innovation of technologies such as MOU

for On Board Liquefied Natural Gas (LNG) Regasification Technology, assessment of Methanol to Olefins (MTO) technology of UOP, USA and Methanol to Propylene (MTP) technology of Lurgi, Germany to produce Ethylene and Propylene from Methanol, and Pre-feasibility study and pilot plant for underground coal gasification at Barmer in Rajasthan were made.

- Efforts like pipeline integrity management, meteringa11 audit, etc. have been made for increasing competitiveness.

6. *Strategic Issues*

- GAIL recorded improvement in gas transmission by over 10% which is the result of sale of regasified LNG, in production of polymers by 4%, transportation of LPG by 4%, etc. during 2005-06 as compared to previous year
- GAIL commissioned Narimanam-Kuthalam Pipeline project in the Cauvery basin region, Gautami Power Plant in the Krishna Godaveri basin and spur lines to consumers in the National Capital Region during 2005-06. . Major projects like Dahej – Uran, Thulendi – Phulpur, Jagoti – Dewas – Pithampur, Kelaras – Malanpur etc. are under execution.
- Inline with the changes in dynamics of gas business, the company has formulated a Corporate Strategic Plan to create a robust and growth oriented on long term business. Other measures such as establishment of world class national gas management center, enhancement of production capacity in petrochemicals sector, joining hands with POWER GRID and Rail Tel for cooperation in telecom, quality management etc. have been taken.
- The company is listed in Mumbai Stock Exchange, National Stock Exchange, Delhi Stock Exchange Association Limited and London Stock Exchange.

7. *VRS*

During the year, 6412 employees left the company out of which 16 left on superannuation and 48 on other grounds.

Hindustan Petroleum Corporation Ltd. (HPCL)

1. *Company Profile*

HPCL was incorporated in the year 1952 under the Indian Companies Act, 1913 as Standard Vacuum Refinery co. of India Ltd. It was renamed as ESSO Standard Refining Co. of India Ltd. in 1962. By virtue of Lube India and ESSO Standard Refinery Co. of India Ltd. Amalgamation Order,1974 it was changed to the present name Hindustan Petroleum Corporation Limited and after nationalization ESSO undertakings were vested in it. In the year 1976, Caltex and in 1979, Kosangas Co. Ltd. were also merged with HPCL. The main objective of the company is to delight customers by superior understanding and fulfilling their stated and latent needs with innovative product and services in the petroleum sector as also to be highest performer in rate of growth and return on investment by working faster than its competitors in most cost effective way. HPCL is a schedule-'A' / Navaratna CPSE in Petroleum sector under the administrative control of M/o Petroleum and Natural Gas with 51.07% shareholding by the Government of India. Its Registered and Corporate offices are at Mumbai, Maharashtra.

2. *Industrial / Business Activities*

HPCL is one of the nationalised enterprises engaged in refining and marketing of petroleum products like Motor Spirit, High Speed Diesel, LPG, Naphtha, FO& Bitumen etc. through its two refineries at Mumbai in Maharashtra and Visakhapatnam in Andhra Pradesh. In addition company has Lube refinery, 6 Lube Blending Plants, 36 terminals, 100 Depots, 10 ASFs, 40 LPG Bottling plants and 7313 retail outlets. The total numbers of company's units are 290 approximately. The company also owns two multi product, cross country pipelines viz. Mumbai-Pune and Vijaywada-Secunderbad pipe-line. It has one subsidiary namely Guru Govind Singh Refineries Limited in Punjab which is under construction. The company has 7 financial joint ventures in the field of exploration production, refining and marketing with a share holding ranging between 16% to 50%. The enterprise is driven by a workforce of 10778 regular employees as on 31.3.2006.

3. Production / Operational Profile

Major Products	Unit	Production during (% Capacity Utilization)			%increase/ decrease over previous year
		2005-06	2004-05	2003-04	
Petroleum in Mumbai Refinery	TMT	6248.7 (113.61)	6118 (111.2)	6108.2 (111.0)	2.14
Petroleum in Visakhapatnam	TMT	7574.32 (101.0)	7822.2 (104.3)	7591.5 (101.2)	-3.17

4. Major Financial Highlights

Particulars	Performance during (Rs. in crore)			%increase/ decrease over previous year
	2005-06	2004-05	2003-04	
Turnover	68161.77	59264.55	50339.1	15.01
Cost of prod.	72490.23	58517.17	49350.33	23.88
Net Profit/Loss(-)	405.63	1277.33	1903.94	-68.24
Net Worth	8735.74	8440.85	7742.81	3.49
Paid up capital	338.94	338.94	338.94	0
Share of Central Govt./holding co.	173.08	173.08	173.08	0

5. Key Performance Factors

- The retail constitutes nearly 57% of HPCL's business. The company enjoys market share of 23.9% among PSU Oil companies and 21.8% on total industry basis including private players in combined petrol and diesel in retail. The emphasis in retail business has been moved from being a commodity player to provider of branded products and services. During the year company has commissioned 647 Retail Outlets with focus on Highways and Rural markets.
- The LPG business accounts for approximately 11% of the total volume base of the company. 44 new LPG distributorships were commissioned during the year.
- HPCL has a market share of 20.6% in Naphtha, 19.95% in LDO, 19.6% in FO, 16% in Bitumen and 7.5% in HSD.
- Exports were 4.42 % of the turn over during 2005-06 as compared to 3.00% in the previous year.
- The market share of company in aviation business has increase from 9.8% to 15.4% during the year.
- Orders worth about Rs.1.5 crore were received under the purchase preference policy which works out to approx 1.1% of total orders received from the Govt. departments / organizations / CPSEs / Autonomous bodies.
- HPCL undertook 5 new projects, set up one depot, 3 terminals and one new generation tank truk during 2005-06. It also set up a joint venture and also completed a vehicle management system.
- During 2005-06 a revenue expenditure of Rs. 0.71 crore and capital expenditure of s. 0.78 crore were made on R&D.
- The Company has 'Excellent' MOU rating during the year 2005-06.
- It is one of the four Indian companies listed in the fortune 500 Global list of companies.
- The market price of the company's shares was between Rs. 281.60 to Rs. 370 during the year 2005-06 as compared to Rs. 225.55 in 2004-05.

6. Strategic Issues

The Oil and Energy sector would continue to witness a dynamic environment in periods to come in all components of the sector viz. Exploration & Production, Gas, Downstream, Refining and Marketing. The alternate energy sources like Bio-diesel and wind power are the areas to be looked at seriously.

7. VRS/Outstanding dues

Till 31.3.2006 a total of 530 employees have taken VRS. During 2005-06, 70 employees left the company out of which 27 retired on superannuation and 43 left on other grounds. Ex-gratia payment of Rs. 9810.64 was made during the year. An amount of Rs. 2.13 crore was outstanding as statutory dues as on 31.3.2006.

IBP Co. Ltd. (IBP)

1. Company Profile

IBP was incorporated in the year 1909 and become a Government company in 1970 when IOC purchased the majority shares of the company. In 1972, GOI acquired IOC's shareholding in IBP. However, in 2002 IOC again purchased the majority shareholding through disinvestment route. IBP is a schedule-'B' CPSE in Petroleum sector under the administrative control of M/o Petroleum and Natural Gas with its registered and corporate offices at Kolkata in West Bengal. 53.58% of its shares are held by the holding company IOC.

2. Industrial / Business Activities

IBP is one of the subsidiary enterprises engaged in the business of Petroleum, Explosives and Cryogenics through its operating unit at Nasik for cryocontains, Kaeba for Industrial Explosives and Site mixed slurry explosives at Singaravli, Kudermukh, Ramagundam, Dhanbad, Rampur Agucha, Kusmunda, Talcher, Rajmahat etc. The company does not have any of its own sources of supply of petroleum products. The company has one financial joint venture with 2% shareholding, namely Petronet India Ltd along with other oil marketing companies. The enterprise has a workforce of 2106 employees as on 31.3.2006.

3. Production / Operational Profile

Major Products	Unit	Production during (% Capacity Utilization)			% increase/ decrease over previous year
		2005-06	2004-05	2003-04	
Explosives	MT	61507 (58)	51204 (43)	52266 (61)	20.12
Cryocontainers	Nos	14112 (86)	10381 (63)	7496 (45)	35.94

4. Major Financial Highlights

Particulars	Performance during (Rs. in crore)			% increase/ decrease over previous year
	2005-06	2004-05	2003-04	
Turnover	15626.84	13418.21	10263.73	16.46
Cost of prod.	15715.85	13348.22	9895.4	17.74
Net Profit/Loss(-)	12.44	58.87	214.66	-78.87
Net Worth	666.92	659.57	626.01	1.11
Paid up capital	22.15	22.15	22.15	0
Share of Central Govt./holding co.	11.87	11.87	11.87	0

5. Key Performance Factors

- Despite increase in sales the profit of the company has come down due to under recovery / subsidy in price of petroleum products. 90.13 % of company's revenue comes from marketing of motor sprit (MS) and high speed diesel (HSD). IBP is having 8.49% and 9.54% retail Indian market share of MS and HSD respectively.
- The market price of the company's shares was between Rs. 389 to Rs. 622 during the year 2005-06 as against between Rs. 340 to Rs. 685 during 2004-05.

6. Strategic Issues

The merger of IBP with IOC was approved on 29.6.2006 and accordingly the company has been merged with the holding company.

7. VRS/Outstanding dues

During the year, 42 employees left the company out of which 2 availed of VRS and 11 retired on superannuation and 29 left on other grounds. Till 31.3.2006, total 569 employees have taken VRS. During the year 2005-06 an Ex-gratia payment of Rs.1.30 crore was made. There was no outstanding dues as on 31.3.2006.

Indian Oil Corporation (IOC)

1. Company Profile

IOC was incorporated on 1.9.1964 by merging Indian Refineries Ltd. (established in 1958) with Indian Oil Company (established in 1959) under the Companies Act, 1956. In 1981 Assam Oil Co. Ltd. was also merged with IOC. The main objectives of IOC are to serve the national interests in oil and related sectors in accordance and consistence with Government policies; to ensure maintenance of continuous and smooth supplies of petroleum products by way of crude oil refining, transportation and marketing activities and to enhance country's self-sufficiency in oil refining and build expertise in laying of crude oil and petroleum pipelines. IOC is a schedule-'A' / Navratna PSE in Petroleum sector under the administrative control of M/o Petroleum and Natural Gas with 82.03% Central Government shareholding. Its Registered office and Marketing Head Office are at Mumbai, Corporate and Refineries Head Offices are at New Delhi, Pipeline Head Office at NOIDA (U.P.), R&D Centre at Faridabad (Haryana) and Assam Oil Division at Digboi (Assam).

2. Industrial / Business Activities

IOC is one of the major diversified transnational integrated energy company in the field of refinery; transportation of crude and petroleum products through its pipelines; marketing of petroleum products research and development for improving the refining process to conserve oil and development/ improvement of lubricants/petroleum products. IOC has 6 refineries at Barauni(Bihar), Vadodara (Gujarat), Guwahati(Assam), Haldia(West Bengal), Mathura(U.P.) and Panipat(Haryana), 8 subsidiary units namely Indian Oil Blending Ltd.(merged with IOC w.e.f. 12.5.2006), Chennai Petroleum Corp. Ltd., Bongaigaon Refinery and Petrochemicals Ltd.(in principle decision to merge with IOC has been taken by the Board of Directors), IBP Co. Ltd.(Shareholders of IBP and IOC have approved amalgamation for merger, approval of M/o Company Affairs is awaited), Indian Oil Technologies Ltd., Indian Strategic Petroleum Reserves Ltd.(Ceased to be a subsidiary of IOC w.e.f. 9.5.2006 consequent upon transfer of IOC's entire equity holding to Oil Industry Development Board), Indian Oil Mauritius Ltd. and Lanka IOC Ltd. and 11 financial joint ventures in the field of petroleum and petrochemicals projects namely Avi Oil India Pvt. Ltd. (25%), Petronet India Ltd.(16%), Indian Oil Tanking Ltd. (50%), Petronet V.K. Ltd.(26%), Indian Oil Panipat Power Consortium Ltd.(50%), Lubrizol India Pvt. Ltd.(50%), Indian Oil Petronas Pvt. Ltd.(50%), Petronet LNG Ltd. (12.50%), Petronet CI Ltd.(26%) and Green Gas Ltd.(22.50%). The enterprise is driven by a workforce of 30048 employees as on 31.3.2006.

3. Production / Operational Profile

Major Products	Unit	Production during (% Capacity Utilization)			% increase/ decrease over previous years
		2005-06	2004-05	2003-04	
HSD	TMT	15302.225	14880.650	-	43.57
MS	TMT	3539.791	3595.997	-	13.60
SKO	TMT	3285.683	3347.293	-	5.47
ATF	TMT	1556.400	1162.200	-	5.90
LPG	TMT	1453.114	1222.372	-	6.54
FO	TMT	2749.235	2453.018	-	6.67 including LSHS
LSHS	TMT	2430.200	2785.700	-	6.37
BITUMEN	TMT	1874.218	1775.955	-	1.72
LUBES	TMT	200.700	154.600	-	1.35
NAPTHA (NET)	TMT	2076.176	2559.044	-	4.43
CRUDE OIL	-	-	-	-	8.54
OTHERS	-	-	-	-	1.75

4. Major Financial Highlights

Particulars	Performance during (Rs. in crore)			%increase/ decrease over previous year
	2005-06	2004-05	2003-04	
Turnover	168854.71	137659.831	15874.75	22.66
Cost of prod.	173848.67	135017.891	9011.48	28.76
Net Profit/Loss(-)	4915.12	4891.38	7004.82	0.49
Net Worth	29245.16	25951.27	22974.12	12.69
Paid up capital	1168.01	1168.01	1168.01	0
Share of Central Govt./holding co.	958.08	958.08	958.08	0

5. Key Performance Factors

- For the year 2005-06, pipeline network achieved the throughput of 45.35 MMT as against 43.03 MMT during 2004-05.
- The crude oil throughput attained during 2005-06 was 38.52 MMT as against 36.63 MMT during 2004-05. The capacity utilizations were 93.15% and 88.58% respectively.
- Earning Per Share of IOC was Rs. 42.08 during 2005-06 (Rs. 41.88 in the previous year) against the face value of Rs. 10/-.
- The market share of the company in domestic sales was 50.44% during 2005-06 as compared to 50.81% in the previous year.
- The Foreign Exchange Earnings(FEE) of the company during 2005-06 was Rs. 5617.56 crore out of which Rs. 5574.48 crore was due to export of Crude Oil, LAB and Petroleum products. During the previous year the amount was Rs. 3548.90 crore and 3540.62 crore respectively.
- The company has 'Excellent' MOU rating during the year 2005-06s.
- The company is listed in Mumbai Stock Exchange and National Stock Exchange. The market price of the company's shares was between Rs. 370 to Rs. 599 during the year 2005-06 as against Rs. 275 to Rs. 595 during 2004-05.
- In order to improve competitiveness, various steps such as implementation of ERP through "SAP", action plans for improvement in distillate yield, maximization of high sulphur crude processing, utilization of VLCC for optimization of crude transportation, optimum utilization of infrastructure facilities, value addition, diversification etc. were taken.

6. Strategic Issues

- Indian Oil Blending Ltd. has been merged with IOC in May, 2006 and the merger of IBP Company Ltd. and Bongaigaon Refinery and Petrochemicals Ltd. with the holding company are under process.
- Project implementation is accorded high priority. During 2005-06, IOC completed 6 projects, undertaken 3 new projects and 10 were ongoing projects.
- The company undertakes research in various areas in its R&D Centre established in 1972 at Faridabad. It lays thrust on cutting edge technologies keeping in view of the changing/emerging needs. 70% projects are suggested by its operating units (internal customers) and 20-25% from technology scan/emerging trends/interactions and linkages with experts/Research Advisory Committees. Remaining 5-10% projects are originated from the new/novel ideas from scientists of the IOC.
- IOC has also decided and is trying to acquire some oil fields in India and abroad. For this purpose, it has entered in an MOU with Oil India Ltd.

7. VRS/Outstanding dues

During the year, 902 employees left the company out of which 92 availed of VRS, 524 retired on superannuation and 286 left on other grounds. Upto 31.3.2006, total 2590 employees left the IOC by availing of VRS. There were no outstanding dues as on 31.3.2006.

Mangalore Refinery and Petro-Chemicals Ltd. (MRPL)

1. Company Profile

MRPL was incorporated on 2.8.1988 under the Companies Act, 1956 with the objective of forming a joint venture between HPCL and Indian Rayon and Industries Ltd. (IRIL). However, as per diversification plan, ONGC acquired 71.62% of its shareholding from IRIL and thereby MRPL became a subsidiary of ONGC on 30.3.2003. MRPL is a schedule 'B' CPSE in Petroleum sector under the administrative control of M/o Petroleum and Natural Gas, having its registered and corporate offices at Mangalore, Karnataka.

2. Industrial / Business Activities

MRPL is engaged in refining of crude oil through its operating unit at Mangalore, Karnataka. The enterprise has a workforce of 967 employees as on 31.3.2006.

3. Production / Operational Profile

Major Products	Unit	Production during (% Capacity Utilization)			%increase/ decrease over previous year
		2005-06	2004-05	2003-04	
Crude Oil Processing	MT	12.11 (125)	11.84 (122)	10.04 (104)	2.28
HSD	MT	4606321	4236878	3702871	8.72
MS	MT	608024	783086	811102	- 22.36
SKO	MT	596121	1213802	502376	- 50.89
Naphtha	MT	1194126	1133592	817179	5.34
ATF	MT	1155921	1006555	1156835	14.84

4. Major Financial Highlights

Particulars	Performance during *(Rs. in crore)*			%increase/ decrease over previous year
	2005-06	2004-05	2003-04	
Turnover	24967.54	18508.33	11390.64	34.9
Cost of prod.	24128.35	17428.24	11621.49	38.44
Net Profit/Loss(-)	371.61	879.76	459.41	-57.76
Net Worth	2395.34	2133.1	1422.66	12.29
Paid up capital	1761.8	1761.8	1761.8	0
Share of Central Govt./holding co.	1255.35	1255.35	1255.35	0

5. Key Performance Factors

- Due to various initiatives taken in the area of direct marketing, the company achieved almost 207% growth in direct marketing sales during 2005-06. However the profit has declined during 2005-06 owing to lower Gross Refinery Margins (GRMs) because of discount/withdrawal of export incentives..
- The market price of the company's shares was between Rs. 45.00 to Rs. 51.81 during the year 2005-06 as compare to Rs. 31 to Rs.62 during 2004-05.
- The company is carrying out process modification resulting in energy saving and on spec products, reducing downgradation of products etc.
- The work of ISOM project undertaken to conform to Euro II and Euro III requirements.

6. Strategic issues

- The company continues to lay more emphasis to develop export potential to sell its surplus production capacity.
- Action has been initiated to upgrade refinery, to recover distillates from black oil pool and extract value added products. It is also in the process of reviewing its retail marketing plans considering the prevailing market scenario where marketing margins have turned negative.

Numaligarh Refinery Ltd. (NRL)

1. Company Profile

NRL was incorporated on 22.4.1993 under the Companies Act, 1956 with an objective to fulfill the commitment made by GOI in Assam Accord of 1985 for providing required thrust towards industrial and economic development of Assam. The commercial production started from October, 2000. NRL is a schedule-'B' Mini-Ratna CPSE in petroleum sector under the administrative control of M/o Petroleum and Natural Gas, having its registered and corporate offices at Dispur, Guwahati, Assam. NRL is a subsidiary of Bharat Petroleum Corp. Ltd. (BPCL) which holds its 51% equity shares (12.35% holding is with Government of Assam, 12.35% with Oil India Ltd. and 12.34% with Oil Industry Development Board).

2. Industrial / Business Activities

NRL is engaged in refinery of indigenous crude oil through its single operating unit at Golaghat, Assam. It has two zonal/regional offices at Kolkata and Delhi.The enterprise has a workforce of 702 employees as on 31.3.2006.

3. Production / Operational Profile

Major Products	Unit	Production during			% increase/ decrease over previous year
		2005-06	2004-05	2003-04	
Refineries Throughput	MMT	2.13	2.04	-	4.41
LPG	'000MT	47	47	46	0
MS	'000MT	90	144	146	-37.50
Naphtha	'000MT	139	86	45	61.63
ATF	'000MT	82	68	58	20.59
SKO	'000MT	191	267	297	-28.46
HSD	'000MT	1305	1171	1259	11.44
RPC/CPC	'000MT	101	90	77	12.22

The overall capacity utilization of NRL during 2005-06 was 71% as against 68% in 2004-05.

4. Major Financial Highlights

Particulars	Performance during (Rs. in crore)			% increase/ decrease over previous year
	2005-06	2004-05	2003-04	
Turnover	5268.04	3917.23	2892.88	34.48
Cost of prod.	4907.86	3510.81	2733.23	39.79
Net Profit/Loss(-)	448.93	409.15	214.95	9.72
Net Worth	1691.33	1401.46	1135.37	20.68
Paid up capital	735.63	735.63	735.63	0
Share of Central Govt./holding co.	463.19	463.19	463.19	0

5. Key Performance Factors

- The growth in turnover and profitability is attributed to higher realisation of price, improved product mix, optimization of operations, stringent cost measures, and decrease in deferred tax liability and savings in interest cost. To offset the squeeze in the refiner's margin, NRL has continued its focused initiatives towards cost control measures including optimization in fuel and loss, conservation of energy, optimization of product mix and other techno-economic parameters.
- The company has taken up 3 projects namely MS Project at a estimated cost of Rs. 296.57 crore (completed on 31.5.2006 and commissioned now), Receipt and Despatch Terminal at Siliguri at an estimated cost of Rs. 149.57 crore (to be completed by September, 2007), and Diesel Quality Upgradation Project (Under feasibility study stage).
- Earning Per Share was Rs. 6.10 during 2005-06 as compared to Rs. 5.56 in the previous year.
- NRL is basically a refining company and its main products are marketed mainly through BPCL. NRL has now entered into retail marketing of MS/HSD and so far commissioned 59 outlets- 36 in North East and 23 in other states.

6. Strategic Issues

India is having excess refining capacity and growth in domestic demand alone is not sufficient to saturate capacity as such India enhanced its exports. In terms of quantity India imported 3.7% higher crude oil compared to last year, however, the value of imported crude rose by 49% in 2005-06. In the year 2005-06 the indigenous crude production declined by 6% at 32.20 MMT (provisional).

Oil and Natural Gas Corporation Ltd. (ONGC)

1. Company Profile

ONGC was incorporated on 23.6.1993 under the Companies Act, 1956 after transforming a statutory commission namely Oil and Natural Gas Commission into a Public Ltd. Company through an Act of Parliament with an objective to take over the business of oil and Natural Gas Commission w.e.f. 1.2.94. The vision of the company is to become a world class oil & gas company integrated in energy business with dominant leadership and global presence. ONGC is a schedule-'A' / Nanvratna PSE in Petroleum sector under the administrative control of M/o Petroleum and Natural Gas with 74.14% shareholding by the Government. Its Registered office is at New Delhi and Corporate office at Dehradun, Uttranchal. It has 6 Regional Offices at Mumbai, Vadodara, Nazira (Assam), Kolkata, Chennai and Dehradun.

2. Industrial / Business Activities

ONGC is one of the pioneering enterprises engaged in planning, organizing and implementing programmes for exploration and development of Hydrocarbon resources and production of crude oil and natural gas in India and overseas. ONGC also produces value added products at its plants at Hazira, Uran and Ankleshwar and Mini refinery at Tatipaka. It has 2 indian subsidiaries namely ONGC Videsh Ltd. and Mangalore Refinery and Petrochemicals Ltd. and three foreign subsidiaries namely ONGC Nile Ganga BV, Netherlands, ONGC Narmada Ltd., Nigeria and ONGC Bonny Brahmputra Ltd., Nigeria. The company has 7 financial joint ventures (JV) namely Petronet LNG Ltd., Petronet MHB Ltd., ONGC Tripura Power Company Pvt. Ltd., Pawan Hans Helicopers Ltd, Dahej SEZ Ltd., Mangalore SEZ Ltd. and ONGC Mittal Energy Services Ltd. with a shareholding of 12.5%, 23%, 15%, 21.5%, 23%, 23% and 50% respectively. The company also has 45 other production sharing / exploration contracts and JVs. The enterprise is driven by a workforce of 34722 employees as on 31.3.2006.

3. Production / Operational Profile

Major Products	Unit	Production during			%increase/ decrease over previous year
		2005-06	2004-05	2003-04	
Crude Oil	MMT	26.19	28.13	27.72	- 6.90
Natural Gas	BCM	24.97	25.23	25.70	- 1.03
VAP	MMT	3.364	3.419	3.627	1.61

4. Major Financial Highlights

Particulars	Performance during (Rs. in crore)			%increase/ decrease over previous year
	2005-06	2004-05	2003-04	
Turnover	47966.4	46364.37	32078.38	3.46
Cost of prod.	29134.1	28469.35	19958.91	2.33
Net Profit/Loss(-)	14430.78	12983.05	8664.43	11.15
Net Worth	53593.32	46314.26	40002.41	15.72
Paid up capital	1425.93	1425.93	1425.93	0
Share of Central Govt./holding co.	1057.37	1057.37	1057.37	0

5. Key Performance Factors

- Production of crude oil, natural gas and VAP declined by 6.90%, 1.03%, 1.61% respectively during 2005-06 as compared to previous year.
- Revenue and Net profit have, however, improved as compared to previous year. The sound financial performance of ONGC still suffered during the year because of the subsidy paid out to the Public Sector Oil Marketing Companies by way of discounts in the prices of crude oil, LPG & SKO amounting to Rs. 11956.5 crore. The appreciation of the Rupee vis-à-vis US Dollar also caused reduction in Rupee revenues on sale of crude.
- ONGC has taken a number of steps to improve crude oil production by implementing Improved Recovery Projects in 15 major fields.
- Company has "Excellent" MOU rating during the year 2005-06.
- The market price of the company's shares was between Rs. 811 to Rs. 1325 during the year 2005-06 as against Rs. 510 to Rs 1000 during 2004-05.
- ONGC ranked 402nd in the Fortune 500 list of World's largest corporation for the year 2006 based on revenue, profits, assets and shareholder's equity. It ranked 115th in the new list - leading all the Indian

corporates. As per market capitalization ONGC ranked 158th among the world's largest companies in the 10th Annual Financial Times Global 500 listing.

- ONGC undertook 16 projects cost Rs. 100 crore or more each during 2005-06 out of which 11 are in Mumbai, 3 in Assam one at Dahej and one at East Cost.

6. Strategic Issues

- ONGC has been looking for new business growth options through entering into various strategic alliances in the form of Memorandum of Understanding (MOU) with companies having niche strength e.g. MOU with Shipping Corporation of India for forming of a joint venture SPV for offshore services and related business.
- Improved / Enhanced Oil Recovery programmes are under implementation in 10 major fields with planned investment of more than Rs.12000 crore to arrest declining production from these fields.
- During the year ONGC discovered ten new finds of Hydrocarbons - 5 in Deepwater, 3 in Shallow Water and 2 in Onshore areas.
- In order to upgrade technology, ONGC has entered into strategic alliances with reputed service providers like Schlumberger, Halliburton, Baker Hughes, IPR, Tranceocean etc. to have cutting edge in Exploration and Production(E&P). It has established association/cooperation with major E&P companies like BG, ENI, CIRN, SHELL, Norsk Hydro, BP, BHP Biliton etc.
- Besides thrust on E&P, the company has firmed up its plan for value proposition and optimization for sustained growth. It has also planned for conversion of Naphtha to Petrochemicals, rather than exports of low utilization.

7. VRS/Outstanding dues

- During the year, 1157 employees left the company out of which 237 availed of VRS, 668 retired on superannuation and 252 left on other grounds. The number of employees availed of VRS during 2003-04 to 2005-06 was 1402.

Oil India Ltd. (OIL)

1. Company Profile

OIL was incorporated on 18.2.1959 as a partnership venture between Government of India and Burmah Oil Company under the Companies Act, 1956 with an objective to manage oilfields of Naharkatigu in Assam. The company became a central public sector enterprise in 1981. The current objective of the company is to contribute towards meeting the energy requirements of the nation. OIL is a schedule- A / Mini-ratna CPSE in Petroleum sector under the administrative control of M/o Petroleum and Natural Gas having 98.17% Government holding with its registered office at Dibrugarh, Assam and corporate office at New Delhi.

2. Industrial / Business Activities

OIL is engaged in exploration and production of crude oil and natural gas, extraction and bottling of LPG and transportation of crude oil through its operating units at Dibrugarh and Guwahati in Assam, Bhubaneshwar in Orissa, NOIDA in U.P., Jodhpur in Rajasthan and Tripoli in Libya. The Company has 22 unincorporated joint ventures (Production Sharing Contracts) in Assam, Arunachal Pradesh, Rajasthan, Gujarat, Orissa, Andhra Pradesh, Nagaland, Libya, Sudan and Iran. The enterprise is driven by a workforce of 9424 employees as on 31.3.2006.

3. Production / Operational Profile

Major Products	Unit	Production during (% Capacity Utilization)			% increase/ decrease over previous year
		2005-06	2004-05	2003-04	
Crude Oil	MMT	3.233 (97.88)	3.196 (99.56)	3.002 (NA)	1.16
Natural Gas	MMS-CUM	2269.54 (109.32)	2009.48 (97.59)	1886.97 (NA)	12.94
LPG	Tonnes	48320 (96.64)	49500 (99)	51510 (NA)	-2.38

4. *Major Financial Highlights*

Particulars	Performance during (Rs. in crore)			% increase/ decrease over previous year
	2005-06	2004-05	2003-04	
Turnover	5550.19	3888.04	3143.46	42.75
Cost of prod.	3333.82	2466.79	2003.7	35.15
Net Profit/Loss(-)	1689.93	1061.68	949.71	59.18
Net Worth	5849.3	4710.69	4028.65	24.17
Paid up capital	214	214	214	0
Share of Central Govt./holding co.	210	210	210	0

5. *Key Performance Factors*

- The increase in income and profitability is due to increase in crude oil and natural gas production and increase in crude oil and LPG prices.
- Shortfall in Crude Oil production from the annual target was mainly due to blockade in its operational areas viz. Barekuri, Khagorijan and Chabua; blast of oil and gas pipeline; fire in one of the high crude oil and gas producing well at Dikom oilfield; more downtime due to long duration work over in Gravel Pack job, downhole problem, rapid rise in water cut in few reservoirs, frequent miscreant activities in field etc. The production of LPG was lower due to poor quality of feed gas available from the Assam gas fields.
- The Company has 'Very Good' MOU rating during the year 2005-06.
- The market share of the company is about 10% in production during 2005-06.

6. *Strategic Issues*

- The company has formed a strategic alliance with Indian Oil Corporation Ltd. for overseas acquisition. The company plans to double its production of oil and gas in the next 5-6 year. In order to achieve this company has undertaken organization restructuring including HR issues like succession plan / competency profiling performance based appraisal system, ERP implementation etc.
- OIL has been aggressively pursuing to acquire exploration areas / assets / producing properties overseas.
- A new business structure designed on SBU concept has been implemented in all respect. ERP has been put into 'Go-Live' condition in respect of 23 basic modules / sub-modules on 1.12.2005.
- The company signed an 'Exploration and Production Sharing Agreement (ESPA)' FOR BLOCK NO. 102/4 WITH national Oil Corporation of Libya in consortium with Indian Oil Corporation Ltd. with50% participation interest, and OIL is working as an operator of the Block with 50% participation interest. The company has also signed a farm in agreement with M/s Marvis Pte Limited, Singapore to acquire 45% participating interest in the block Shakthi (FT-2000) jointly with IOC with 45% participation interest, OIL will be operator of the block.

ONGC Videsh Ltd. (OVL)

1. *Company Profile*

OVL was incorporated as Hydro Carbon India (Pvt.) Ltd. on 5.3.1965 under the Companies Act, 1956 with an objective to takeover assets and liabilities of Oil and Natural gas Corporation (ONGC) under the joint venture agreement operating in Iran. However, when the JV agreement was declared null and void by the Iran Government, the company started Marketing the expertise of ONGC abroad and to facilitate international marketing. The name of the company was changed to OVL in 1989. The vision of the company is to become world class E&P company having an organization and culture committed towards sustainable growth and superior profitability through pursuit of international opportunities and excellence in execution. OVL is a schedule-'B' CPSE in Petroleum sector under the administrative control of M/o Petroleum and Natural Gas. Its Registered and Corporate offices are at Delhi. OVL is a 100% subsidiary of ONGC Ltd.

2. Industrial / Business Activities

OVL is involved in carrying on business of exploring, drilling, extracting, producing, treating refining, storing, transporting, exporting and generally dealing in or with petroleum or other crude oils, asphalt, bitumen, natural gas, chemicals etc. in India and abroad. Generally the company is operating abroad where it has 22 projects in 13 countries. It has two subsidiary companies namely ONGC Nile Ganga B.V. in Netherlands and ONGC Narmada Limited with 100% shareholding and 16 financial joint ventures located abroad in Vietnam, Russia, Myanmar, Iran, Libya, Syria, Sudan, Nigeria, Egypt, Brazil and Cuba with participating interest ranging from 15% to 90%. The enterprise is driven by a workforce of 90 employees as on 31.3.2006.

3. Production / Operational Profile

Major Products	Unit	Production during (% Capacity Utilization)			% increase/ decrease over previous years
		2005-06	2004-05	2003-04	
GAS	000 M3	1755037	1349038	523383	-
Condensate	MT	214075	39104	21822	-

4. Major Financial Highlights

Particulars	Performance during (Rs. in crore)			% increase/ decrease over previous year
	2005-06	2004-05	2003-04	
Turnover	1194.59	1081.52	156.62	10.45
Cost of prod.	1118.92	1091.66	508.62	2.5
Net Profit/Loss(-)	649.45	402.98	139.06	61.16
Net Worth	1661.7	760.37	477.12	118.54
Paid up capital	300	300	300	0
Share of Central Govt./holding co.	300	300	300	0

5. Key Performance Factors

- Consolidated production of oil and its subsidiary company ONGC Nile Ganga BV increased from 5.063 MMT in 2004-05 to 6.339 MMT in 2005-06 and gross revenue from Rs. 6026 crore to Rs. 8171 crore.
- The balance proven Oil and Gas reserves of OVL and its subsidiary ONGC Nile Ganga BV were 206.190 MMTOE out of which 92.823 MMT was related to oil and 113.367 BCM to Gas in 2005-06 as against the figures 197.944, 82.822 and 115.122 respectively in the previous year.
- Earning Per Share of Rs. 100 each was Rs. 216.48 in 2005-06 as compared to Rs. 134.33 in the previous year.
- Total export sales during 2005-06 were Rs. 1194.59 crore as against Rs. 1081.52 crore in the previous year.
- Improvement in performance during the year could be possible due to the support of the Government, ONGC Limited and the efforts made by the dedicated and committed team of employees.

6. Strategic Issues

- The company secured equity participation in 9 oil and gas assets in 7 countries during 2005-06.
- Till 31.3.2006, OVL has committed investments amounting to US$ 5160 in overseas Oil and Gas projects against which about US$ 4050 have already been invested.
- The company has a proposal to raise the equity share capital from Rs.300 crore to Rs. 700 crore by way of right issue of equity shares to ONGC at par.
- Infrastructure development with respect to high-end work station and associated facilities is in progress for analysis and review of Geological and Geophysical data.

7. VRS/Outstanding dues

During the year, 4 employees left the company out of which 2 retired on superannuation and 2 left on other grounds. None has taken VRS so far. There were no outstanding dues as on 31.3.2006.

6 FERTILIZERS

The were 8 enterprises in the public sector as on 31.3.2006 which were engaged in production of fertilizers. The names of these enterprises along with their year of incorporation in chronological order are given below:

Sl. No.	Enterprise	Year of Incorporation
1.	Fertilizers and Chemicals (Travancore) Ltd.	1943
2.	Pyrites, Phosphates and Chemicals Ltd.	1960
3.	Fertilizer Corpn. of India Ltd.	1961
4.	Madras Fertilizers Ltd.	1966
5.	National Fertilizers Ltd.	1974
6.	Hindustan Fertilizer Corpn. Ltd.	1978
7.	Rashtriya Chemicals and Fertilizers Ltd.	1978
8.	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, Phosphate Acid Ammonia, Sulphuric Acid etc.

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

4. Net Profit/(Loss) : The details of individual enterprises which earned net profit or sustained net loss (-) in ranking order are given below:

(Rs. in crores)

Sl. No.	Enterprise	Net Profit/(Loss) 2005-06	2004-05
1.	Fertilizers and Chemicals (Travancore) Ltd.	235.66	(167.96)
2.	Rashriya Chemicals and Fertilizers Ltd.	147.96	140.96
3.	National Fertilizers Ltd.	116.40	160.91
4.	Brahmaputra Valley Fertilizer Corpn. Ltd.	(99.78)	22.54
5.	Pyrites, Phosphates and Chemicals Ltd.	0.00	(113.85)
6.	Madras Fertilizers Ltd.	(131.74)	(58.49)
7.	Hindustan Fertilizer Corpn. Ltd.	(964.61)	(878.00)
8.	Fertilizer Corpn. of India Ltd.	(1294.00)	(1209.85)
	Total	**(1990.11)**	**(2103.64)**

5. Dividend : The following enterprises declared dividend as per details given on next page:

(*Rs. in crore*)

Sl. No.	Enterprise	Dividend	
		2005-06	2004-05
1.	Rashriya Chemicals and Fertilizers Ltd.	55.17	93.79
2.	National Fertilizers Ltd.	40.74	48.27
	Total	**95.91**	**142.06**

6. Township and Social Overheads

The operating results of these enterprises after setting off township maintenance and other social overheads such as maintenance of schools, medical facilities, social overheads and cultural subsidies etc. are given below:

(*Rs. in crore*)

Sl. No.	Particulars	Township & Social Overheads	
		2005-06	2004-05
1.	Capital cost of Township	125.11	108.70
2.	Gross expenditure on Township	37.92	36.93
3.	Less : Rent receipt and other income	11.45	13.68
4.	Net expenditure on Township	26.47	23.25
5.	Social Overheads: Educational, Med. facilities, etc.	24.84	35.95
6.	Total Social Overheads	51.31	59.20
7.	No. of employees	15688	16172
8.	Per capita expend. on Social Overheads (Rs.)	32707	36606
9.	No. of houses constructed	17981	17981
10.	No. of houses under construction	0	0
11.	Housing satisfaction (%)	114.6	111.2

7. To appreciate the performance of each enterprise falling in this group, the details about their financial position, working results and important mangement ratios for three years are given in Volume-III.

FERTILIZERS

SUMMARISED BALANCE SHEET

(Rs. in Lakhs)

PARTICULARS	2005-06	2004-05	2003-04
AUTHORISD CAPITAL	477500	477500	477500
I. SOURCES OF FUNDS			
(1) SHAREHOLDERS FUND			
(A) PAID-UP CAPITAL			
CENTRAL GOVT.	329631	327053	327053
OTHERS	12855	12854	12854
(B) SHARE APPLICATION MONEY	29445	445	0
(C) RESERVES & SURPLUS	159482	143986	130067
TOTAL (A)+(B)+(C)	531413	484338	469974
(2) LOAN FUNDS			
(A) SECURED LOANS	149902	125517	146916
(B) UNSECURED LOANS	1385908	2146710	1911391
TOTAL (A)+(B)	1535810	2272227	2058307
(3) DEFERRED TAX LIABILITY	35963	39121	43741
TOTAL (1)+(2)+(3)	2103186	2795686	2572022
II. APPLICATION OF FUNDS			
(1) FIXED ASSETS			
(A) GROSS BLOCK	1019938	967216	951183
(B) LESS: DEPRECIATION	650071	620207	584043
(C) NET BLOCK	369867	347009	367140
(D) CAPITAL WORK IN PROGRESS	38848	64711	56591
TOTAL (C)+(D)	408715	411720	423731
(2) INVESTMENTS	112	159	239
(3) CURRENT ASSETS, LOANS & ADVANCES			
(A) INVENTORIES	132877	132867	134640
(B) SUNDRY DEBTORS	174509	107957	123092
(C) CASH & BANK BALANCES	30662	45199	58328
(D) OTHER CURRENT ASSETS	596	564	1482
(E) LOAN & ADVANCES	93714	92629	74824
TOTAL (A+B+C+D+E)	432358	379216	392366
LESS:CURRENT LIABILITIES & PROVN.			
(A) CURRENT LIABILITIES	249601	219009	199327
(B) PROVISIONS	34137	38200	37195
TOTAL (A+B)	283738	257209	236522
NET CURRENT ASSETS	148620	122007	155844
(4) DEFERRED REVENUE/PRE.EXPENDITURE	2266	6491	8844
(5) DEFERRED TAX ASSET	0	0	0
(6) PROFIT & LOSS ACCOUNT (DR)	1543473	2255309	1983364
TOTAL (1+2+3+4+5+6)	2103186	2795686	2572022

FERTILIZERS

SUMMARISED PROFIT AND LOSS ACCOUNT

(Rs. in Lakhs)

PARTICULARS	2005-06	2004-05	2003-04
INCOME			
SALES/OPERATING INCOME	936439	899920	801704
EXCISE DUTY	11697	13244	10278
NET SALES	924742	886676	791426
OTHER INCOME/RECEIPTS	19116	17985	17034
ACCRETION/DEPLETION IN STOCKS	-5435	-6138	-21673
TOTAL	938423	898523	786787
EXPENDITURE			
PURCHASE OF FINISHED GOODS/ CONSUMPTION OF RAW MATERIALS	476725	425902	353795
STORES & SPARES	19652	19343	16886
POWER & FUEL	223995	219886	193933
MANUFACTURING/DIRECT/OPERATING EXPENSES	73934	49195	47480
SALARY,WAGES AND BENEFITS/EMPLOYEE EXPENDITURE	51682	49692	55476
OTHER EXPENSES	38679	59422	64772
PROVISIONS	7019	3865	9859
TOTAL	891686	827305	742201
PROFIT BEFORE DEP, INTEREST, TAXES, EXTRA-ORDINARY ITEMS & PPA(PBDITEP)	46737	71218	44586
DEPRECIATION	32464	31144	31181
DRE/PREL. EXPENSES WRITTEN OFF	1787	2515	5150
PROFIT BEFORE INTEREST, TAXES, EXTRA-ORDINARY ITEMS & PPA (PBITEP)	12486	37559	8255
INTEREST			
ON CENTRAL GOVERNMENT LOANS	217900	221367	197791
ON FOREIGN LOANS	0	0	12
OTHERS	14626	18085	21071
LESS INTEREST CAPITALISED	17	105	32
CHARGED TO P & L ACCOUNT	232509	239347	218842
PROFIT BEFORE TAX, EXTRA-ORDINARY ITEMS & PPA (PBTEP)	-220023	-201788	-210587
TAX PROVISIONS	13228	12455	12292
NET PROFIT/LOSS BEFORE EXTRA-ORDINARY ITEM	-233251	-214243	-222879
NET EXTRA-ORDINARY ITEMS & PRIOR PERIOD ADJUSTMENT	-34240	-3879	-10048
NET PROFIT/LOSS(-)	-199011	-210364	-212831
DIVIDEND DECLARED	9591	14206	11930
DIVIDEND TAX	1345	1984	1536
RETAINED PROFIT	-209947	-226554	-226297

FERTILIZERS

MANAGEMENT RATIO

DETAILS	2005-06	2004-05	2003-04
GENERAL (RS. IN LAKHS)			
INVESTMENT	1472245	1391701	2230962
CAPITAL EMPLOYED	518487	469016	522984
NET WORTH	-1014326	-1777462	-1522234
COST OF PRODUCTION	1158446	1100311	997374
COST OF SALES	1163881	1106449	1019047
VALUE ADDED	198935	215407	205139
R AND D EXPENDITURE	148	141	156
PERSONNEL			
EMPLOYEES(OTHER THAN CASUAL) (NOS)	15688	16172	18173
AVERAGE MONTHLY EMOLUMENTS PER EMPLOYEE(Rs)	27453	25606	25439
INVENTORIES (IN TERMS OF NO. OF DAYS)			
TOTAL INVENTORY : SALES	52	55	62
SEMI/FINISHED GOODS : SALES	17	20	25
FINANCIAL RATIOS (%)			
SALES : CAPITAL EMPLOYED	178.35	189.05	151.33
MATERIAL COST : COST OF PRODUCTION	41.15	38.71	35.47
MANPOWER COST : COST OF PRODUCTION	4.46	4.52	5.56
COST OF SALES: SALES	125.86	124.79	128.76
PBDITEP : CAPITAL EMPLOYED	9.01	15.18	8.53
PBITEP : CAPITAL EMPLOYED	2.41	8.01	1.58
PBITEP : SALES	1.35	4.24	1.04
PROFIT BEFORE TAX & EP(PBTEP): NET WORTH	-	-	-
NET PROFIT : NET WORTH	-	-	-
R AND D EXPENDITURE : SALES	0.02	0.02	0.02
SUNDRY DEBTORS : SALES (NO. OF DAYS)	69	44	57

Brahmaputra Valley Fertilizer Corp. Ltd. (BVFCL)

1. *Company Profile*

BVFCL was incorporated on 5.4.2002 under the Companies Act, 1956 with an objective to de-merge the Namrup I, II & III plants from Hindustan Fertilizer Corp. Ltd. BVFCL is a schedule- 'B' CPSE in fertilizer sector under the administrative control of M/o Chemical and Fertilizers D/o Fertilizers with 100% shareholding by the Government of India. Its Registered and Corporate offices are at Namrup, Assam.

2. Industrial / Business Activities

BVFCL is one of the nationalised enterprises. It is in the business of both engaged in the production and distribution of Urea from its 3 operating units at Namrup, Assam. The enterprise is driven by a workforce of regular 1507 employees as on 31.3.2006.

3. Production / Operational Profile

Major Products	Unit	Production during (% Capacity Utilization)			%increase/ decrease over previous year
		2005-06	2004-05	2003-04	
UREA	M T	234578 (46)	203060 (75.21)	240590 (89.11)	100

4. Major Financial Highlights

Particulars	Performance during (Rs. in crore)			%increase/ decrease over previous year
	2005-06	2004-05	2003-04	
Turnover	134.15	148.33	144.82	-9.56
Cost of prod.	235.28	159.24	184.99	47.75
Net Profit/Loss(-)	-99.78	22.54	-44.17	-542.68
Net Worth	181.1	256.99	229.6	-29.53
Paid up capital	332.82	307.03	307.03	8.4
Share of Central Govt./holding co.	332.82	307.03	307.03	8.4

5. Key Performance Factors

- The company achieved average capacity utilization of 63%. Market share of the company in production was 1% during the year.
- Energy conservation, rationalization of manpower, reduction in security expenses, minimization of freight expenditure, inventory control, export of urea under import parity price etc. the measures contemplated for cost savings and increasing competitiveness.
- The Company has 'Very Good' MOU rating during the year 2005-06.

6. Strategic Issues

- The Namrup revamp project was to be completed in three phases in Namrup-I, Namrup-II and Namrup-III Plants separately.
- Sanctioned cost of revamping was Rs.509 crore which later enhanced to Rs.640.51 crore - GOI approval is awaited..
- Namrup-I Plant of the company has been kept in abeyance, due to unviable cost of production and non-availability of gas.
- Namrup-II plant was commissioned during the year and commercial production started from 22.11.2005. However, due to shortage of Natural Gas and frequent problems in equipment the revamp as well as performance suffered. Namrup III plant was commissioned on 25.3.2002 except few depended jobs which are planned to be completed during turnaround plan in 2006.
- During 2005-06 the company received a budgetary support of Rs. 793.91 crore out of which Rs. 334.97 crore was for equity, Rs. 424.25 as loan and Rs. 34.69 crore as subsidy.
- During 2005-06 BVFCL received total 17776 orders worth Rs. 99.51 crore out of which 1484 orders valuing Rs. 8.59 crore were from the Government Departments/organizations.

7. VRS/Outstanding dues

- During 2005-06, 152 employees left the company out of which 26 availed of VRS, 114 retired on superannuation and 12 left on other grounds.

- There was no outstanding dues as on 31.3.2006. During 2005-06 Rs. 1.05 crore was paid as ex-gratia.

Fertilizer Corporation of India Ltd. (FCIL)

1. *Company Profile*

FCIL was incorporated in the year 1961 under the Companies Act, 1956 with an objective to carry out all kinds of business relating to fertilizers, heavy chemicals etc. FCIL is a schedule-'B' / BIFR 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 and corporate offices are at New Delhi.

2. *Industrial / Business Activities*

FCIL was involved in manufacturing and marketing of fertilizers, however due to incurring continuous losses the company became sick and based on the recommendation of the BIFR for winding up, the Government decided to close down the company and offer Voluntary Separation Scheme (VSS) to its employees. Accordingly, all the establishments have been closed. Majority of the employees have already been released under VSS except a few. During the year 8 more employees have taken VSS. The enterprise has a workforce of 61 VSS optee employees (which are retained) as on 31.3.2006.

4. *Major Financial Highlights*

Particulars	Performance during (Rs. in crore)			% increase/ decrease over previous year
	2005-06	2004-05	2003-04	
Turnover	0	0.33	12.96	-100
Cost of prod.	1315.7	1216.85	1136.22	8.12
Net Profit/Loss(-)	-1294	-1209.85	-1109.53	6.96
Net Worth	-2611.8	-10690.64	-9480.79	-75.57
Paid up capital	750.92	750.92	750.92	0
Share of Central Govt./holding co.	750.92	750.92	750.92	0

4. *Key Performance Factors*

- Activities at plants are restricted to security arrangements and settlement of dues of employees.

Fertiliser and Chemicals (Travancore) Ltd. (FACT)

1. *Company Profile*

FACT was incorporated in the year 1943 and became central public sector enterprise in 1962 when Government of India became its major shareholders. Its mission is to be a globally competitive producer and supplier of agricultural inputs and petrochemicals and extend world class engineering and technology services with maximum shareholders value. FACT is a schedule-'A' / Mini-ratna CPSE in Fertilizer sector under the administrative control of M/o Chemicals and Fertilizers, D/o Fertilizer with 97.38% shareholding by the Government of India. Its registered and corporate offices are at district Ernakulam, Kochi, Kerala.

2. *Industrial / Business Activities*

FACT is engaged in production marketing of fertilizers and caprolactum, providing engineering and consultancy services and fabrication and erection of equipments through its 2 production units at Udyogamandal and Ambalamedu and 2 Consultancy / Engineering / Fabrication units at Udyogamandal and Kochi in Kerala. The enterprise has a workforce of 4030 employees as on 31.3.2006.

3. *Production / Operational Profile*

Major Products	Unit	Production during (% Capacity Utilization)			% increase/ decrease over previous year
		2005-06	2004-05	2003-04	
Ammonium Sulphate	MT	172986 (77)	200564 (89)	190268 (85)	-13.75
Factamfos 20:20	MT	745902 (118)	560788 (89)	567678 (90)	33.01
Caprolactam	MT	38666 (77)	44932 (90)	41794 (84)	-14.44

4. *Major Financial Highlights*

Particulars	Performance during (Rs. in crore)			% increase/ decrease over previous year
	2005-06	2004-05	2003-04	
Turnover	1393.53	1184.17	929.94	17.68
Cost of prod.	1526.62	1357.23	1181.77	12.48
Net Profit/Loss(-)	235.66	-167.96	-167.22	-240.31
Net Worth	375.79	-176.41	20.07	-313.02
Paid up capital	354.77	354.77	354.77	0
Share of Central Govt./holding co.	345.47	345.47	345.47	0

5. Key Performance Factors

- FACT had been making profit continuously since 1983-84 to 1997-98. Since the year 1998-99 the Company started making losses, attributable mainly to (i) the fallout effect of a judgment of the Hon'ble High Court of Kerala on Public Interest Litigation and (ii) spiraling prices of Petroleum inputs.
- In the previous years the two financial restructuring of FACT were undertaken in 2002 and 2003, where in waiver of outstanding interest amounting to Rs.692.88 crore along with moratorium on principal and interest repayment up to 31.3.2004 were granted. Also concessional non-plan loan of Rs. 60 crore was provided. However, the company failed to realize capacity utilization on account of cash / working capital constraints leading to disruption of production, lower margins / sales and high input costs.
- During 2005-06 a new financial relief package consisting of non-cash assistance of Rs.670.37 crore was implemented as a result , the Company registered a net profit of Rs.235.66 crore during 2005-06.
- The performance of the company for the last three years was marked by severe financial crisis due to un-economic realization. The increase in cost of all major raw materials and utilities aggravated the crisis. During the year 2005-06, sales turnover showed a remarkable improvement. The production of Caprolactam and Ammonium Sulphate has come down due to temporary stoppage of the plants during December, 2005 and January 2006 as a result of sluggish market and un-remunerative realization from Caprolactam.
- The market price of company's share during 2005-06 was between Rs.25.70 to Rs.39.50 as compared to Rs 21.95 to Rs 38.90 during 2004-05.

6. Strategic Issues

The Government, while sanctioning new financial relief for FACT, directed that the options available for the merger of FACT with a well-run fertilizer Public Sector Undertaking (PSU) or for becoming a subsidiary of such a PSU should be examined.

7. VRS/Outstanding dues

During the year, 118 employees left the company out of which 5 availed of VRS, 64 retired on superannuation and 49 left on other grounds. Up-to 31.3.2006, total 1755 employees have taken VRS. There was no outstanding dues as on 31.3.2006.

Hindustan Fertilizer Corporation Ltd. (HFC)

1. Company Profile

HFC was incorporated in the year 1978 after the re-organisation of Fertilizer Corporation of India Ltd. under the Companies Act, 1956 with an objective to manufacture and market quality chemical fertilizers and by product. HFC is a schedule-'B' / BIFR 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.

2. Industrial / Business Activities

After de-merger of the Namrup units into a new company under the name of "Brahmaputra Valley Fertilizer Corporation Ltd. (BVFCL) w.e.f. 1.2.2002, 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. As the operations of all these three units became techno-economic non-viable, Government has decided to close the company in 2002. Almost all the employees have opted for the VRS and only 50 employees as on 31.3.2006 are on the rolls of the company to carry out post closure activities. However, there is rethinking on the revival of the company and the matter is still with BIFR.

3. Production / Operational Profile

In view of the decision for closure of the corporation, there was no production and marketing during the last three years.

4. Major Financial Highlights

Particulars	Performance during (Rs. in crore)			%increase/ decrease over previous year
	2005-06	2004-05	2003-04	
Turnover	0	0.58	0.21	-100
Cost of prod.	970.67	906.4	882.71	7.09
Net Profit/Loss(-)	-964.61	-878	-858.4	9.86
Net Worth	-9698.2	-8733.58	-7855.58	11.04
Paid up capital	686.54	686.54	686.54	0
Share of Central Govt./holding co.	686.54	686.54	686.54	0

Madras Fertilizers Ltd. (MFL)

1. Company Profile

MFL was incorporated in 1966 under the Companies Act, 1956 as a 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 of Iran (NIOC) joined in MFL but in the year 1985 AMOCO disinvested its shareholding in MFL, which were acquired by GOI and NIOC. MFL is a schedule-'B' sick CPSE in fertilizer sector under the administrative control of M/o Chemicals and Fertilizers, D/o Fertilizers 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.

2. Industrial / Business Activities

MFL is one of the joint venture with foreign enterprises engaged in manufacturing of Urea and NPK complex, through its 3 Bio-Fertilizer Plants at Chennai, Bangalore and Vijayawada. The enterprise has a workforce of 1058 employees as on 31.3.2006.

3. Production / Operational Profile

Major Products	Unit	Production during (% Capacity Utilization)			%increase/ decrease over previous year
		2005-06	2004-05	2003-04	
Ammonia	MT	227066 (74)	300886 (87)	259622 (75)	-24.53
UREA	MT	368500 (71)	473032 (97)	387678 (80)	-20.10
Total Complex	MT	208193 (26)	333475 (40)	428612 (51)	-37.57
Bio fertilizer	MT	235 (59)	213 (53)	126 (31)	10.33

4. Major Financial Highlights

Particulars	Performance during (Rs. in crore)			%increase/ decrease over previous year
	2005-06	2004-05	2003-04	
Turnover	1084.22	1286.22	1139.75	-15.7
Cost of prod.	1210.7	1350.37	1195.76	-10.34
Net Profit/Loss(-)	-131.74	-58.39	-63.74	125.62
Net Worth	-233.62	-104.39	-50.69	123.8
Paid up capital	162.14	162.14	162.14	0
Share of Central Govt./holding co.	95.85	95.85	95.85	0

5. Key Performance Factors

- The losses of the company are attributed to the change in the policies of pricing of Urea and complex fertilizer. Further the turnover was reduced due to production restrictions as Complex fertilizes production was limited to availability of raw materials viz. Phosphoric Acid and Bought Urea.

- The implementation of New Pricing Scheme (NPS) has led to an adverse impact on the MFL vis-a-vis the erstwhile Retention Price Scheme (RPS). The company suffered a loss of Rs.1995/MT despite the special dispensation in the form of outlier benefit. There is acute shortage of working capital with the company.
- The market price of the company's shares was between Rs. 12.10 to Rs. 24.50 during the year 2005-06 as compare to Rs.10.20 to Rs 19.90 during 2004-05.

6. Strategic Issues

- The Tariff Commission had recommended a separate escalation formula for MFL's NPK Grades based on Urea and Naphtha based Ammonia for nurtrient 'N', there has been delay in implementation of the recommendation.
- The company plans to reduce the manpower below 1000 through rationalization of manpower in all the functional groups except plant where shortage of experienced manpower has been noticed.
- BRPSE has recommended a revival plan for MFL in its meeting held on 17.03.2005 which includes Government Guarantee for loans of Rs.150 crore and waiver of interest for the year 2004-05 of Rs.18.49 crore on GOI loans along with penal interest. The proposed plan is yet to be considered by the Government.

7. VRS/Outstanding dues

- During the year, 86 employees left the company out of which 45 availed of VRS, 16 retired on superannuation and 25 left on other grounds. Till 31.3.2006, total 623 employees have taken VRS. There was no outstanding dues as on 31.3.2006.

National Fertilizers Ltd. (NFL)

1. Company Profile

NFL was incorporated on 23.8.1974 under the Companies Act, 1956 with main objective of producing and marketing of fertilizers and by-products efficiently and economically besides achieving a reasonable and consistent growth. NFL is a schedule-'A' / Mini-ratna CPSE in fertilizer sector under the administrative control of M/o Chemicals and Fertilizers, D/o Fertilizer with 97.64% shareholding by the Government. Its Registered office is at New Delhi and Corporate office at NOIDA (U.P.).

2. Industrial / Business Activities

NFL is one of the pioneering enterprises in the production and marketing of Urea and Industrial products operating through its 5 operating units at one each at Nangal and Bhatinda in Punjab, Panipat in Haryana and two units at Vijaipur in Madhya Pradesh along with 3 Zonal Offices at Chandigarh, Bhopal and Lucknow. The enterprise is driven by a workforce of 4769 employees as on 31.3.2006.

3. Production / Operational Profile

Major Products	Unit	Production during (% Capacity Utilization)			% increase/ decrease over previous year
		2005-06	2004-05	2003-04	
UREA	Lakh/ MT	33.44 (103.5)	34.32 (106.2)	32.50 (100.6)	- 2.56
Ammonia	Lakh/ MT	16.58 (103.78)	16.98 (106.28)	-	- 2.36
Methanol	Lakh/ MT	0.10 (45.45)	0.29 (131.8)	0.30 (136.4)	- 65.52
Sulphur	Lakh/ MT	0.12 (50.00)	0.12 (50.00)	0.11 (45.8)	-

4. Major Financial Highlights

Particulars	Performance during (Rs. in crore)			% increase/ decrease over previous year
	2005-06	2004-05	2003-04	
Turnover	3590.53	3474.06	3387.62	3.35
Cost of prod.	3426.59	3257.48	3092.1	5.19
Net Profit/Loss(-)	116.4	160.91	85.04	-27.66
Net Worth	1249.64	1169.66	1053.56	6.84
Paid up capital	490.58	490.58	490.58	0
Share of Central Govt./holding co.	479	479	479	0

5. Key Performance Factors

- Profitability of the NFL affected adversely due to decrease in production, increase in energy consumption, lower capacity utilization, increase in freight expenses due to increase in railway freight rates and increase in depreciation etc.
- The total capacity utilization was low due to reduction in production above 100% capacity utilization at Bhatinda & Nangal as compared to previous year owing to its economic non-viability because of lower import parity price and increased cost of production due to rise in FO / LSHS prices during the year.
- The company has 16.6% of market share during 2005-06, in production of UREA in India, as compared to 17% during 2004-05.
- Calcium Ammonium Nitrate (CAN) plant at Nangal has been shut down from active use w.e.f. 1.4.2005 due to non-viability of their operation.
- The earning per share reduced to Rs.2.37 during 2005-06 as compared to Rs.3.28 during last year.
- Company has 'Excellent' MOU rating during the year 2005-06.
- The market price of the company's shares was between Rs. 33.6 to Rs. 48.65 during the year 2005-06 as compared to Rs. 33.1 to Rs 50.1 during last year.

6. Strategic Issues

- The industrial products sales have under strain because of globalization leading to free imports of many products in which company is dealing.
- About 70% of the total manufacturing cost of UREA is attributed to cost of feed-stock / fuel. Gas based plants are more energy efficient as compared to the plants based on other feed-stock. Keeping in view the Government of India's future policy, the company has been planning to switchover of feed-stock from fuel Oil / LSHS to gas. However, the overall availability of natural gas for achieving 100% rated production in the gas based fertilizer plants is still inadequate. The requirement of natural gas by fertilizer sector after taking into consideration the feedstock conversion of existing naphtha and fuel-oil / LSHS plants, revamp and expansion projects shall be around 61 MMSCMD against the current availability of 28 MMSCMD.
- NFL received budgetary support of Rs. 1557.57 crore as subsidy related to administered prices during 2005-06 as compared to Rs. 1758.84 crore during previous year.

7. Surplus Assets

CAN plant together with associated plants i.e. Ammonia Plant and NMP-I plant have been shut down from active use and are valued at Rs.25.70 crore as on 31.3.2006.

8. Separation of employees/outstanding dues

- During 2005-06 total 90 employees left the company out of which 46 retired on superannuation and 44 left on other grounds. None of the employees availed of VRS.
- Total outstanding dues as on 31.3.2006 were Rs. 0.06 crore out of which Rs. 0.03 crore was on account of salary and wages and remaining Rs. 0.03 crore as statutory dues.

Pyrites, Phosphates and Chemicals Ltd. (PPCL)

1. Company Profile

PPCL was incorporated on 27.3.1960 under the companies Act, 1956 with an objective to explore and mining of pyrites and rock phosphate deposits in the country for agriculture. PPCL is a schedule-'C' / BIFR referred CPSE in Fertilizer sector under the administrative control of M/o Chemicals and Fertilizers, D/o Fertilizers having 100% Govt. holding with its registered office at Rohtas, Bihar and corporate office at Noida, Uttar Pradesh. The company is registered with BIFR since 1999 and placed under winding up recommended status.

2. Industrial / Business Activities

PPCL was in the production of SSP products sold under the brand name of "Mussoorie Phos". However Government of India has approved closure of all its three units situated at Amihare in Bihar, Deharadun in Uttaranchal and Saladipira in Rajasthan with effect from 2002-2003.

As decided by the Government in 2002, the establishments of PPCL have been closed and all the employees have been separated under VRS/VSS.

The company has not furnished any physical and financial information for last five years.

Rashtriya Chemicals and Fertilizers Ltd. (RCF)

1. Company Profile

RCF was incorporated on 6.3.1978 as a result of the re-organisation of the erstwhile Fertilizer Corporation of India Ltd. under the Companies Act, 1956 with an objective to carry on business relating production and marketing of fertilizers, industrial chemicals and derivatives. RCF is a schedule-'A' / Mini-ratna CPSE in Fertilizers sector under the administrative control of M/o Chemicals & Fertilizers, D/o Fertilizers with 92.5% shareholding by the Government. Its Registered and Corporate offices are at Mumbai, (Maharashtra).

2. Industrial / Business Activities

RCF is engaged in production of Nitrogenous, Phosphatic and Pottassic Fertilizers and Industrial Chemicals in its two 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 enterprise is driven by a workforce of 4197 employees as on 31.3.2006.

3. Production / Operational Profile

Major Products	Unit	Production during (% Capacity Utilization)			% increase/ decrease over previous year
		2005-06	2004-05	2003-04	
UREA (Thal)	MT	1684581 (99)	1790020 (105)	1687310 (99)	- 5.89
Suphala (Tr.)	MT	430500 (144)	350010 (117)	292502 (98)	23.00
A.N.P.20. 20.0 (Tr.)	MT	222820 (62)	223000 (62)	234750 (65)	- 0.08
Methanol	MT	56085 (113)	54945 (111)	56690 (115)	2.07
Conc. Nitric Acid (Tr.)	MT	23148 (116)	21784 (109)	21477 (107)	6.26

4. Major Financial Highlights

Particulars	Performance during (Rs. in crore)			% increase/ decrease over previous year
	2005-06	2004-05	2003-04	
Turnover	3044.99	2773.07	2298.96	9.81
Cost of prod.	2898.9	2641.45	2158.85	9.75
Net Profit/Loss(-)	147.96	140.96	167.79	4.97
Net Worth	1361.5	1271.42	1234.08	7.08
Paid up capital	551.69	551.69	551.69	0
Share of Central Govt./holding co.	510.32	510.32	510.32	0

5. Key Performance Factors

- The operating profit maintained pace with the growth in the turnover despite increased cost of Naphtha and other input costs. The company's operation were severely affected due to constraint in the gas availability. The company's UREA and Ammonia plant at Trombay are currently not in operation due to feed stock limitations.

- The company's market share of fertilizers is about 10% for UREA and about 12% for complex fertilizer. The over all market share is about 9% of the total Fertilizer sold in the country.
- Company has 'Excellent' MOU rating during the year 2005-06.
- The market price of the company's shares was between Rs. 32.75 to Rs. 52.45 during 2005-06 as compared to Rs. 22.50 to Rs. 54.15 during 2004-05.
- Earning Per Share was Rs. 2.68 during 2005-06 as compared to Rs. 2.56 in the previous year.

6. Strategic Issues

- The company is contemplating to set up a joint venture plant for manufacturing of DAP with Rajasthan State Mines and Minerals Ltd.
- The manufacturing units of the company have the advantage of proximity to major seaports, as the raw materials for manufacturing the fertilizers are imported. With the recent gas finds in both west and east coasts as well as in Rajasthan, the availability of feed gas is likely to be available in about 12 to 18 months time.
- The company also plans to set up additional Ammonia, Urea complex at Thal with a projected cost of Rs1841 crores. The project is under the consideration of D/o Fertilizers. RCFL has taken up revamp of its Ammonia Plant at Trombay at a cost of Rs.250 crore.
- Availability of feed stock for ammonia plant is critical for running of its closed plants.

7. Surplus Assets

RCFL had surplus assets of Rs. 12.92 crore as on 31.3.2006 Necessary provision has been made in the accounts for any probable loss on disposal thereof.

8. VRS/Outstanding dues

During the year, 115 employees left the company out of which 30 availed of VRS and 85 retired on superannuation.

7 CHEMICALS AND PHARMACEUTICALS

There were 14 enterprises in the public sector as on 31.3.2006 which were engaged in producing, refining and selling of Chemicals and Pharmaceuticals. The names 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 Salts Ltd.	1959
4.	Hindustan Organic Chemicals Ltd.	1960
5.	Indian Drugs and Pharmaceuticals Ltd.	1961
6.	Sambhar Salts Ltd.	1964
7.	Projects and Development India Ltd.	1978
8.	Rajasthan Drugs and Pharmaceuticals Ltd.	1978
9.	Indian Medicines and Pharmaceuticals Corpn. Ltd.	1979
10.	Orissa Drugs and Chemicals Ltd.	1979
11.	Karnataka Antibiotics and Pharmaceuticals Ltd.	1981
12.	Bengal Chemicals and Pharmaceuticals Ltd.	1981
13.	Hindustan Fluorocarbons Ltd.	1983
14.	Bharat Immunologicals and Biologicals Corp. Ltd.	1989

2. The enterprises falling in this group are mainly engaged in producing pharmaceuticals, surgical instruments, ayurvedic intermedicates, common salt, pesticides etc.

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

4. Net Profit/(Loss) : The details of individual enterprises which earned net profit or sustained net loss (-) in ranking order are given below:

(Rs. in crore)

Sl. No.	Enterprise	Net Profit/(Loss) 2005-06	Net Profit/(Loss) 2004-05
1.	Hindustan Insecticides Ltd.	21.41	(26.47)
2.	Projects and Development India Ltd.	10.64	10.06
3.	Karnataka Antibiotics and Pharmaceuticals Ltd.	3.43	3.27
4.	Rajasthan Drugs and Pharmaceuticals Ltd.	1.60	0.39
5.	Bharat Immunological and Biologicals Corporation Ltd.	0.88	1.33
6.	Indian Medicines and Pharmaceuticals Corp. Ltd.	0.71	0.52
7.	Bengal Chemicals and Pharmaceuticals Ltd.	0.11	(3.53)

Sl. No.	Enterprise	Net Profit/(Loss) 2005-06	2004-05
8.	Hindustan Salts Ltd.	(0.59)	8.34
9.	Sambhar Salts Ltd.	(1.27)	2.35
10.	Oriss Drugs and Chemicals Ltd.	(1.34)	0.00
11.	Hindustan Fluorocarbons Ltd.	(10.05)	(8.19)
12.	Hindustan Antibiotics Ltd.	(43.20)	(38.55)
13.	Hindustan Organic Chemicals Ltd.	(56.61)	6.40
14.	Indian Drugs and Pharmaceuticals Ltd.	0.00	(512.43)
	Total	**(74.28)**	**(556.51)**

5. Dividend : The following enterprises declared dividend as per details given below:

(*Rs. in crore*)

Sl. No.	Enterprise	Dividend 2005-06	2004-05
1.	Karnataka Antibiotics and Pharmaceuticals Ltd.	0.37	0.37
2.	Rajasthan Drugs and Pharmaceuticals Ltd.	0.16	0.11
	Total	**0.53**	**0.48**

6. Township and Social Overheads

The operating results of these enterprises after setting off township maintenance and other social overheads such as maintenance of schools, medical facilities, social overheads and cultural subsidies etc. are given below:

(*Rs. in crore*)

Sl. No.	Particulars	Township & Social Overheads 2005-06	2004-05
1.	Capital cost of Township	10.11	8.26
2.	Gross expenditure on Township	1.19	1.96
3.	*Less :* Rent receipt and other income	0.94	1.17
4.	Net expenditure on Township	0.25	0.79
5.	Social Overheads:- Educational, med. facilities, etc.	2.04	3.12
6.	Total Social Overheads	2.29	3.91
7.	No. of employees	8002	8201
8.	Per capita expend. on Social Overheads (Rs.)	2862	4768
9.	No. of houses Constructed	3744	3744
10.	No. of houses under construction	0	0
11.	Housing satisfaction (%)	46.8	45.7

7. To appreciate the performance of each enterprise falling in this group, the details about their financial position, working results and important mangement ratios for three years are given in Volume-III.

CHEMICALS AND PHARMACEUTICALS

SUMMARISED BALANCE SHEET

(Rs. in Lakhs)

PARTICULARS	2005-06	2004-05	2003-04
AUTHORISD CAPITAL	49550	49260	51660
I. SOURCES OF FUNDS			
(1) SHAREHOLDERS FUND			
(A) PAID-UP CAPITAL			
CENTRAL GOVT.	34480	37007	39022
OTHERS	7085	6987	7348
(B) SHARE APPLICATION MONEY	9129	5974	9711
(C) RESERVES & SURPLUS	25463	19808	17900
TOTAL (A)+(B)+(C)	76157	69776	73981
(2) LOAN FUNDS			
(A) SECURED LOANS	62105	56333	124894
(B) UNSECURED LOANS	175921	190714	272086
TOTAL (A)+(B)	238026	247047	396980
(3) DEFERRED TAX LIABILITY	12	38	75
TOTAL (1)+(2)+(3)	314195	316861	471036
II. APPLICATION OF FUNDS			
(1) FIXED ASSETS			
(A) GROSS BLOCK	133154	131993	130643
(B) LESS: DEPRECIATION	87368	81425	77962
(C) NET BLOCK	45786	50568	52681
(D) CAPITAL WORK IN PROGRESS	5916	4945	5326
TOTAL (C)+(D)	51702	55513	58007
(2) INVESTMENTS	4703	6902	10697
(3) CURRENT ASSETS, LOANS & ADVANCES			
(A) INVENTORIES	20208	19914	19318
(B) SUNDRY DEBTORS	21706	21647	22155
(C) CASH & BANK BALANCES	17541	14638	18768
(D) OTHER CURRENT ASSETS	1199	974	942
(E) LOAN & ADVANCES	29562	27074	33640
TOTAL (A+B+C+D+E)	90216	84247	94823
LESS:CURRENT LIABILITIES & PROVN.			
(A) CURRENT LIABILITIES	199651	199558	82334
(B) PROVISIONS	10678	10578	12926
TOTAL (A+B)	210329	210136	95260
NET CURRENT ASSETS	-120113	-125889	-437
(4) DEFERRED REVENUE/PRE.EXPENDITURE	587	3783	5475
(5) DEFERRED TAX ASSET	138	202	267
(6) PROFIT & LOSS ACCOUNT (DR)	377178	376350	397027
TOTAL (1+2+3+4+5+6)	314195	316861	471036

CHEMICALS AND PHARMACEUTICALS

SUMMARISED PROFIT AND LOSS ACCOUNT

(Rs. in Lakhs)

PARTICULARS	2005-06	2004-05	2003-04
INCOME			
SALES/OPERATING INCOME	97628	129818	104458
EXCISE DUTY	11887	15601	11918
NET SALES	85741	114217	92540
OTHER INCOME/RECEIPTS	13044	4667	7725
ACCRETION/DEPLETION IN STOCKS	-583	830	1927
TOTAL	98202	119714	102192
EXPENDITURE			
PURCHASE OF FINISHED GOODS/ CONSUMPTION OF RAW MATERIALS	47576	65738	50004
STORES & SPARES	1579	1912	1804
POWER & FUEL	8859	10128	12393
MANUFACTURING/DIRECT/OPERATING EXPENSES	3901	6937	7150
SALARY,WAGES AND BENEFITS/EMPLOYEE EXPENDITURE	18968	20000	23992
OTHER EXPENSES	8154	5639	6657
PROVISIONS	3124	1661	8076
TOTAL	92161	112015	110076
PROFIT BEFORE DEP, INTEREST, TAXES, EXTRA-ORDINARY ITEMS & PPA(PBDITEP)	6041	7699	-7884
DEPRECIATION	6839	4766	4637
DRE/PREL. EXPENSES WRITTEN OFF	455	833	367
PROFIT BEFORE INTEREST, TAXES, EXTRA-ORDINARY ITEMS & PPA (PBITEP)	-1253	2100	-12888
INTEREST			
ON CENTRAL GOVERNMENT LOANS	2008	12242	13301
ON FOREIGN LOANS	0	0	0
OTHERS	3697	19731	20820
LESS INTEREST CAPITALISED	0	7	48
CHARGED TO P & L ACCOUNT	5705	31966	34073
PROFIT BEFORE TAX, EXTRA-ORDINARY ITEMS & PPA (PBTEP)	-6958	-29866	-46961
TAX PROVISIONS	476	346	3202
NET PROFIT/LOSS BEFORE EXTRA-ORDINARY ITEM	-7434	-30212	-50163
NET EXTRA-ORDINARY ITEMS & PRIOR PERIOD ADJUSTMENT	-6	25439	-7085
NET PROFIT/LOSS(-)	-7428	-55651	-43078
DIVIDEND DECLARED	53	48	48
DIVIDEND TAX	7	6	6
RETAINED PROFIT	-7488	-55705	-43132

CHEMICALS AND PHARMACEUTICALS

MANAGEMENT RATIO

DETAILS	2005-06	2004-05	2003-04
GENERAL (RS. IN LAKHS)			
INVESTMENT	243126	259777	343903
CAPITAL EMPLOYED	-74327	-75321	52244
NET WORTH	-301608	-310357	-328521
COST OF PRODUCTION	105160	149580	149153
COST OF SALES	105743	148750	147226
VALUE ADDED	27144	37269	30266
R AND D EXPENDITURE	127	267	251
PERSONNEL			
EMPLOYEES(OTHER THAN CASUAL) (NOS)	8002	8201	9845
AVERAGE MONTHLY EMOLUMENTS PER EMPLOYEE(Rs)	19753	20323	20308
INVENTORIES (IN TERMS OF NO. OF DAYS)			
TOTAL INVENTORY : SALES	86	64	76
SEMI/FINISHED GOODS : SALES	44	36	46
FINANCIAL RATIOS (%)			
SALES : CAPITAL EMPLOYED	-	-	177.13
MATERIAL COST : COST OF PRODUCTION	45.24	43.95	33.53
MANPOWER COST : COST OF PRODUCTION	18.04	13.37	16.09
COST OF SALES: SALES	123.33	130.23	159.09
PBDITEP : CAPITAL EMPLOYED	-	-	-15.09
PBITEP : CAPITAL EMPLOYED	-	-	-24.67
PBITEP : SALES	-1.46	1.84	-13.93
PROFIT BEFORE TAX & EP(PBTEP): NET WORTH	-	-	-
NET PROFIT : NET WORTH	-	-	-
R AND D EXPENDITURE : SALES	0.15	0.23	0.27
SUNDRY DEBTORS : SALES (NO. OF DAYS)	92	69	87

Bengal Chemicals and Pharmaceuticals Ltd. (BCPL)

1. Company Profile

BCPL was incorporated on 27th March, 1981 under the Companies Act, 1956 (taken over from private sector management under section 18A of I (D and R) Act, 1951 in the year 1977 and nationalized in 1980), with an objective to save the company from closure as also to provide quality medicines at reasonable price and bridge the gap between demand and supply of life saving drugs and vaccines. BCPL is a Schedule-'C' / BIFR referred taken over CPSE in Chemical and 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 at Kolkata, West Bengal.

2. Industrial / Business Activities

BCPL is one of the taken over enterprises involved in manufacturing and sale of Pharmaceutical formulation, chemicals and cosmetics and home products like sulphuric acid, alum, soap, pheneal, pharmaceutical products, hair oil and perfumeries etc. It has 4 manufacturing units at Maniktala, Kolkata, Panihati, 24 Parganas in West Bengal, Mumbai, in Maharashtra and Kanpur in Uttar Pradesh. In addition the company has 9 Sales Depots and 3 C&F Agents in different parts of the country. The enterprise is driven by a workforce of 816 regular employees as on 31.3.2006.

Production / Operational Profile

Major Products	Unit	Production during (% Capacity Utilization)			% increase/ decrease over previous year
		2005-06	2004-05	2003-04	
Pheneol	KL	2804.80 (93.49)	2945.00 (98.16)	2785.30 (92.83)	- 4.75
Tablets	No.in crore	18.42 (122.80)	10.25 (68.33)	8.54 (56.93)	79.71
Capsules	No.in Lacs	265.80 (53.16)	324.40 (64.88)	471.50 (94.30)	- 18.06
Hair Oil	KL	450.20 (56.27)	699.60 (87.45)	503.20 (62.90)	- 35.65
Ointment	MT	57.30 (95.50)	69.70 (116.17)	75.50 (125.83)	- 17.79
Alum Ferric	MT	3098.60 (38.73)	2725.20 (34.07)	2673.10 (33.41)	13.70

4. Major Financial Highlights

Particulars	Performance during (Rs. in crore)			% increase/ decrease over previous year
	2005-06	2004-05	2003-04	
Turnover	53.93	38.57	37.05	39.82
Cost of prod.	60.73	55.12	46.47	10.18
Net Profit/Loss(-)	0.11	-3.53	7.95	-103.12
Net Worth	0.71	-1.9	1.46	-137.37
Paid up capital	13.96	13.96	13.96	0
Share of Central Govt./holding co.	13.96	13.96	13.96	0

5. Key Performance Factors

- The turnover and the profitability of the company improved tremendously during 2005-06 as compared to last year. The production of Tablets and Alum Ferric recorded positive trend while other products recorded negative trend during the year.
- Earning Per Share improved from (-) Rs. 253 to Rs. 8 during the period.
- Company has taken steps to manufacture Anti Rabi Vaccine (ARV) for which setting up of a project under joint venture with Pasteur Institute of India, Coonoor, at Dehradun is being contemplated.
- For performance improvement steps

such as creating brand image, maintaining quality of products, competitive prices, adequate advertisement support and developing attractive packaging etc. were taken.

- Rs. 20 lakhs were spent on R&D which is 0.32% of the turnover.

6. *Strategic Issues*

- BCPL is in the institutional market and marginally in trade market, though its products are well branded quality proven.
- The Purchase Preference Policy shall have long term effect in boosting up production and marketing aspects. The revival scheme approved by the BRPSE shall turnaround and generate internal resources by the company to augment 25% of its total Capital Outlay during 11th Five Year Plan.
- The company has added new products in its production and marketing ranges with stress on joint venture marketing arrangements and diversification..
- BCPL envisages VRS package of about 200 people to rationales its manpower.
- Support for Capital Expenditure with the approval of the Planning Commission to the extent of Rs. 145 crore(Rs. 55 crore as equity during 2006-07 and Rs. 90 crore as interest free loan from 2007-08 to 2011-12) for continuous upgradation of plant and machinery, technology, Schedule 'M'/ WHO-GMP compliance and JV projects has been planned to receive from the Government of India. In addition it would generate Rs. 50 crore from its own resources for capital expenditure over a period of five years.

7. *VRS/Outstanding dues*

During the year 2005-06 total 33 persons left the company out of which 25 retired on superannuation and 8 on other grounds. Till 31.3.2006, total 715 employees have availed of VRS. There were no outstanding dues on this date.

Bharat Immunological and Biologicals Corp. Ltd. (BIBCOL)

1. *Company Profile*

BIBCOL was incorporated on 10.3.1989 under the Companies Act, 1956 with an objective to manufacture Oral Polio Vaccine (OPV). It is an uncategorised / BIFR referred CPSE in Chemical and Pharmaceuticals sector under the administrative control of M/o Science and Technology, D/o Biotechnology with 59% shareholding by the Government. Its Registered and Corporate offices are at Bulandshahr, Uttar Pradesh.

2. *Industrial / Business Activities*

BIBCOL is the only Central Government enterprise in manufacturing and supply of Oral Polio Vaccine (OPV) with its single operating unit at Bulandshahar, Uttar Pradesh. The enterprise is driven by the workforce of 126 employees as on 31.3.2006.

3. *Production / Operational Profile*

Major Products	Unit	Production during (% Capacity Utilization)			% increase/ decrease over previous year
		2005-06	2004-05	2003-04	
Oral Polio Vaccine	Million Doses	67 (11.17)	119.6 (20)	70 (12)	- 43.98

4. *Major Financial Highlights*

Particulars	Performance during (Rs. in crore)			% increase/ decrease over previous year
	2005-06	2004-05	2003-04	
Turnover	30.53	53.25	21.59	-42.67
Cost of prod.	30.05	43.28	30.43	-30.57
Net Profit/Loss(-)	0.88	1.33	66.78	-33.83
Net Worth	39.87	38.98	37.66	2.28
Paid up capital	43.18	43.18	43.18	0
Share of Central Govt./holding co.	25.59	25.59	25.59	0

5. *Key Performance Factors*

- Production of OPV is restricted to the receipt of Supply Order from the M/o Health and Family Welfare.

- The market price of the company's shares was between Rs. 11.40 to Rs. 39 during the year 2005-06 as compare to Rs 10 to Rs 40 during 2004-05.
- Market share of the major products was 7.05% during 2005-06 as compared to 15.78% last year.
- The Company has 'Very Good' MOU rating during the year 2005-06.

6. *Strategic Issues*

- Oral polio Vaccine is declining, as the Polio is entering into the last phase of eradication. To sustain in the market critically depends on BIBCOL's capability to identify new avenues / products. Over a long period of time, the OPV will be replaced by IPV (Inactivated Polio Vaccine).
- Upgradation of OPV manufacturing activities are under process.

7. *Surplus assets*

The company has non-performing assets of depreciated value of Rs.53.56 lakhs.

8. *Separation of employees / Outstanding dues*

- During 2005-06 one person retired on superannuation and another one left on other ground. None have availed of VRS till 31.3.2006.
- The outstanding dues as on 31.3.2006 were amountiong to Rs.12.68 lcrore out of which Rs. 8 thousand was on salary and wages, Rs. one lakh statutory dues and Rs. 12.59 crore other dues.

Hindustan Antibiotics Ltd. (HAL)

1. *Company Profile*

HAL was incorporated in the year 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 referred CPSE in Chemicals and 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 at Pune, Maharashtra.

2. *Industrial / Business Activities*

HAL is engaged in manufacturing and marketing of Pharmaceutical products through its operating unit at Pune, Maharashtra. It has three subsidiaries namely Karnataka Antibiotic and Pharmaceuticals Ltd., Maharashtra Antibiotics and Pharmaceuticals Ltd. and Manipur State Drugs and Pharmaceuticals Limited, out of which last two have been closed. The company has one financial joint venture namely Hindustan Max-G.B.Ltd. with 50% equity participation. The enterprise has a workforce of 1791 employees as on 31.3.2006.

3. *Production / Operational Profile*

Major Products	Unit	Production during (% Capacity Utilization)			% increase/ decrease over previous year
		2005-06	2004-05	2003-04	
IV Fluids	No.in Lakhs	59 (49.17)	84 (70)	89 (74)	-29.76
Tablets	No.in Lakhs	703 (29.29)	1172 (49)	1890 (79)	-40.02
Vials	No.in Lakhs	341 (35.52)	474 (36)	356 (27)	-28.06
Capsules	No.in Lakhs	348 (29.29)	591 (24)	842 (89)	-41.12

4. *Major Financial Highlights*

Particulars	Performance during *(Rs. in crore)*			% increase/ decrease over previous year
	2005-06	2004-05	2003-04	
Turnover	43.99	63.07	92	-30.25
Cost of prod.	93.82	116.6	129.89	-19.54
Net Profit/Loss(-)	-43.2	-38.55	-16.37	12.06
Net Worth	-243.81	-205.44	-149.55	18.68
Paid up capital	48.84	44.41	44.41	9.98
Share of Central Govt./holding co.	48.84	44.41	44.41	9.98

5. *Key Performance Factors*

- Lack of orders and higher financial cost are basic reasons for reduction in sale and increasing losses.
- During 2005-06 the company received plan assistance of Rs. 3 crore and Non-plan assistance of Rs.27.30 crore.

6. *Strategic Issues*

- Despite three Capital restructuring taken place in HAL during 1983, 1988 and 1994 the company became sick in 1997. Government of India approved 4th rehabilitation scheme on the basis of the recommendations of BRPSE on 9.3.2006 with a cash assistance of Rs.137.59 crore and non-cash assistance of Rs.267.57 crore. BIFR approved the revival scheme on 5.10.2006.
- During 2006-07 an assistance of Rs. 44 crore has already been provided for revival of the company which consists of VRS assistance of Rs. 34 crore, working capital loan of Rs. 5 crore and up-gradation of formulation facilities at a cost of Rs. 5 crore. The company also got an additional budgetary support of Rs. 3.00 crore as plan fund for renewal and replacement scheme and Rs. 27.30 crore as non-plan fund.

Hindustan Fluorocarbons Ltd. (HFCL)

1. *Company Profile*

HFCL was incorporated in the year 1983 as a joint venture company between Hindustan Organic Chemicals Ltd. (a CPSE) and Andhra Pradesh Industrial Development Corp. (APIDC) under the Companies Act, 1956 with an objective to manufacture various grades of Polytetra Fluorethylene (PTFE). The company commenced its business in 1987. HFCL is a Schedule-D / BIFR referred CPSE in Chemicals and Pharmaceuticals sector under the administrative control of M/o Chemicals and Fertilizers, D/o Chemicals and Petrochemicals. Its 56.6% equity is held by the Hindustan Organic Chemicals Ltd. Its registered and corporate offices are at Hyderabad, Andhra Pradesh.

2. *Industrial / Business Activities*

HFCL is one of the BIFR referred subsidiary enterprises engaged in production and marketing of PTFE through its single operating unit at Medak, Andhra Pradesh. The enterprise is driven by a workforce of 207 employees as on 31.3.2006.

3. *Production / Operational Profile*

Major Products	Unit	Production during (% Capacity Utilization)			% increase/ decrease over previous year
		2005-06	2004-05	2003-04	
PTFE	MT	228 (45.60)	351 (70.20)	265 (53)	-35.04
CFM-22	MT	828 (65.45)	1018 (80.47)	907 (71.70)	-18.66

4. *Major Financial Highlights*

Particulars	Performance during (Rs. in crore)			% increase/ decrease over previous year
	2005-06	2004-05	2003-04	
Turnover	18.04	17.57	16.25	2.68
Cost of prod.	26.07	26.26	25.2	-0.72
Net Profit/Loss(-)	-10.05	-8.19	-10.13	22.71
Net Worth	-63.67	-53.61	-45.44	18.77
Paid up capital	19.61	19.61	19.61	0
Share of Central Govt./holding co.	11.06	11.06	11.06	0

5. *Key Performance Factors*

- During the year company has added few more grades in filled grades of PTFE and increased its market share in the filler grades. However, the consistent reduction in the customs tariff and the cheaper imports affected the overall realization.
- Company had taken anti-dumping measures on PTFE through the Government however domestic markets continued to be sluggish in spite of imposition of anti-dumping duty in Oct., 2005. PTFE is still being dumped at

cheaper rates as compensation is not adequate.

6. *Strategic Issues*

- The company is under BIFR and holding company Hindustan Organic Chemicals Ltd. (HOCL) has submitted Rehabilitation plan for HFL to operating agency IDBI.
- The company is proposing to take up Clean Development Mechanism (CDM) project through holding company HOCL as a part of its rehabilitation package.
- The company's shares are listed at stock exchanges of Hyderabad (HSE) and Mumbai (BSE). However, the trading on equity shares of HFL has been suspended at BSE since 1998 in view of its negative net worth. Shares are not quoted at HSE.

7. *Outstanding dues*

As on 31.3.2006 there were outstanding dues amounting to Rs. 0.38 crore out of which Rs. 0.08 crore were on salary and wages, Rs. 0.21 crore as statutory dues and Rs. 0.09 crore other dues.

Hindustan Insecticides Ltd. (HIL)

1. *Company Profile*

HIL was incorporated in the year 1954 under Indian Companies Act with an objective to manufacture DDT and its formulation to meet 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 and 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 at New Delhi.

2. *Industrial / Business Activities*

HIL is engaged in production of agro-pesticides formulations through its 3 operating units at Bhatinda in Punjab, Udyogmandal in Kerala and Rasayani in Maharashtra alongwith a R&D Complex at Gurgaon (Haryana). It has six Regional Offices in different parts of the country. The enterprise is driven by a workforce of 1648 employees as on 31.3.2006.

3. *Production / Operational Profile*

Major Products	Unit	Production during (% Capacity Utilization)			%increase/ decrease over previous year
		2005-06	2004-05	2003-04	
DDT Technical	MT	4429 (69.81)	4087 (64.42)	4471 (70.48)	8.37
DDT Formulation	MT	8563 (67.49)	8500 (67.00)	8223 (64.81)	0.74
Malathion Technical	MT	953 (52.94)	580 (32.22)	1001 (55.61)	64.31
Malathion Formulation	MT	2122 (66.31)	725 (22.66)	1261 (39.41)	192.69
Endosulfan Technical	MT	266 (16.62)	445 (27.81)	1549 (96.81)	- 40.22
Endosulfan Formulation	MT	852 (44.61)	585 (30.63)	782 (40.49)	45.64

4. *Major Financial Highlights*

Particulars	Performance during *(Rs. in crore)*			%increase/ decrease over previous year
	2005-06	2004-05	2003-04	
Turnover	149.35	155.58	148.9	-4
Cost of prod.	217.05	180.78	182.82	20.06
Net Profit/Loss(-)	21.41	-26.47	-21.92	-180.88
Net Worth	61.35	-84.18	-59.46	-172.88
Paid up capital	59.78	59.78	58.28	0
Share of Central Govt./holding co.	59.78	59.78	58.28	0

5. *Key Performance Factors*

- The company has recorded decline in turnover during2005-06 as compared to last year but its accounts have shown profit during the year due to the effect of restructuring/revival package as recommended by the BRPSE and approved by the Government in August, 2006 which includes Non-cash assistance of Rs.224.64 crore.

- Market share of its products namely Agro-chemicals and DDT were 4.51% and 100 % respectively as on 31.3.2006.
- HIL was a profit-making, dividend paying, CPSE since inception till 1979 who financed all its projects upto 1977-78 from internal resources. It incurred marginal losses in 1980's when expansion projects were undertaken. HIL bounced back into profits in 1992-93 till 1996-97 when the operations in Delhi unit had to be closed down consequent upon the Supreme Court's order for closure of hazardous industries in Delhi. The other reasons for losses are un-remunerative price of DDT; old plants and machinery; outdated technology, etc.

6. Strategic Issues

As per revival plan of HIL M/o Finance would make a provision for subsidy of Rs 5 crore per annum to M/o Health & Family Welfare, which would be utilized for reimbursing HIL against supplies of DDT. This provision would commence with effect from 2005-06 and would continue upto 2011. The subsidy of Rs.5 crore would be pegged to HIL producing at its present level of production of about 8200 MT of DDT annually. Shortfall in production of every 20% from this level would entail a reduction of the subsidy amount by Rs.1.00 crore.

7. Surplus assets

The company has idle assets at its closed unit of Delhi with an estimated value of Rs.1.60 crore. The company can dispose off these assets only after permission of BIFR.

8. VRS / Outstanding dues

- During the year, 64 employees left the company out of which 37availed of VRS and 27 retired on superannuation. Till 31.3.2006 total 646 employees have taken VRS.
- There were no outstanding dues on account of salary and wages but Rs. 0.22 crore were outstanding as statutory dues and Rs. 16.50 croe other dues for pay revision arrears. During the year an amount of Rs. 2.08 crore was paid as Ex-gratia for VRS compensation.

Hindustan Organic Chemicals Ltd. (HOCL)

1*. Company Profile*

HOCL was incorporated on 12.12.1960 under the Companies Act, 1956 with the objective of setting up chemical manufacturing units for production of organic chemicals and chemical intermediaries. HOCL is a Schedule-'B' / BIFR referred CPSE in Chemicals and Pharmaceuticals sector under the administrative control of M/o Chemicals and Fertilizers, D/o Chemicals and Petrochemicals with 58.69% shareholding by the Government of India. Its registered office is at Rasayani, Raigad Distt. and corporate office at Mumbai, Maharashtra.

2. Industrial / Business Activities

HOCL is involved in production of organic chemicals and chemical fertilizers, having a product range of 20 products. It is operating through its two units at Rasayani, Raigad District in Maharashtra and at Ambalamugul, Cochin in Kerala. The company also has one subsidiary i.e. M/s Hindustan Fluorocarbons Ltd. The enterprise has a workforce of 1513 employees as on 31.3.2006.

3. *Production / Operational Profile*

Major Products	Unit	Production during (% Capicity Utilization)			%increase/ decrease over previous year
		2005-06	2004-05	2003-04	
Phenol	TPA	28754 (71.89)	48403 (121.01)	40094 (100.24)	-40.59
Acetone	TPA	18253 (74.08)	30277 (123.88)	25057 (101.69)	-39.71
Aniline	TPA	12355 (49.22)	15977 (63.65)	14482 (57.70)	-22.67
Formaldehyde	TPA	30373 (92.04)	32820 (98.12)	34348 (104.08)	- 7.46
Nitro-products	TPA	22034 (39.75)	26241 (47.34)	28099 (50.69)	- 16.03
Hydro. Peroxide	TPA	3666 (70.16)	4980 (95.31)	5979 (120.06)	- 26.39
Cumene	TPA	40546 (75.09)	70778 (131.09)	60538 (112.11)	- 42.71

4. *Major Financial Highlights*

Particulars	Performance during *(Rs. in crore)*			%increase/ decrease over previous year
	2005-06	2004-05	2003-04	
Turnover	386.13	647.55	414.76	-40.37
Cost of prod.	458.3	652.61	556.84	-29.77
Net Profit/Loss(-)	-56.61	6.4	-164.62	-984.53
Net Worth	-123.46	-69.89	-80	76.65
Paid up capital	67.27	67.27	67.27	0
Share of Central Govt./holding co.	39.48	39.48	39.48	0

5. *Key Performance Factors*

- During 2005-06, the overall capacity utilization of all products taken together was 54% as compared to 77% during previous years. The production at Kochi and Rasayani units was suspended during first half of the year due to disruption in supply of raw material and rains & floods respectively. Further the sales were affected due to large scale imports of products like phenol, acetone and aniline on the west coast. The high labor cost and high incidence of cost on closed plants at Rasayani unit led to enhanced losses.
- During the year 2005-06 company received a loan amount of Rs.6 crore from Govt. of India as budgetary support.
- Company has ' ' MOU rating during the year 2005-06.
- The market price of the company's shares was between Rs. 17.90 to Rs. 54.70 during the year 2005-06 as compared to Rs.11.30 to Rs.28.95 during 2004-05.

6. *Strategic Issues*

- Government of India has approved financial restructuring for the company on the basis of the recommendations of BRPSE in 2006 with a cash assistance of Rs.250 crore alongwith certain non-cash assistance. As per restructuring plan the company planned to start caustic Soda / Chlorine, NB-1 and AN-1plants at Rasayani to improve its viability.
- The company has filed review application for anti dumping duty. Investigation has been taken up by the M/o Commerce and the initial findings are awaited.

7. *Surplus assets*

The company has surplus assets of approx. Rs.1.51 crore in the form of plants and machinery. The company is exploring the possibility of using process equipments of these plants in other plant and manufacturing alternative products by using building, plant & machinery of these plants.

8. *VRS / Outstanding dues*

As on 31.3.2006 total 685 employees have taken VRS. There was no outstanding dues on this date.

Hindustan Salts Ltd. (HSL)

1. *Company Profile*

HSL was incorporated in the year 1958 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 as a subsidiary of HSL was formed on 30.9.1964. HSL is a Schedule-'C' / BIFR referred CPSE in Chemicals and Pharmaceuticals 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 Jaipur, Rajasthan.

2. *Industrial / Business Activities*

HSL is one of the sick enterprises involved in production and distribution of good quality industrial and edible salt and liquid Bromine at a reasonable price through its 3 operating units at Kharaghoda in Gujarat, Mandi in Himachal Pradesh and Ramnagar in Uttaranchal. It has two sales depots at Gandhinagar and Bharuch in Gujarat and one subsidiary namely Sambhar Salts Ltd. to manage sambhar salt source. The enterprise has a workforce of 111 employess as on 31.3.2006.

3. *Production / Operational Profile*

Major Products	Unit	Production during			%increase/ decrease over previous year
		2005-06	2004-05	2003-04	
Common Salt	MT	2383	31653	57125	-92.47
Bromine	MT	302	326	215	-7.36
Rock Salt	MT	1871	3072	1813	-39.10

4. *Major Financial Highlights*

Particulars	Performance during (Rs. in crore)			%increase/ decrease over previous year
	2005-06	2004-05	2003-04	
Turnover	6.66	6.52	5.42	2.15
Cost of prod.	8.84	7.22	10.02	22.44
Net Profit/Loss(-)	-0.59	8.34	-2.41	-107.07
Net Worth	17.35	11.65	-8.95	48.93
Paid up capital	18.95	12.7	9.87	49.21
Share of Central Govt./holding co.	18.95	12.7	9.87	49.21

5. *Key Performance Factors*

- The reasons for variation in financial performance are attributed to fall in salt prices due to cut throat competition with private sector and intentionally reduction in production due to high liability of payment of minimum wages to salt workers i.e. Agarias as fixed by Government of Gujarat which resulted in increase in cost of production.
- Action Initiated to increase Bromine Plant capacity; to install 2 salt upgradation plants; and to make efforts to improve the quality of salt .
- During the year company had received Non-Plan loan of Rs.1.00 crore for meeting liability for payment of pension to the ex-employees of Salt Department and Rs.2.78 crore for purchase of Loco, Expansion of Bromine Plant at Kharaghoda, Salt Refinery Project at Sambhar and Salt Up-gradation Plant at Kharaghoda.

6. *Strategic Issues*

Government of India has approved rehabilitation scheme for the company on the basis of the recommendations of BRPSE and BIFR on 4.5. 2006, with a cash assistance of Rs.4.28 crore and non-cash assistance of Rs.73.3 crore. It has also been directed that the feasibility of forming a joint venture company for the management of salt factory may be also considered by the Department of Heavy Industry. 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.

7. *VRS/Outstanding dues*

Till 31.3.2006, total 226 employees have taken VRS. There was no outstanding dues on this date.

Indian Drugs and Pharmaceuticals Ltd. (IDPL)

1. *Company Profile*

IDPL was incorporated on 5.4.1961 under the Companies Act, 1956 with an 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 referred CPSE in Chemicals and Pharmaceuticals sector under the administrative control of M/o Chemicals and Fertilizer, D/o Chemicals and Petrochemicals having 100% Government holding with its registered and corporate office at Gurgaon, Haryana. The company is registered with BIFR since 1992 and is under 'winding up recommended' status.

2. Industrial / Business Activities

IDPL was one of the pioneering enterprises in the production and marketing of drugs / formulations having its 3 units at Rishikesh in Uttaranchal, Hyderabad in Andhra Pradesh and Gurgaon in Haryana. It has two joint ventures at Chennai and Muzaffarpur. The company has three subsidiaries in the state of Rajasthan, Uttar Pradesh and Orissa in collaboration with the respective State Government Industrial Development Corporations. All the employees of the company have opted for VRS.

3. Production / Operational Profile

The manufacturing activities have been closed for want of funds.

The company has not furnished any information for the last three years i.e. 2003-04, 2004-05 and 2005-06.

Indian Medicines Pharmaceutical Corp. Ltd. (IMPCL)

1. Company Profile

IMPCL was incorporated on 12.7.1978 under the Companies Act, 1956 with an 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 and Pharmaceuticals sector under the administrative control of M/o Health and Family Welfare, D/o AYUSH with 51% shareholding by the Government of India. Its registered and corporate offices are at Mohan (Almora) in Uttaranchal.

2. Industrial / Business Activities

IMPCL is involved in production of 327 Ayurvedic and 321 Unani Medicines through its single operating unit at Mohan (Almora), Uttaranchal. The Company has one financial Joint Ventures with KMVN Ltd. The Enterprise has a workforce of 127 employees as on 31.3.2006.

3. Production / Operational Profile

Major Products	Unit	Production during (% Capacity Utilization)			% increase/ decrease over previous year
		2005-06	2004-05	2003-04	
Ayurvedic and Unani Medicines	KG / Ltr	245	252	259	-2.78

4. Major Financial Highlights

Particulars	Performance during (Rs. in crore)			% increase/ decrease over previous year
	2005-06	2004-05	2003-04	
Turnover	8.41	6.22	4.56	35.21
Cost of prod.	7.47	5.59	4.58	33.63
Net Profit/Loss(-)	0.71	0.52	0.2	36.54
Net Worth	8.03	4.42	3.96	81.67
Paid up capital	5	2	2	150
Share of Central Govt./holding co.	4.02	2	1.02	101

5. Key Performance Factors

- The company is mainly catering to the needs of Central Government Hospitals / CGHS at cost plus pricing system. Improvement in performance in terms of turnover and profitability is attributed to operational / marketing factors along with optimization of resources.
- Earning Per Share during 2005-06 was Rs. 142.
- Company has 'Good' MOU rating during the year 2005-06.

6. Strategic Issues

- The company has a target sales/ turnover of Rs. 30 Crore by the year 2009-10. Steps are being taken for second phase of modernization.
- Company needs to market its products at competitive prices in open market for long term sustainability.

7. VRS / Outstanding dues

During the year an amount of Rs.1 lakh was paid as ex-gratia. As on 31.3.2006 there were outstanding dues of Rs.21 lakhs out of which Rs. 15 lakhs were on account of salary and wages and Rs. 6 lakh on other statutory dues. None availed of VRS during the year.

Karnataka Antibiotics and Pharmaceuticals Ltd. (KAPL)

1. Company Profile

KAPL was incorporated in 13.3.1981 as a joint venture company between Hindustan Antibiotics Ltd. and the Government of Karnataka through Karnataka State Industrial Investment and Development Corp. Ltd. 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-'D' Miniratna CPSE in Chemicals and Pharmaceuticals sector under the administrative control of M/o Chemicals and Fertilizers D/o Chemicals and Petrochemicals having its Registered and Corporate office at Bangalore, Karnataka. The company is a subsidiary of Hindustan Antibiotics Ltd. which holds 59.18% equity of KAPL.

2. Industrial / Business Activities

KAPL is one of the subsidiary enterprises engaged in manufacturing and marketing of Allopathic Formulations through its one operating unit at Bangalore, Karnataka. The company manufactures injections, capsules, tablets, syrups & suspensions. The enterprise is driven by a workforce of 557 employees as on 31.3.2006.

3. Production / Operational Profile

Major Products	Unit	Production during (% Capacity Utilization)			% increase/ decrease over previous year
		2005-06	2004-05	2003-04	
Dry Powder	No.in Lacs	548 (89)	638 (103)	580 (94)	14.11
Tablets	No.in Lacs	829 (61)	765 (57)	845 (63)	8.37
Capsules	No.in Lacs	185 (49)	500 (132)	564 (149)	-63
Liquid Parenterals	No.in Lacs	157 (114)	119 (87)	121 (88)	31.93

4. Major Financial Highlights

Particulars	Performance during (Rs. in crore)			% increase/ decrease over previous year
	2005-06	2004-05	2003-04	
Turnover	82.3	82.87	73.65	-0.69
Cost of prod.	78.58	83.15	70.8	-5.5
Net Profit/Loss(-)	3.43	3.27	2.87	4.89
Net Worth	28.71	25.7	22.85	11.71
Paid up capital	1.49	1.49	1.49	0
Share of Central Govt./holding co.	0.88	0.88	0.88	0

5. Key Performance Factors

- Earning Per Share was Rs. 230.39 during 2005-06 as compared to Rs. 219.84 in the previous year.
- During the year the company did not get institutional orders from Government. of Karnataka as the exemption given under the Karnataka (Transparency in Procurement) Act was withdrawn. This affected adversely the sales turnover and profitability of the company. However, excellent performance in Branded and Generic segments helped in compensating the loss of business occurred in Institutional segment.
- To standardization of secondary packing materials, continuously review of product mix and carrying out process improvements were the steps undertaken for cost control and to

increase competitiveness..

- The capacity utlization of the company for all the products taken together during the year 2005-06 was 69% as against 81% during last year.
- Company has 'Excellent' MOU rating during the year 2005-06.

6. Strategic Issues

KAPL is a formulation manufacturing company. The company was basically set up to cater to institutional requirements. However in view of decline in institutional business, company is now expanding it's presence in retail trade segment in order to ensure sustained growth.

7. VRS/Outstanding dues

- During the year, 63 employees left the company out of which 1 availed of VRS, 1 retired on superannuation and 61 left on other grounds.
- There are no outstanding dues with the company related to salary and wages and other statutory dues. The company made an ex-gratia payment of Rs. 0.06 crore.

Orissa Drugs & Chemicals Ltd. (ODCL)

1. Company Profile

ODCL was incorporated in the year 1979 under the Companies Act, 1956 as a joint venture of IDPL and Industrial Promotion and Investment Corporation of Orissa Limited (IPICOL) with an objective to manufacture and supply of quality life saving drugs to the State Government of Orissa and adjoining states at a reasonable price. ODCL is a Schedule-'D' / BIFR referred CPSE in Chemicals and Pharmaceuticals sector under the administrative control of M/o Chemicals and Fertilizer, D/o Chemicals and Petrochemicals having its registered and corporate offices at Bhubaneswar, Orissa. The company is a subsidiary of IDPL, which is holding 51.12% of its equity.

2. Industrial / Business Activities

ODCL is one of the subsidiary joint venture enterprises involved in manufacturing of pharmaceutical products / formulation of drugs through its single operating unit at Bhubaneswar in Orissa. The enterprise has a workforce of 83 employees as on 31.3.2006.

3. Production / Operational Profile

Major Products	Unit	Production during (% Capacity Utilization)			% increase/ decrease over previous year
		2005-06	2004-05	2003-04	
Tablets	Lakhs	294.85 (19.66)	63.95 (4.26)	159.64 (10.64)	361.06
Capsules	Lakhs	51.05 (21.27)	10.61 (4.42)	294.36 (122.65)	381.15
Ampoules	Lakhs	9.12 (18.24)	1.75 (3.5)	6.00 12.00)	421.14
Liquid Orals	KL	10.13 (10.13)	4.38 (4.38)	14.70 (14.70)	131.28

4. Major Financial Highlights

Particulars	Performance during (Rs. in crore)			% increase/ decrease over previous year
	2005-06	2004-05	2003-04	
Turnover	1.51	0	1.67*	-
Cost of prod.	2.85	0	2.79*	-
Net Profit/Loss(-)	-1.34	0	-1.05*	-
Net Worth	-10.8	-8.29	-8.29	30.28
Paid up capital	1.32	1.32	1.32	0
Share of Central Govt./holding co.	0.67	0.67	0.67	0

5. Key Performance Factors

The reasons for variation in performance during last three years are attributed to constraints of working capital and lack of financial support from administrative Ministry. Optimization of resources has been undertaken for performance improvement.

6. VRS / Outstanding dues

The company had outstanding dues of Rs.2.61 crore as on 31.3.2006, out of which Rs. 0.20 crore were related to Salary and wages, Rs. 1.32 crore statutory dues and Rs. 1.09 crore other dues. None availed of VRS during the year.

Projects and Development India Ltd. (PDIL)

1. Company Profile

PDIL was incorporated on 1.4. 1978, under the Companies Act, 1956 with an objective to develop basic knowledge and to act as store house of technical knowledge and develop self sufficiency in fertilizer and allied chemical industry. PDIL is a Schedule-'B' / BIFR referred CPSE in Chemicals and Pharmaceuticals sector under the administrative control of M/o Chemicals and Fertilizer, D/o Fertilizers with 100% shareholding by the Government. Its Registered and Corporate offices are at Noida, Uttar Pradesh.

2. Industrial / Business Activities

PDIL is engaged in engineering and consultancy i.e. design engineering, procurement assistance and supervision of construction / commissioning of fertilizer plant and allied field and production of catalyst. The company has 3 units at Noida, Baroda and Sindri. The enterprise is driven by a workforce of 366 regular employees as on 31.3.2006.

3. Production / Operational Profile

Major Products	Unit	Production during (% Capacity Utilization)			%increase/ decrease over previous year
		2005-06	2004-05	2003-04	
Catalyst	MT	59 (4.68)	362 (28.73)	982 (77.94)	- 83.70
Projects Services	Rs. in Cr.	30.92	29.98	-	3.14
Engg. Services	Rs. in Cr.	5.91	4.55	-	29.89

4. Major Financial Highlights

Particulars	Performance during (Rs. in crore)			%increase/ decrease over previous year
	2005-06	2004-05	2003-04	
Turnover	39.71	39.86	42.93	-0.38
Cost of prod.	31.4	35.5	38.99	-11.55
Net Profit/Loss(-)	10.64	10.06	32.6	5.77
Net Worth	68.48	38.83	28.78	76.36
Paid up capital	17.3	55.27	55.02	-68.7
Share of Central Govt./holding co.	17.3	55.27	55.02	-68.7

5. Key Performance Factors

- Earning Per Share was Rs. 265 during 2005-06 as compared to Rs. 238 in the previous year.
- The company achieved a record profit of Rs. 10.64 crore during 2005-06 as compared to Rs. 10.06 crore in the previous year registering a growth of 5.86%.
- Performance improved mainly due to increase in turnover in E&C division by Rs.2.30 crore even with depressed investment condition in fertilizer sector. The company has diversified its activities in the field of oil and gas, pipeline, coal, power and infrastructure development.

6. Strategic Issues

- The company is registered with BIFR since 1992. BIFR has sanctioned two restructuring schemes on 11/7/1997 and on 26/03/2004 with a total budgetary support of Rs.136.51 crore including Rs. 105.78 crore for VRS/VSS/gratuity liabilities and Rs. 6.16 crore for outstanding due on account of Salary and statutory dues.
- The company received orders worth Rs. 49.50 crore during 2005-06.

7. Surplus assets

Fixed assets of R&D and E&C Division of Sindri, having depreciated value of Rs. 77.53 lakhs and Rs. 119.58 lakhs respectively are to be disposed as per the approved Revival Plan.

8. VRS / Outstanding dues

- During the year, 83 employees left the company out of which 39 availed of VRS, 38 retired on superannuation and 6 left on other grounds. Till 31.3.2006, total 2017 employees have left the company under VRS.

- There are no outstanding dues with the company related to salary and wages and other statutory dues as on 31.3.2006. An amount of Rs.2.24 crore has been paid as Ex-gratia payment during 2005-06.

Rajasthan Drugs and Pharmaceuticals Ltd. (RDPL)

1. *Company Profile*

RDPL was incorporated on 2.11.1978 as a joint venture company with Rajasthan State Industrial Development and Investment Corp. Ltd. (RIICO) and Indian Drugs and Pharmaceuticals Ltd. (IDPL) under the Companies Act, 1956 with an objective to supply life saving and other essential drugs to the state Government Medical Health Departments. RDPL is a Schedule-'D' Miniratna CPSE in Chemical and Pharmaceuticals sector under the administrative control of M/o Chemicals and Fertilizers, D/o Chemicals and Petrochemicals having its Registered and Corporate offices at Jaipur, Rajasthan. The company is a subsidiary of IDPL, which is having 51.12% of its equity.

2. *Industrial / Business Activities*

RDPL is engaged in manufacturing of various pharmaceutical medicines through its single operating unit at Jaipur, Rajasthan. The enterprise is driven by a workforce of 145 employees as on 31.3.2006.

3. *Production / Operational Profile*

Major Products	Unit	Production during (% Capacity Utilization)			%increase/ decrease over previous year
		2005-06	2004-05	2003-04	
Tablets	Mil.	875.56 (291.85)	378.14 (126.05)	347.68 (115.89)	131.54
Capsules	Mil.	36.79 (81.76)	32.83 (72.96)	26.50 (58.89)	12.06
Liquid Orals	K.L.	332.44 (83.11)	328.38 (82.10)	269.53 (67.38)	1.23
Powder	M.T.	116.64 (116.64)	61.34 (61.34)	137.17 (137.17)	90.15

4. *Major Financial Highlights*

Particulars	Performance during (*Rs. in crore*)			%increase/ decrease over previous year
	2005-06	2004-05	2003-04	
Turnover	29.03	15.59	17.04	86.21
Cost of prod.	26.16	14.87	15.88	75.92
Net Profit/Loss(-)	1.6	0.39	0.77	310.26
Net Worth	7.55	6.12	5.85	23.37
Paid up capital	1.07	1.07	1.07	0
Share of Central Govt./holding co.	0.55	0.55	0.55	0

5. *Key Performance Factors*

- The company has been earning profit for last several years. The phenomenal increase in profit during 2005-06 was attributed to factors viz. obtaining and execution of single largest order of micronutrients received from Govt. of Rajasthan valued at Rs.11 crore by temporarily enhancing capacities adopting means of hiring machines and manpower.
- In addition to own enhanced production, the company resorted to production on loan licensee to meet the urgent demands and got manufactured formulations worth Rs.4.46 crore from the reputed manufactures under its own strict quality control norms.

6. *Strategic Issues*

- To meet the statutory requirements of WHO-GMP and due certifications under Schedule-M, the project to improve upon infrastructure and production facilities is currently going on. However, due to heavy increase in prices of steel and cement, the project cost has shot up from Rs.4.5 crore to Rs.6.00 crore. Efforts are being made to seek financial help of Rs.2.00 crore from Govt. of India / IDPL in the form of equity / loan and then similar equity assistance may be had from the RIICO (co-promoter).
- The future of the company is severely tied up with the future of IDPL, the holding

company, which is sick and referred to BIFR. RDPL has requested IDPL and Govt. to transfer the equity holding of IDPL to it for its better prospects and reshaping the future.

- Recently Govt. has formulated an exclusive policy for Pharmaceutical Central Public Sector Enterprises for having a purchase preference for 102 medicines for the supply to Govt. / Govt. Department / Agencies / CPSEs for a period of 5 year w.e.f. 7.8.2006. RDPL and all other Central Pharma CPSEs will be greatly benefited by this new purchase preference policy in future.

Sambhar Salts Ltd. (SSL)

1. *Company Profile*

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 Chemicals and Pharmacerticals 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. 60% shares of the company are held by the Hindustan Salts Ltd. and 40% by the Government of Rajasthan.

2. *Industrial / Business Activities*

SSL is one of the center-state joint venture subsidiary enterprise engaged in production of edible and industrial salt through its operating unit at Sambar Lake works in Rajasthan. The enterprise has a workforce of 137 employees as on 31.3.2006.

3. *Production / Operational Profile*

Major Products	Unit	Production during			% increase/ decrease over previous year
		2005-06	2004-05	2003-04	
Common Salt	MT	190596	180193	125076	5.77
Processed Salt	MT	3352	3738	3941	- 10.33
Bittern Crust	MT	154	196	449	- 21.43
Cattlelicks	Nos.	2203	-	421	100

4. *Major Financial Highlights*

Particulars	Performance during (Rs. in crore)			% increase/ decrease over previous year
	2005-06	2004-05	2003-04	
Turnover	7.82	7.45	5.52	4.97
Cost of prod.	10.28	8.48	8.67	21.23
Net Profit/Loss(-)	-1.27	2.35	-3.11	-154.04
Net Worth	-2.3	-1.87	-13.47	22.99
Paid up capital	1	1	1	0
Share of Central Govt./holding co.	0.6	0.6	0.6	0

5. *Key Performance Factors*

- The main reason for variation in performance during the year are increase in cost due to increase in salary, minimum wages and other inputs. However there is shortfall of employees at General Manager Level.
- Efforts are being made to improve performance by installation of Salt Refinery; capturing one Kg. market, pursuing state Government to take salt from the company for PDS; and upgradation of Iodised Salt Plant at Sambhar Lake.
- Government of India has approved rehabilitation scheme for the holding company i.e. Hindustan Salts Ltd, which further waived the 100% non plan and 50% plan fund of Rs.9.25 crore and interest of Rs. 4.77 crore for the SSL. The penal interest, which was not accounted for in earlier years due as on 31.3.2005 has also been waived by the holding company. During the year the company has received loans of Rs.5.10 crore from GOI through holding company for purchase of Loco and Salt Refinery project.

6. *Strategic Issues*

- 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 of Rajasthan.

7. Surplus assets

The company has surplus land of approx. 1059 bigha, which is in the process of disposed off.

8. VRS / Outstanding dues

Up-to 31.3.2006, total 246 employees have taken VRS.

8 HEAVY ENGINEERING

There were 10 enterprises in the public sector as on 31.3.2006 which were engaged in producing and selling of Heavy Engineering Equipments. The names 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 Structurals Ltd.	1965
5.	Bharat Heavy Plate and Vessels Ltd.	1966
6.	Braithwaite and Co. Ltd.	1976
7.	Burn Standard Company Ltd.	1976
8.	Bharat Wagon and Engg. Co. Ltd.	1978
9.	Bharat Bhari Udyog Nigam Ltd.	1986
10.	Bharat Yantra Nigam Ltd.	1986

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

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

4. Net Profit/(Loss) : The details of individual enterprises which earned net profit or sustained net loss (-) in ranking order are given below:

(Rs. in crore)

Sl. No.	Enterprise	Net Profit/(Loss) 2005-06	Net Profit/(Loss) 2004-05
1.	Bharat Heavy Electricals Ltd.	1679.16	953.40
2.	Braithwaite and Co. Ltd.	2.21	(21.90)
3.	Bharat Bhari Udyog Nigam Ltd.	0.06	0.06
4.	Bharat Yantra Nigam Ltd.	0.01	0.01
5.	Bharat Wagon and Engg. Co. Ltd.	(24.88)	(28.10)
6.	Tungabhadra Steel Products Ltd.	(30.08)	(57.52)
7.	Triveni Structurals Ltd.	(48.91)	(51.54)
8.	Bharat Heavy Plate and Vessels Ltd.	(71.38)	(78.23)
9.	Heavy Engineering Corpn. Ltd.	(86.89)	(284.58)
10.	Burn Standard Company Ltd.	(442.74)	(118.72)
	Total	**976.56**	**312.88**

5. **Dividend :** The following enterprises declared dividend as per details given below:

(Rs. in crore)

Sl. No.	Enterprise	Dividend 2005-06	Dividend 2004-05
1.	Bharat Heavy Electricals Ltd.	354.90	195.81
2.	Bharat Bhari Udyog Nigam Ltd.	0.05	0.05
	Total	**354.95**	**195.86**

6. Township and Social Overheads

The operating results of these enterprises after setting off township maintenance and other social overheads such as maintenance of schools, medical facilities, social overheads and cultural subsidies etc. are given below:

(Rs. in crore)

Sl. No.	Particulars	Township & Social Overheads 2005-06	Township & Social Overheads 2004-05
1.	Capital cost of Township	240.45	201.60
2.	Gross expenditure on Township	94.91	69.52
3.	*Less :* Rent receipt and other income	20.91	20.49
4.	Net expenditure on Township	74.00	49.03
5.	Social Overheads: Educational, Med. facilities, etc.	315.88	278.85
6.	Total Social Overheads	389.88	327.88
7.	No. of employees	51254	52223
8.	Per capita expend. on Social Overheads (Rs.)	76068	62785
9.	No. of houses constructed	35672	46828
10.	No. of houses under construction	0	0
11.	Housing satisfaction (%)	69.6	89.7

7. To appreciate the performance of each enterprise falling in this group, the details about their financial position, working results and important mangement ratios for three years are given in Volume-III.

HEAVY ENGINEERING

SUMMARISED BALANCE SHEET

(Rs. in Lakhs)

PARTICULARS	2005-06	2004-05	2003-04
AUTHORISD CAPITAL	168310	168310	168310
I. SOURCES OF FUNDS			
(1) SHAREHOLDERS FUND			
(A) PAID-UP CAPITAL			
CENTRAL GOVT.	112754	112600	112217
OTHERS	29782	37466	37466
(B) SHARE APPLICATION MONEY	14137	3601	1531
(C) RESERVES & SURPLUS	710870	583422	510006
TOTAL (A)+(B)+(C)	867543	737089	661220
(2) LOAN FUNDS			
(A) SECURED LOANS	96695	96322	94996
(B) UNSECURED LOANS	399970	470654	376670
TOTAL (A)+(B)	496665	566976	471666
(3) DEFERRED TAX LIABILITY	0	0	0
TOTAL (1)+(2)+(3)	1364208	1304065	1132886
II. APPLICATION OF FUNDS			
(1) FIXED ASSETS			
(A) GROSS BLOCK	444166	424131	406773
(B) LESS: DEPRECIATION	331957	305408	282140
(C) NET BLOCK	112209	118723	124633
(D) CAPITAL WORK IN PROGRESS	21445	13056	14615
TOTAL (C)+(D)	133654	131779	139248
(2) INVESTMENTS	301416	263360	174176
(3) CURRENT ASSETS, LOANS & ADVANCES			
(A) INVENTORIES	394471	314853	231197
(B) SUNDRY DEBTORS	742048	622607	488124
(C) CASH & BANK BALANCES	430156	326579	278721
(D) OTHER CURRENT ASSETS	16803	13016	65904
(E) LOAN & ADVANCES	142727	144596	127173
TOTAL (A+B+C+D+E)	1726205	1421651	1191119
LESS:CURRENT LIABILITIES & PROVN.			
(A) CURRENT LIABILITIES	1034188	834031	645345
(B) PROVISIONS	167494	148247	128737
TOTAL (A+B)	1201682	982278	774082
NET CURRENT ASSETS	524523	439373	417037
(4) DEFERRED REVENUE/PRE.EXPENDITURE	5551	10175	16605
(5) DEFERRED TAX ASSET	67372	51828	49852
(6) PROFIT & LOSS ACCOUNT (DR)	331692	407550	335968
TOTAL (1+2+3+4+5+6)	1364208	1304065	1132886

HEAVY ENGINEERING

SUMMARISED PROFIT AND LOSS ACCOUNT

(Rs. in Lakhs)

PARTICULARS	2005-06	2004-05	2003-04
INCOME			
SALES/OPERATING INCOME	1504185	1082302	904128
EXCISE DUTY	119192	84609	66806
NET SALES	1384993	997693	837322
OTHER INCOME/RECEIPTS	74639	79651	68877
ACCRETION/DEPLETION IN STOCKS	38175	55578	-6898
TOTAL	1497807	1132922	899301
EXPENDITURE			
PURCHASE OF FINISHED GOODS/ CONSUMPTION OF RAW MATERIALS	705991	511810	363978
STORES & SPARES	27611	23787	21231
POWER & FUEL	28999	27233	25139
MANUFACTURING/DIRECT/OPERATING EXPENSES	42487	45237	41465
SALARY,WAGES AND BENEFITS/EMPLOYEE EXPENDITURE	201631	180812	179184
OTHER EXPENSES	162319	139621	123219
PROVISIONS	34076	16932	3377
TOTAL	1203114	945432	757593
PROFIT BEFORE DEP, INTEREST, TAXES, EXTRA-ORDINARY ITEMS & PPA(PBDITEP)	294693	187490	141708
DEPRECIATION	25835	23158	21183
DRE/PREL. EXPENSES WRITTEN OFF	8867	4268	4269
PROFIT BEFORE INTEREST, TAXES, EXTRA-ORDINARY ITEMS & PPA (PBITEP)	259991	160064	116256
INTEREST			
ON CENTRAL GOVERNMENT LOANS	20848	32146	26543
ON FOREIGN LOANS	0	0	0
OTHERS	21328	24342	21730
LESS INTEREST CAPITALISED	0	0	0
CHARGED TO P & L ACCOUNT	42176	56488	48273
PROFIT BEFORE TAX, EXTRA-ORDINARY ITEMS & PPA (PBTEP)	217815	103576	67983
TAX PROVISIONS	88532	62824	35661
NET PROFIT/LOSS BEFORE EXTRA-ORDINARY ITEM	129283	40752	32322
NET EXTRA-ORDINARY ITEMS & PRIOR PERIOD ADJUSTMENT	31627	9464	28053
NET PROFIT/LOSS(-)	97656	31288	4269
DIVIDEND DECLARED	35495	19586	14691
DIVIDEND TAX	4979	2665	1901
RETAINED PROFIT	57182	9037	-12323

HEAVY ENGINEERING

MANAGEMENT RATIO

DETAILS	2005-06	2004-05	2003-04
GENERAL (RS. IN LAKHS)			
INVESTMENT	484821	569406	510788
CAPITAL EMPLOYED	636732	558096	541670
NET WORTH	530300	319364	308647
COST OF PRODUCTION	1279992	1029346	831318
COST OF SALES	1241817	973768	838216
VALUE ADDED	660567	490441	420076
R AND D EXPENDITURE	15262	12526	10416
PERSONNEL			
EMPLOYEES(OTHER THAN CASUAL) (NOS)	51254	52223	53631
AVERAGE MONTHLY EMOLUMENTS PER EMPLOYEE(Rs)	32783	28853	27842
INVENTORIES (IN TERMS OF NO. OF DAYS)			
TOTAL INVENTORY : SALES	104	115	101
SEMI/FINISHED GOODS : SALES	58	67	56
FINANCIAL RATIOS (%)			
SALES : CAPITAL EMPLOYED	217.52	178.77	154.58
MATERIAL COST : COST OF PRODUCTION	55.16	49.72	43.78
MANPOWER COST : COST OF PRODUCTION	15.75	17.57	21.55
COST OF SALES: SALES	89.66	97.60	100.11
PBDITEP : CAPITAL EMPLOYED	46.28	33.59	26.16
PBITEP : CAPITAL EMPLOYED	40.83	28.68	21.46
PBITEP : SALES	18.77	16.04	13.88
PROFIT BEFORE TAX & EP(PBTEP): NET WORTH	41.07	32.43	22.03
NET PROFIT : NET WORTH	18.42	9.80	1.38
R AND D EXPENDITURE : SALES	1.10	1.26	1.24
SUNDRY DEBTORS : SALES (NO. OF DAYS)	196	228	213

Bharat Bhari Udyog Nigam Ltd. (BBUNL)

1. *Company Profile*

BBUNL was incorporated as a holding company in September, 1986 under the Companies Act, 1956 with an objective to carry on the trade or business of manufacturing, operating, processing, fabricating, transporting, installing and commissioning, buying, selling, importing, exporting, prospecting, raising and other wise dealing in, directly or through its subsidiary companies. 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. Its registered and corporate offices are at Kolkata, West Bengal.

2. *Industrial / Business Activities*

BBUNL is one of the Non-manufacturing holding companies. It has no operating units except 4 operating subsidiaries namely Burn Standard Co. Ltd. (BSCL), Braithwaite and Co. Ltd. (BCL), Bharat Wagon and Engineering Co. Ltd. (BWEL) and BBJ Construction Co. Ltd. (BBJ). Four subsidiaries namely Bharat Process and Mechanical Engineers Ltd. (BPMEL) and its subsidiary Weigbird (India) Ltd. (WIL) and Bharat Brakes and Values Ltd. (BBVL) and RBL Ltd. (RBL), both subsidiaries of BSCL have been closed. The Lagon Jute Machinery Co. Ltd. (LJMC) and Jessop and Co. Ltd. (JCL) ceased to be CPSEs w.e.f. 4.7.2000 and 29.8.2003 respectively on transfer of 74% shares of LJMC to M/s Murlidhar Ratanlal Exports Ltd. and 72% shares of JCL to M/s Indo Wagon Engineering Ltd. Upon issue of 'Rights Shares', the shareholding of JCL has been further reduced to 4.16%. The residual shares of both the companies are still with the company. BBUNL Group's major products are Wagons, Cranes and Crane spares and services, Refractories, Steel bridges, Ash Handling plant, Structural fabrication and other Capital Goods items. The Enterprise has a workforce of 29 employees as on 31.3.2006.

3. *Production / Operational Profile*

BBUNL, as holding company, does not have any manufacturing activities. However, BBUNL has executed export order for supply of wagons, Loco wheels etc. after manufacturing the same through subsidiary units and others. During 2005-06, BBUNL exported 20 nos. of Container flat Wagon to Mali valued Rs. 3.00 crore.

4. *Major Financial Highlights*

Particulars	Performance during *(Rs. in crore)*			% increase/ decrease over previous year
	2005-06	2004-05	2003-04	
Turnover	5.19	2.09	1.72	148.33
Cost of prod.	127.52	118.04	157.82	8.03
Net Profit/Loss(-)	0.06	0.06	0.06	0
Net Worth	434.94	358.3	342.62	21.39
Paid up capital	344.42	342.88	339.47	0.45
Share of Central Govt./holding co.	344.42	342.88	339.47	0.45

5. *Strategic issues*

The company achieved higher turnover(sales plus other income) during 2005-06 as compared to previous year. Although in absolute terms the sundry debtors have increased during 2005-06 as compared to previous year, it has declined as percentage to sales and service charges from 48 in 2004-05 to 20 in 2005-06.

6. *VRS/Outstanding dues*

The restructuring proposals of all the operating subsidiaries were prepared by BBUNL in consultation with the respective units and submitted to DHI / BRPSE to make these units viable. The proposals of BBJ and BCL have been approved by the competent authority in July, 2005 and January, 2006 respectively. Both these companies have signed MOUs with the Government for achieving the targets set in the restructuring proposals. While the proposal for restructuring of BWEL is under consideration of the Government, a revised proposal has been submitted in case of BSCL to DHI for consideration and submission to BRPSE.

7. VRS/Outstanding dues

Till 31.3.2006, 5 employees availed of VRS. During 2005-06 one employee left the company other than VRS and superannuation grounds. There were no outstanding dues as on 31.3.2006.

Bharat Heavy Electrical Ltd. (BHEL)

1. Company Profile

BHEL was incorporated on 13.11.1964 under the Companies Act, 1956. The mission of the company is to be an Indian Multinational Engineering enterprise providing total business solutions through quality products, systems and services in the fields of energy, industry, transportation, infrastructure and other potential areas. BHEL is a Schedule-'A' / Navaratna CPSE in Heavy Engineering sector under the administrative control of M/o Heavy Industries and Public Enterprises, D/o Heavy Industry has 67.72% shareholding on behalf of the Government of India. Its registered and corporate offices are at New Delhi.

2. Industrial / Business Activities

BHEL is one of the pioneering enterprises in the manufacturing of products in the field of power generation and transmission, industry, transportation, telecommunications, renewable energy, defence etc. It has 14 operating units, 4 power sector regions and 16 regional operations divisions. The 14 operating units are at Hyderabad in Andhra Pradesh, Bangalore (2 units) in Karnataka, Bhopal in Madhya Pradesh, Amritsar in Punjab, Trichuripalli and Ranipet in Tamilnadu, Jhansi, Sultanpur and Varanasi in U.P., Haridwar (2 units) and Rudrapur in Uttaranchal and Mumbai in Maharashtra. The company has two joint ventures namely Power Plant Performance Implementation Ltd. at New Delhi with Siemens AG of Germany and BHEL-GE Gas Turbine Service Pvt. Ltd. at Secunderabad in Andhra Pradesh with GE Pacific (Mauritus) with 49.99% equity participation in each. The enterprise has a workforce of 42601 employees as on 31.3.2006.

3. Production / Operational Profile

BHEL manufactures over 180 products under 30 major product groups and cater to core sectores of economy. The details of some major products re given below:

Major Products	Unit	Production during (% Capacity Utilization)			% increase/ decrease over previous year
		2005-06	2004-05	2003-04	
Thermal Sets incl. Gas & Hydro Sets	MW Completion	3418 (58)	2317 (40)	3429 (59)	38.08
Boilers Valves & Boiler Auxiliaries	MT	320773 (190)	215586 (128)	171741 (102)	19.33
Power Transformers	MVA	14847 (93)	14925 (93)	14025 (88)	2.48
Traction Machines	Nos.	2608 (92)	2269 (80)	1667 (58)	2.44
Industrial Turbo Sets	MW Completion	422 (649)	342 (526)	278 (428)	4.77

4. Major Financial Highlights

Particulars	Performance during *(Rs. in crore)*			% increase/ decrease over previous year
	2005-06	2004-05	2003-04	
Turnover	13374.03	9527.14	8019.03	40.38
Cost of prod.	11755.84	9120.96	7243.86	28.89
Net Profit/Loss(-)	1679.16	953.4	658.15	76.12
Net Worth	7301.38	6026.89	5278.02	21.15
Paid up capital	244.76	244.76	244.76	0
Share of Central Govt./holding co.	165.76	165.76	165.76	0

5. Key Performance Factors

- BHEL's products and systems are highly Technology intensive in nature and the company has been updating technology through collaborative tie-ups with world leaders as well as in house R&D efforts. During 2005-06 about Rs. 152 crore was spent on R & D which was 1.05% of the turnover.
- BHEL over the years established its presense over 60 countries of the world.
- The earning per share of the company has increased from Rs. 38.95 in 2004-05 to Rs.68.60 in 2005-06
- Company has Excellent MOU rating during the year 2005-06.
- The market share of major products ranged between 79% to 100% during 2005-06.
- The exports of goods and services including deemed exports were Rs. 1929.32 crore during 2005-06 as compared to Rs. 1607.73 crore in the previous year. The value of Imports included raw materials Rs. 1281.87 crore, components and spare parts Rs. 1005.21 crore and capital goods Rs. 70.09 crore during the year.
- The market price of the company's shares was between Rs. 755 to Rs. 2280 during the year 2005-06 as compared to Rs. 375 to Rs 883 in the year 2004-05.
- The company could save Rs. 5.5 crore due to energy conservation measures during 2005-06 as against Rs. 2.8 crore in the previous year. Energy cost as percentage of Gross Turnover, net excise, for the year has declined to 1.49% as against 2.28% in the previous year.

6. Strategic Issues

- The Indian power sector is on the threshold of transformation to a self-sustaining and viable sector. As part of the implementation of the 'Strategic Plan 2007' BHEL major initiatives include Capacity enhancement, enhancement of competitive edge, New Technology and R&D and after-market services business. Government's plans of addition of more than 60,000 MW of power in XI plan greater thrust is expected on R & D, turnaround of the industry sector etc. to create opportunities for BHEL in core areas. Further emergence of the services sector, in both generation and R & D, would provide a number of opportunities for BHEL in EPC, R&M, O&M, overhauling, power plant improvement services etc.
- Over the years BHEL has diversified into supplying equipment, systems and services for use in transmission, transportation, oil exploration, and industrial segments covering steel, fertilizers, petrochemicals, cement, chemicals etc. resulting in maintenance of business balance even in the face of periodic downswings in the economy. New products like waste heat boiler, gas turbines, AC/DC locos, 36 kv GIS, bag filters and non-conventional energy systems have been introduced.
- BHEL booked orders worth Rs. 10862 crore for supply and installation of 3345.2 MW of power generating equipment as well as services and supply of spares in power sector and Rs. 4728 crore orders in industry sector.
- BHEL continues to put emphasis on adjustment of its activities as per the policy initiatives taken by the Government from time to time.

7. *VRS/Outstanding dues*

Till 31.3.2006 total 14452 employees left the company under VRS (from 1999 to 2005). During the year 2005-06, 1395 employees left the company out of which 1065 retired on superannuation and 330 left on other ground. None availed of VRS during the year. There were no outstanding dues reported for the year.

Bharat Heavy Plate & Vessels Ltd. (BHPV)

1. *Company Profile*

BHPV was incorporated in the year 1966 under the Companies Act, 1956 with an objective to supply cost effective International Quality Products and services for process and other industries through latest technology and improved technology. BHPV is a Schedule-'B' / BIFR referred CPSE in Heavy Engineering sector under the administrative control of M/o Heavy Industries and Public Enterprises, D/o Heavy Industry having its registered and corporate office at Visakhapatnam, Andhra Pradesh. BHPV is a 100% subsidiary of Bharat Yantra Nigam Ltd.

2. *Industrial / Business Activities*

Main activities of BHPV are engineering, procurement, manufacturing, supply, erection and commissioning of process plants, cryogenics and combustion systems through its single operating unit at Visakhapatnam, Andhra Pradesh. The enterprise is driven by has a workforce of 1453 employees as on 31.3.2006.

3. *Production / Operational Profile*

Major Products	Unit	(% Capacity Utilization)			% increase/ decrease over previous year
		2005-06	2004-05	2003-04	
Process Plants	%	(7.65)	(9.19)	(6.00)	-16.76
Cryogenics	%	(5.63)	(8.11)	(1.37)	-30.58
Combustion Systems	%	(6.73)	(6.02)	(4.24)	11.79
Systems	%	(0.79)	(2.57)	(0.07)	-69.26
Total	%	(20.80)	(25.89)	(11.68)	-19.66

4. *Major Financial Highlights*

Particulars	Performance during (Rs. in crore)			% increase/ decrease over previous year
	2005-06	2004-05	2003-04	
Turnover	114.61	99.1	56.19	15.65
Cost of prod.	163.89	209.93	187.1	-21.93
Net Profit/Loss(-)	-71.38	-78.23	-152.92	-8.76
Net Worth	-498.19	-432.7	-353.88	15.14
Paid up capital	33.8	33.8	33.8	0
Share of Central Govt./holding co.	33.8	33.8	33.8	0

5. *Key Performance Factors*

- The company has been facing problems of high fixed overheads, low turn over and obsolete plant and machinery. Despite the inadequate order book and non-availability of working capital the losses were reduced during the year. Bank account of the company has become NPA and customers insist on solvency certificate resulting in loss of orders.
- 11.90% of total orders come due to purchase preference policy. However this constitute only one order from M/s Hindustan Petroleum Corporation Ltd. worth Rs.43.61 crore.

6. *Strategic Issues*

There is acute shortage of qualified and experienced professionals in the company. Qualified and skilled employees left the organization. The company is referred to BRPSE.

7. *VRS/Outstanding dues*

Up-to 31.3.2006 total 2255 employees have taken VRS. As on 31.3.2006 there were outstanding dues of Rs. 11.17 crore out of which Rs. 9.75 crore were on account of salary & wages, Rs. 1.34 crore were statutory dues and 0.08 crore other dues.

Bharat Wagon & Engineering Co.Ltd. (BWEL)

1. *Company Profile*

BWEL was incorporated with an objective to take over the assets and interests of the erstwhile Arthur Butter & Co. (Muzaffarpur) and Britanica Engg. Works (Mokameh) by the Act of Parliament in 1978. BWEL is a Schedule- 'C' / BIFR referred / takenover CPSE in Heavy Engineering sector under the administrative control of M/o Heavy Industry & Public Enterprises, D/o Heavy Industry. It is a subsidiary of Bharat Bhari Udyog Nigam Ltd which is having its 99.99% shareholding. Its Registered and Corporate Offices are at Patna, Bihar and a Regional Office in New Delhi.

2. Industrial / Business Activities

BWEL is engaged in manufacturing of rolling stock-open/covered wagons and all types of special purpose wagons, sugar mill machineries and fabrications, castings; miscellaneous project equipments, turnkey projects; steel fabrication; and LPG cylinders and fuel storage tanks through its 3 operating units at Mokama and Muzaffarpur(two units) in Bihar. The enterprise is driven by a workforce of 948 employees as on 31.3.2006.

3. Production / Operational Profile

Major Products	Unit	Production during (% Capacity Utilization)			% increase/ decrease over previous year
		2005-06	2004-05	2003-04	
Wagon	FWU	702.5 (31.9)	440 (17.60)	285 (11.40)	59.66
Structurals	MT	10.40 (0.87)	-	2.63 (o.22)	-

4. Major Financial Highlights

Particulars	Performance during *(Rs. in crore)*			% increase/ decrease over previous year
	2005-06	2004-05	2003-04	
Turnover	15.41	8.63	5.53	78.56
Cost of prod.	35.89	29.03	23.53	23.63
Net Profit/Loss(-)	-24.88	-28.1	-24.05	-11.46
Net Worth	-123.71	-103.61	-79.99	19.4
Paid up capital	9.99	9.99	9.99	0
Share of Central Govt./holding co.	9.99	9.99	9.99	0

5. Key Performance Factors

Performance of the company has improved during 2005-06 over the previous year due to the steps taken towards reduction of cost, energy conservation and increase in productivity.

6. Strategic Issues

- The company is over depended on a single customer namely Indian Railways. Inadequate and delayed release of wagon orders from Railways combined with inadequate working capital, introduction of tendering system in procurement by Railways, lack of upgradation of technology and lack of trained and skilled manpower were the reasons affecting the performance adversely over the years.
- The company was referred to BIFR in year 2000. Revival / Restructuring proposal is under consideration of the Government/ BRPSE.
- The company received budgetary support of Rs. 5.43 crore as loan during 2005-06 as against Rs. 1015 crore and 17.64 crore in 2004-05 and 2003-04 respectively.
- The company received two orders amounting to Rs. 5.29 crore and Rs. 3.85 crore respectively during 2005-06. In the changing scenario in Bihar the company is trying to participate and grab some related orders so that activities & financial status gets boost.

7. VRS/Outstanding dues

- During 2005-06, 11 employees left the company out of which 5 retired on superannuation and 6 left on other grounds, None availed of VRS during this period. Up-till 31.3.2006 total 742 employees have taken VRS.
- There were outstanding dues of Rs. 9.40 crore as on 31.3.2006 out of which Rs. 4.13 crore on account of salary and wages Rs. 1.35 crore statutory dues and Rs. 3.92 crore on other grounds.

Bharat Yantra Nigam Ltd. (BYNL)

1. *Company Profile*

BYNL was incorporated on 9.7.1986 under the Companies Act, 1956 as a holding company in the capital goods sector, with an objective to integrate and coordinate the activities of its subsidiary companies to ensure optimum utilization of resources and provide package and turnkey services to various users. 6 CPSEs were brought into its fold as subsidiary companies in 1987. BYNL 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. Its Registered and Corporate offices are at Allahabad, Uttar Pradesh.

2. Industrial / Business Activities

BYNL was set up as holding company to integrate, monitor and coordinate the activities of the subsidiary companies. it does not have any operating unit. of its own but operates through its 6 subsidiary companies namely Bharat Heavy Plate & Vessels Ltd., Bharat Pumps and Compressors Ltd., Bridge and Roof Co. (India) Ltd., Richardson and Cruddas Ltd., Triveni Structurals Ltd. and Tungabhadra Steel Products Ltd. The enterprise is driven by a workforce of 30 employees as on 31.3.2006.

3. Production / Operational Profile

The company is primarily a corporate policy formulation and monitoring organization for ensuring effective functioning of subsidiary companies in the area of investment, production rationalisation, capacity utilization, human resource development etc. The company is not engaged in any manufacturing /production activity.

4. Major Financial Highlights

Particulars	Performance during (Rs. in crore)			% increase/ decrease over previous year
	2005-06	2004-05	2003-04	
Turnover	1.62	1.46	1.49	10.96
Cost of prod.	1.74	1.85	2.25	-5.95
Net Profit/Loss(-)	0.01	0.01	0	0
Net Worth	211.11	190.33	184.98	10.92
Paid up capital	185.21	185.21	185.21	0
Share of Central Govt./holding co.	185.21	185.21	185.21	0

5. Key Performance Factors

BYNL meet its expenses mainly through service charges collected from subsidiary companies. Barring Bridge and Roof Co. (India) Ltd. the other subsidiaries are not able to pay even the service charges. All 5 subsidiaries excluding B&R are registered with BIFR. While BIFR has recommended winding up in cases of TSL and R&C, it has issued winding up notice in respect of BPCL and in remaining two subsidiaries namely BHPV and TSPL, BIFR is yet to allocate to one of its Benches for examination.

6. Strategic Issues

The company was referred to BRPSE, which examined the proposal of the Department of heavy Industry and made recommendations to the Government for winding up of the company. There is steep deterioration in performance of all the subsidiaries.

Braithawaite and Co. Ltd. (BCL)

1. *Company Profile*

BCL was incorporated as a Government company on 1.12.1976. The company became a wholly owned subsidiary of Bharat Bhari Udyog Nigam Ltd. (BBUNL) in 1986. The mission of the company is to establish itself as one of the World Premier Companies in the engineering field having strong international competitiveness. BCL is a Schedule-'B' / BIFR referred sick takenover CPSE in Heavy Engineering sector under the administrative control of M/o Heavy Industries and Public Enterprises, D/o Heavy Industry having its registered and corporate offices at Kolkata, West Bengal.

2. Industrial / Business Activities

BCL is engaged in manufacturing of Wagons for both Railways and Non-Railways including exports, various types of cranes (like EOT, Level Luffing, Container RTG etc.), Steel casting of Bogie & Coupler, Jute Machineries, Machining jobs, LPG Bullet, Structural Fabrication etc. through its 3 operating units at Kolkata and Hooghly in West Bengal. The enterprise is driven by a workforce of 544 employees as on 31.3.2006.

3. Production / Operational Profile

Major Products	Unit	Production during (% Capacity Utilization)			% increase/ decrease over previous year
		2005-06	2004-05	2003-04	
Wagon at: (i) Clive Works	FWUs	507.50 (27.06)	570.00 (30.4)	730.00 (38.93)	- 10.96
(ii) Angus Works	FWUs	307.50 (54.66)	207.05 (36.81)	305.00 (54.22)	48.51
(iii) Victoria Works	FWUs	470.00 (83.56)	210.00 (37.33)	197.50 (35.11)	123.81
Structurals at: (i) Clive Works	TONs	675.58 (22.52)	1300.43 (43.35)	184.33 (6.14)	- 48.05
(ii) Victoria Works	TONs	133.00 (2.70)	-	-	-
Cranes	LACS	222.37 (7.17)	287.19 (9.26)	382.32 (12.33)	- 22.57
Steel Castings	TONs	1640 (46.86)	1437 (41.06)	1616 (46.17)	14.13

4. Major Financial Highlights

Particulars	Performance during *(Rs. in crore)*			% increase/ decrease over previous year
	2005-06	2004-05	2003-04	
Turnover	42.34	27.99	27.94	51.27
Cost of prod.	41.54	57.32	51.79	-27.53
Net Profit/Loss(-)	2.21	-21.9	-23.56	-110.09
Net Worth	0.05	-120.84	-105.16	-100.04
Paid up capital	16.75	94.9	94.9	-82.35
Share of Central Govt./holding co.	16.75	94.9	94.9	-82.35

5. Key Performance Factors

- The variation in performance is attributed to unethical market competition, inadequate working capital depletion of trained and skilled manpower, non-revision of pay scales resulting in limitations to fill up experienced effective personnel and lack of motivation and low moral of employees, disruption in wagon production due to inordinate delay and/or non-matched supply of free issue steel materials, gradual reduction in Railway wagon price etc.
- The market share in production was 4.28% of total requirement during 2005-06 as compared to 13.98% last year.
- Sustained efforts for productivity improvement, implementation of ERP system, efforts for securing more wagon orders, installation of arc furnace at Angus, monitoring of power factor management, energy audit, installation of upgraded capacitor bank and CNC based profile cutting machines etc. were made/ in progress for cost control, energy conservation and improving competitiveness.

6. Strategic Issues

- The company is registered with BIFR since 1992. BIFR has sanctioned Revival scheme on 17.10.2005 with cut off date as on 1.4.1995. The implementation of revival plan exhibited crucial turnaround, but the scheme was declared failed for various reasons. Subsequently in January, 2006, the Government approved another revival scheme envisaging cash assistance of Rs. 4 crore in the form of equity and non-cash assistance of Rs. 280.21 crore in the form of waiver / conversion/adjustment etc. As a result of implementation of the revival scheme, the company has been discharged from the purview of BIFR on 29.6.2006 and ceased to be a sick company now.
- During 2005-06, the company received budgetary support of Rs. 177 crore each for equity and loan.

- Company's core group has been envisaging new product development/ diversification commensurating with the existing infrastructure facilities. Efforts are also on for better utilization of resources and infrastructure. During 2005-06, orders worth Rs. 190.94 crore (including orders for export of wagons worth Rs. 32.87 crore) have been received.

7. VRS / Outstanding dues

During the year, 28 employees left the company out of which 18 retired on superannuation and 10 left on other grounds. None availed of VRS during the year, but up-till 31.3.2006, total 2226 employees have taken VRS. There was no outstanding dues as on 31.3.2006.

Burn Standard Co. Ltd. (BSCL)

1. *Company Profile*

BSCL was incorporated on 1.12. 1976 under the Companies Act, 1956 with an 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 project. BSCL is a Schedule-'C' / BIFR referred taken over CPSE in Heavy Engineering sector under the administrative control of M/o Heavy Industries and Public Enterprises, D/o Heavy Industry ,having its Registered office at Kolkatta, West Bengal. BSCL is a 100% subsidiary of Bharat Bhari Udyog Nigam Ltd.

2. Industrial / Business Activities

BSCL is engaged in the production of Railway engineering items mainly freight wagons at two of its works, Howrah and Burnpur. The Howrah unit is engaged in production of Railway Wagons, Couplers, Casnub Bogies, Points and Xings and Sleepers and supply of large variety of steel and special alloyed cast iron casting, fabrication of steel structures, Bridges and manufacture of special purpose steel plant equipment. The Burnpur Works is engaged in the production of Railway Wagons and Special type Wagons like Bottom Discharge Wagons, Wagons for transportation of Milk, Powdered products etc. The Salem refractory in Tamil Nadu produces basic Mag Carbon Bricks and Bulk Refractories for Steel Plant Convertor Operations. The Central Project Division had been undertaking Turnkey Project activities for the power plants in the areas of Material Handling and Ash Handling BSCL had 2 subsidiaries namely Bharat Brakes and Values Ltd. (BBVL) and RBI Ltd. which have been closed. The liquidators have taken charge of BBVL & RBL on 31.7.2003. The enterprise has a workforce of 1539 employees as on 31.3.2006.

3. Production / Operational Profile

Major Products	Unit	Production during (% Capacity Utilization)			% increase/ decrease over previous year
		2005-06	2004-05	2003-04	
Rolling Stock	FWU	1982 (37.75)	2225 (42.38)	2145 (40.86)	42.81
Basic Bricks	Ton	12100 (77.56)	12835 (82.28)	11879 (76.15)	11.95
BasicWag Carb Bricks	Ton	3226	1776	3379	9.92
Crude Magnesite	Ton	102895	110146	90813	8.26
DBM/Rok Sinter/ Ramming Mass	Ton	44479 (205.05)	43767 (201.77)	37615 (173.40)	NA
Calcined Magnesite	Ton	9122 (38.00)	9155 (38.15)	8910 (37.13)	6.05
Bogie	Nos.	946 (39.42)	1361 (56.71)	1394 (58.08)	2.90
Couplers	Nos.	894 (37.25)	1254 (52.25)	1399 (58.29)	0.11

4. Major Financial Highlights

Particulars	Performance during (Rs. in crore)			% increase/ decrease over previous year
	2005-06	2004-05	2003-04	
Turnover	127.94	127.24	113.27	0.55
Cost of prod.	282.03	248.66	222.34	13.42
Net Profit/Loss(-)	-442.74	-118.72	-110.65	272.93
Net Worth	-1042.13	-635.24	-547.51	64.05
Paid up capital	128.82	127.51	127.51	1.03
Share of Central Govt./holding co.	128.82	127.51	127.51	1.03

5. Key Performance Factors

- The company had undertaken two projects namely Integrated Ash Disposal system for Singrouli STPS of NTPC and Ash Handling Plant Project for Rihand STPP of NTPC(2x500MW) at a estimated cost of Rs. 8.25 crore and Rs. 34.07 crore respectively to be completed by 30.6.2007 and 31.10.2006 respectively.
- Delayed availability of free issue items like steel and wheel sets in matched sets from Railways affected wagon production; non-availability of wheel sets from domestic source resulting in import from Romania delayed execution of B.D. Wagons of NTPC and caused increase in input cost of Bogie, coupler, steel etc.; non-receipt of Air-Brake equipment from RDSO registered vendors and delayed receipt of coupler affected production of BW; and non-payment of salary & wages led to morale of the employees at BW.
- In order to improve the performance steps such as tapping orders from miscellaneous parties and export areas; off-loading various jobs in shop floors as well as in office on contract basis to meet own bogie–coupler requirement resulting in cost reduction and efforts to increase productivity and cost control, energy conservation, R&D etc. were taken. The amount of expenditure on R&D was o.73% of the turnover.

6. Strategic Issues

- During 2005-06, BSCL secured orders of Rs. 247.74 crore under G.V. and Rs. 135.61 crore under B.V., out of which orders secured from the Government were amounting to Rs. 191.25 crore and 79.12 crore respectively. The total orders received during the year under G.V. and B.V. were amounting to Rs. 440.57 crore and Rs. 135.61 crore respectively.

7. Surplus/non-performing Assets

- BSCL had non-performing assets of about Rs. 24.50 crore in the form of land, building, road, water works, plant & M/c, inventory etc. relating to closed and non-operative Refractory units at Jellingham since 31.12.2000.

8. VRS/Outstanding dues

- Upto 31.3.2006, total 6736 employees have left the company after availing of VRS. During the 2005-06 none availed of VRS but 31 employees left the company out of which 21 left on superannuation and 10 on other grounds.
- As on 31.3.2006, Rs. 5.20 crore were outstanding towards payment of salary and wages.

Heavy Engineering Corp. Ltd. (HEC)

1. Company Profile

HEC was incorporated on 13.12.1958 under the Companies Act, 1956 (commenced its business in 1964-65) 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 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.

2. Industrial / Business Activities

HEC has been one of the pioneering enterprises engaged in manufacturing of Iron & steel castings, Nonferrous castings, forgings, forged rolls and crankshafts, steel plant and mining equipment and structurals etc. and undertaking consultancy and turnkey projects in the areas of low temperature carbonization plant, coal handling plants, coal washeries, sintering plants, continuous casting plant, raw material handling plant etc. through its 3 operating units namely Heavy Machine Building Plant (HMBP), Foundry Forge Plant (FFP) and Heavy Machine Tools Plant (HMTP) and Turnkey Project unit all located at Ranchi, Jharkhand. The enterprise has a workforce of 3457 employees as on 31.3.2006.

3. Production / Operational Profile

Major Products	Unit	Production during (% Capacity Utilization)			% increase/ decrease over previous year
		2005-06	2004-05	2003-04	
Mining, Steel Plant and other equipments at HMBP	MT	4925 (12.3)	5470 (13.7)	3601 (9.0)	- 9.96
Casting, forgings and services etc. at FFP	MT	7747 (17.4)	6507 (14.7)	5486 (12.3)	19.06
Machine tools, accessories and jobbing at HMTP	MT	4 (75.1)	1 (72.6)	7 (68.4)	300

4. Major Financial Highlights

Particulars	Performance during (Rs. in crore)			% increase/ decrease over previous year
	2005-06	2004-05	2003-04	
Turnover	161.51	174.46	134.73	-7.42
Cost of prod.	306.18	397.04	274.36	-22.88
Net Profit/Loss(-)	-86.89	-284.58	-129.59	-69.47
Net Worth	-587.81	-1623.15	-1341.76	-63.79
Paid up capital	432.15	432.15	431.73	0
Share of Central Govt./holding co.	432.15	432.15	431.73	0

5. Key Performance Factors

- Company is incurring operating cash losses (profit before depreciation, interest and taxes) showing that the operations of the company are not viable at present.
- Shortage of working capital affected timely arrangement of inputs and upkeep of the equipment.
- The market share of the company in 5 Cum Rope Shovel, 10 Cum Rope Shovel and Crushers(heavy duty) is 100%, 35% and 50% respectively in coal secor and in castings (medium and heavy), heavy duty metallurgical cranes and spare and reconditioning in steel sector is 30%, 25% and 20% respectively.

6. Strategic Issues

- The company is registered with BIFR since 1992. Company's Revival Plan as recommended by BRPSE has been approved by Government in Dec., 2005, with a cash assistance of Rs.102 crore and non-cash assistance of Rs.1116.3 crore. After the approval of 6th financial restructuring / revival Plan in 2005 the Company has signed MOU with DHI the administrative Ministry.
- The Government while approving the revival plan had directed to firm up a strong Business Plan to the company, with guidelines for its professional management and adoption of the latest technology within three months. the concerned Ministry is taking appropriate action for implementation of the revival plan.

7. Surplus assets

Company has surplus land, non-residential buildings, Residential Buildings. The efforts to dispose / utilize these assets are in progress. The company leased its surplus unutilized assets (quarters and land) to overcome the working capital problem.

8. VRS / Outstanding dues

Till 31.3.2006, total 9007 employees have taken VRS. As on 31.3.2006, there were outstanding dues of Rs.19.59 crore out of which Rs. 9.95 crore related to statutory dues and Rs. 9.64 crore other dues than on salary and wages.

Triveni Structurals Ltd. (TSL)

1. *Company Profile*

TSL was incorporated on 2.7.1965 as a Joint venture with Voest-Alpine of Austria (however JV come to an end in 1990) under the Companies Act, 1956 with an objective to meet the demand of fabricated structures, to encourage ancillary to develop skills in the line of production and to provide employment opportunities. TSL is a Scheduled-'C' / BIFR 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. The company is a 100% subsidiary of Bharat Yantra Nigam Ltd. (BYNL). The company is registered with BIFR since 1992.

2. *Industrial / Business Activities*

TSL is engaged in manufacturing of sophisticated steel structural products at work site of the projects under execution. The enterprise has a workforce of 311 employees as on 31.3.2006.

3. *Major Financial Highlights*

Particulars	Performance during (Rs. in crore)			% increase/ decrease over previous year
	2005-06	2004-05	2003-04	
Turnover	0.08	0.69	0.69	-88.41
Cost of prod.	49.28	52.66	102.73	-6.42
Net Profit/Loss(-)	-48.91	-51.54	-74.78	-5.1
Net Worth	-209.87	-313.23	-194.61	-33
Paid up capital	21.02	21.02	21.02	0
Share of Central Govt./holding co.	21.02	21.02	21.02	0

4. *Key Performance Factors*

TSL was referred to BIFR in 1992 and a plan was approved in 1995. The sanction rehabilitation package of BIFR had failed as the company has not been getting adequate orders, though it has acquired experience in fabrication and erection of high towers (TV etc) but the company has a low technology base. BIFR has recommended winding up of the company but the Government is still examining the possibility of its revival through BRPSE.

Tungabhadra Steel Products Ltd. (TSPL)

1. *Company Profile*

TSPL was incorporated on 20.2.1960 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 these hydro mechanical equipments into a commercial company. The company became a central CPSE in 1967 when Government of India subscribed 50.5% of its paid up capital. TSPL is a Schedule-'C' / BIFR referred CPSE under the Ministry of Heavy Industries and Public Enterprises, D/o Heavy Industry having its registered and corporate office at Bellary, Karnataka. TSPL became a subsidiary of Bharat Yantra Nigam Ltd. (BYNL) in 1987.

2. *Industrial / Business Activities*

TSPL is engaged in designing, fabrication, supply and erection of hydro mechanical equipments for irrigation, power and other core sectors. The enterprise has a workforce of 342 employees as on 31.3.2006.

3. *Production / Operational Profile*

Major Products	Unit	Production during (% Capacity Utilization)			% increase/ decrease over previous year
		2005-06	2004-05	2003-04	
Hydro Mechanical equipments	MT	104 (1.3)	388 (5)	933 (12)	-73.20
Power Generation Units	Rs.in lakhs	44.36 (88.56)	16.21 (32.36)	3.11 (6.20)	173.66

4. Major Financial Highlights

Particulars	Performance during (Rs. in crore)			%increase/ decrease over previous year
	2005-06	2004-05	2003-04	
Turnover	7.2	8.13	12.63	-11.44
Cost of prod.	36.01	57.97	47.4	-37.88
Net Profit/Loss(-)	-30.08	-57.52	-99.97	-47.71
Net Worth	-182.77	-153.11	-96.24	19.37
Paid up capital	8.44	8.44	8.44	0
Share of Central Govt./holding co.	6.69	6.69	6.69	0

5. Key Performance Factors

- The company has been incurring cash losses for the last several years. It is receiving salary support from GOI from time to time.
- The company is equipped with well-established quality system and is accredited with ISO 9001:2000 certificate. However, the plant and equipments in the company are suitable only for hydro mechanical equipments. The company is in the process for diversification into the allied fields such as fabrication and supply of heavy duty EOT crane, penstock pipes using high yield materials etc.

6. Strategic Issues

Government of India has approved a revival scheme for the company on the basis of the recommendations of BRPSE on 2.6.2006. The revival plan calls for revival through joint venture formation (JV) with CPSEs or disinvestment in favour of private parties; to open a Voluntary Retirement Scheme (VRS) to make the company more acceptable to the prospective joint venture partner with a lower workforce / manpower; 'In principle' approval for carrying out the exercise of joint venture formation with a strategic partner in the private sector with 74% shareholding and management control, if necessary; and for getting an enabling legislation to cover such possibility in line with the advice of Ministry of Law and justice as TSPL is a Government company. In case the attempt of joint venture does not succeed, then closure of the company may be considered. Finding suitable JV partner is in the process.

7. VRS/Outstanding dues

During the year one employee has taken VRS. Upto 31.3.2006 total 562 employees have taken VRS. As on 31.3.2006, there were outstanding dues of Rs.4.19 crore out of which Rs. 3.62 crore related to salary & wages and Rs. 0.57 crore statutory dues.

9 MEDIUM AND LIGHT ENGINEERING

There were 25 enterprises in the public sector as on 31.3.2006 which were engaged in producing and selling of Medium and Light Engineering Equipments. The names of these enterprises along with their year of incorporation in chronological order are given below:

Sl. No.	Enterprise	Year of Incorporation
1.	Biecco Lawarie Ltd.	1919
2.	Balmer Lawarie and Co. Ltd.	1924
3.	Praga Tools Ltd.	1943
4.	I T I Ltd.	1950
5.	HMT Ltd.	1953
6.	Bharat Electronics Ltd.	1954
7.	National Instruments Ltd.	1957
8.	Instrumentation Ltd.	1964
9.	Electronics Corpn. of India Ltd.	1967
10.	Bharat Dynamics Ltd.	1970
11.	Bharat Pumps and Compressors Ltd.	1970
12.	Hindustan Cables Ltd.	1972
13.	Richrdson and Cruddas (1972) Ltd.	1972
14.	Central Electronics Ltd.	1974
15.	Semi-Conductor Complex Ltd.	1978
16.	Andrew Yule and Company Ltd.	1979
17.	HMT Bearings Ltd.	1981
18.	Rajasthan Electronics and Instruments Ltd.	1981
19.	Vignyan Industries Ltd.	1984
20.	BEL Optronics Ltd.	1990
21.	Antrix Corporation Ltd.	1993
22.	IDPL (Tamilnadu) Ltd.	1994
23.	HMT Watches Ltd.	1999
24.	HMT Machine Tools Ltd.	1999
25.	HMT Chinar 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. Net Profit/(Loss) : The details of individual enterprises which earned net profit or sustained net loss (-) in ranking order are given on next page:

(Rs. in crore)

Sl. No.	Enterprise	Net Profit/(Loss) 2005-06	2004-05
1.	Bharat Electronics Ltd.	583.01	446.32
2.	Praga Tools Ltd.	116.51	(34.39)
3.	Bharat Dynamics Ltd.	76.72	30.66
4.	Antrix Corporation Ltd.	61.27	39.44
5.	Balmer Lawrie and Co. Ltd.	46.80	29.83
6.	Electronics Corpn. of India Ltd.	42.27	37.13
7.	HMT Ltd.	13.27	5.98
8.	Central Electronics Ltd.	12.43	(0.56)
9.	BEL Optronics Ltd.	6.01	4.58
10.	Rajasthan Electronics and Instruments Ltd.	2.23	2.00
11.	Biecco Lawrie Ltd.	2.22	1.28
12.	Bharat Pumps and Compressors Ltd.	1.82	(10.86)
13.	Vignyan Industries Ltd.	0.66	0.42
14.	HMT Bearings Ltd.	0.44	(11.08)
15.	IDPL (Tamilnadu) Ltd.	0.00	(0.56)
16.	National Instruments Ltd.	(1.60)	(8.71)
17.	HMT Machine Tools Ltd.	(6.56)	(73.80)
18.	Semi-Conductor Complex Ltd.	(15.53)	(42.14)
19.	Instrumentation Ltd.	(24.51)	(16.98)
20.	HMT Chinar Watches Ltd.	(30.88)	(25.23)
21.	Richardson and Cruddas (1972) Ltd.	(42.59)	(33.06)
22.	Andrew Yule and Company Ltd.	(74.07)	(75.44)
23.	HMT Watches Ltd.	(76.31)	(134.53)
24.	Hindustan Cables Ltd.	(295.32)	(270.88)
25.	I T I Ltd.	(423.16)	(309.82)
	Total	**(24.87)**	**(450.40)**

5. **Dividend :** The following enterprises declared dividend as per details given below:

(Rs. in crore)

Sl. No.	Enterprise	Dividend 2005-06	2004-05
1.	Bharat Elect. Ltd.	116.80	89.60
2.	Bharat Dyna. Ltd.	23.00	23.00
3.	Electronics Corpn. of India Ltd.	8.45	21.11
4.	Balmer Lawrie and Co. Ltd.	14.66	8.96
5.	Antrix Corpn. Ltd.	12.26	7.90
6.	Rajasthan Electronics and Instruments Ltd.	0.45	0.25
	Total	**175.62**	**150.82**

6. Township and Social Overheads

The operating results of these enterprises after setting off township maintenance and other social overheads such as maintenance of schools, medical facilities, social overheads and cultural subsidies etc. are given below:

(Rs. in crore)

Sl. No.	Particulars	Township & Social Overheads	
		2005-06	2004-05
1.	Capital cost of Township	1167.97	146.61
2.	Gross expenditure on Township	31.44	31.16
3.	*Less:* Rent receipt and other income	5.69	4.99
4.	Net expenditure on Township	25.75	26.17
5.	Social Overheads: Educational, Med. facilities, etc.	134.75	128.76
6.	Total Social Overheads	160.50	154.93
7.	No. of employees	70655	71892
8.	Per capita expend. on Social Overheads (Rs.)	22716	21550
9.	No. of houses constructed	29537	29656
10.	No. of houses under construction	0	0
11.	Housing satisfaction (%)	41.8	41.3

7. To appreciate the performance of each enterprise falling in this group, the details about their financial position, working results and important mangement ratios of three years are given in Volume-III.

MEDIUM AND LIGHT ENGINEERING

SUMMARISED BALANCE SHEET

(Rs. in Lakhs)

PARTICULARS	2005-06	2004-05	2003-04
AUTHORISD CAPITAL	287950	273450	249550
I. SOURCES OF FUNDS			
(1) SHAREHOLDERS FUND			
(A) PAID-UP CAPITAL			
CENTRAL GOVT.	185070	182827	161377
OTHERS	56813	26880	54598
(B) SHARE APPLICATION MONEY	34180	17649	14857
(C) RESERVES & SURPLUS	605502	304082	223054
TOTAL (A)+(B)+(C)	881565	531438	453886
(2) LOAN FUNDS			
(A) SECURED LOANS	314395	312262	328222
(B) UNSECURED LOANS	395394	363650	280556
TOTAL (A)+(B)	709789	675912	608778
(3) DEFERRED TAX LIABILITY	5126	5253	4676
TOTAL (1)+(2)+(3)	1596480	1212603	1067340
II. APPLICATION OF FUNDS			
(1) FIXED ASSETS			
(A) GROSS BLOCK	755279	471694	450652
(B) LESS: DEPRECIATION	345021	327236	306314
(C) NET BLOCK	410258	144458	144338
(D) CAPITAL WORK IN PROGRESS	12337	12579	11272
TOTAL (C)+(D)	422595	157037	155610
(2) INVESTMENTS	101709	106514	90083
(3) CURRENT ASSETS, LOANS & ADVANCES			
(A) INVENTORIES	250516	259575	259947
(B) SUNDRY DEBTORS	444325	340971	319022
(C) CASH & BANK BALANCES	427677	343631	334172
(D) OTHER CURRENT ASSETS	3323	3038	2858
(E) LOAN & ADVANCES	187185	201752	159586
TOTAL (A+B+C+D+E)	1313026	1148967	1075585
LESS:CURRENT LIABILITIES & PROVN.			
(A) CURRENT LIABILITIES	840739	756486	776795
(B) PROVISIONS	165426	133189	87279
TOTAL (A+B)	1006165	889675	864074
NET CURRENT ASSETS	306861	259292	211511
(4) DEFERRED REVENUE/PRE.EXPENDITURE	37102	48125	78285
(5) DEFERRED TAX ASSET	15027	13157	10021
(6) PROFIT & LOSS ACCOUNT (DR)	713186	628478	521830
TOTAL (1+2+3+4+5+6)	1596480	1212603	1067340

MEDIUM AND LIGHT ENGINEERING

SUMMARISED PROFIT AND LOSS ACCOUNT

(Rs. in Lakhs)

PARTICULARS	2005-06	2004-05	2003-04
INCOME			
SALES/OPERATING INCOME	955864	844302	786361
EXCISE DUTY	34300	30297	36297
NET SALES	921564	814005	750064
OTHER INCOME/RECEIPTS	68907	92608	30308
ACCRETION/DEPLETION IN STOCKS	-21565	332	-21758
TOTAL	968906	906945	758614
EXPENDITURE			
PURCHASE OF FINISHED GOODS/ CONSUMPTION OF RAW MATERIALS	566849	519581	446031
STORES & SPARES	14277	14574	16509
POWER & FUEL	12792	12327	12942
MANUFACTURING/DIRECT/OPERATING EXPENSES	41248	44153	45459
SALARY,WAGES AND BENEFITS/EMPLOYEE EXPENDITURE	168246	158800	158865
OTHER EXPENSES	35214	37019	45586
PROVISIONS	15913	15098	14724
TOTAL	854539	801552	740116
PROFIT BEFORE DEP, INTEREST, TAXES, EXTRA-ORDINARY ITEMS & PPA(PBDITEP)	114367	105393	18498
DEPRECIATION	20622	19975	19760
DRE/PREL. EXPENSES WRITTEN OFF	9738	31627	13957
PROFIT BEFORE INTEREST, TAXES, EXTRA-ORDINARY ITEMS & PPA (PBITEP)	84007	53791	-15219
INTEREST			
ON CENTRAL GOVERNMENT LOANS	17128	15619	10308
ON FOREIGN LOANS	0	0	0
OTHERS	55915	49527	47743
LESS INTEREST CAPITALISED	5142	4476	3557
CHARGED TO P & L ACCOUNT	67901	60670	54494
PROFIT BEFORE TAX, EXTRA-ORDINARY ITEMS & PPA (PBTEP)	16106	-6879	-69713
TAX PROVISIONS	39471	32733	23733
NET PROFIT/LOSS BEFORE EXTRA-ORDINARY ITEM	-23365	-39612	-93446
NET EXTRA-ORDINARY ITEMS & PRIOR PERIOD ADJUSTMENT	-20878	5428	4265
NET PROFIT/LOSS(-)	-2487	-45040	-97711
DIVIDEND DECLARED	17562	15082	12012
DIVIDEND TAX	2464	2095	1540
RETAINED PROFIT	-22513	-62217	-111263

MEDIUM AND LIGHT ENGINEERING

MANAGEMENT RATIO

DETAILS	2005-06	2004-05	2003-04
GENERAL (RS. IN LAKHS)			
INVESTMENT	696268	662845	609642
CAPITAL EMPLOYED	717119	403750	355849
NET WORTH	131277	-145165	-146229
COST OF PRODUCTION	952800	913824	828327
COST OF SALES	974365	913492	850085
VALUE ADDED	306081	267855	252824
R AND D EXPENDITURE	21923	21587	24533
PERSONNEL			
EMPLOYEES(OTHER THAN CASUAL) (NOS)	70655	71892	73819
AVERAGE MONTHLY EMOLUMENTS PER EMPLOYEE(Rs)	19844	18407	17934
INVENTORIES (IN TERMS OF NO. OF DAYS)			
TOTAL INVENTORY : SALES	99	116	126
SEMI/FINISHED GOODS : SALES	40	52	62
FINANCIAL RATIOS (%)			
SALES : CAPITAL EMPLOYED	128.51	201.61	210.78
MATERIAL COST : COST OF PRODUCTION	59.49	56.86	53.85
MANPOWER COST : COST OF PRODUCTION	17.66	17.38	19.18
COST OF SALES: SALES	105.73	112.22	113.33
PBDITEP : CAPITAL EMPLOYED	15.95	26.10	5.20
PBITEP : CAPITAL EMPLOYED	11.71	13.32	-4.28
PBITEP : SALES	9.12	6.61	-2.03
PROFIT BEFORE TAX & EP(PBTEP): NET WORTH	12.27	-	-
NET PROFIT : NET WORTH	-1.89	-	-
R AND D EXPENDITURE : SALES	2.38	2.65	3.27
SUNDRY DEBTORS : SALES (NO. OF DAYS)	176	153	155

Andrew Yule & Company Ltd. (AYCL)

1. *Company Profile*

AYCL was incorporated on 2.6.1919 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' / BIFR 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 93.26% shareholding by the Government. Its Registered office is at Kolkata, West Bengal.

2. *Industrial / Business Activities*

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, Industral Fans, Tea Machinery, Turnkey jobs etc. It has 6 operating units at Kalyani, Kolkata(3 units), Togami and South 24 Paraganas in West Bengal and one unit at Chennai in Tamilnadu. The company is functioning in three main sectors namely engineering, electrical and tea. AYCL has one 100% subsidiary namely Hooghly Printing Co. Ltd. and one financial joint venture namely Phoenix Yule Ltd. at West Bengal with 26% equity. The enterprise has a workforce of 15839 employees as on 31.3.2006.

3. *Production / Operational Profile*

Major Products	Unit	Production during (% Capacity Utilization)			%increase/ decrease over previous year
		2005-06	2004-05	2003-04	
Black Tea	000 Kgs.	8947 (79.88)	8634 (77.09)	7704 (68.78)	52.09
Transformer	KVA	492300 (89.26)	648320 (117.55)	717060 (130.02)	25.39
Regulators/ Rectifiers	KVA	19219 (9.37)	27700 (13.51)	28000 (13.66)	1.41

4. *Major Financial Highlights*

Particulars	Performance during *(Rs. in crore)*			%increase/ decrease over previous year
	2005-06	2004-05	2003-04	
Turnover	111.8	117.31	99.01	-4.7
Cost of prod.	190.78	198.79	162.24	-4.03
Net Profit/Loss(-)	-74.07	-75.44	-54.63	-1.82
Net Worth	-76.77	-13.02	54.09	489.63
Paid up capital	58.27	58.27	58.27	0
Share of Central Govt./holding co.	54.34	54.34	54.34	0

5. *Key Performance Factors*

- The performance of all the divisions of the company suffered adversely mainly due to persistent shortage of working capital in all the divisions, low turnover, delayed realization of dues from the core sector industries in electrical division and extreme unfavourable market conditions for the tea industry leading to low price realization.
- The company has been able to decrease its expenses during 2005-06 by about Rs. 8 crore mainly on salary and wages
- Endeavour to provide requisite financial support, gearing up activities and focusing on major areas including marketing, reduction in manufacturing cycle, value engineering cost control, product development, upgradation in electrical division and implementing Comprehensive Development Programme with greater emphasis on quality and yield per hectare, rationalization of manpower through VRS and adoption of integrated software system in tea division are the measures taken/ being taken for performance improvement.
- The market price of the company's share was between Rs. 21 to Rs.43 during the year 2005-06 as compared to Rs. 21 to Rs 34 during 2004-05.

6. *Strategic Issues*

- Rehabilitation scheme submitted by the Operating Agency i.e. Industrial

Development Bank of India on behalf of the BIFR, duly updated in the joint meetings with all stakeholders has been recommended by the Board for Reconstruction of Public Sector Enterprises and now awaiting the approval of the Government. The scheme envisaged comprehensive financial and business restructuring.

- During the year the company raised a loan of Rs. 59.42 crore against Government guarantee. As on 31.3.2006 total outstanding loan against guarantee was Rs. 35.20 crore.
- The total budgetary support received by the company during 2005-06 was Rs. 20 crore out of which Rs. 6.39 crore by way of subscription of equity and Rs. 13.61 crore as loan.
- The company received orders of Rs. 48.34 crore all from Government departments/organizations.

7. *Surplus assets*

Plant and Machinery of Core Lamination project and electricals project lying idle since 2002 valuing Rs. 144 crore.

8. *VRS/Outstanding dues*

- During the year, 72 employees left the company out of which 34 retired on superannuation and 38 left on other grounds. None availed of VRS during 2005-06.
- As on 31.3.2006 total outstanding dues were Rs. 31 crore out of which Rs. 11 crore were relating to salary and wages and Rs. 20 crore relating to statutory dues.

Antrix Corporation Ltd. (ACL)

1. *Company Profile*

ACL was incorporated on 28.9.1992 under the Companies Act, 1956 with an objective to work as commercial marketing arm of Indian Space Research Organisation (ISRO). The Company is an uncategorised CPSE in Medium and Light Energy sector under the administrative control of D/o Space with 100% shareholding by the Government. Its Registered office is at Bangalore, Karnataka.

2. *Industrial / Business Activities*

ACL is engaged in providing space technology, design, invention and patents to foreign enterprises worldwide. It also exports space products and provides technical expertise. The Company does not have its own manufacturing or production units but gets the space products manufactured / fabricated at various ISRO centers. The enterprise has a workforce of 14 employees as on 31.3.2006.

3. *Production / Operational Profile*

The company's scientists work in conjunction with ISRO on Indian Remote Sensing Satellites (IRS). The company's income is earned out of export of space product, providing technical consultancy for space related activities, royalty, access fee and leasing of INSAT satellite transponders for television broadcasting, Digital News gathering, DTH, VAST and other applications.

4. *Major Financial Highlights*

Particulars	Performance during (Rs. in crore)			% increase/ decrease over previous year
	2005-06	2004-05	2003-04	
Turnover	386.05	348.71	294.24	10.71
Cost of prod.	325.11	305.9	264.95	6.28
Net Profit/Loss(-)	61.27	39.44	23.65	55.35
Net Worth	156.56	108.28	77.86	44.59
Paid up capital	1	1	1	0
Share of Central Govt./holding co.	1	1	1	0

5. *Key Performance Factors*

- The satellites IRS 1-C and 1-D are invented and designed by the scientists and most of this critical parts and components are patented and were put in the orbit for being used by Indian and foreign enterprises. For the use of these designs and inventions outside India, the company receives income by way of royalty and access fee.

- ACL has entered into contract with various foreign enterprises for providing design and inventions to be embedded in their earth station equipments for the use outside India to have access to the satellites IRS 1C&1D and to receive signals and data from the satellites when the satellites pass through their country.

Balmer Lawrie & Co. Ltd. (BL)

1. *Company Profile*

BL incorporated in 1867 as a partnership firm, became a Private Ltd. Co. in 1924 under the companies Act, 1913 and later converted to Public Ltd. Co. in 1936. Subsequently it become a subsidiary of IBP Co. Ltd. in 1972. However, in terms of schemes of arrangement and reconstruction made under Companies Act, 1956 between IBP and Balmer Lawrie Investment 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- 'C' Mini-ratna CPSE in Medium and Light Engineering sector under the administrative control of M/o Petroleum & Natural Gas, with its Registered office at Kolkata, West Bengal.

2. *Industrial / Business Activities*

BL is one of the taken over-diversified enterprises in the field of Industrial Packaging, manufacturing of greases and lubricant, Tea, Travels & Tours, Logistics Infrastructure & Services and Project Engineering & Consultancy. The company is having 65 plants, sales offices, branch offices, strategic business units, technical services centers all over India. It also has two overseas subsidiaries namely Balmer Lawrie (UK) Ltd. and Balmer Lawrie (Tea) Ltd. The company has 6 financial joint ventures companies namely Balmer Lawrie (UAE), Balmer Lawrie Van Leer, Transafe Services Ltd., Avi-Oil Ltd., Balmer Lawrie (UK) and Balmer Lawrie (Tea) Ltd. in the field of industrial purchasing, container and suction, blending and packaging of specialty tea. The enterprise is driven by a workforce of 1437 employees as on 31.3.2006.

3. *Production / Operational Profile*

Major Products	Unit	Production during (% Capacity Utilization)			%increase/ decrease over previous year
		2005-06	2004-05	2003-04	
Barrels & Drums	No. Lakhs	37.93 (100)	35.24 (93)	34.32 (91)	7.63
Grease	MT/KL Lakhs	0.34 (48)	0.34 (47)	0.32 (45)	0
Leather Chemicals	MT	4648 (155)	4089 (136)	3494 (116)	13.67

4. *Major Financial Highlights*

Particulars	Performance during (Rs. in crore)			%increase/ decrease over previous year
	2005-06	2004-05	2003-04	
Turnover	1234.61	988.47	917.65	24.9
Cost of prod.	1171.48	965.17	909.33	21.38
Net Profit/Loss(-)	46.8	29.83	18.58	56.89
Net Worth	217.97	183.02	153.29	19.1
Paid up capital	16.29	16.29	16.29	0
Share of Central Govt./holding co.	10.06	10.06	10.06	0

5. *Key Performance Factors*

- The growth in turnover and profitability is primarily due to increase in Travel & Tour, Industrial packaging, greases & Lubricants, Engineering & Technology services and CFS.
- The company has a diverse business portfolio spanning manufacturing and service sectors with each major business being recognized as a Strategic Business Unit (SBU).
- The company was having 25% market share in industrial greases and approximately 44% share in Barrels & Drums market during 2005-06 as compared to 33% and 50% respectively during last year.
- Company has 'Excellent' MOU rating

during the year 2005-06.

- The share price of company was between Rs. 190.35 to Rs. 616 during 2005-06.
- The earning per share was Rs. 28.74 which was higher by 57% than last year.

6. Surplus assets

- The company is having non-performing assets with original value of Rs.16.65 crore (written down value Rs. 5.54 crore).

7. VRS / Outstanding dues

- During the year, 50 employees left the company out of which 41 availed of VRS and 9 left on other reasons. During the year an amount of Rs.3.12 crore was paid as Ex-gratia payment.

Bharat Dynamics Ltd. (BDL)

1. Company Profile

BDL was incorporated in the year 1970 under the Companies Act, 1956 with the objective of becoming self reliant and globally competitive high technology aerospace industry. BDL is 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.

2. Industrial / Business Activities

BDL is one of the pioneering enterprises engaged in manufacturing of defence related equipment through its two operating units at Hyderabad and Medak in Andhra Pradesh. The enterprise has a workforce of 2814 employees as on 31.3.2006.

3. Production / Operational Profile

Being the classified information details have not been furnished.

4. Major Financial Highlights

Particulars	Performance during (Rs. in crore)			% increase/ decrease over previous year
	2005-06	2004-05	2003-04	
Turnover	531.73	454.06	523.97	17.11
Cost of prod.	498.84	483.6	499.49	3.15
Net Profit/Loss(-)	76.72	30.66	50.56	150.23
Net Worth	457.29	408.11	398.78	12.05
Paid up capital	115	115	115	0
Share of Central Govt./holding co.	115	115	115	0

5. Key Performance Factors

- The performance of the company depends upon the orders received from Govt. of India.
- Company has 'Excellent' MOU rating during the year 2005-06.

6. Non-performing/surplus assets

- The company was having plant and machinery valuing Rs. 1.70 crore as non-performing asset during 2005-06.

7. VRS / Outstanding dues

- During 2005-06, total 100 employees left the company out of which 65 availed of VRS, 14 retired on superannuation and 21 left on other grounds. Till 31.3.2006, total 485 employees have availed of VRS. Ther was no outstanding dues as on 31.3.2006. However, the company made a payment of Rs. 5 crore as ex-gratia.

Bharat Electronics Ltd. (BEL)

1. Company Profile

BEL was incorporated in the year 1954 under Indian Companies Act, with an objective to manufacturer Transreceivers used by Indian army for radio communication. The main objectives are to be a customer focused, globally competitive company in defence electronics and in other chosen areas of professional electronics through quality, technology and innovation and to provide state-of-the-art products & solutions at competitive prices as also to attain technological leadership through in-house R&D, partnership with defence/research laboratories & academic institutions. BEL is a Schedule-'A'/Mini-ratna CPSE in Medium and Light Engineering sector under the administrative control of M/o Defence, Department of Defence Production with 75.86% shareholding by the Government of India. Its Registered office is at Bangalore.

2. Industrial / Business Activities

BEL has developed the core competencies in areas of Radars, Sonars, Communication, Electronic Warfare Systems, Electro Optics and Tank Electronics. BEL also manufactures large variety of Components like electron tubes, semiconductor devices, solar cells etc. The Company has 9 operating units at Bangalore, Ghaziabad, Pune, Machilipatnam, Punchakula, Kotdwara, Navi Mumbai, Chennai and Hyderabad. It has one subsidiary namely BEL Optronic Devices Ltd. two financial joint ventures namely GE-BE Ltd. and BEL Multitone Ltd. The enterprise has workforce of 12262 employees as on 31.3.2006.

3. Production / Operational Profile

85% turnover of the company comes from Defence business segments.

4. Major Financial Highlights

Particulars	Performance during *(Rs. in crore)*			%increase/ decrease over previous year
	2005-06	2004-05	2003-04	
Turnover	3502.01	3185.33	2739.6	9.94
Cost of prod.	2668.6	2613.21	2324.91	2.12
Net Profit/Loss(-)	583.01	446.32	316.1	30.63
Net Worth	2040.23	1589.61	1241.87	28.35
Paid up capital	80	80	80	0
Share of Central Govt./holding co.	60.69	60.69	60.69	0

5. Key Performance Factors

- BEL is focusing on export as a major thrust area for growth. Market development activities are being pursued in SAARC countries, South East Asian countries, African countries, Middle East, Europe, USA, Latin America and CIS countries. The company achieved export sale of US $ 13.70 M for the year 2005-06.
- BEL is spending 4 to 5% of its annual turnover, every year, on R&D. During 2005-06, about 73% of company's turnover was from products manufactured based on indigenous technology.
- Earning Per Share was Rs. 72.88 during 2005-06 as against Rs. 55.80 in the previous year.
- Company has 'Very Good' MOU rating during the year 2005-06.
- The market price of the company's shares was between Rs.742.75 to Rs. 1321.70 during the year 2005-06 as compare to Rs.345 to Rs. 754 during 2004-05.
- During 2005-06, BEL received orders of Rs. 3922 crores and all from CPSEs/ Government Departments/organizations.

6. Strategic Issues

- To meet the future business plans BEL is developing and coming out with newer products. Some of the areas on which BEL is working are Frequency Hopping Radios, Encryption, Software Defined Radio, Mobile Satellite Terminals, C4I Systems, Phased Array Radars, Airport Surveillance Radars, New Generation Sonars, Electro Optical Fire Control System etc.

Bharat Pumps & Compressors Ltd. (BPC)

1*. Company Profile*

BPC was incorporated on 1.1.1970 under the Companies Act, 1956 with an objective to manufacture special purpose fluid handling equipments for supply to oil exploration, fertlizer, chemical and other sectors. BPC is a Schedule-'B' / BIFR referred CPSE in Medium and Light Engineering sector under the administrative control of M/o Heavy Industries & Public Enterprises, D/o Heavy Industry having its registered and corporate office at Allahabad, U.P. The company is a 100% subsidiary of Bharat Yantra Nigam Ltd.

2. Industrial / Business Activities

BPC is one of the subsidiary enterprises involved in the manufacturing of centrifugal pumps, reciprocating pumps and compressors, sucker rod pumps, cementing units and their spares and various types of gas cylinders including CNG cylinders and CNG cascades, having single operating unit at Allahabad, U.P. It has offices at New Delhi, Mumbai, Kolkata, Chennai, Vadodara and Dibrugarh.The enterprise has a workforce of 1233 workers as on 31.3.2006.

3. Production / Operational Profile

Major Products	Unit	Production during (% Capacity Utilization)			%increase/ decrease over previous year
		2005-06	2004-05	2003-04	
Centrifugal/ Reciprocating Pumps	Nos.	64 (17.30)	103 (27.84)	40 (10.81)	43.94
Reciprocating Compressors	Nos.	8	3	5	45.10
Gas Cylinders	Nos.	11050 (18.42)	8949 (14.92)	6056 (10.09)	10.95

4. Major Financial Highlights

Particulars	Performance during *(Rs. in crore)*			%increase/ decrease over previous year
	2005-06	2004-05	2003-04	
Turnover	82.49	61.33	45.74	34.5
Cost of prod.	91.27	72.88	64.39	25.23
Net Profit/Loss(-)	1.82	-10.86	-24.94	-116.76
Net Worth	-117.14	-121.61	-113.4	-3.68
Paid up capital	53.53	53.53	53.53	0
Share of Central Govt./holding co.	53.53	53.53	53.53	0

5. Key Performance Factors

- Company turned around and achieved production of Rs. 103.18 crore, 47.40% higher than last year. There has been improvement in performance of the company mainly due to better order book, timely inputs vigorous follow up, day to day and spot monitoring by management and hard work by dedicated workers.
- Efforts are being made to reduce losses by judicious product mix and to optimize the utilization of available resources through import substitution, technology up-gradation and reduction of manpower through VRS.

6. Strategic Issues

- BIFR revival scheme sanctioned in 1995 is declared as failed in the year 2001. A new revival package is under consideration of the Government particularly to revive through joint venture formation by BHEL/ONGC/EIL.
- During the year the company raised a loan of Rs. 20.25 crore against Government guarantee. As on 31.3.2006 total outstanding loan against guarantee was Rs. 20.25 crore.
- The total budgetary support received by the company during 2005-06 was Rs. 4.51 crore as loan as compared to Rs. 18.65 crore during last year.
- The company received orders of Rs. 146.99 crore out of which orders worth Rs. 88.07 crore were from Government departments/organizations. Orders of Rs. 8.61 crore were received through purchase preference which were 5.86% of the total orders received during the year.

7. Surplus assets

- Old machines (about 25 years old) worth approximately Rs. 6 crore are not required presently.

8. VRS/Outstanding dues

- During the year, 21 employees left the company on superannuation / other grounds. None availed of VRS during 2005-06. Till 31.3.2006 total 547 employees availed of VRS.
- As on 31.3.2006 total outstanding dues were Rs. 1.92 crore out of which Rs. 0.84 crore were relating to salary and wages and Rs. 1.08 crore relating to statutory dues.

BEL Optronic Devices Ltd. (BELOP)

1. Company Profile

BELOP was incorporated on 10.09.1990 under the Companies Act, 1956 as a joint venture of Bharat Electronic Ltd. (BEL) and Delft Instruments International (DII) of Netherlands. BEL acquired the shares of DII on 30.7.2002 and it became a Government company. Its main objective is to be market leader in defence electronics and other chosen fields and products. BELOP is an un-categorised CPSE in Medium and Light Engineering sector under the administrative control of M/o Defence, Department of Defence Production with its Registered and Corporate offices at Pune (Maharshtra). It is a subsidiary of BEL which holds 92.79% equity shares.

2. Industrial / Business Activities

BELOP is one of the subsidiary enterprises in the production of Image Intensifier Tubes and Associated Power Supply Units with its single operating unit at Pune. The enterprise is driven by a workforce of 134 employees as on 31.3.2006.

3. Operational Profile

Image Intensifier Tube (I.I.Tube) is a specialized product used in optical instruments for night vision capability. The company has been granted exemption under section 211 of the companies act, 1956 for not publishing quantitative details in Annual Report.

4. Major Financial Highlights

Particulars	Performance during *(Rs. in crore)*			% increase/ decrease over previous year
	2005-06	2004-05	2003-04	
Turnover	51.12	43.15	0	18.47
Cost of prod.	40.74	36.18	0	12.6
Net Profit/Loss(-)	6.01	4.58	0	31.22
Net Worth	25.9	21.22	0	22.05
Paid up capital	18.32	18.32	0	0
Share of Central Govt./holding co.	17	17	0	0

5. Key Performance Factors

- The company's product is sold only to defence and para military forces. There are no other manufacturers of their products in India.
- The Earning Per Share was Rs.32.77 during 2005-06 as compared to Rs. 24.99 in the previoius year.
- The exports of the company declined during the period from Rs. 1.15 crore to Rs. 1.05 crore.
- The company was referred to BIFR as a sick company during the year 1998-99. The company's net worth became positive as on 31.3.2003 due to various measures taken including financial restructuring, one time settlement with creditor etc. Consequently the company was de-registered from BIFR w.e.f. 31.3.2003.

6. Strategic Issues

- The company is making continues efforts to develop 18mm Super Gen I.I. Tubes, Aviator's Night Vision System (ANVIS) Power Supply Units (PSU) for 18mm Super Gen I.I. Tube and Gated Power Supply for 18mm I.I. Tube through in house R&D efforts. ANVIS PSUs have a good export potential and the company plans to tap this export market in future years.

Biecco Lawrie Ltd. (BLL)

1. Company Profile

BLL was incorporated on 23.12.1919 as British India Electric Construction Co. Ltd. (BIECC) under the Indian Companies Act, 1913. In 1972 BIECC was takenover by Balmer Lowrie & Co. (a CPSE) and became Government company. It was renamed as BLL and in 1979, it become an independent Government Company. BLL is a Schedule-'C' / BIFR referred CPSE in Medium and Light Engineering sector under the administrative control of M/o Petroleum and Natural Gas with 57.35% shareholding by the Government of India. Its registered and corporate offices are at Kolkata, West Bengal.

2. Industrial / Business Activities

BLL is engaged in manufacturing of electrical switchgear and providing electrical repairs services and projects through its two operating units at Kolkata. The enterprise is driven by a workforce of 494 employees as on 31.3.2006.

3. Operational Profile

Major Products	Unit	Production during (% Capacity Utilization)			%increase/ decrease over previous year
		2005-06	2004-05	2003-04	
Switchgear	Nos.	1247 (90.69)	1134 (82.47)	996 (72.44)	9.96
Lubricating Oil blending & filling	KLs	3864 (38.64)	4138 (41.38)	3886 (38.86)	-6.62

4. Major Financial Highlights

Particulars	Performance during (Rs. in crore)			%increase/ decrease over previous year
	2005-06	2004-05	2003-04	
Turnover	43.99	34.89	26.25	26.08
Cost of prod.	42.48	35.73	29.31	18.89
Net Profit/Loss(-)	2.22	1.28	-2.96	73.44
Net Worth	-19.8	-22.28	-23.82	-11.13
Paid up capital	42	42	42	0
Share of Central Govt./holding co.	24.1	24.1	24.1	0

5. Key Performance Factors

- The improvement in performance is attributed to proper fund management, austerity and other economic measures, cycle time reduction, hike in spare business through marketing efforts etc.
- Specific thrust has been given on development of VCB variants, customer specific product features and meeting the latest international standards.
- The earning Per Share was Rs. 0.52 during 2005-06 as compared to Rs. 0.03 last year.
- The market share in Medium Voltage Electrical Switchgears was 5% in Indian Market.

6. Strategic Issues

- The company has prepared a Restructuring Plan (which includes Merger with a company having business synergy) for revival and sustainable performance, which was submitted for submission before the BRPSE and thereafter the approval of the Government.
- With the implementation of Accelerated Power Development Reforms (APDRP), Rural Electrification Programme and Rajiv Gandhi Grameen Vidyutikaran Yojna, there is a scope for the company to grow leaps and bound. The company looks to the future with confidence.
- The company has been focusing in its core area of electrical equipments manufacturing and services, as a business strategy and is in the process of phasing out is petroleum products business.

7. Surplus assets

- The blending operation of Lube Oil Blending and Filling plant is closed down since May, 2006 due to completion of 10 years contract period with IBP Co. Ltd., which was not renewed further. Company proposed to sell this plant as well as surplus land.

8. VRS / outstanding dues

- During the year, 37 employees left the company out of which 19 have availed of VRS, 13 retired on superannuation and 5 left on other grounds.

Central Electronics Ltd. (CEL)

1. Company Profile

CEL was incorporated in June, 1974 under the Companies Act, 1956 with an objective of developing and productionising various electronics materials, components and sophisticated systems for which know how on a laboratory scale had been demonstrated in the CSIR, DRDO and other National Laboratories. Its mission is to achieve excellence in the technology, manufacture and marketing of renewable energy systems and selected electronic materials, components and systems. CEL is a Schedule-'B' CPSE in Medium and 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 Sahibabad, U.P.

2. *Industrial / Business Activities*

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 enterprise is driven by a workforce of 680 employees as on 31.3.2006.

3. *Operational Profile*

Major Products	Unit	Production during (% Capacity Utilization)			% increase/ decrease over previous year
		2005-06	2004-05	2003-04	
Solar PV Modules & System	KW	2110 (106)	2149 (107)	1419 (71)	- 1.81
Axle Counters	Nos.	1453 (145)	1396 (140)	1062 (106)	4.08

4. *Major Financial Highlights*

Particulars	Performance during *(Rs. in crore)*			% increase/ decrease over previous year
	2005-06	2004-05	2003-04	
Turnover	100.68	87.68	60.06	14.83
Cost of prod.	94.85	79.33	64.48	19.56
Net Profit/Loss(-)	12.43	-0.56	-2.36	-2319.64
Net Worth	28.9	4.43	4.59	552.37
Paid up capital	42.77	37.77	37.77	13.24
Share of Central Govt./holding co.	42.77	37.77	37.77	13.24

5. *Key Performance Factors*

- Turnover of the company increased by 14.78% during 2005-06 as compared to last year. The share of domestic sale in the total turnover increased from 17.92% in 2004-05 to 34.53% during 2005-06.
- Reduction in manpower through VRS and technology upgradation were the measures taken for cost reduction and improving competitiveness.
- The Company has 'Very Good' MOU rating during the year 2005-06

6. *Strategic Issues*

- A capital restructuring scheme has been recently approved in August, 2006 by the Government.

7. *Non-performing assets*

- The comp-any was having non-performing assets of Rs. 1.16 crore as on 31.3.2006 in the form of PFD Fixed assets since production discontinued.

8. *VRS / outstanding dues*

- During the year, 4 employees availed of VRS and and an amount of Rs. 35 lakhs was spent in this regard Up-to 31.3.2006 a total of 234 employees have taken VRS. There was no outstanding dues as on 31.3.2006.

Electronics Corporation of India Ltd. (ECIL)

1. *Company Profile*

ECIL was incorporated on 11.4.1967 under the Companies Act, 1956 with an objective to promote and develop industrial electronics with indigenous know how and to attain self-sufficiency in Atomic Energy programme, Defence, Space, Civil Aviation, Security and such other sectors of strategic importance. The company is a Schedule-'A' CPSE in Medium and Light Engineering sector 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.

2. *Industrial / Business Activities*

ECIL is engaged in manufacturing of nuclear industrial and analytical instruments, radio communicating systems, telecommunication equipments, simulators for Thermal and Nuclear Power plants, electronic voting machine etc. through its two operating units at Hyderabad and Tirupati in Andhra Pradesh. The company has one financial joint venture namely ECIL-Rapiscan Ltd. and 14 Business Divisions handling different kinds of products. The enterprise is driven by a workforce of 4955 employees as on 31.3.2006.

3. Major Financial Highlights

Particulars	Performance during (Rs. in crore)			% increase/ decrease over previous year
	2005-06	2004-05	2003-04	
Turnover	649.62	720.04	838.59	-9.78
Cost of prod.	628.43	670.86	739	-6.32
Net Profit/Loss(-)	42.27	37.13	97.68	13.84
Net Worth	363.43	321.54	299.28	13.03
Paid up capital	154.88	145.88	136.88	6.17
Share of Central Govt./holding co.	154.88	145.88	136.88	6.17

4. Key Performance Factors

- During the year orders as expected did not materialize from various sectors like information technology and EWP products. Also order for export of EVMS could not be completed due to commercial and other reasons.
- Most of the orders have been received from Government Departments / CPSEs.
- Company has 100% market share in control & Instrumentation Products in Nuclear sector, 80% market share in Antenna Products, 50% market share for electronic voting machine, 20% market share in Defence Radio Communication products and 1% shares in Telephone switching products.
- Company has 'Good' MOU rating during the year 2005-06.

5. Strategic Issues

- Company has reoriented the operations towards high technology and low volume projects/ products. An exercise to internalize the MOU to ensure more pragmatic and progressive operations management was initiated.

6. VRS / Outstanding dues

- During the year, 250 employees left the company out of which 170 availed of VRS, 11 retired on superannuation and 69 left on other grounds. Up-to 31.3.2006, total 2387 employees left under VRS.
- During the year an Ex-gratia payment of Rs.1.42 crore was made.

Hindustan Cables Ltd. (HCL)

1. Company Profile

HCL was incorporated in the year 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 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. Its registered and corporate offices are at Kolkata, West Bengal. The company is registered with BIFR since 2002.

2. Industrial / Business Activities

HCL is engaged in manufacturing and selling of telecommunication jelly filled cables, optic fiber cables and telecom turnkey services through its 5 operating units at Burdwan and Narendrapur in West Bengal, Allahabad in U.P. and Hyderabad in Andhra Pradesh. Company also has one R&D centre in Hyderabad. The enterprise has a workforce of 3153 employees as on 31.3.2006.

3. Production / Operational Profile

Major Products	Unit	Production during (% Capacity Utilization)			% increase/ decrease over previous year
		2005-06	2004-05	2003-04	
Turnkey Projects	Rs. Cr.	6.08	20.89	-	-70.90
Telecom cables	LCKM	0.24	0.25	-	-4.0
Jelly filled cables	LKM	38.50	26.64	-	44.52

4. *Major Financial Highlights*

Particulars	Performance during (Rs. in crore)			% increase/ decrease over previous year
	2005-06	2004-05	2003-04	
Turnover	6.32	21.15	105.41	-70.12
Cost of prod.	293.68	282.9	347.53	3.81
Net Profit/Loss(-)	-295.32	-270.88	-307.87	9.02
Net Worth	-1524.33	-1236.75	-976.36	23.25
Paid up capital	419.37	417.69	417.69	0.4
Share of Central Govt./holding co.	419.37	419.36	419.36	0

5. *Key Performance Factors*

- The company has recorded increase in production of jelly filled cables by 44.52% over previous year. However, the turnover and profit are decreased.
- The reasons for falling performance is 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.
- The shares of the company are listed but not traded.

6. *Strategic Issues*

- In the absence of orders at remunerative price and advance, the operations in all the units stopped. The company has been pursuing with the administrative Ministry and BSNL for release of purchase orders at remunerative price alongwith advance.
- 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. Company has been following up with other sectors also for orders through open tenders.
- Various projects like FRLS cables and instrumentation and control cables, high count optical fibre cables, power cables using XLPE technology, HDPE tarpauline and HDPE pipe are under active consideration for product diversification.
- A draft revival plan is under consideration of the BRPSE/Government.

HMT Bearings Ltd. (HBL)

1. *Company Profile*

HBL was incorporated in the year 1964 under the Factories Act 1948 as Indo Nippon Precision Bearings Ltd. The commercial production began in 1970. The company was taken over by HMT Ltd. in the year 1981. The vision and objectives of the HBL are to produce and market Bearings and other engineering components of world class excellence through total performance leadership and to achieve market share of 10% for the domestic Taper Roller Bearings organized sector market and 5% in total organized sector market of Taper Roller Bearings, Cylindrical Roller Bearings and Ball Bearings. It is a Schedule-'C' CPSE in Medium and 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 Bangalore, Karnataka. It is a subsidiary of HMT Limited which is holding 97% of its equity.

2. *Industrial / Business Activities*

HBL is one of the taken over enterprises engaged in manufacturing and selling of ball and roller bearings through its single operating unit and Marketing Head Quarter at Hyderabad and Regional Sales Offices at Chennai, Kolkata, Delhi, Pune, Jamshedpur, Jabalpur and Mumbai. The enterprise is driven by a workforce of 339 regular employees as on 31.3.2006.

3. *Production / Operational Profile*

Major Products	Unit	Production during (% Capacity Utilization)			% increase/ decrease over previous year
		2005-06	2004-05	2003-04	
Ball & Roller Bearing	Lakh Nos.	10.45 (34)	10.72 (35)	12.8 (41)	-2.52

4. *Major Financial Highlights*

Particulars	Performance during (Rs. in crore)			% increase/ decrease over previous year
	2005-06	2004-05	2003-04	
Turnover	24.13	25.23	25.43	-4.36
Cost of prod.	33.61	35.33	32.57	-4.87
Net Profit/Loss(-)	0.44	-11.08	-10.35	-103.97
Net Worth	-1.37	-30.37	-21.62	-95.49
Paid up capital	9.23	9.23	8.73	0
Share of Central Govt./holding co.	8.99	8.99	8.73	0

5. *Key Performance Factors*

The company has 2% market share in India. Its performance has declined during 2005-06 as compared to last year, which is attributed to working capital shortage.

6. *Strategic Issues*

- The revival plan for the company with a cash assistance of Rs.7.40 crore and Non-cash assistance of Rs. 26.57 crore was approved in November, 2005, which is under implementation.
- The company plans to develop new Bearings as import substitution and upgrade quality and installation of testing facilities for evaluating the life of the Bearings. The high priority will be given to cost reduction.
- The company has planned to upgrade process technology in balancing equipment, reconditioning & retrofitting at a cost of Rs. 7.40 crore by April, 2007 and civil works, reconditioning & retrofitting at a cost of Rs. 7.40 crore by December, 2007
- The company received budgetary support of Rs. 30.11 crore comprising Rs. 8.40 crore as equity, Rs. 2.38 crore as loan and Rs. 19.33 crore on other ground.

7. *Surplus assets*

- 13.48 acres of land valued at Rs.22.83 crore is identified as surplus and planned for disposal.

8. *VRS/Outstanding dues*

- Till 31.3.2006 total 475 employees have availed of VRS. During 2005-06 11 persons left the company out of which 8 availed of VRS and 3 left on other ground.
- As on 31.3.2006 the company was having outstanding statutory dues of Rs. 47.34 lakhs.

HMT Chinar Watches Ltd. (HCWL)

1. *Company Profile*

HCWL was incorporated in 2000-01, as a 100% subsidiary of HMT Ltd. under the Companies Act, 1956, owing to the restructuring plan of HMT Ltd. The objective was to de-merge the units engaged in the watch business from the HMT Ltd. and to boost industrial activity in the state of J&K. HCWL is a schedule-'C' / sick CPSE in Medium and Light Engineering sector under the administrative control of M/o Heavy Industries and Public Enterprises, D/O Heavy Industry with its Registered office at Bari Brahmani, Jammu (J&K) and Corporate office at Bangalore, Karnataka.

2. *Industrial / Business Activities*

HCWL is engaged in manufacturing hand wound mechanical and quartz watches at their two watch factories located at Zainakot (Srinagar) and watch assembly unit at Bari Brahmani (Jammu). The enterprise is driven by a workforce of 580 employees as on 31.3.2006.

3. *Production / Operational Profile*

Major Products	Unit	Production during (% Capacity Utilization)			% increase/ decrease over previous year
		2005-06	2004-05	2003-04	
Watches	No.	48328 (9.67)	5492 (1.10)	41964 (8.39)	779.97

4. Major Financial Highlights

Particulars	Performance during (Rs. in crore)			% increase/ decrease over previous year
	2005-06	2004-05	2003-04	
Turnover	1.53	0.76	1.15	101.32
Cost of prod.	31.87	26.32	23.33	21.09
Net Profit/Loss(-)	-30.88	-25.23	-21.92	22.39
Net Worth	-145.83	-111.97	-85.75	30.24
Paid up capital	1.41	1.41	1.41	0
Share of Central Govt./holding co.	1.41	1.41	1.41	0

5. Key Performance Factors

- Financial performance of the company is deteriorating over the years due to liquidity crunch and declining demand for Mechanical Watches.
- New series of Quartz Watches under the name "GALAXY: has been introduced and launched in the market.

6. Strategic Issues

- Revival plan is under consideration of BRPSE/Government.

7. VRS/Outstanding dues

- During the year, 53 employees left the company out of which 50 availed of VRS, 2 retired on superannuation and 1 left on other grounds. Up-to 31.3.2006, total of 279 employees left under VRS. There was no outstanding dues as on 31.3.2006.

HMT Ltd.

1. Company Profile

HMT was incorporated on 7.2.1953 under Indian Companies Act, 1913 with an objective to manufacture and carry on the business of agricultural machineries i.e. Tractors. The company is a Schedule-'A' CPSE in Medium and Light Engineering sector under the administrative control of M/o Heavy Industries and Public Enterprises, D/o Heavy Industry with 98.19% shareholding by the Government. Its Registered and Corporate offices are at Bangalore, Karnataka.

2. Industrial / Business Activities

HMT is engaged in manufacturing and selling of tractors and Food Processing Machines (FPM) with its 4 operating units (two Manufacturing and two service divisions) at Pinjore, Mohali, Hyderabad and Aurangabd and 15 Area Offices of its Tractor Division. It has six subsidiaries namely HMT Machine Tools Limited, HMT Watches Limited, HMT Chinar Watches Limited, HMT (International) Limited, HMT Bearings Limited and Praga Tools Limited. The company has two financial joint ventures namely SUDMO HMT Process Engineers (I) Ltd. and Nigeria Machine Tools Ltd. with an equity participation of 50% and 15% respectively. The enterprise is driven by a workforce of 2429 regular employees as on 31.3.2006.

3. Operational Profile

Major Products	Unit	Production during (% Capacity Utilization)			% increase/ decrease over previous year
		2005-06	2004-05	2003-04	
Tractors	Nos.	7902 (44)	7007 (39)	5601 (31)	12.77
Food Processing Machines (FPM)	Rs. in Cr.	3.64	2.73	-	33.33

4. Major Financial Highlights

Particulars	Performance during (Rs. in crore)			% increase/ decrease over previous year
	2005-06	2004-05	2003-04	
Turnover	247.73	197.29	138.76	25.57
Cost of prod.	290.11	267.62	210.21	8.4
Net Profit/Loss(-)	13.27	5.98	-7.97	121.91
Net Worth	81.46	24.91	11.16	227.02
Paid up capital	482.92	476.17	470.67	1.42
Share of Central Govt./holding co.	474.42	467.67	462.17	1.44

5. Key Performance Factors

- The improvement in financial performance is attributed to application of value engineering to bring improvement in product appearance, utility and during the process it achieved reduction in cost in spite of increase in steel price.

- HMT tied up with many Nationalized banks for financing of Tractors directly by the Banks as per the Government directives to banks to increase rural lending which contributed in performance improvement. Production of Low HP Tractor 2522 is started to cater the small and marginal farmers.
- Market share of major products of the company reduced to 2.71% during 2005-06 from 2.85% in the previous year.
- Earning Per share during 2005-06 was Rs. 0.28 as compared to Rs. 0.13 in the previous year.
- The market price of the company's share was between Rs. 34.50 to Rs. 111.45 during the year 2005-06 as compared to Rs. 14.45 to Rs. 54.50 during 2004-05.
- The Company has 'Fair' MOU rating during the year 2005-06.
- HMT spent Rs. 1.46 crore on R&D during 2005-06 which was 0.59% of the total sales. In order to upgrade technology, investment through capital expenditure is being under taken through Government of India support.

6. Strategic Issues

- Most of the plant and machinery is old and not able to achieve the desired quality levels. Further the skill level is also depleted with the reduction in manpower. The margins are quite thin, and hence unable to attract the best talents, due to low salary structure.
- With the liberalization and globalization, the Indian market is opened to foreign companies which has large impact on the domestic industry.
- Revival / restructuring of the company is under consideration of BRPSE / Government. The company is modernizing its plants with funds received under Plan Budgetary Support from GOI. An amount of 15 crore released during the year under Plan Budgetary Support and sanctioned Rs.3.00 crore during the year under AMR scheme for Tractor Division, Pinjore towards CAPEX for modernization.

7. Surplus assets

The company is having 1149 acres of land and 20204 sq.ft building area at Kalamassery, Pinjore and Hyderabad as surplus since 1995-96. The disposal activity of the surplus assets is under progress.

8. VRS/Outstanding dues

- Up-to 31.3.2006, total 977 employees left under VRS. During 2005-06 total 54 employees left the company out of which 41 retired on superannuation and 13 left on other grounds.
- As on 31.3.2006 the company was having outstanding statutory dues of Rs. 6.32 crore.

HMT Machine Tools Ltd. (HMTL)

1. Company Profile

HMTL was incorporated on 9.8.1999 as 100% subsidiary of HMT Ltd. under the Companies Act, 1956 as a part of restructuring plan of HMT with the objective of providing manufacturing solutions and manufacturing / marketing of machine tools. HMTL is a Schedule-'B' / BIFR referred CPSE in Medium and Light Engineering sector under the administrative control of M/o Heavy Industries and Public Enterprises, D/o Heavy Industry having its registered and corporate offices at Bangalore, Karnataka.

2. Industrial / Business Activities

HMTL is engaged in manufacturing of wide range of products catering to requirement of advanced manufacturing like machine tools, Industrial machinery, peripherals etc. and as well as providing services in reconditioning and refurbishing of machines, project consultancy etc. through its 5 operating units at Bangalore in Karnataka, Pinjore in Haryana, Kalamassery in Kerala, Hyderabad in Andhra Pradesh and

Ajmer in Rajasthan. The enterprise has a workforce of 4386 employees as on 31.3.2006.

3. *Operational Profile*

Major Products	Unit	Production during (% Capacity Utilization)			%increase/ decrease over previous year
		2005-06	2004-05	2003-04	
Machine Tools	Nos.	587 (73.84)	556 (56.62)	NA	5.58
Printing Machines	Nos.	51 (86.44)	47 (43.92)	NA	8.51
CNC Systems	Nos.	83 (27.57)	79 (26.25)	NA	5.06
Ball Screws	Nos.	390 (39)	727 (72.7)	NA	- 46.35

4. *Major Financial Highlights*

Particulars	Performance during (Rs. in crore)			%increase/ decrease over previous year
	2005-06	2004-05	2003-04	
Turnover	208.99	204.34	173.55	2.28
Cost of prod.	386.3	344.34	303.44	12.19
Net Profit/Loss(-)	-6.56	-73.8	-119.08	-91.11
Net Worth	-590.09	-616.82	-565.59	-4.33
Paid up capital	10.7	10.7	10.7	0
Share of Central Govt./holding co.	10.7	10.7	10.7	0

5. *Key Performance Factors*

The turnover of the company increased by 2.28% and losses reduced by about 90% after adjustment of extra ordinary income of Rs.151.51 crore.

6. Strategic Issues

- The authorized capital has been increased from Rs. 12 crore to Rs. 16 crore in an Extra Ordinary General Meeting held on 5.6.2006.As on 5.6.2006 company received Rs. 5 crore from holding company for enhancement of equity share capital of the company.
- A revival plan is under active consideration of BRPSE/Government.
- The company has non-performing assets in the form of surplus land which will be disposed off in phased manner over a period of 3 years.

7. *VRS/Outstanding dues*

During 2005-06, 145 employees have been separated from company. Up-to 31.3.2005, total 4834 employees have been relieved under VRS. Figures for 2005-06 are not available in this regard.

HMT Watches Ltd. (HWL)

1. Company Profile

HWL was incorporated on 9.8.1999 as a 100% subsidiary of HMT Ltd. under the Companies Act, 1956 with the objective of acquiring all the assets, properties and liabilities of HMT Ltd. watch business as a part of restructuring plan of the HMT Ltd. HWL is a Schedule-'B' CPSE in Medium and Light Engineering sector under the administrative control of M/o Heavy Industries and Public Enterprises, D/o Heavy Industry, having its registered and corporate offices at Bangalore, Karnataka.

2. Industrial / Business Activities

HWL is engaged in manufacturing of all kinds of watches and its components through its 4 operating units at Bangalore and Tumkur in Karnataka and Ranibagh (Nanital) in Uttaranchal. The enterprise has a workforce of 2180 employees as on 31.3.2006.

3. Operational Profile

Major Products	Unit	Production during (% Capacity Utilization)			%increase/ decrease over previous year
		2005-06	2004-05	2003-04	
Wrist Watches	Nos.	465823 (7.17)	298686 (4.60)	381155 (5.86)	-

4. *Major Financial Highlights*

Particulars	Performance during (Rs. in crore)			%increase/ decrease over previous year
	2005-06	2004-05	2003-04	
Turnover	18.33	21.25	24.38	-13.74
Cost of prod.	172.07	149.31	164.36	15.24
Net Profit/Loss(-)	-76.31	-134.53	-134.81	-43.28
Net Worth	-715.57	-657.8	-538.66	8.78
Paid up capital	5.49	5.49	5.49	0
Share of Central Govt./holding co.	5.49	5.49	5.49	0

5. Key Performance Factors

The lower performance level during 2005-06 as compared to last year was due to absence of trade channel, higher interest burden, reduction in exports.

6. Strategic Issue

The company has drawn up various strategies and action plan to improve the operations and to make turnaround plan during 2007-08. A revival Plan covering issues of organizational and financial restructuring and rationalization of manpower has been submitted to the Government which is under consideration of BRPSE. Other steps like reduction in inventory costs, increase in high-end watches, adoption of innovative and aggressive marketing policies, focus on cost reduction and superior asset management, introduction of new models etc. are being taken. .

IDPL (Tamilnadu) Ltd.

1. Company Profile

The company was established in 1994 as a wholly owned subsidiary of the Indian Drugs & Pharmaceuticals Ltd. with the objectives of manufacturing surgical Instruments, Drugs, hospital Equipments and aids and appliances for handicapped. IDPL (Tamilnadu) Ltd. is an uncategorised CPSE in Medium and Light Engineering sector under the administrative control of M/o Chemicals and Fertlizers, Department of Chemicals and Petrochemicals, having its registered and corporate office at Chennai, Tamilnadu.

2. Industrial / Business Activities

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 enterprise has a workforce of 31 employees as on 31.3.2006.

3. Operational Profile

The production is based on receipts of orders.

4. Major Financial Highlights

Particulars	Performance during (Rs. in crore)			% increase/ decrease over previous year
	2005-06	2004-05	2003-04	
Turnover	0	1.82	1.95	-100
Cost of prod.	0	2.98	10.46	-100
Net Profit/Loss(-)	0	-0.56	-8.3	-100
Net Worth	-12.51	-12.51	0	0
Paid up capital	4	4	0	0
Share of Central Govt./holding co.	4	4	0	0

The company has not furnished any information for the year 2005-06.

ITI Limited (ITI)

1. Company Profile

ITI was incorporated on 25.10.1950 under the Mysore Company Act, 1938 and was the first public sector undertaking to be set up by the GOI to assist the Government in sensitive and strategic telecommunication fields and also to tap the opportunities of convergence of communication, internet and entertainment business. Company is a Schedule-'A' / BIFR referred CPSE in Medium and Light Engineering sector under the administrative control of Ministry of Communication, and Information Technology, D/o Telecommunications with 92.87% share holding by the Government of India. Its registered and corporate offices are at Bangalore, Karnataka.

2. Industrial / Business Activities

ITI is involved in manufacturing and supply of telecom equipments covering whole spectrum of switching (Large, Medium & Small Switches), Transmissions (Digital, Microwave, Fibre Optic & Satcom products), Access products and subscriber premises equipment, Mobile equipments etc. through its 6 operating units at Bangalore (Karnataka), Gonda, Allahabad and Rae Bareli (U.P.), Palakkad (Kerala) and Srinagar (J&K). The company has three financial joint ventures namely India Satcom Ltd., ITI Communications Pte Ltd. (Singapore) and Fibcom India Ltd. with an equity participation of 49%, 49% and 40% respectively. The enterprise has a workforce of 14257 employees as on 31.3.2006.

3. Operational Profile

Major Products	Unit	Production during			% increase/ decrease over previous year
		2005-06	2004-05	2003-04	
Trunkey Projects	Rs. Cr.	379	432	337	-12.27
GSM-INFRA	Rs. Cr.	501	306	105	63.73
WLLCDMA -INFRA	KL	1344	654	-	105.50
IFWT	Knos	278	118	10711	135.59
OCB TAX/ TANDEM	KC	570	524	466	8.78
OPTICFIBRE PDH & SDH	Nos.	4748	1859	2453	155.41
Solution Business	Rs. Cr.	57	32	43	78.12

4. Major Financial Highlights

Particulars	Performance during (Rs. in crore)			% increase/ decrease over previous year
	2005-06	2004-05	2003-04	
Turnover	1658.74	1317.87	1197.86	25.87
Cost of prod.	2080.1	2091.5	1704.03	-0.55
Net Profit/Loss(-)	-423.16	-309.82	-705.83	36.58
Net Worth	1643.61	-583.77	-772.04	-381.55
Paid up capital	588	588	388	0
Share of Central Govt./holding co.	267.47	267.47	67.47	0

5. Key Performance Factors

- Turnover increased by 26% compared to last year. However losses also increased by 36.58% due to severe working capital crunch, inadequate orders compared to target, high social cost, surplus manpower, high over head cost, competition and fast changes in technology.
- Company was manufacturing C-DOT exchange, Local exchange for which demand depleted. However, company has take up major turnkey projects for GSM / WLL / CDMA Infra, ASCON, MLLN and SSTP i.e. company is shifting from product manufacturing to turnkey solution business.
- Capital investment of Rs.150 crore has been made for technology infusion in the manufacturing plants with the market demand.
- The market price of the company's shares was between Rs. 23.65 to Rs. 94.75 during the year 2005-06 as against Rs.14.35 to Rs.34.25 during 2004-05.
- The company has "Fair" MOU rating during 2005-06.

6. Strategic Issues

- Revival plan was sanctioned on 24.12.2004 with an estimated cost of Rs.1025 crore. Accordingly substantial modernization has been effected at Mankapur Plant at a cost of Rs.44 crore & Rae Bareli plant at a cost of Rs.34 crore for manufacturing of GSM equipments and other related equipments. Funding for this purpose is being sourced as per the revival package from Government.
- Focus is to be on wireless technology equipment. Steps are being taken for technology tie-ups. Also revamping of manpower has been undertaken to suit the technology.

7. VRS / Outstanding dues

- During the year, 740 employees left the company out of which 410 availed of VRS, 189 retired on superannuation and 141 left on other grounds. Up-to 31.3.2006, total 13212 employees left under VRS. As on 31.3.2006 outstanding dues were amounted to Rs. 1247 crore out of which Rs. 50 crore were on account of salary and wages. Rs. 166 crore statutory dues and Rs. 1031 crore other dues.

Instrumentation Ltd. (IL)

1. *Company Profile*

IL was incorporated in 1964 under the Companies Act, 1956 with an objective to attain self reliance in providing instrumentation and control systems to Key sectors of economy such as thermal power, steel, fertilizer, refineries and other process industries, telecom, railways, nuclear application and defence. IL is a Schedule-'B' / BIFR 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 100% shareholding by the Government of India. Its Registered and Corporate offices are at Kota, Rajasthan.

2. *Industrial / Business Activities*

IL is engaged in manufacturing/production of Digital Control System, Telecommunication System, Gas Analysers, Panels and Control Desks, Control Valves, Railway Signalling System, UPS and Defense Electronics etc. through its two operating units located at Kota Rajasthan and Palakkad in Kerala. It has Marketing Head Office at Kota and five Branch Offices at Delhi, Kolkata, Mumbai, Chennai and Jaipur. The company has one subsidiary namely Rajasthan Electronics and Instruments Ltd., Jaipur (Rajasthan) established as joint venture with RIICO. The enterprise is driven by a workforce of 1715 employees as on 31.3.2006.

3. *Production / Operational Profile*

Major Products	Unit	Production during			% increase/ decrease over previous year
		2005-06	2004-05	2003-04	
Electronic range of Instruments	No.	1060	2303	621	- 53.97
Process Control Valves	Nos.	4063	5472	4199	- 25.75
Control Panels and Control Desks	Nos.	1250	2202	241	- 43.23
Telecom Products	Lines	10500	28,000	23,000	- 62.50
Orifice Plate/Flow Measuring Devices	Nos.	199	182	246	9.34

4. *Major Financial Highlights*

Particulars	Performance during *(Rs. in crore)*			% increase/ decrease over previous year
	2005-06	2004-05	2003-04	
Turnover	206.45	162.89	139.49	26.74
Cost of prod.	240.92	217.3	169.84	10.87
Net Profit/Loss(-)	-24.51	-16.98	-29.02	44.35
Net Worth	-195.56	-179.16	-167.68	9.15
Paid up capital	24.05	24.05	24.05	0
Share of Central Govt./holding co.	24.05	24.05	24.05	0

5. *Key Performance Factors*

- Stiff competition due to entry of multinational companies, high interest and high cost of production due to surplus manpower are some of the causes responsible for sickness of the company.
- The company is making efforts to reduce the losses by reduction in surplus manpower, reduction in inventory and outstanding and various other means for economisation of costs.

6. *Strategic Issues*

- The authorized share capital has been decided to be increased from Rs. 25 crore to Rs.30 crore by the Board of Directors as per the authority delegated by the shareholders in the Extra Ordinary General Meeting held on 17.3.1999.
- The company is registered with BIFR since 1993 and a Revival Scheme was sanctioned in 1999. A Modified Revival Scheme is under consideration of the Government.

7. *VRS*

- During the year, 15 employees left the company out of which 9 availed of VRS and 6 retired on superannuation. An amount of Rs. 97 lakh was spent on VRS.

National Instruments Ltd. (NIL)

1. Company Profile

NIL was incorporated in the year 1830 in the name of Mathematical Instruments office associated with Survey of India Department and became a CPSE in 1957 under the Companies Act, 1956 with the objective of manufacture and import substitution of surveying instruments. NIL is a schedule-'D' / BIFR referred CPSE in Medium and Light Engineering sector under the administrative control of M/o Heavy Industries and Public Enterprises, D/o Heavy Industry having 100% Government holding with its registered and corporate office at Kolkata, West Bengal. The company is registered with BIFR since 1992 and placed under 'winding up recommended' status.

2. Industrial / Business Activities

NIL is engaged in the manufacturing of surveying equipments and device having its single operating unit at Kolkata, West Bengal. The enterprise has a workforce of 69 employees as on 31.3.2006.

3. Operational Profile

Major Products	Unit	Production during			% increase/ decrease over previous year
		2005-06	2004-05	2003-04	
Survey & Optical instruments	Rs. Lakhs	15.14	30.07	-	-49.65

4. Major Financial Highlights

Particulars	Performance during (Rs. in crore)			% increase/ decrease over previous year
	2005-06	2004-05	2003-04	
Turnover	1.28	3.67	3.67	-65.12
Cost of prod.	2.68	5.39	5.38	-50.28
Net Profit/Loss(-)	-1.6	-8.71	-8.7	-81.63
Net Worth	-245.78	-240.49	-240.49	2.2
Paid up capital	8.31	8.31	8.31	0
Share of Central Govt./holding co.	8.31	8.31	8.31	0

5. Key Performance Factors

The losses of the company has been reduced primarily for not providing interest on SBI loan and sales tax soft loan with Govt. of West Bengal since they have frozen the amount of their dues. The execution of orders has been affected due to acute shortage of working capital.

6. Strategic Issue

The company has made an appeal to AAIFR against the BIFR winding up order as per directions of administrative ministry. The case is still pending. Meanwhile Jadavpur and Calcutta Universities have expressed their interest to take over the assets and liabilities including the existing employees of NIL. The Govt. of West Bengal has authorized Jadavpur University to go ahead in taking over the assets and liabilities of NIL. The proposal is under the consideration of administrative ministry.

Praga Tools Ltd. (PTL)

1. Company Profile

PTL was incorporated in 1943 in the private sector. Government of India acquired controlling interest in the company in 1959 by subscribing its majority shares. Its main objective is to manufacture machine tools of international quality at reasonable cost. PTL is a Schedule-'C' / BIFR 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 45.40% shareholding by the Government. The company is a subsidiary of HMT Ltd., which is holding 53% of its shares since 1988. Its Registered and Corporate offices are at Secunderabad, Andhra Pradesh.

2. Industrial / Business Activities

PTL is engaged in manufacturing of machine tools/ accessories and CNC machining centers through its two operating units namely Machine Tools Division at Secunderabad and CNC Division at Hyderabad in Andhra

Pradesh. The enterprise is driven by a workforce of 554 employees as on 31.3.2006.

3. Operational Profile

Major Products	Unit	Production during (% Capacity Utilization)			%increase/ decrease over previous year
		2005-06	2004-05	2003-04	
Machine Tools	Nos.	268 (89)	246 (82)	225 (78)	8.94
CNC Machining Centres	Nos.	0 (0)	1 (8)	1 (8)	-100

4. Major Financial Highlights

Particulars	Performance during *(Rs. in crore)*			%increase/ decrease over previous year
	2005-06	2004-05	2003-04	
Turnover	10.91	10.34	7.64	5.51
Cost of prod.	22.92	48.01	43.36	-52.26
Net Profit/Loss(-)	116.51	-34.39	16.04	-438.79
Net Worth	-72.39	-278.38	-245.8	-74
Paid up capital	35	35	35	0
Share of Central Govt./holding co.	15.89	15.89	15.89	0

5. Key Performance Factors

- The variation in turnover and profitability is attributed to poor inflow of orders and lack of need based working capital. During the year the sale of assets amounting to Rs.9.01 crore is credited to PL account. Interest on GOI loans and ICDs withdrawn is also credited to PL A/c.
- The operation of Forge & Foundry Division at Balanagar was discontinued as it had negative contribution margin and now company is outsourcing all its casting requirements at cheaper / competitive rates with better credit line.

6. Strategic Issue

- BIFR revival plan was approved in 1999 and currently under implementation, which include Bank Guarantee, implementation of VRS, sale of surplus land etc. However, Request of the company to provide need based working capital was not accepted by the banker pending finalisation of Revival plan by Government of India. Immediate extension of Govt. guarantee to bank is required for maintaining normal operations. The revival package has been updated as per directive of BIFR and is submitted to Govt. / BRPSE for its approval.
- As envisaged in the revival plan for investment of Rs.10 crore towards modernization / up-gradation of technology / machinery against which GOI has released an amount of Rs. 5 crore.
- PTL has taken or proposed to take action for customized precision engineering component orders entering into MOU with HAL & LCA/ADA and BHEL/ECIL projects, considering potential for small range 3 in one Cutter Tool Grinder, Thread Rolling Machines, comprehensive marketing plan, thrust on export of machine tools etc.

7. Surplus assets

- The company proposed for disposal of surplus land at Kavadiguda by shifting the operations of the company from kavadiguda to Balanagar as envisaged in the revival plan. The estimate cost of surplus land is Rs.75 crore.

8. VRS / Outstanding dues

- During the year, 46 employees left the company out of which 45 availed of VRS and 1 left on other grounds. Till 31.3.2006, total 752 employees were releaved under VRS.

Rajasthan Electronics & Instruments Ltd. (REIL)

1. *Company Profile*

The REIL was incorporated in the year 1981 under the Companies Act, 1956 as a joint venture of Instruments Ltd. and Rajasthan Industries Development and Investment Corpn. 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 retaining 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 M/o Heavy Industries and Public Enterprises, D/o Heavy Industry, with its Registered and Corporate office at Jaipur, Rajasthan. REIL is a subsidiary of Instrumentation Ltd., which is holding its 51% equity.

2. Industrial / Business Activities

REIL is one of the joint venture ISO 9001 enterprises in the manufacturing of Agro dairy Electronic Items, Solar Photo voltaic / modules / systems, Electronic Energy meters, IT Solutions having its sole operating unit at Jaipur. The enterprise has a workforce of 194 employees as on 31.3.2006.

3. Production / Operational Profile

Major Products	Unit	Production during (% Capacity Utilization)			%increase/ decrease over previous year
		2005-06	2004-05	2003-04	
Electronic Milk Analysers	Nos.	7117 (158.15)	5556 (123.47)	4861 (108.02)	47
SPV Modules/ Systems	Nos.	865 (43.25)	1581 (79.05)	1068 (53.40)	53

4. Major Financial Highlights

Particulars	Performance during *(Rs. in crore)*			%increase/ decrease over previous year
	2005-06	2004-05	2003-04	
Turnover	59.74	57.33	53.03	4.2
Cost of prod.	57.68	54.73	51.24	5.39
Net Profit/Loss(-)	2.23	2	1.96	11.5
Net Worth	12.53	10.31	7.59	21.53
Paid up capital	2.25	1.25	1.25	80
Share of Central Govt./holding co.	1.15	0.64	0.64	80

5. Key Performance Factors

- The company achieved more than 100% capacity utilization. Total exports were amounted to Rs. 1.09 crore as against the import of Rs. 4.99 crore during 2005-06. The earning per share was Rs. 12.28 as against Rs. 16.01 during 2004-05. It achieved highest profit and turnover inspite of less availability of Solar Cells globally by sale of product having more value addition.
- Indigenisation of the imported components, reducing of finance cost by availing low cost finance on competitive rates and by keeping staff at minimum level, implementation of sigma approach, energy conservation, taking up R&D activities on regular basis and diversification were the measures taken for improving competitiveness.
- Company has 'Excellent' MOU rating during the year 2005-06.

6. Strategic Issues

- Company has proposed to major upgradation/modernization of Electronic and Information Technology divisions and also implementing ERP.
- The company received orders worth Rs. 59.91 crore during 2005-06 out of which orders amounting to Rs. 32.74 crore were from Government Departments/ organizations.

7. VRS/Outstanding dues

- During the year, 10 employees left the company out of which one on superannuation and 9 0n other grounds. None availed of VRS during 2005-06. Till 31.3.2006 only one employee availed of VRS.

Richardson and Cruddas Ltd. (R&C)

1. Company Profile

R&C was incorporated in the year 1972 under the provisions of the Richardson and Cruddas Ltd. (Acquisition and Transfer of Undertaking Act, 1972) with the objective of taking over the assets and liabilities of the old engineering company viz. R&C. The current objective of the company is to manufacture capital infrastructure engineering products. R&C is a Schedule-'C' / BIFR referred / takenover CPSE in Medium and Light Engineering sector under the administrative control of M/o Heavy Industries and Public Enterprise, D/o Heavy Industry having its registered and corporate office at Mumbai, Maharashtra. The company is a 100% subsidiary of Bharat Yantra Nigam Ltd. (BYNL).

2. Industrial / Business Activities

R&C is engaged in the manufacturing of medium and heavy structurals through its 4 operating units at Mumbai, Mulund (West) and Nagpur in Maharashtra and Chennai in Tamilnadu. The enterprise has a workforce of 74 employees as on 31.3.2006.

3. Operational Profile

Major Products	Unit	Production during			%increase/ decrease over previous year
		2005-06	2004-05	2003-04	
Structurals	MT	8024	3782	2302	112.16
Process Plant	MT	326	239	1547	36.40
Hand Pump	Nos.	979	4030	154	-75.71

4. Major Financial Highlights

Particulars	Performance during (Rs. in crore)			%increase/ decrease over previous year
	2005-06	2004-05	2003-04	
Turnover	26.13	26.16	20.1	-0.11
Cost of prod.	70.79	59.94	61.73	18.1
Net Profit/Loss(-)	-42.59	-33.06	-39.26	28.83
Net Worth	-172.44	-136.31	-111.67	26.51
Paid up capital	54.84	54.84	54.84	0
Share of Central Govt./holding co.	54.84	54.84	54.84	0

5. Key Performance Factors

- The net worth of the company was eroded completely during the financial year 1982-1983. A rehabilitation scheme was sanctioned at the time of formation of in holding company. Further, after reference of the company of BIFR in 1992, a rehabilitation package was sanctioned on 14.11.1995. Along with various relief given to the company, assets at Chennai were sold for Rs. 11 crore. But the company could not turn around and BIFR ordered for change of management though advertisement. ICICI, the operating agency gave wide publicity but could not get any positive results. BIFR revival scheme did not succeed and was declared as failed. BIFR has recommended 'winding up' of the company.

6. Strategic Issues

- The company is having infrastructure for Equipment fabrication for power, environment and power plant. The company was referred to BRPSE and on its recommendation the Government has approved revival through formation of joint venture.

7. VRS / Outstanding dues

- The total outstanding dues related to Salary and Wages and other statutory dues as on 31.3.2006 was Rs.163.30 crore.

Semi Conductor Complex Ltd. (SCCL)

1. Company Profile

SCCL was incorporated in 1978 under the Companies Act, 1956 with an objective to design, develop and manufacture very large-scale integrated circuits (VLSIs) to fulfill strategic needs of the country in the area of microelectronics. Company is a Schedule- 'B' CPSE in Medium and Light Engineering Sector under the administrative control of D/o Space with 100% shareholding by the Government of India. Its Registered and Corporate offices are at S.A.S. Nagar (Mohali) Punjab.

2. Industrial / Business Activities

SCCL is one of the pioneering enterprises in the Research & Development, VLSI manufacturing (wafer fabrication, testing, packaging), providing services (ASCI / MEMS / IT) and development of VLSI based systems / subsystem, Boards & Electronics Energy Meters through its one operating plant at Mohali, Punjab. The enterprise is driven by a workforce of 606 regular employees as on 31.3.2006.

3. Production / Operational Profile

Major Products	Unit	Production during (% Capacity Utilization)			% increase/ decrease over previous year
		2005-06	2004-05	2003-04	
Board Level Assembly Sub-system	Nos.	50.51	248.12	251.95	43.63
Services	Rs. in Cr.	-	-	-	36.42
Wafer Fabrication	Nos.	1.06	0.820	0.238	19.95
COB/ECBs	Nos.	360	58	128	
VLSI Packaging	Nos.	422.31	57.13	107.42	

4. Major Financial Highlights

Particulars	Performance during (Rs. in crore)			% increase/ decrease over previous year
	2005-06	2004-05	2003-04	
Turnover	26.41	30.43	50.1	-13.21
Cost of prod.	69.25	73	84.66	-5.14
Net Profit/Loss(-)	-15.53	-42.14	-23.69	-63.15
Net Worth	170.18	114.6	148.65	48.5
Paid up capital	188.41	188.41	188.41	0
Share of Central Govt./holding co.	188.41	188.41	188.41	0

5. Key Performance Factors

- Fall in turnover and profitability in 2005-06 is attributed to delay in development of some products as well as delay in confirmation of advance purchase orders due to price issue.
- The steps taken for increasing the competitiveness of the company's products include rationalizing the manpower, developing high end products offering better value addition and diversifying into emerging areas such as Micro Electro Mechanical Systems (MEMS).
- The company is having 75% of market shares in its products market in India.

6. Strategic Issues

- The administrative control of the company shifted from D/o Information Technology to D/o Space (DOS). The DOS has initiated the process of restructuring Semiconductor Complex Ltd. into a Society namely "Semi-Conductor Laboratory" under the Societies Registration Act, 1860. The necessary approvals of the Competent Authority have already been obtained as such the voluntary winding-up process of the SCCL has been initiated as per the provisions of the Companies Act, 1956.

7. VRS/Outstanding dues

- Up-till 31.3.2006 total 92 employees have taken VRS. During 2005-06, 18 persons left the company out of which 2 retired on superannuation and 16 left on other grounds. There are no outstanding dues in the company related to salary and wages and other statutory dues as on 31.3.2006.

Vignyan Industries Ltd. (VIL)

1. *Company Profile*

VIL was incorporated in the year 1965 as Private Ltd. company with Polish collaboration under the Companies Act, 1956 with an objective to manufacture steel casting for the railway, heavy engineering and steel ingots for Steel Rolling Mills. However company became sick in December, 1974. The Government of Karnataka took over the 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. The BEML acquired 74.45% share of VIL in October, thereby the company became a subsidiary of BEML. 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 Medium and Light Engineering sector under the administrative control of M/o Defence, D/o Defence Production and Supplies having its registered office at Tarikere, Karnataka and corporate office at Bangalore, Karnataka. The company was registered with BIFR since 1992-93. The BIFR sanctioned a rehabilitation package for revival of the company and after its implementation, the networth of VIL became positive. The BIFR declared the company as 'no longer sick' in May, 2003.

2. Industrial / Business Activities

VIL is one of the subsidiary enterprises in the production of steel castings for engineering industries, railways, constructions and infrastructure industries. Its only operating unit is at Tarikere, Karnataka. The enterprise has a workforce of 226 employees as on 31.3.2006.

3. Production / Operational Profile

Major Products	Unit	Production during			% increase/ decrease over previous years
		2005-06	2004-05	2003-04	
Steel Castings	Ton	3762 (94)	3168* (158)	2342* (117)	100

* Installed capacity was 2000 tonnes till 31.3.2005

4. Major Financial Highlights

Particulars	Performance during (Rs. in crore)			% increase/ decrease over previous year
	2005-06	2004-05	2003-04	
Turnover	24.85	18.55	13.01	33.96
Cost of prod.	23.44	17.92	13.03	30.8
Net Profit/Loss(-)	0.66	0.42	0.01	57.14
Net Worth	4.29	3.56	3.43	20.51
Paid up capital	2.79	2.79	2.79	0
Share of Central Govt./holding co.	2.69	2.69	2.69	0

5. Key Performance Factors

- The company has recorded tremendous growth in production, turnover, working capital, networth and reduction in inventory in number of days and Sundry Debtors etc.
- Earning per share was Rs. 23.62 during 2005-06.

6. Strategic Issues

- Optimization of resources, energy conservation and cost control were the measures taken by the company for improvement in profitability.
- The company could receive orders worth Rs. 21.92 crore from Government Departments/Organisations during 2005-06.

7. VRS/Outstanding dues

- During the year, 5 employees left the company out of which 2 on superannuation and 3 0n other grounds. None availed of VRS during 2005-06. During the year an ex-gratia payment of Rs. 6.14 lakh was made.

10 TRANSPORTATION EQUIPMENT

There were 10 enterprises in the public sector as on 31.3.2006 which were engaged in producing and selling of Transportation Equipments. The names 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 and Engineers Ltd.	1960
4.	Bharat Earth Movers Ltd.	1964
5.	Hindustan Aeronautics Ltd.	1964
6.	Central Inland Water Transport Corpn. Ltd.	1967
7.	Goa Shipyard Ltd.	1967
8.	Cochin Shipyard Ltd.	1972
9.	Scooters India Ltd.	1972
10.	Hooghly Dock and Port Engineers Ltd.	1984

2. The enterprises falling in this group are mainly engaged in manufacturing, repairings 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. Net Profit/(Loss) : The details of individual enterprises which earned net profit or sustained net loss (-) in ranking order are given below:

(*Rs. in crore*)

Sl. No.	Enterprise	Net Profit/(Loss) 2005-06	Net Profit/(Loss) 2004-05
1.	Hindsutan Aeronautics Ltd.	771.14	501.07
2.	Bharat Earth Movers Ltd.	186.93	175.28
3.	Garden Reach Shipbuilders and Engineers Ltd.	65.32	27.53
4.	Mazagon Dock Ltd.	60.10	69.14
5.	Cochin Shipyard Ltd.	18.23	12.10
6.	Goa Shipyard Ltd.	16.72	9.92
7.	Hindustan Shipyard Ltd.	6.19	(7.90)
8.	Scooters India Ltd.	1.56	1.39
9.	Hoogly Dock and Port Engineers Ltd.	(38.03)	(41.92)
10.	Central Inland Water Transport Corpn. Ltd.	(43.66)	(67.26)
	Total	**1044.50**	**679.35**

5. **Dividend :** The following enterprises declared dividend as per details given on next page :

(*Rs. in crore*)

Sl. No.	Enterprise	Dividend	
		2005-06	2004-05
1.	Hindustan Aeronautics Ltd.	200.50	100.21
2.	Bharat Earth Movers Ltd.	36.74	36.74
3.	Garden Reach Shipbuilders and Engineers Ltd.	12.38	11.02
4.	Mazagon Dock Ltd.	30.51	0.00
5.	Cochin Shipyard Ltd.	0.00	8.34
6.	Goa Shipyard Ltd.	6.40	6.40
	Total	**286.53**	**162.71**

6. Township and Social Overheads

The operating results of these enterprises after setting off township maintenance and other social overheads such as maintenance of schools, medical facilities, social overheads and cultural subsidies etc. are given below:

(*Rs. in crore*)

Sl. No.	Particulars	Township & Social Overheads	
		2005-06	2004-05
1.	Capital cost of Township	35.05	184.72
2.	Gross expenditure on Township	33.52	36.18
3.	*Less :* Rent receipt and other income	2.06	13.13
4.	Net expenditure on Township	31.46	23.05
5.	Social Overheads:	22.73	104.22
6.	Total Social Overheads	54.19	127.27
7.	No. of employees	65256	66170
8.	Per capita expend. on Social Overheads (Rs.)	8304	19234
9.	No. of houses constructed	4684	4679
10.	No. of houses under construction	0	0
11.	Housing satisfaction (%)	7.2	7.1

7. To appreciate the performance of each enterprise falling in this group, the details about their financial position, working results and important mangement ratios for three years are given in Volume-III.

TRANSPORTATION EQUIPMENT

SUMMARISED BALANCE SHEET

(Rs. in Lakhs)

PARTICULARS	2005-06	2004-05	2003-04
AUTHORISD CAPITAL	140373	134372	131372
I. SOURCES OF FUNDS			
(1) SHAREHOLDERS FUND			
(A) PAID-UP CAPITAL			
CENTRAL GOVT.	114690	113619	112738
OTHERS	3087	2613	2613
(B) SHARE APPLICATION MONEY	1379	704	301
(C) RESERVES & SURPLUS	453144	374793	318034
TOTAL (A)+(B)+(C)	572300	491729	433686
(2) LOAN FUNDS			
(A) SECURED LOANS	59618	64777	51258
(B) UNSECURED LOANS	175259	169730	160551
TOTAL (A)+(B)	234877	234507	211809
(3) DEFERRED TAX LIABILITY	106734	48221	30181
TOTAL (1)+(2)+(3)	913911	774457	675676
II. APPLICATION OF FUNDS			
(1) FIXED ASSETS			
(A) GROSS BLOCK	532303	435584	357065
(B) LESS: DEPRECIATION	206320	196506	185356
(C) NET BLOCK	325983	239078	171709
(D) CAPITAL WORK IN PROGRESS	39385	30701	15249
TOTAL (C)+(D)	365368	269779	186958
(2) INVESTMENTS	1763	1410	1370
(3) CURRENT ASSETS, LOANS & ADVANCES			
(A) INVENTORIES	951883	758336	617486
(B) SUNDRY DEBTORS	272466	221584	183872
(C) CASH & BANK BALANCES	1593834	1168844	890540
(D) OTHER CURRENT ASSETS	21191	17676	10224
(E) LOAN & ADVANCES	663835	481182	335047
TOTAL (A+B+C+D+E)	3503209	2647622	2037169
LESS:CURRENT LIABILITIES & PROVN.			
(A) CURRENT LIABILITIES	3283106	2431896	1805403
(B) PROVISIONS	89178	90653	84652
TOTAL (A+B)	3372284	2522549	1890055
NET CURRENT ASSETS	130925	125073	147114
(4) DEFERRED REVENUE/PRE.EXPENDITURE	175655	178721	147910
(5) DEFERRED TAX ASSET	36641	3443	3600
(6) PROFIT & LOSS ACCOUNT (DR)	203559	196031	188724
TOTAL (1+2+3+4+5+6)	913911	774457	675676

TRANSPORTATION EQUIPMENT

SUMMARISED PROFIT AND LOSS ACCOUNT

(Rs. in Lakhs)

PARTICULARS	2005-06	2004-05	2003-04
INCOME			
SALES/OPERATING INCOME	961866	819786	696219
EXCISE DUTY	18105	14721	11771
NET SALES	943761	805065	684448
OTHER INCOME/RECEIPTS	93281	48710	43208
ACCRETION/DEPLETION IN STOCKS	77347	56738	20567
TOTAL	1114389	910513	748223
EXPENDITURE			
PURCHASE OF FINISHED GOODS/ CONSUMPTION OF RAW MATERIALS	572878	455867	347496
STORES & SPARES	9973	5210	5355
POWER & FUEL	15547	14357	14188
MANUFACTURING/DIRECT/OPERATING EXPENSES	21473	17508	15626
SALARY,WAGES AND BENEFITS/EMPLOYEE EXPENDITURE	179997	175095	170485
OTHER EXPENSES	82786	70440	78908
PROVISIONS	33297	23105	15794
TOTAL	915951	761582	647852
PROFIT BEFORE DEP, INTEREST, TAXES, EXTRA-ORDINARY ITEMS & PPA(PBDITEP)	198438	148931	100371
DEPRECIATION	12755	12329	10812
DRE/PREL. EXPENSES WRITTEN OFF	15673	10903	11674
PROFIT BEFORE INTEREST, TAXES, EXTRA-ORDINARY ITEMS & PPA (PBITEP)	170010	125699	77885
INTEREST			
ON CENTRAL GOVERNMENT LOANS	6165	6621	4860
ON FOREIGN LOANS	138	245	512
OTHERS	6584	5873	6322
LESS INTEREST CAPITALISED	37	78	47
CHARGED TO P & L ACCOUNT	12850	12661	11647
PROFIT BEFORE TAX, EXTRA-ORDINARY ITEMS & PPA (PBTEP)	157160	113038	66238
TAX PROVISIONS	55831	44811	27163
NET PROFIT/LOSS BEFORE EXTRA-ORDINARY ITEM	101329	68227	39075
NET EXTRA-ORDINARY ITEMS & PRIOR PERIOD ADJUSTMENT	-3121	292	9733
NET PROFIT/LOSS(-)	104450	67935	29342
DIVIDEND DECLARED	28653	16271	11433
DIVIDEND TAX	4029	2229	1469
RETAINED PROFIT	71768	49435	16440

TRANSPORTATION EQUIPMENT

MANAGEMENT RATIO

DETAILS	2005-06	2004-05	2003-04
GENERAL (RS. IN LAKHS)			
INVESTMENT	328926	322127	316142
CAPITAL EMPLOYED	456908	364151	318823
NET WORTH	193086	116977	97052
COST OF PRODUCTION	957229	797475	681985
COST OF SALES	879882	740737	661418
VALUE ADDED	422710	386369	337976
R AND D EXPENDITURE	45630	32623	32437
PERSONNEL			
EMPLOYEES(OTHER THAN CASUAL) (NOS)	65256	66170	68397
AVERAGE MONTHLY EMOLUMENTS PER EMPLOYEE(Rs)	22986	22051	20772
INVENTORIES (IN TERMS OF NO. OF DAYS)			
TOTAL INVENTORY : SALES	368	344	329
SEMI/FINISHED GOODS : SALES	191	194	202
FINANCIAL RATIOS (%)			
SALES : CAPITAL EMPLOYED	206.55	221.08	214.68
MATERIAL COST : COST OF PRODUCTION	59.85	57.16	50.95
MANPOWER COST : COST OF PRODUCTION	18.80	21.96	25.00
COST OF SALES: SALES	93.23	92.01	96.64
PBDITEP : CAPITAL EMPLOYED	43.43	40.90	31.48
PBITEP : CAPITAL EMPLOYED	37.21	34.52	24.43
PBITEP : SALES	18.01	15.61	11.38
PROFIT BEFORE TAX & EP(PBTEP): NET WORTH	81.39	96.63	68.25
NET PROFIT : NET WORTH	54.10	58.08	30.23
R AND D EXPENDITURE : SALES	4.83	4.05	4.74
SUNDRY DEBTORS : SALES (NO. OF DAYS)	105	100	98

Bharat Earth Movers Ltd. (BEML)

1. *Company Profile*

BEML was incorporated in the year 1964 under the Companies Act, 1956 with an objective to provide total engineering solutions for defence, earth moving and infrastructure sectors. The current objective of the company is to maintain dominant position in design, development, manufacture and marketing of Defence, Earthmoving and Construction equipment. Company is a Schedule-'B' / CPSE in 'Transportation Equipment' sector under the administrative control of M/o Defence with 61.23% shareholding by the Government. Its Registered and Corporate offices are at Bangalore (Karnataka).

2. *Industrial / Business Activities*

BEML is engaged in manufacturing and supply of wide range of construction & mining equipments, Railway & Metro coaches, Defence vehicles through its eight manufacturing units at three operating complexes at Bangalore, Kolar Gold fields and Mysore. The company also offers e-engineering solutions, trading & contract mining. It has one subsidiary namely Vignyan Industries Limited. The enterprise is driven by a workforce of 11975 employees 31.3.2006.

3. *Production / Operational Profile*

Major Products	Unit	Production during (% Capacity Utilization)			% increase/ decrease over previous year
		2005-06	2004-05	2003-04	
EM Equipments	Nos.	802 (53)	692 (46)	484 (32)	15.90
Defence aggregates & others*	Nos.	708	642	1137	10.28
BEML Tatra Trucks & other Defence Products	Nos.	477 (24)	427 (21)	1024 (51)	11.71
Railway Products	Nos.	302 (76)	342 (86)	323 (81)	- 11.70

* Defence aggregates others consist of BMP Transmissions, Engineering Mine Plough, Ejector & Aircleaner Assy., Diesel Engines etc.

4. *Major Financial Highlights*

Particulars	Performance during (Rs. in crore)			% increase/ decrease over previous year
	2005-06	2004-05	2003-04	
Turnover	2059.54	1732.79	1672.19	18.86
Cost of prod.	1819.15	1549.62	1591.87	17.39
Net Profit/Loss(-)	186.93	175.28	24.17	6.65
Net Worth	853.91	694.39	568.88	22.97
Paid up capital	36.87	36.87	36.87	0
Share of Central Govt./holding co.	22.5	22.5	22.5	0

5. *Key Performance Factors*

- The overall business scenario in Mining & construction sector has improved and the company has also improved its market share in this sector. The other reasons for performance improvement are attributed to improved productivity and better control on finances, closer control on costs of input materials and discontinuance of non-profit making product lines / balancing the product mix.
- Company has 'Excellent' MOU rating during the year 2005-06.
- The market price of the company's shares was between Rs.361 to Rs. 1785 during the year 2005-06 as compare to Rs.99 to 376 during 2004-05.
- The market share of the company was 74%, 60%, 18%, 2% and 2% in Dozers, Dumpers, Motor Graders, Excavators and Loaders respectively during 2005-06.
- Earning Per share was Rs. 50.87 during the year as compared to Rs. 47.70 in the previous year.

6. *Strategic Issues*

- Company has expanded its operations by creating technology division for offering e-engineering solutions and a trading division for trading non company products.
- A number of high technology products and aggregates for construction & mining, defence, railways, urban transport sectors have been designed, developed and

productionalized during the year. R&D expenditure during 2005-06 was Rs. 19.14 crore which was 0.88% of the turnover.

7. *Separation of employees*

During 2005-06 total 214 employees left the company out of which 177 retired on superannuation and 37 left on other grounds. None of the employees have taken VRS during the year. The company paid Rs. 9.06 crore as ex-gratia.

Central Inland Water Transport Corp. Ltd. (CIWTC)

1. *Company Profile*

CIWTC was incorporated on 22.2.1967 under the Companies Act, 1956 by taking over the assets of the erstwhile Rivers Steams Navigation Company Ltd. with an objective to utilize the Inland Water Transport (IWT) mode of transportation as an operator. CIWTC is a Schedule-'C' / sick takenover CPSE in Transport Equipment sector under the administrative control of M/o Shipping, Road Transport and Highways, Department of Shipping with 99.78% shareholding by the Government of India. Its registered and corporate offices are at Kolkata, West Bengal.

2. *Industrial / Business Activities*

CIWTC is one of the sick takenover enterprises engaged in small and medium size shipbuilding and shiprepair / transportation of Cargo through IWT routes and Bangladesh, through its two operating units namely River Service division and Rajabagan Dockyard at Kolkata, West Bengal. The enterprise has a workforce of 897employees as on 31.3.2006.

3. *Production / Operational Profile*

Major Products	Unit	Production during (% Capacity Utilization)			% increase/ decrease over previous year
		2005-06	2004-05	2003-04	
IWT Transportation of Cargo	M/T	85266 (88)	54502 (56)	66158 (68)	56.45
IWT Ship repairing	Rs. Lakhs	364.69 (61)	432.40 (72)	562.75 (94)	-15.66

4. *Major Financial Highlights*

Particulars	Performance during *(Rs. in crore)*			% increase/ decrease over previous year
	2005-06	2004-05	2003-04	
Turnover	13	6.56	5.32	98.17
Cost of prod.	65.99	75.49	59.48	-12.58
Net Profit/Loss(-)	-43.66	-67.26	-147.91	-35.09
Net Worth	-284.68	-241.24	-181.32	18.01
Paid up capital	130.45	130.45	124.99	0
Share of Central Govt./holding co.	130.17	130.17	124.71	0

5. *Key Performance Factors*

The company has resorted to outsourcing of job at RBO in order to overcome time and cost overrun of the project and in case of river services division 13 vessels have been given to different parties on charter hire to increase the revenue earning.

6. *Strategic Issues*

Revival scheme for the company was sanctioned by the Government Of India in 2001 with a total financial implication of Rs. 474 crore. Government of India has approved a new revival scheme for the company on the basis of the recommendations of BRPSE on 1.12.2005 with a cash assistance of Rs.73.6 crore and non-cash assistance of Rs.280 crore. The recommendation of revival plan includes handing over Rajabagan Dockyard along with its existing manpower (371 employees), assets and liabilities to Garden Reach Shipbuilders & Engineers Limited (GRSE) or to any other CPSE on outright purchase / long term lease / management contract basis in a transparent manner to be overseen by a Group of Secretaries. Introduction of VRS to bring down the manpower level of CIWTC (minus RBD) to 43 from the existing level of 1080 and disinvestment of CIWTC minus RBD in favour of private parties after implementation of the above.

7. *VRS / Outstanding dues*

During 2005-06, 239 employees have left the company out of which 186 availed of

VRS, and 53 retired on superannuation. Uptill 31.3.2006, total 2161 employees have taken VRS.

Cochin Shipyard Ltd. (CSL)

1. *Company Profile*

CSL was incorporated in the year 1972 under the Companies Act, 1956 with an objective to take over the erstwhile Cochin Shipyard Project. CSL is a Schedule-'B' / CPSE in Transport Equipment sector under the administrative control of M/o Shipping with100% shareholding by the Government of India. Its registered and corporate offices are at Kochi, Kerala.

2. *Industrial / Business Activities*

CSL is engaged in shipbuilding, ship repair and Marine Engineering Training. It has the largest shipyard in the country with its operating unit at Kochi, Kerala. The enterprise has a workforce of 2075 employees as on 31.3.2006.

3. *Production / Operational Profile*

Major Products/ Services	Unit	Production during (% Capacity Utilization)			% increase/ decrease over previous year
		2005-06	2004-05	2003-04	
Shipbuilding	DWT	110206 (73.47)	62517 (41.68)	25125 (16.75)	76.28
Ship repair	Rs. Lakhs	15127	14802	18985	2.20

4. *Major Financial Highlights*

Particulars	Performance during (Rs. in crore)			% increase/ decrease over previous year
	2005-06	2004-05	2003-04	
Turnover	373.53	276.48	228.44	35.1
Cost of prod.	428.68	306.16	237.44	40.02
Net Profit/Loss(-)	18.23	12.1	17.78	50.66
Net Worth	287.49	269.26	266.61	6.77
Paid up capital	232.42	232.42	232.42	0
Share of Central Govt./holding co.	232.42	232.42	232.42	0

5. *Key Performance Factors*

- Despite imposition of Service tax at 12.24% on Ship Repair activities and slowing down of Aircraft Carrier project due to non-availability of special steel under indigenous development by SAIL and India Navy, CSL had improved its financial performance. The introduction of new and latest products in the Bulk carrier and offshore supply vessel sectors affected the profitability.
- During the year the company received orders worth Rs.275.90 crore for supplying of 4 Rolls-Royce UT 755-L type Platform Supply Vessel. Against stiff international competition CSL has also secured major repair orders from ONGC Ltd. for three rigs.
- Company has 'Very Good' MOU rating during the year 2005-06.

6. *Strategic Issues*

- Infrastructure facilities like mobile aerial access platform for safety and speed in working; 100 T Transporter, 20 T Mobile Cranes; Dock Arms for Shiprepair; SSD bay with 50 T crane; Automatic Pipe Profile cutting machine; and 40 T LLTT Crane are being set up to improve productivity.

Garden Reach Shipbuilders & Engineers. Ltd. (GRSE)

1. *Company Profile*

GRSE was incorporated in the year 1934 under Indian Companies Act, as Garden Reach Workshop Ltd. The company was taken over by Government of India in 1960 due to its strategic potential and to achieve self-sufficiency in the defence requirements. The company was renamed as GRSE 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. The primary objective of the company is to construct warships and auxiliary vessels for the Navy and the Coast Guard. GRSE is a Schedule-'B'-Mini Ratna / takenover CPSE in Transportation Equipment sector under the administrative control of M/o Defence, D/o Defence Production & Supplies with 100% shareholding by the Government of India. Its registered and corporate offices are at Kolkata, West Bengal.

2. Industrial / Business Activities

GRSE is engaged in shipbuilding, ship repair, general engineering, and manufacturing of pump and diesel engine etc. through its 6 operating units at Kolkata and Ranchi. The enterprise has a workforce of 5088 employees as on 31.3.2006.

3. Production / Operational Profile

Major Products/ Services	Unit	Production during (% Capacity Utilization)			%increase/ decrease over previous year
		2005-06	2004-05	2003-04	
Ship building	Ton	2998 (93)	2939 (54)	3043 (56)	2
General Engg.	Ton.	3805 (152)	4202 (168)	3306 (132)	-9.45
Pump	No.	378 (53)	454 (63)	568 (79)	- 16.74
Diesel Engine	No.	4 (11)	8 (22)	4 (11)	-50

4. Major Financial Highlights

Particulars	Performance during *(Rs. in crore)*			%increase/ decrease over previous year
	2005-06	2004-05	2003-04	
Turnover	980.64	876.44	386.95	11.89
Cost of prod.	600.04	452.66	481.29	32.56
Net Profit/Loss(-)	65.32	27.53	29.31	137.27
Net Worth	349.98	298.79	283.89	17.13
Paid up capital	123.84	123.84	123.84	0
Share of Central Govt./holding co.	123.84	123.84	123.84	0

5. Key Performance Factors

- 80-85% of the total production comes from ship repairing and shipbuilding catering mainly to the Indian Navy and Coast Guard.
- With a sound corporate policy based on consolidation, optimally controlled diversification and skill utilization, the company has graduated in building modern high-tech warships. During the year turnover as well as profit margins have increased. The company spent Rs. 4.68 crore on R&D during the year 2005-06.
- Company has 'Very Good' MOU rating during the year 2005-06.

6. Strategic Issues

- GRSE has acquired Rajabagan Dockyard of Central Inland Water Transport Corporation with a view to enhance shipbuilding capacity.
- ERP system covering design, material and production has already been introduced for ship division.

7. VRS / Outstanding dues

- During the year, 465 employees left the company out of which 64 availed of VRS, 361 retired on superannuation and 40 left on other grounds. Since the year 2000-01 up-to 31.3.2006, total 840 employees have taken VRS. There was no outstanding dues as on 31.3.2006.

Goa Shipyard Limited (GSL)

1. Company Profile

The GSL was established in 1957 as a small barge repair facility by the Portuguese and later on it was leased to Mazagaon Dock Ltd. till 1967 following the liberation of Goa in 1961. It was renamed as Goa Shipyard Limited in 1967. GSL was created with an objective to produce quality ships and hi-tech components for defence and commercial sectors at competitive prices. GSL is a Schedule-'B'/ takenover CPSE in Transport Equipment sector, under the administrative control of M/o Defence, Department of Defence Production with 51.09% shareholding by the Government. Its Registered and Corporate offices are at Vasco Da Gama, Goa. 47.21% equity of GSL is held by the Mazagon Dock Ltd.

2. Industrial / Business Activities

GSL is engaged in shipbuilding, ship repair (defence and commercial) and Engineering

Services from its one shipyard at Vasco Da Gama (Goa). The product range of the shipyard comprises of Fast Patrol Vessel, Offshore Patrol Vessel, Advanced Offshore Patrol Vessel, Missile Craft, Sail Training Ship, Survey Vessel, Extra Fast Attack Craft, Landing Craft Utility etc. The enterprises has a workforce of 1543 employees as on 31.3.2006.

3. Production / Operational Profile

Major Products/ Services	Unit	Production during			% increase/ decrease over previous year
		2005-06	2004-05	2003-04	
Ship Const.	Rs.Cr.	228.81	102.06	-	124.19
Ship Repairs	Rs.Cr.	15.19	10.84	-	40.13
General Engineering	Rs.Cr.	5.78	27.68	-	-79.12

4. Major Financial Highlights

Particulars	Performance during *(Rs. in crore)*			% increase/ decrease over previous year
	2005-06	2004-05	2003-04	
Turnover	106.96	83.49	296.92	28.11
Cost of prod.	240.28	140.18	186.72	71.41
Net Profit/Loss(-)	16.72	9.92	31.88	68.55
Net Worth	184.71	175.29	172.61	5.37
Paid up capital	29.1	19.4	19.4	50
Share of Central Govt./holding co.	14.87	9.91	9.91	50

5. Key Performance Factors

- During 2005-06, GSL has achieved highest value of production of Rs. 249.78 crore ever since its inception as compared to Rs. 141.83 crore in the previous year.
- Financial performance is linked to the actual execution of construction of Vessels and delivery, this activity range between 18 to 36 months. During 2005-06 two FPVs have been delivered, 5-6 months ahead of contractual delivery schedules.
- All the vessels that are under construction have been designed with GSL own in-house design capability. This provides the flexibility to customize the vessels as per customer's requirements.
- The yard has increased its capacity utilisation to 65.91 % in the year 2005-06 from 53.43% in the previous year (2004-05). The capacity utilization for the months of April-July'06 is 104.20%. The trend of enhanced capacity utilization to 100% and above is likely to continue through out the year 2006-07.
- Company has 'Very Good' MOU rating during the year 2005-06.

6. Strategic Issues

- GSL has been nominated for series construction of Mine Counter Measure Vessels (MCMV) for Indian Navy. In view of this, setting up of dedicated facilities has been catered in the modernization plan. GSL has also been nominated for construction of 1 no. Sail Training Ship by Indian Navy.
- As on 31.3.2006, the net value of outstanding work against orders received for ship construction, ship repair / refit work and General Engineering Services amounted to Rs.2179 crore (approximately).
- However, the present order book caters for gainful employment of the shipyard till December 2010. Additional orders for construction need to be contracted before this deadline. In fact the fabrication and erection bays and shops of the yard will be under loaded from mid 2008 and there will be no fabrication / erection job in hand from early 2009 warranting finalization of contracts for additional ships by later half of 2008 to cater for lead time of procurement etc.

Hindustan Aeronautics Ltd. (HAL)

1. *Company Profile*

HAL was incorporated on 1.10.1964 by merging Hindustan Aircraft Ltd. registered in 1940 with Aeronautics India Ltd. registered in 1963. HAL was created with an objective to manufacture and overhaul the agreed number of aircrafts, aero-engineers and rotubles as required by the Defence Services and Coast Guards and to become a global player in the Aerospace Industry. Company is a Schedule-'A' / Mini-ratna CPSE in 'Transporation 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 Bangalore, Karnataka.

2. *Industrial / Business Activities*

The main activities of HAL include design and development, manufacturing, up-gradation and overhauling of aircraft (fighters, trainers and transport), helicopters and associated aero-engines, accessories and avionics for both military and civil applications through its 16 production units located at Bangalore (Karnataka), Nasik (Maharashtra), Koraput (Orissa), Lucknow, Korwa and Kanpur in U.P. and Hyderabad (A.P.). There are also 9 R&D centers co-located with these units. The company has three joint ventures namely Indo Russian Aviation Ltd., BAeHAL Software Ltd. and Snecma HAL Aerospace Pvt. Ltd. with an equity participation of 48%, 49% and 50% respectively. The enterprise has a workforce of 29668 employees as on 31.3.2006.

3. *Production / Operational Profile*

Major Products	Unit	Production during (% Capacity Utilization)			% increase/ decrease over previous year
		2005-06	2004-05	2003-04	
Production in terms of Standard Man Hours (SMH)	SMH	260 (97)	259 (95)	247 (94)	0.04

4. *Major Financial Highlights*

Particulars	Performance during (Rs. in crore)			% increase/ decrease over previous year
	2005-06	2004-05	2003-04	
Turnover	5341.5	4533.8	3799.79	17.82
Cost of prod.	5352.91	4476.49	3358.52	19.58
Net Profit/Loss(-)	771.14	501.07	409.79	53.9
Net Worth	1440.85	882.07	799.72	63.35
Paid up capital	120.5	120.5	120.5	0
Share of Central Govt./holding co.	120.5	120.5	120.5	0

5. *Key Performance Factors*

- The company is mainly catering to Indian defence forces in monopolistic conditions. During 2005-06 HAL produced a total of 41 new aircraft / helicopters, 48 aircraft were upgraded and 158 aircraft / helicopters & 538 engines were overhauled.
- Out of total turnover of Rs,.5341.50 crore the share of exports was only Rs.185 crore during the year. The company has spent Rs.433.58 crores on R&D which is 8.11% of total turnover.
- All production divisions of HAL have ISO 9001-2000 accreditations and 10 divisions have obtained ISO 14001-1996 Environment Management System certifications.
- Earning Per Share was Rs. 64 during 2005-06 as compared to Rs. 41.58 in the previous year.
- Company has 'Excellent' MOU rating during the year 2005-06.

6. *Strategic Issues*

- Systemic approach for indigenous development of high value of imported items and LRUs, critical castings and forgings, special process, embarking on 'Lean Management' and ERP techniques etc. measures were taken for achieving higher level of operational excellence and productivity and cost control.
- A joint venture company with Snecma

France set up in Oct., 2005 to produce precision aero-engine components for world market is schedule to commence manufacturing operations in Oct., 2006 .

- Export of products of the company under competitive environment may fuel its growth.

7. VRS / Outstanding dues

- None of the employee opted for VRS during 2005-06. Up-to 31.3.2005 a total of 3486 employees have taken VRS. There was no outstanding dues as on 31.3.2006.

Hindustan Shipyard Ltd. (HSL)

1. *Company Profile*

HSL set up in 1941 under the Indian Companies Act in the Private sector was taken over by the Government in 1952. 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 improve the financial performance and profitability. The company is a Schedule-'B' / taken over CPSE in 'Transport Equipment' sector under the administrative control of M/o Shipping, Road Transport and Highways with 100% shareholding by the Government. Its Registered office is at Delhi and Corporate office at Visakhapatnam, Andhra Pradesh.

2. Industrial / Business Activities

Main activities of HSL are shipbuilding, Ship Repair, Submarine Retrofit, offshore platforms construction and structural fabrication. The company has its operating yards at Visakhapatnam, Andhra Pradesh. The enterprise has a workforce of 3523 employees as on 31.3.2006.

3. Production / Operational Profile

Major Products/ Services	Unit	Production during (% Capacity Utilization)			% increase/ decrease over previous year
		2005-06	2004-05	2003-04	
Shipbuilding	DWT	1.85 (53)	1.47 (42)	0.49 (14)	63
Shiprepairs	Rs.Cr.	-	-	-	33
Submarine Retrofit	Rs.Cr.	-	-	-	4

DWT=Dead Weight Tonnage

Up to 31.3.2006 HSL has constructed and delivered 137 vessels consisting of ocean going merchant vessels, tugs, passenger vessels, survey vessels, naval vessels, drill ship, floating crane and other small crafts.

4. Major Financial Highlights

Particulars	Performance during (Rs. in crore)			% increase/ decrease over previous year
	2005-06	2004-05	2003-04	
Turnover	237.25	225.25	118.91	5.33
Cost of prod.	308.28	245.69	177.64	25.48
Net Profit/Loss(-)	6.19	-7.9	-52.03	-178.35
Net Worth	-1012.75	-1026.44	-1026.05	-1.33
Paid up capital	136.81	131.81	129.31	3.79
Share of Central Govt./holding co.	136.81	131.81	129.31	3.79

5. Key Performance Factors

- HSL has turned to profit during 2005-06 from a loss incurring enterprise in the previous years.
- The Earning Per Share was Rs. 42.93 during 2005-06.
- Improved performance during the year is mainly due to good performance in shipbuilding division by improving the productivity levels and rationalization of manpower.
- Steps are being taken to reduce the administrative costs, conserve energy, increase productivity through better utilization of human resources to reduce the production cost. Etc. Latest plant and machinery is being procured to up grade the technology through GOI – plan funds.
- Company has 'Fair' MOU rating during the year 2005-06.

6. Strategic Issues

- A financial restructuring proposal is under consideration of the Government.
- 50,000 fully paid up shares of Rs.1000 each were issued to the Government of India during the year 2005-06.
- HSL has orders worth Rs.1727.15 crore as on 31.3.2006 for building different capacities of vessels. It has been getting continuous orders from Coast Guard, Indian Navy, DCI, SCI, VPT, ONGC etc. for ship repairs. The company has order worth Rs. 523 crore for medium repair-cum-modernization of 877 EKM submarine of Indian Navy Yard no. 01315

7. VRS/Outstanding dues

- During 2005-06 24 employees retired on superannuation and none availed of VRS. However, up-to 31.3.2006 total 2940 employees have availed of VRS.
- There were outstanding dues of Rs. 5.56 crore as on 31.3.2006 out of which Rs. 1.79 crore were on salary and wages, Rs. 2.27 crore on statutory due and Rs. 1.50 crore on other ground.

Hooghly Dock & Port Engineers Ltd. (HDPEL)

1. Company Profile

HDPEL was incorporated in the year 1984 under the Hooghly Docking and Engineering Co. Ltd. (Acquisition and Transfer of Undertakings) Act, 1984 with the objective of acquiring the business of the Hooghly Docking and Engineering Co. Ltd., one of the oldest shipyards in India. HDPEL is a Schedule-'C' sick 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.

2. Industrial / Business Activities

HDPEL is engaged in shipbuilding and ship repairing through its 2 operating units at Howrah, West Bengal. The enterprise has a workforce of 718 employees as on 31.3.2006.

3. Production / Operational Profile

Major Products/ Services	Unit	Production during (% Capacity Utilization)			%increase/ decrease over previous year
		2005-06	2004-05	2003-04	
Ship building	Ton.	N/A	321 (29)	653 (59)	-
Ship repairing	No.	N/A	25 (167)	7 (47)	-

The Company has not provided the data of Production for 2005-06

4. Major Financial Highlights

Particulars	Performance during (Rs. in crore)			%increase/ decrease over previous year
	2005-06	2004-05	2003-04	
Turnover	17.29	17.55	9.65	-1.48
Cost of prod.	45.39	62.95	63.13	-27.9
Net Profit/Loss(-)	-38.03	-41.92	-30.65	-9.28
Net Worth	-327.26	-289.94	-248.85	12.87
Paid up capital	26.61	25.86	25.01	2.9
Share of Central Govt./holding co.	26.61	25.86	25.01	2.9

5. Key Performance Factors

- Cost effective measures are to be taken to match the time-schedule with respect to production targets.
- Presently HDPEL is taking orders on competitive basis.

6. Strategic Issues

- Efforts for leasing out non-performing foundry shop since 1999 with an estimated value of Rs. 1.19 crore have been taken without success.
- Restructuring / revival plan is under consideration of the BRPSE/Government. Up-till 31.3.2006 a total of 877 employees have taken VRS.

Mazagon Dock Ltd. (MDL)

1. *Company Profile*

MDL was a ship repair yard incorporated in the year 1934 and taken over by the Government of India in 1960 with an objective to cater to the needs of Defence sector. The current objective of the company is to achieve reasonable return on investment. MDL is a Schedule-'A' CPSE in Transportation Equipment sector under the administrative control of M/o Defence, D/o Defence Production and Supply with 100% shareholding by the Government of India. Its registered and corporate offices are at Mumbai, Maharashtra.

2. *Industrial / Business Activities*

MDL is engaged in construction of Naval ships, submarines, Coast Guard ships, merchant vessels, fabrication of offshore platforms etc. through its 3 operating units at Mumbai and Nhova in Maharashtra. The enterprise has a workforce of 8090 employees as on 31.3.2006.

3. *Production / Operational Profile*

Major Products/	Unit	Production during (% Capacity Utilization)			%increase/ decrease over previous year
		2005-06	2004-05	2003-04	
Ship Construction	Ship Unit	9.34 (79.41)	8.92 (75.85)	3.16 (33.16)	4.71

4. *Major Financial Highlights*

Particulars	Performance during (Rs. in crore)			%increase/ decrease over previous year
	2005-06	2004-05	2003-04	
Turnover	164.29	177.47	191	-7.43
Cost of prod.	552.45	534.83	522.93	3.29
Net Profit/Loss(-)	60.1	69.14	7.92	-13.07
Net Worth	373.41	348.1	278.96	7.27
Paid up capital	298.18	298.18	298.18	0
Share of Central Govt./holding co.	298.18	298.18	298.18	0

5. *Key Performance Factors*

- The company has successfully launched the third Steelth Frigate and first follow-on Destroyer in May, 2005 and March, 2006 respectively.
- During the year work of Medium Refit-cum-modernization of one SSK class submarine completed and carried out the special repairs of another.
- The Company has 'Very Good' MOU rating during the year 2005-06.

6. *Strategic Issues*

- The company is in the process of carrying out modernization named "Mazdock Modernisation Project (MMP)" which includes creation of facilities viz. wet basin, workshop etc.

Scooters India Ltd. (SIL)

1. *Company Profile*

SIL was incorporated in the year 1972 under the Companies Act, 1956 with an objective to manufacture two wheelers and three wheelers. The current objective of the company is to provide economical and safe mode of transportation with contemporary technologies for movement of cargo and people. Company is a Schedule-'B' / BIFR referred CPSE in Transport Equipment sector under the administrative control of M/o Heavy Industries and Public Enterprises, D/o Heavy Industry with 95.37% shareholding by the Government. Its Registered and Corporate offices are at Lucknow, U.P. BIFR has declared SIL, no longer sick.

2. *Industrial / Business Activities*

SIL is engaged in developing / manufacturing / marketing of three wheelers and quality engineering products through its single operating unit at Lucknow, U.P. and 5 Zonal/ Regional Offices at Delhi, Kolkata, Hyderabad, Pune and Chennai. The enterprise has a workforce of 1679 employees as on 31.3.2006.

3. *Production / Operational Profile*

Major Products	Unit	Production during (% Capacity Utilization)			% increase/ decrease over previous year
		2005-06	2004-05	2003-04	
Three Wheelers	Nos.	15632 (94.74)	12863 (77.96)	15494 (93.90)	21.53

4. *Major Financial Highlights*

Particulars	Performance during *(Rs. in crore)*			% increase/ decrease over previous year
	2005-06	2004-05	2003-04	
Turnover	143.61	120.82	135.31	18.86
Cost of prod.	159.12	130.68	140.83	21.76
Net Profit/Loss(-)	1.56	1.39	3.16	12.23
Net Worth	65.2	59.49	56.07	9.6
Paid up capital	42.99	42.99	42.99	0
Share of Central Govt./holding co.	41	41	41	0

5. *Key Performance Factors*

- Three wheelers industry during 2005-06 has grown up by 16.91%, SIL has also registered growth in line with industry. The market share of the major products of the company during the year 2005-06 was 5% as against 6% during 2004-05.
- Manpower cost in the company is high and so is the average age profile of the employees.
- The company is repaying all its dues in times, however, the liquidity position continues to be under strain.
- SIL got ' Good' MOU rating during the year 2005-06.
- The market price of the company's shares was between Rs.13.70 to Rs.46.80 during the year 2005-06 as compared to Rs. 7.90 to Rs. 24 during 2004-05.
- Earning Per Share was Rs. 0.37 during 2005-06 as against Rs. 0.32 in the previous year.

6. *Strategic Issues*

- Vehicles run on non-conventional energy sources will get prominence due to environmental issues, especially in metro and bigger cities.
- The company is working on developing smaller model with 4-stroke petrol engine on gaseous fuel. Vikram 1500-CG running on CNG as per market requirement being introduced. Recuring expenditure of Rs. 53.43 lakh made on R&D was 0.32% of total turnover during 2005-06.
- PCRA audit was conducted in order to optimize energy utilization, the recommendations of which have been implemented.

7. *VRS / Outstanding dues*

- During the year, 82 employees left the company out of which 6 availed of VRS, 60 retired on superannuation and 16 left on other reasons. Up-to 31.3.2006, total 1151employees have taken VRS. During the year an ex-gratia payment of Rs. 0.24 crore was made.

11 CONSUMER GOODS

There were 11 enterprises in the public sector as on 31.3.2006 which were engaged in producing and selling of Consumer Goods. The names 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 Photo Films Manufacturing Corpn. Ltd.	1960
3.	Cement Corpn. of India Ltd.	1965
4.	Hindustan Latex Ltd.	1966
5.	Hindustan Paper Corporation Ltd.	1970
6.	Nagaland Pulp and Paper Company Ltd.	1971
7.	Bharat Ophathalmic Glass Ltd.	1972
8.	Hoogly Printing Company Ltd.	1979
9.	Hindustan Newsprint Ltd.	1982
10.	Hindustan Vegetable Oils Corpn. Ltd.	1984
11.	Tyre Corporation of India Ltd.	1984

2. The enterprises falling in this group are mainly engaged in manufacturing and selling consumer goods like cement, films, lens, newsprint, contraceptives, vegetable oils, tyres, papers etc.

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

4. Net Profit/(Loss) : The details of individual enterprises which earned net profit or sustained net loss (-) in ranking order are given below:

(*Rs. in crore*)

Sl. No.	Enterprise	Net Profit/(Loss) 2005-06	2004-05
1.	Cement Corpn. of India Ltd.	831.84	(218.94)
2.	Hindsutan Paper Corporation Ltd.	58.72	34.16
3.	Hindustan Latex Ltd.	20.64	18.08
4.	Hindustan Newsprint Ltd.	15.68	4.22
5.	Hoogly Printing Company Ltd.	0.24	0.99
6.	Nagaland Pulp and Paper Company Ltd.	(14.02)	(12.90)
7.	Hindustan Vegetable Oils Corpn. Ltd.	(34.33)	(34.33)
8.	Bharat Ophthalmic Glass Ltd.	0.00	(38.45)
9.	NEPA Ltd.	(45.32)	(48.02)
10.	Tyre Corporation of India Ltd.	(47.53)	(56.86)
11.	Hindustan Photo Films Mfg. Co. Ltd.	(560.90)	(496.41)
	Total	**225.02**	**(848.46)**

5. Dividend : The following enterprises declared dividend as per details given below:

(*Rs. in crore*)

Sl. No.	Enterprise	Dividend 2005-06	Dividend 2004-05
1.	Hindustan Paper Corporation Ltd.	15.21	0.00
2.	Hindustan Newsprint Ltd.	9.08	2.48
3.	Hindustan Latex Ltd.	2.67	3.62
4..	Hoogly Printing Company Ltd.	0.26	0.26
	Total	**27.22**	**6.36**

6. Township and Social Overheads

The operating result of these enterprises after setting off township maintenance and other social overheads such as maintenance of schools, medical facilities, social overheads and cultural subsidies etc. are given below:

(*Rs. in crore*)

Sl. No.	Particulars	Township & Social Overheads 2005-06	Township & Social Overheads 2004-05
1.	Capital cost of Township	40.71	81.91
2.	Gross expenditure on Township	14.11	12.80
3.	Less : Rent and other receipt income	1.72	2.06
4.	Net expenditure on Township	12.39	10.74
5.	Social Overheads: Educational, Med. facilities, etc.	17.13	11.68
6.	Total Social Overheads	29.52	22.42
7.	No. of employees	10322	10523
8.	Per capita expend. on Social Overheads (Rs.)	28599	21306
9.	No. of houses constructed	6683	7514
10.	No. of houses under construction	0	0
11.	Housing satisfaction (%)	64.7	71.4

7. To appreciate the performance of each enterprise falling in this group, the details about their financial position, working results and important mangement ratios for three years are given in Volume-III.

CONSUMER GOODS

SUMMARISED BALANCE SHEET

(Rs. in Lakhs)

PARTICULARS	2005-06	2004-05	2003-04
AUTHORISD CAPITAL	215073	215073	215073
I. SOURCES OF FUNDS			
(1) SHAREHOLDERS FUND			
(A) PAID-UP CAPITAL			
CENTRAL GOVT.	153745	160083	153683
OTHERS	22535	22535	22535
(B) SHARE APPLICATION MONEY	1854	0	0
(C) RESERVES & SURPLUS	27456	24554	20443
TOTAL (A)+(B)+(C)	205590	207172	196661
(2) LOAN FUNDS			
(A) SECURED LOANS	305394	270076	236454
(B) UNSECURED LOANS	349575	396386	352407
TOTAL (A)+(B)	654969	666462	588861
(3) DEFERRED TAX LIABILITY	7191	6498	5271
TOTAL (1)+(2)+(3)	867750	880132	790793
II. APPLICATION OF FUNDS			
(1) FIXED ASSETS			
(A) GROSS BLOCK	303804	300020	293827
(B) LESS: DEPRECIATION	197482	188457	180153
(C) NET BLOCK	106322	111563	113674
(D) CAPITAL WORK IN PROGRESS	6041	3784	4429
TOTAL (C)+(D)	112363	115347	118103
(2) INVESTMENTS	32110	47238	45704
(3) CURRENT ASSETS, LOANS & ADVANCES			
(A) INVENTORIES	38465	38450	36372
(B) SUNDRY DEBTORS	15539	18949	22557
(C) CASH & BANK BALANCES	38713	21134	16445
(D) OTHER CURRENT ASSETS	378	277	90
(E) LOAN & ADVANCES	29932	14207	13567
TOTAL (A+B+C+D+E)	123027	93017	89031
LESS:CURRENT LIABILITIES & PROVN.			
(A) CURRENT LIABILITIES	72758	78487	75409
(B) PROVISIONS	19056	10851	9738
TOTAL (A+B)	91814	89338	85147
NET CURRENT ASSETS	31213	3679	3884
(4) DEFERRED REVENUE/PRE.EXPENDITURE	2103	5193	7433
(5) DEFERRED TAX ASSET	0	0	0
(6) PROFIT & LOSS ACCOUNT (DR)	689961	708675	615669
TOTAL (1+2+3+4+5+6)	867750	880132	790793

CONSUMER GOODS

SUMMARISED PROFIT AND LOSS ACCOUNT

(Rs. in Lakhs)

PARTICULARS	2005-06	2004-05	2003-04
INCOME			
SALES/OPERATING INCOME	160630	132483	131125
EXCISE DUTY	8162	6534	8204
NET SALES	152468	125949	122921
OTHER INCOME/RECEIPTS	100315	5907	9368
ACCRETION/DEPLETION IN STOCKS	584	-54	860
TOTAL	253367	131802	133149
EXPENDITURE			
PURCHASE OF FINISHED GOODS/ CONSUMPTION OF RAW MATERIALS	40818	36372	34438
STORES & SPARES	12982	8594	8723
POWER & FUEL	25917	23825	22681
MANUFACTURING/DIRECT/OPERATING EXPENSES	14611	9961	9160
SALARY,WAGES AND BENEFITS/EMPLOYEE EXPENDITURE	26438	23445	24151
OTHER EXPENSES	27101	18819	22673
PROVISIONS	2402	1151	1830
TOTAL	150269	122167	123656
PROFIT BEFORE DEP, INTEREST, TAXES, EXTRA-ORDINARY ITEMS & PPA(PBDITEP)	103098	9635	9493
DEPRECIATION	9462	9286	9203
DRE/PREL. EXPENSES WRITTEN OFF	936	1879	1441
PROFIT BEFORE INTEREST, TAXES, EXTRA-ORDINARY ITEMS & PPA (PBITEP)	92700	-1530	-1151
INTEREST			
ON CENTRAL GOVERNMENT LOANS	17292	33556	28443
ON FOREIGN LOANS	0	0	0
OTHERS	47914	45387	40466
LESS INTEREST CAPITALISED	0	0	0
CHARGED TO P & L ACCOUNT	65206	78943	68909
PROFIT BEFORE TAX, EXTRA-ORDINARY ITEMS & PPA (PBTEP)	27494	-80473	-70060
TAX PROVISIONS	5190	4290	3304
NET PROFIT/LOSS BEFORE EXTRA-ORDINARY ITEM	22304	-84763	-73364
NET EXTRA-ORDINARY ITEMS & PRIOR PERIOD ADJUSTMENT	-198	83	-15844
NET PROFIT/LOSS(-)	22502	-84846	-57520
DIVIDEND DECLARED	2722	636	650
DIVIDEND TAX	550	87	84
RETAINED PROFIT	19230	-85569	-58254

CONSUMER GOODS

MANAGEMENT RATIO

DETAILS	2005-06	2004-05	2003-04
GENERAL (RS. IN LAKHS)			
INVESTMENT	435092	434568	554253
CAPITAL EMPLOYED	137535	115242	117558
NET WORTH	-486474	-506696	-426441
COST OF PRODUCTION	225873	212275	203209
COST OF SALES	225289	212329	202349
VALUE ADDED	73335	57104	57939
R AND D EXPENDITURE	212	223	151
PERSONNEL			
EMPLOYEES(OTHER THAN CASUAL) (NOS)	10322	10523	10899
AVERAGE MONTHLY EMOLUMENTS PER EMPLOYEE(Rs)	21344	18566	18466
INVENTORIES (IN TERMS OF NO. OF DAYS)			
TOTAL INVENTORY : SALES	92	111	108
SEMI/FINISHED GOODS : SALES	19	26	27
FINANCIAL RATIOS (%)			
SALES : CAPITAL EMPLOYED	110.86	109.29	104.56
MATERIAL COST : COST OF PRODUCTION	18.07	17.13	16.95
MANPOWER COST : COST OF PRODUCTION	11.70	11.04	11.88
COST OF SALES: SALES	147.76	168.58	164.62
PBDITEP : CAPITAL EMPLOYED	74.96	8.36	8.08
PBITEP : CAPITAL EMPLOYED	67.40	-1.33	-0.98
PBITEP : SALES	60.80	-1.21	-0.94
PROFIT BEFORE TAX & EP(PBTEP): NET WORTH	-	-	-
NET PROFIT : NET WORTH	-	-	-
R AND D EXPENDITURE : SALES	0.14	0.18	0.12
SUNDRY DEBTORS : SALES (NO. OF DAYS)	37	55	67

Bharat Opthalmic Glass Ltd. (BOGL)

1. ***Company Profile***

BOGL was incorporated in the year 1972 under the Companies Act, 1956 with an objective to take over the Opthalmic Glass Plant at Durgapur from National Instruments Ltd. which was first conceived in 1957 as part of credit agreement between India and erstwhile USSR. BOGL is a Schedule-'C' / BIFR referred CPSE in consumer goods sector under the administrative control of M/o Heavy Industries and Public Enterprises, D/o Heavy Industry having 100% Government holding with its registered and corporate office at Durgapur, West Bengal. The company is registered with BIFR since 1992, BIFR has recommended for winding up of the company.

2. ***Industrial / Business Activities***

BOGL is in the manufacturing of bifocal lenses/optical raw glass having its single operating unit at Durgapur, West Bengal.

Based on the recommendations of the BRPSE the Government has decided to wind up the company on 16.6.2006.

Company has not furnished any information for the last three years i.e. 2003-04, 2004-05 and 2005-06.

Cement Corporation of India Ltd. (CCI)

1. ***Company Profile***

CCI was incorporated in the year 1965 under the Companies Act, 1956 with an objective to explore and providing of 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 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. Its registered and corporate offices are at New Delhi.

2. ***Industrial / Business Activities***

CCI is engaged in manufacturing of cement through its 3 operating units at Karbi Anglong in Assam, Sirmaur in Himachal Pradesh, and Tandi in Andhra Pradesh. 7 of its units at Adilabad in Andhra Prades, Raipur and Mandsour in Chattisgargh, Bilaspur in Madhya Pradesh, Gulbarga in Karnataka, Bhiwani in Haryana and Delhi Grinding unit are non-operating. The enterprise had 1570 employees as on 31.10.2006.

* The total capacity by utilazationon 31.10.2005 was 61.82%.

3. ***Production / Operational Profile***

Major Products	Unit	Production during			% increase/ decrease over previous year
		2005-06	2004-05	2003-04	
Cement	MTS	NA	805910	584740	-

4. ***Major Financial Highlights***

Particulars	Performance during (Rs. in crore)			% increase/ decrease over previous year
	2005-06	2004-05	2003-04	
Turnover	195.22	149.42	112.33	30.65
Cost of prod.	304.09	375.7	364.7	-19.06
Net Profit/Loss(-)	831.84	-218.94	-80.95	-479.94
Net Worth	-889.94	-1764.28	-1561.2	-49.56
Paid up capital	429.28	429.28	429.28	0
Share of Central Govt./holding co.	429.28	429.28	429.28	0

5. ***Key Performance Factors***

The high profitability is due to implementation of financial restructuring scheme. A Revival scheme for CCI had been approved by the Government on the recommendation of BRPSE on 9.3.2006. The scheme consists of cash assistance of Rs.184.29 crore and non-cash assistance of Rs.1267.95 crore. The scheme also seeks amendment of Dalima Dadri Cement Limited (Acquisition and Transfer of Undertakings) Act, 1981 (Act No. 31 of 1981) as per Draft Amendment Bill proposed by the Department of Heavy Industry and vetted by the Ministry of Law & Justice. Closure of seven non-operating units of CCI i.e. Mandhar, Kurkunta, Akaltara, Charkhi Dadri, Delhi, Grinding Unit / Bhatinda Grinding Unit, Nayagaon and Adilabad and implementation of VSS in the same, as per permission of BIFR. Sale of assets of all seven non-operating units through the Asset Sale Committee constituted by BIFR based on fresh valuation in partial modification of the GOM decision dated the 8th March, 2005 which had decided sale of all eleven units of CCI. Expansion / modernization of Bokajan, Tandur and Rajban units at a cost of Rs. 90.51 crores, Rs.43.80 crores and Rs. 6.80 crores respectively as recommended by IFCI. Further Pay scales will only be revised after issue of notice for closure of seven non-operating units and separation of employees in these units through VSS. Further the implementation of the revision will only be done if it is specifically approved by BIFR as per PDE guidelines. Under no circumstances would salaries and wages exceed the amount estimated in the proposal approved by the BRPSE.

Hindustan Latex Ltd. (HLL)

1. Company Profile

HLL was incorporated on 1.3.1966 under the Companies Act, 1956 with an objective to be a leader in the field of contraceptives and healthcare products and to assist in the National Family Welfare Programme. HLL is a Schedule-'B' Miniratna CPSE in consumer goods sector under the administrative control of M/o Health and Family Welfare, D/o Family Welfare with 100% shareholding by the Government. Its Registered and Corporate offices are at Thiruvananthapuram in Kerala.

2. Industrial / Business Activities

HLL is engaged in manufacturing, sale and trading of contraceptives and healthcare products like condoms, Cu T, Blood Bags, OCP etc. through its four operating units at Thiruvananthapuram in Kerala and Belgam in Karnataka. The enterprises is driven by a workforce of 1801 employees as on 31.3.2006.

3. Production / Operational Profile

Major Products	Unit	Production during (% Capacity Utilization)			% increase/ decrease over previous year
		2005-06	2004-05	2003-04	
Condoms	Mil. Pcs.	990 (98.90)	926 (138)	856 (128)	6.91
Oral Contraceptive Pills (OCP)	Mil. Cycles	74.3 (75.3)	73.5 (74.49)	68.87 (69.80)	1.09
Blood Bag	Mil. Pcs.	4.62 (92.4)	3.51 (175)	3.64 (182)	32
Copper T	Mil. Pcs.	3.41 (62)	4.16 (104)	0.34 (9)	- 18.03

4. Major Financial Highlights

Particulars	Performance during (Rs. in crore)			% increase/ decrease over previous year
	2005-06	2004-05	2003-04	
Turnover	211.43	194.31	162.54	8.81
Cost of prod.	192.9	175.5	146.29	9.91
Net Profit/Loss(-)	20.64	18.08	18.81	14.16
Net Worth	97.28	81.37	67.39	19.55
Paid up capital	15.54	15.54	15.54	0
Share of Central Govt./holding co.	15.54	15.54	15.54	0

5. Key Performance Factors

- Financial performance of the company is improving every year due to increased production, thrust on export and diversification. HLL has the capacity to manufacture 1 billion units of condoms, which enables the company to have global scales in manufacturing.
- The company is having 18% of market share in India for condoms and 55% market share for Blood Bags.
- The company has taken measures like substitution of imported materials / change in packaging and development of new formulas to reduce cost.
- Earning Per Share of the company during 2005-06 was Rs. 1329 as compared to Rs. 1294 in the previous year.

- Company achieved 'Excellent' MOU rating during the year 2005-06.

6. *Strategic Issues*

- HLL is the only company in the world manufacturing and marketing the widest range of contraceptives. The current vision of the company is to innovating for Healthy Generations.
- The company has adopted a Corporate Plan to enter into the new business areas like vaccines, contract research, women health pharma, natural products and health care delivery.

7. *VRS / Outstanding dues*

- During the year, 64 employees left the company out of which 6 availed of VRS, 14 retired on superannuation and 44 left on other grounds. Up-to 31.3.2006, total 388 employees have taken VRS. During the year an ex-gratia payment of Rs.0.54 crore was made.

Hindustan Newsprint Ltd. (HNL)

1. *Company Profile*

The HNL was incorporated on 7.6.1983 under the Companies Act, 1956 as a 100% subsidiary of Hindustan Paper Corp. Ltd. (HPC) with an objective to takeover the assets and liabilities of Kerala Newsprint Project of HPC. The mission of the company is to operate large capacity Newsprint/Paper Mills on sound commercial principles and to continuously upgrade and upscale production out put and enhance market place. HNL is a Schedule-'C' / Mini-ratna CPSE in Consumer Goods sector under the administrative control of M/o Heavy Industries and Public Enterprises, D/o Heavy Industry with its registered and corporate office at Kottayam, Kerala.

2. *Industrial / Business Activities*

HNL is engaged in the production and marketing of newsprint through its single operating unit at Kottayam, Kerala. The enterprise has a workforce of 1039 employees as on 31.3.2006.

3. *Production / Operational Profile*

Major Products	Unit	Production during (% Capacity Utilization)			%increase/ decrease over previous year
		2005-06	2004-05	2003-04	
Newsprint	Lakh MT	113050 (113)	112202 (112)	112555 (113)	0.76

4. *Major Financial Highlights*

Particulars	Performance during (Rs. in crore)			%increase/ decrease over previous year
	2005-06	2004-05	2003-04	
Turnover	302.96	273.93	252.68	10.6
Cost of prod.	278.13	267.54	247.26	3.96
Net Profit/Loss(-)	15.68	4.22	5.02	271.56
Net Worth	197.62	190.16	187.01	3.92
Paid up capital	82.54	82.54	82.54	0
Share of Central Govt./holding co.	82.54	82.54	82.54	0

5. *Key Performance Factors*

- The performance of the company improved during 2005-06 as compared to last year due to energy conservation measures, better capacity utilization, better sales realization in tendum with international market etc.
- Enzymatic bleaching of Reed and bamboo chemical pulp, optimization of blend of indigenous ONP and OMG in Deinking and optimization of pH for controlling the foaming tendency of deinked pulp containing OMG work were undertaken in R&D during the year. Rs. 15.34 lakh were spent during 2005-06 on R&D which is 0.05% of the turnover.

6. *Strategic Issues*

- The company's proposal for Expansion-cum-Diversification Project(EDP) got the sanction of the Government to upscale its capacity from 110000 MT to 280000 MT and to produce premium paper grades along with newsprint. The project is in the process of implementation.

- The policy of the Government by maintaining customs duty at 5% on imported newsprint affects the domestic newsprint market since huge dumping of imported newsprint to the domestic market is a regular phenomenon when the price for the newsprint in international market is low.

7. VRS

- During 2005-06 total 59 employees left the company out of which 2 availed of VRS, 40 retired on superannuation and 17 left on other grounds. Till 31.3.2006, total 257 employees have taken VRS.

Hindustan Paper Corp. Ltd. (HPC)

1. Company Profile

HPC was incorporated on 29.5.1970 (but started its commercial production in 1985 and 1988) under the Companies Act, 1956 with an objective to establish pulp and paper / newsprint mills in the country to make paper available for mass consumption. HPC is a Schedule-'B' / 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. Its Registered office is at Delhi and Corporate office at Kolkata.

2. Industrial / Business Activities

HPC is engaged in manufacturing of writing and printing paper and marketing the same through out the country. It has paper mills at Morigaon and Hailakandi districts of Assam namely Nagaon Paper Mills (NPM) and Cachar Paper Mills (CPM) respectively. It has two Subsidiary Units namely Hindustan Newsprint Ltd. and Nagaland Pulp and Paper Co. Ltd. The enterprises has a workforce of 2835 employees as on 31.3.2006.

3. Production / Operational Profile

Major Products	Unit	Production during (% Capacity Utilization)			%increase/ decrease over previous year
		2005-06	2004-05	2003-04	
Newsprint, Writing & Printing Paper including Wrapper	MT	207068 (103.53)	197312 (98.66)	210015 (105)	4.94
Caustic Soda	MT	24725 (61.81)	21080 (58.07)	22249 (61.29)	17.29
Chlorine Gas (Liquified)	MT	19473 (107.29)	18551 (102.21)	NA	4.97
Calcium Hypochlorite	MT	7374 (51.53)	6270 (43.82)	NA	17.61

4. Major Financial Highlights

Particulars	Performance during (Rs. in crore)			%increase/ decrease over previous year
	2005-06	2004-05	2003-04	
Turnover	699.24	560.65	576.4	24.72
Cost of prod.	645.35	527.13	538.93	22.43
Net Profit/Loss(-)	58.72	34.16	40.95	71.9
Net Worth	713.75	673.24	639.09	6.02
Paid up capital	700.38	700.38	700.38	0
Share of Central Govt./holding co.	700.38	700.38	700.38	0

5. Key Performance Factors

- Financial performance of company in terms of turnover and profit has improved significantly by 32.41% in 2005-06 as compared to last year.
- Company has 'Excellent' MOU rating during the year 2005-06.

6. Strategic Issues

- Modernisation / upgradation and Technological upgradation Plan has been planned and to be implemented out of internal resources and commercial borrowings only.

7. Surplus Assets

- 9 Nos. of have been identified as idle for which disposal action is yet to be completed. Two equipments namely hydropulper and neutral sizing are not in use for quite some time. Although future use of these assets after implementation of HPC's modernization and technological upgradation plan can not be ruled out, a sum of Rs. 92 lakhs being 95% of the value of equipment (excluding the cost of building) has been provided for under depreciation in the accounts.

8. VRS/Outstanding dues

- During the year, 49 employees left the company out of which 8 availed of VRS and 41 retired on superannuation. Up-to 31.3.2006 a total of 407 employees have taken VRS. Rs. 32.65 lakh was spent on VRS during the year through own resources by the company.

Hindustan Photo Films Mfg. Co. Ltd. (HPF)

1. Company Profile

HPF was incorporated in the year 1960 under the Companies Act, 1956 with an objective to achieve self reliance in photo sensitized goods to cater to health care, education, defense and entertainment needs of the country. The company commences its business during 1967. HPL is a Schedule-'C' / BIFR referred CPSE in Consumer Good sector under the administrative control of M/o Heavy Industries and Public Enterprises, D/o Heavy Industry with 90.40% shareholding by the Government of India. Its Registered and Corporate offices are at Ootacamund, Tamilnadu.

2. Industrial / Business Activities

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 four operating units at Ootacamund and one at Chennai in Tamilnadu. The enterprise has a workforce of 1072 employees as on 31.3.2006.

3. Production / Operational Profile

Major Products	Unit	Production during (% Capacity Utilization)			% increase/ decrease over previous year
		2005-06	2004-05	2003-04	
Specialty Films	M. Sq.m	0.642 (4.40)	0.759 (5.21)	1.590 (10.91)	- 15.42
Other Photographic Films & Papers	M. Sq.m	0.065 (0.42)	0.053 (0.34)	0.113 (0.73)	22.64
Magnetic Tape	MRM	0.956 (27.55)	0.304 (8.76)	0.782 (22.84)	214.47
Processing Chemicals	Ton	102.36 (25.59)	126.04 (31.51)	132.18 (33.05)	- 18.79

4. Major Financial Highlights

Particulars	Performance during (Rs. in crore)			% increase/ decrease over previous year
	2005-06	2004-05	2003-04	
Turnover	12.51	15.27	24.14	-18.07
Cost of prod.	585.2	515.74	472.39	13.47
Net Profit/Loss(-)	-560.9	-496.41	-443.03	12.99
Net Worth	-3491.39	-2931.48	-2435.07	19.1
Paid up capital	199.87	199.87	199.87	0
Share of Central Govt./holding co.	180.68	180.68	180.68	0

5. Key Performance Factors

- The performance of the company has improved in terms of turnover and profitability during 2005-06 as compared to last year despite the fact that production of main products like X-ray etc. and Processing Chemicals has declined. Average capacity utilization was 2.12% during 2005-06.
- MD - HMT (I.) is holding additional charge of CMD of HPF.
- The market share in Medical X-ray, Industrial X-ray, Graphic Arts, Cine Sound and Cine Positive was 6.3%, 11.3%, 3.3%, 15.2% and 37.5% respectively during 2005-06.
- The shares of the company are not traded although it is a listed company.

6. Strategic Issues

- Delay in sales realization, low employee morale due to 1987 pay scales and uncertainty about the future of the company, lack of investment on modernization in the fast technological environment, aging plant and machinery, lack of working capital, idle manufacturing facilities, high input cost, lack of level playing field, low capacity utilization etc. are the reasons for poor performance.
- HPF registered with BIFR in 1995 has been recommended for winding up by the Board in January, 2003. The company has obtained an interim stay from the Madras High Court against winding up order of BIFR / AAIFR. A consultant has been appointed to carry out assignment of formulation of a revival plan for the company.
- The company is planning to voluntarily de-list its securities from Madras and Calcutta Stock Exchanges. Delhi Stock Exchange has already given its permission for de-listing.
- Proper planning of the production schedules, indigenization of 'Base' a major raw material, cost reduction, diversification, financial restructuring and fiscal policy concessions etc. are the measures being considered for performance improvement.

7. VRS/Outstanding dues

- During the year, 12 employees left the company out of which 4 retired on superannuation and 8 left on other grounds. Up-to 31.3.2006, total 1440 employees have taken VRS.
- As on 31.3.2006, Rs. 9.41 crore were outstanding dues out of which Rs. 6.59 crore were on account of salary and wages and Rs. 2.82 crore on other grounds.

Hindustan Vegetable Oils Corp. Ltd. (HVOC)

1. Company Profile

HVOC was incorporated in the year 1984 under the Companies Act, 1956 by merger of two nationalised companies namely M/s Ganesh Floors Mills and M/s Amritsar Oil Works with an objective to promote the edible oil supply to the consumers at competitive price. HVOC is a Schedule-'B' / BIFR 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.

2. Industrial / Business Activities

HVOC is one of the taken over enterprises in production of edible oil and ready to-eat extruded food through its one operating unit at Delhi. The enterprise has a workforce of 160 employees as on 31.3.2006. The paid up capital is Rs. 7.71 crore.

3. Production / Operational Profile

The company is registered with BIFR since 1999. The BIFR recommended for winding up of the company, which is under process. Therefore, HOVC has no activity at present.

Hooghly Printing Co. Ltd. (HPCL)

1. Company Profile

The HPCL was incorporated on 03.1.1922 under the Indian Companies Act, 1913 and became a Government company on 10.05.1979. It was incorporated with an objective to cater to the printing and stationery requirements of the Andrew Yule Group companies. The company is an uncategorized CPSE in Consumer Goods sector under the administrative control of M/o Heavy Industries & Public Enterprises, D/o Heavy Industry having its Registered and Corporate offices at Kolkata, West Bengal. HPCL is a 100% subsidiary of Andrew Yule Co. Ltd.

2. Industrial / Business Activities

HPCL is one of the takenover subsidiary enterprises engaged in printing on Paper /

Paper Board through its single unit at Kolkata. The enterprise is driven by a workforce of 60 regular employees as on 31.3.2006.

3. Production / Operational Profile

The company prints material for its customers as per their requirement. During 2005-06 total 433 jobs including periodicals, books and miscellaneous printing material were completed as compared to 300 jobs in the previous year.

4. Major Financial Highlights

Particulars	Performance during *(Rs. in crore)*			%increase/ decrease over previous year
	2005-06	2004-05	2003-04	
Turnover	5.08	10	8.83	-49.2
Cost of prod.	4.73	8.72	7.28	-45.76
Net Profit/Loss(-)	0.24	0.99	0.73	-75.76
Net Worth	2.83	2.88	2.17	-1.74
Paid up capital	1.03	1.03	1.03	0
Share of Central Govt./holding co.	1.03	1.03	1.03	0

5. Key Performance Factors

- The financial performance of the company declined tremendously during 2005-06 as compared to last year due to sluggish demand in the field of printing coupled with obsolete plant and machinery in the press.
- The company is securing 90% of the orders booking from Central and State Government Departments.

6. Strategic Issues

- It has been decided by the company to induct modern Plant & Machinery so as to meet the exacting needs of the printing industry.
- The company is a Board Managed one there is no post for full time functions for CMD/ND.

7. VRS/Outstanding dues

- During 2005-06, 3 employees retired under superannuation. Till 31.3.2006, 60 employees have availed of VRS.

Nagaland Pulp and Paper Co. Ltd. (NPPC)

1. Company Profile

NPPC was incorporated in the year 1971 as a Joint Venture between Government of Nagaland and Hindustan Paper Corporation (HPC) under the Companies Act, 1956 with an objective to construct and manage a modern integrated pulp and paper mill at Tuli in Nagaland. The commercial production commenced in 1982. NPPC is a Schedule-'C' / BIFR 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 Mokokchung, Nagaland and corporate office at Kolkata. The company is registered with BIFR since 1992 and 'winding up' has been recommended. NPPC is a joint venture subsidiary of HPC Ltd. where in HPC holds 94.78% equity and Govt. of Nagaland holds 5.22% equity.

2. Industrial / Business Activities

NPPC is a writing and printing paper producing company, but the production in its mill is suspended since 1992 and since then there is no production activities in this company. The enterprise has a workforce of 294 employees as on 31.3.2006.

3. Major Financial Highlights

Particulars	Performance during *(Rs. in crore)*			%increase/ decrease over previous year
	2005-06	2004-05	2003-04	
Turnover	0	0	0.00*	-
Cost of prod.	14.14	12.92	12.52	9.44
Net Profit/Loss(-)	-14.02	-12.9	-12.57	8.68
Net Worth	-129.47	-115.46	-102.55	12.13
Paid up capital	120.2	120.2	120.2	0
Share of Central Govt./holding co.	113.92	113.92	113.92	0

4. Key Performance Factors

- Company is not in operation since 1992 due to escalation of project cost, non-performance of defective designed coal-fired boilers, inadequate and erratic grid power, non-availability of reed, deficient infrastructure in transport / telecommunication, shortage of skilled man power etc. The BIFR has recommended winding up of this company.
- 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.

5. Strategic Issues

- A revival proposal submitted to BRPSE in 2005 has been recommended to the PIB by the Board. PIB has recommended the revival scheme on 28.4.2006 with some conditionality which have been complied with. A Revised DPR with estimated investment of Rs. 522.44 crore has been submitted in June,06.
- A 30 year Tripartite agreement among 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.

NEPA Ltd. (NL)

1. Company Profile

NL was incorporated in the year 1947 as "National Newsprint and Paper Mills" in the private sector and subsequently was taken over by the Central Province and Berar (Now Madhya Pradesh) in October, 1949. The Central Government acquired controlling interest in 1959. The mission of the company is to produce quality Newsprint as per the demand of the market. It is a Schedule-C / BIFR referred CPSE in Consumer Good sector under the administrative control of M/o Heavy Industries and Public Enterprises, D/o Heavy Industry with 97.73% shareholding by the Government of India. Its registered and corporate offices are at Nepanagar, Madhya Pradesh.

2. Industrial / Business Activities

NL is one of the taken over enterprises engaged in the production of newsprint through its only operating unit at Nepanagar, Madhya Pradesh. The company also has 3 marketing offices at Delhi, Mumbai and Bhopal and a Plantation Unit at Hempur (Uttranchal). The enterprise has a workforce of 1208 employees as on 31.3.2006.

3. Production / Operational Profile

Major Products	Unit	Production during (% Capacity Utilization)			% increase/ decrease over previous year
		2005-06	2004-05	2003-04	
Newsprint	MT	30958 (35.18)	21674 (24.63)	22449 (25.51)	42.83

4. Major Financial Highlights

Particulars	Performance during (Rs. in crore)			% increase/ decrease over previous year
	2005-06	2004-05	2003-04	
Turnover	57.68	38.42	38.91	50.13
Cost of prod.	109.86	88.13	86.19	24.66
Net Profit/Loss(-)	-45.32	-48.02	-39.26	-5.62
Net Worth	-241.69	-195.06	-151.73	23.91
Paid up capital	106.01	105.39	105.39	0.6
Share of Central Govt./holding co.	103.62	103.62	103.62	0.6

5. Key Performance Factors

- The NL has recorded significant improvement in production and turnover by 42.83%, and 49.94%espectively. The turnover was entirely from domestic sales. There were improvements on profitability also.

- Market share of the company in the production of newsprint was 3.5% during 2005-06 as compared to 2.2% last year.
- Steps such as optimization of Furnish Mix of input material, usage of chemical to optimize process parameters, procurement and installation of DG set and procurement of coarse screen, high pressure shower and vacuum pump etc were taken for performance improvement.

6. *Strategic Issues*

- Monilisation of adequate quantum of raw material to start Paper Machine no. II on continued sustained basis, revision of basic prices, increase in demand of Nepa Newsprint substantially etc. were the strategic issues handled during the year. The company has license to diversify in Writing and Printing paper also, but is held up because of lack of massive capital infusion to take up modernization.
- NL is a BIFR referred enterprise. To overcome the problem of sickness the company needs a capital restructuring. BRPSE has recommended a revival scheme which is yet to be sanctioned by the Government.
- During 2005-06, NL received a budgetary support of RS. 13.04 crore out of which Rs. 12.42 crore was as loan and Rs. 0.62 crore as equity.
- Orders worth Rs. 104 crore were received during 2005-06.

7. *VRS / Outstanding dues*

- During 2005-06, total 14 persons left the company out of which 2 retired on superannuation and 12 left on other grounds. None availed of VRS during the year. Till 31.3.2006 total 2340 employees availed of VRS.
- As on 31.3.2006, Rs. 969.69 crore were outstanding dues out of which Rs. 559.20 crore was on account of salary and wages, Rs. 339.44 crores statutory dues and Rs. 71.05 crore other dues.

Tyre Corporation of India Ltd. (TCIL)

1. *Company Profile*

TCIL was incorporated on 24.2.1984 under the Companies Act 1956 when erstwhile M/s Inchek Tyres Ltd. and M/s. National Rubber Manufacturers Ltd. were nationalised by an ordinance dated 14.2.1984 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' / takenover / BIFR 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. Its Registered and Corporate offices are at Kolkata, West Bengal.

2. *Industrial / Business Activities*

TCIL is one of the takenover enterprises engaged in manufacturing and marketing of automotive tyres through its single operating unit at Kankinara, West Bengal. Presently, the company is doing 100% jobbing work w.e.f. 1.4.2002 for other tyre manufacturers in the absence of working capital support from banking system due to its reference to BIFR. The enterprise has a workforce of 277 employees as on 31.3.2006.

3. *Production / Operational Profile*

Major Products	Unit	Production during (% Capacity Utilization)			% increase/ decrease over previous year
		2005-06	2004-05	2003-04	
Automotive Tyres	MT	15558 (67)	6171 (26)	17006 (73)	100

4. *Major Financial Highlights*

Particulars	Performance during (Rs. in crore)			%increase/ decrease over previous year
	2005-06	2004-05	2003-04	
Turnover	37.64	14.38	49.27	161.75
Cost of prod.	86.71	75.27	82.78	15.2
Net Profit/Loss(-)	-47.53	-56.86	4.55	-16.41
Net Worth	-591.38	-543.69	-511.87	8.77
Paid up capital	93.1	93.1	93.1	0
Share of Central Govt./holding co.	93.1	93.1	93.1	0

5. *Key Performance Factors*

- The company is presently doing 100% jobbing work for other tyre manufactures.
- The production has increased 152% over previous year. The company has made operating profit (PBIDT) of Rs. 7.82 crore and no budgetary support was drawn during the year.
- Net loss resulted due the heavy burden of interest on GOI loan, major portion attributable to closed Tangra Unit.

6. *Strategic Issues*

- BRPSE has agreed in principal for financial restructuring with the specific objective of revival of the company through JV participation with Central/State PSUs, disinvestment with private parties.

7. *Non-performing Assets*

- Assets of closed Kalyani Unit having written down value of Rs. 14.27 lakh for the Plant & Machinery, building etc and lease hold land worth Rs. 9.91 lakh are the non-performing assets. Further 5 Plant & Machinery of Kankinara unit having written down value of Rs. 3.01 crore became non-performing assets due to change of market demand of certain process car group tyres.

12 AGRO-BASED PRODUCTS

There were 4 enterprises in the public sector as on 31.3.2006 which were engaged in producing and selling of Agro-Based Products. The names of these enterprises along with their year of incorporation in chronological order are given below:

Sl. No.	Enterprise	Year of Incorporation
1.	National Seeds Corpn. Ltd.	1963
2.	State Farms Corporation of India Ltd.	1969
3.	Andaman and Nicobar Islands. Forest and Plant. Devp. Corpn. Ltd.	1977
4.	North Eastern Regional Agri. Marketing Corp. Ltd.	1982

2. The enterprises falling in this group are mainly engaged in producing and selling of Agro-Based Products including the activities like forestry, growing of rubber plants, red palm trees etc.

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

4. Net Profit/(Loss) : The details of individual enterprises which earned net profit or sustained net loss (-) in ranking order are given in next column:

(*Rs. in crore*)

Sl. No.	Enterprise	Net Profit/(Loss) 2005-06	Net Profit/(Loss) 2004-05
1.	National Seeds Corpn. Ltd.	4.33	1.37
2.	North Eastern Regional Agri. Marketing Corporation Ltd.	(1.10)	(0.78)
3.	Andaman and Nicobar Islands. Forest and Plant Dev. Corp.	(12.15)	(13.13)
4.	State Farms Corporation of India Ltd.	(12.39)	(13.10)
	Total	**(21.31)**	**(25.64)**

5. **Dividend :** During the year 2005-06, no company has declared dividend.

6. Township and Social Overheads

The operating results of these enterprises after setting off township maintenance and other social overheads such as maintenance of schools, medical facilities, social overheads and cultural subsidies, etc. are given on next page:

(*Rs. in crore*)

Sl. No.	Particulars	Township & Social Overheads	
		2005-06	2004-05
1.	Capital cost of Township	0.00	0.00
2.	Gross expenditure on Township	0.13	0.21
3.	*Less :* Rent receipt and other income	0.17	0.21
4.	Net expenditure on Township Social Overheads:	(0.04)	(0.00)
5	Educational, Med. facilities, etc.	0.19	0.08
6.	Total Social Overheads	0.15	0.08

(*Rs. in crore*)

Sl. No.	Particulars	Township & Social Overheads	
		2005-06	2004-05
7.	No. of employees	4514	4650
8.	Per capita expend. on Social Overheads (Rs.)	332	172
9.	No. of houses constructed	871	871
10.	No. of houses under construction	0	0
11.	Housing satisfaction (%)	19.3	18.7

7. To appreciate the performance of each enterprise falling in this group, the details about their financial position, working results and important mangement ratios for three years are given in Volume-III.

AGRO-BASED INDUSTRIES

SUMMARISED BALANCE SHEET

(Rs. in Lakhs)

PARTICULARS	2005-06	2004-05	2003-04
AUTHORISD CAPITAL	6200	6200	6200
I. SOURCES OF FUNDS			
(1) SHAREHOLDERS FUND			
(A) PAID-UP CAPITAL			
CENTRAL GOVT.	5602	5602	5602
OTHERS	0	0	0
(B) SHARE APPLICATION MONEY	0	0	0
(C) RESERVES & SURPLUS	7538	6182	6087
TOTAL (A)+(B)+(C)	13140	11784	11689
(2) LOAN FUNDS			
(A) SECURED LOANS	101	282	4160
(B) UNSECURED LOANS	13618	11412	9778
TOTAL (A)+(B)	13719	11694	13938
(3) DEFERRED TAX LIABILITY	0	0	0
TOTAL (1)+(2)+(3)	26859	23478	25627
II. APPLICATION OF FUNDS			
(1) FIXED ASSETS			
(A) GROSS BLOCK	8982	8693	12197
(B) LESS: DEPRECIATION	4935	4797	5602
(C) NET BLOCK	4047	3896	6595
(D) CAPITAL WORK IN PROGRESS	53	72	200
TOTAL (C)+(D)	4100	3968	6795
(2) INVESTMENTS	907	907	907
(3) CURRENT ASSETS, LOANS & ADVANCES			
(A) INVENTORIES	6650	6906	7844
(B) SUNDRY DEBTORS	3054	2665	5779
(C) CASH & BANK BALANCES	3292	1847	1290
(D) OTHER CURRENT ASSETS	140	183	147
(E) LOAN & ADVANCES	2557	2751	2751
TOTAL (A+B+C+D+E)	15693	14352	17811
LESS:CURRENT LIABILITIES & PROVN.			
(A) CURRENT LIABILITIES	6775	6704	8352
(B) PROVISIONS	3152	3001	2909
TOTAL (A+B)	9927	9705	11261
NET CURRENT ASSETS	5766	4647	6550
(4) DEFERRED REVENUE/PRE.EXPENDITURE	123	126	109
(5) DEFERRED TAX ASSET	610	0	0
(6) PROFIT & LOSS ACCOUNT (DR)	15353	13830	11266
TOTAL (1+2+3+4+5+6)	26859	23478	25627

AGRO-BASED INDUSTRIES

SUMMARISED PROFIT AND LOSS ACCOUNT

(Rs. in Lakhs)

PARTICULARS	2005-06	2004-05	2003-04
INCOME			
SALES/OPERATING INCOME	17273	14952	15806
EXCISE DUTY	0	0	0
NET SALES	17273	14952	15806
OTHER INCOME/RECEIPTS	876	1028	733
ACCRETION/DEPLETION IN STOCKS	-248	-862	1062
TOTAL	17901	15118	17601
EXPENDITURE			
PURCHASE OF FINISHED GOODS/ CONSUMPTION OF RAW MATERIALS	9254	6585	7359
STORES & SPARES	140	128	196
POWER & FUEL	645	566	507
MANUFACTURING/DIRECT/OPERATING EXPENSES	962	839	782
SALARY,WAGES AND BENEFITS/EMPLOYEE EXPENDITURE	5679	6753	6693
OTHER EXPENSES	1130	990	685
PROVISIONS	17	28	160
TOTAL	17827	15889	16382
PROFIT BEFORE DEP, INTEREST, TAXES, EXTRA-ORDINARY ITEMS & PPA(PBDITEP)	74	-771	1219
DEPRECIATION	255	266	364
DRE/PREL. EXPENSES WRITTEN OFF	50	23	34
PROFIT BEFORE INTEREST, TAXES, EXTRA-ORDINARY ITEMS & PPA (PBITEP)	-231	-1060	821
INTEREST			
ON CENTRAL GOVERNMENT LOANS	1374	1188	1002
ON FOREIGN LOANS	0	0	0
OTHERS	143	556	777
LESS INTEREST CAPITALISED	0	0	0
CHARGED TO P & L ACCOUNT	1517	1744	1779
PROFIT BEFORE TAX, EXTRA-ORDINARY ITEMS & PPA (PBTEP)	-1748	-2804	-958
TAX PROVISIONS	387	185	126
NET PROFIT/LOSS BEFORE EXTRA-ORDINARY ITEM	-2135	-2989	-1084
NET EXTRA-ORDINARY ITEMS & PRIOR PERIOD ADJUSTMENT	-4	-425	-13
NET PROFIT/LOSS(-)	-2131	-2564	-1071
DIVIDEND DECLARED	0	0	0
DIVIDEND TAX	0	0	0
RETAINED PROFIT	-2131	-2564	-1071

AGRO-BASED INDUSTRIES

MANAGEMENT RATIO

DETAILS	2005-06	2004-05	2003-04
GENERAL (RS. IN LAKHS)			
INVESTMENT	7859	7066	6359
CAPITAL EMPLOYED	9813	8543	13145
NET WORTH	-2336	-2172	314
COST OF PRODUCTION	19649	17922	18559
COST OF SALES	19897	18784	17497
VALUE ADDED	6986	6811	8806
R AND D EXPENDITURE	0	0	0
PERSONNEL			
EMPLOYEES(OTHER THAN CASUAL) (NOS)	4514	4650	5533
AVERAGE MONTHLY EMOLUMENTS PER EMPLOYEE(Rs)	10484	12102	10080
INVENTORIES (IN TERMS OF NO. OF DAYS)			
TOTAL INVENTORY : SALES	141	169	181
SEMI/FINISHED GOODS : SALES	129	158	169
FINANCIAL RATIOS (%)			
SALES : CAPITAL EMPLOYED	176.02	175.02	120.24
MATERIAL COST : COST OF PRODUCTION	47.10	36.74	39.65
MANPOWER COST : COST OF PRODUCTION	28.90	37.68	36.06
COST OF SALES: SALES	115.19	125.63	110.70
PBDITEP : CAPITAL EMPLOYED	0.75	-9.02	9.27
PBITEP : CAPITAL EMPLOYED	-2.35	-12.41	6.25
PBITEP : SALES	-1.34	-7.09	5.19
PROFIT BEFORE TAX & EP(PBTEP): NET WORTH	-	-	-305.10
NET PROFIT : NET WORTH	-	-	-341.08
R AND D EXPENDITURE : SALES	0.00	0.00	0.00
SUNDRY DEBTORS : SALES (NO. OF DAYS)	65	65	133

A&N Islands Forest and Plantation Dev. Corp. Ltd. (ANIFPDC)

1. *Company Profile*

ANIFDC was incorporated in the year 1977 under the Companies Act, 1956 with the main objective of scientific harvesting, natural re-generation and development of forest resources on the principle of sustained yield. The company was established as per the recommendations of the National Commission on Agriculture 1972. ANIFPDC is a Schedule-'C' CPSE in Agro Based Industries sector under the administrative control of M/o Environment and Forests with 100% shareholding by the Government of India with its registered and corporate office at Port Blair, Andaman and Nicobar.

2. *Industrial / Business Activities*

ANIFPDC is engaged in Forestry operation, Cultivation and Marketing of Red Oil Palm and Rubber Plantation. The company has four operating units for red oil palm along with rubber estate. The enterprise is driven by a workforce of 1656 employees as on 31.3.2006.

3. *Production / Operational Profile*

Major Products	Unit	Production during			% increase/ decrease over previous year
		2005-06	2004-05	2003-04	
Crud Palm Oil	MT	652	1475	2044	- 55.80
Rubber	MT	170	189	282	- 10.05

4. *Major Financial Highlights*

Particulars	Performance during (Rs. in crore)			% increase/ decrease over previous year
	2005-06	2004-05	2003-04	
Turnover	2.15	5.38	6.88	-60.04
Cost of prod.	15.37	18.9	13.35	-18.68
Net Profit/Loss(-)	-12.15	-13.13	-5.51	-7.46
Net Worth	-22.62	-10.48	2.65	115.84
Paid up capital	3.59	3.59	3.59	0
Share of Central Govt./holding co.	3.59	3.59	3.59	0

5. *Key Performance Factors*

- The company has become loss making concern due to ban on harvesting of timber imposed by Hon'ble Supreme Court which was generating 75%(approx) turnover. Badly affected Infrastructure by the Earthquake and Tsunami on 26.12.2004 as well as difficulty in marketing adversely affected the turnover.
- The company has replaced firewood used in boiler of Red Oil Palm Mill by the fiber and empty nutshells as fuel resulting in reduction in pressure on the natural forests.

6. *Non-performing assets*

All the assets with net value of Rs 4.37 lakhs classified as "Logging Equipment" are at present non-performing; due to the ban on Harvesting of timber as per the interim order of the Hon'ble Supreme court.

7. *Strategic Issues*

The matter regarding re-structuring/ revival of the corporation is under consideration of the Government.

National Seeds Corporation Ltd. (NSC)

1. *Company Profile*

NSC was incorporated on 19.3.1963 under the Companies Act, 1956 with an objective to promote development of seed industry in the country. NSC is a Schedule-'C' CPSE in Agro Based Industries sector under the administrative control of M/o Agriculture, D/o Agriculture and Corporation with 100% shareholding by the Government of India. Its registered and corporate offices are at Delhi.

2. *Industrial / Business Activities*

NSC is involved in production / sale and purchase of seeds covering about 600 varieties of 70 different crops and Hybrids of cereals, millets, pulses, oilseeds, folder, fiber and vegetable through its three farms located at Bangalore (Karnataka), Nandikottur

(Andhra Pradesh) and Kullu, Himachal Pradesh and 11 regional and 81 Area offices spread all over India. The enterprise is driven by a workforce of 745 regular employees as on 31.3.2006.

3. *Production / Operational Profile*

Major Products	Unit	Production during (% Capacity Utilization)			% increase/ decrease over previous year
		2005-06	2004-05	2003-04	
SEEDS	Qtls.	466687 (80.30)	459466 (79.81)	411856 (71.54)	1.57

4. *Major Financial Highlights*

Particulars	Performance during (Rs. in crore)			% increase/ decrease over previous year
	2005-06	2004-05	2003-04	
Turnover	104.84	79.84	88.82	31.31
Cost of prod.	101.25	83.26	91.45	21.61
Net Profit/Loss(-)	4.33	1.37	2.3	216.06
Net Worth	35.36	27.43	26.12	28.91
Paid up capital	20.62	20.62	20.62	0
Share of Central Govt./holding co.	20.62	20.62	20.62	0

5. *Key Performance Factors*

- The company has introduced performance awards for regional and area offices and introduced smart card based attendance system at the headquarters.
- The process to obtain ISO certification has been initiated.
- The market share of the major products was 5.04% during 2005-06 as compared to 2.61% in the previous year.
- Earning Per Share was Rs. 210 and Rs. 67 respectively during this period.
- The company has signed MOU with Cargil & ITC for supply of NSC Seeds through Sathi and e-choupal networks respectively. The MOU has also been signed with SBI for seed production financial.
- The company has 'Very Good' MOU rating during the year 2005-06.

6. *Strategic Issues*

- The company is moving towards production and marketing of non cereals, more hybrids, potato seed tubers and distribution of planting materials/plantlets and it has initiated establishment of tissue culture unit.
- The study done by NPC on manpower and organization restructuring is under examination

7. *VRS* / Outstanding dues

- During the year 4 employees availed of VRS, 39 superannuated and 5 left on other grounds. A total of 880 employees have left under VRS/VSS till 31.3.2006. There was no outstanding dues as on 31.3.2006. The company paid ex-gratia of Rs. 0.18 crore during the year.

North Eastern Regional Agricultural Marketing Corp. Ltd. (NERAMC)

1. *Company Profile*

NERAMC was incorporated in the year 1982 under the Companies Act, 1956 with an objective to act as an intervention agency for commercially viable prices in North Eastern region. NERAMC is a Schedule-'B' / BIFR referred CPSE in Agro Based Industries sector under the administrative control of D/o Development of North Eastern Region with 100% shareholding by the Government of India. Its registered and corporate offices are at Guwahati, Assam. BIFR declared the company no longer sick.

2. *Industrial / Business Activities*

NERAMC is mainly involved in trading and marketing activities along with production of Agro products like fruit juice and cashew nut from its 3 operating units at Agartala, Tripura. The enterprise has a workforce of 48 employees as on 31.3.2006.

3. *Production / Operational Profile*

Major Products	Unit	Production during			%increase/ decrease over previous year
		2005-06	2004-05	2003-04	
Pine apple Juice	MT	10465	35319	89700	-70.37
Cashew nut	MT	5498	10300	12598	-69.56

4. *Major Financial Highlights*

Particulars	Performance during (Rs. in crore)			%increase/ decrease over previous year
	2005-06	2004-05	2003-04	
Turnover	7.06	6.77	8.4	4.28
Cost of prod.	8.59	8.06	11.05	6.58
Net Profit/Loss(-)	-1.1	-0.78	-0.48	41.03
Net Worth	7.4	3.05	4.94	142.62
Paid up capital	7.62	7.62	7.62	0
Share of Central Govt./holding co.	7.62	7.62	7.62	0

5. *Key Performance Factors*

- There is improvement in turnover and profitability.
- The company has 'Poor' MOU rating during the year 2005-06.

6. *VRS / Outstanding dues*

Up-to 31.3.2006, total 22 employees left under VRS. As on 31.3.2006 the company is having outstanding dues of Rs. 26 lakhs on salary and wages.

State Farms Corporation of India Ltd. (SFCI)

1. *Company Profile*

SFCI was incorporated in the year 1969 under the Companies Act, 1956 with an objective to maintain Central Government Farms in different states for production of quality seeds. SFCI is a Schedule-'C' CPSE in Agro Based Industries sector under the administrative control of M/o Agriculture, D/o Agriculture and Co-operation with 100% shareholding by the Government of India. Its registered and corporate offices are at New Delhi.

2. *Industrial / Business Activities*

SFCI is maintaining 6 central state farms for production of Test stocks, Breeder, Foundation and certified seeds of different crops. The company also undertakes activities like plantation and maintenance of fruit crops, multiplication of quality seeding of Horticultural crops, production of vegetable seeds, cultivation of Bio-fuel & Medicinal plants and forestry plantations on wastelands. The land under possession at these 6 farms is 25736 hact., out of which cultivable land is 19616 hact. Central Government owns 4 Farms namely Suratgarh, Sardargarh and Jetsur in Rajasthan and one in Raichur, Karnataka; other 2 farms are in Hissar, Haryana and Bahraich in U.P and on lease from respective state Governments. The enterprise has a workforce of 2065 employees as on 31.3.2006.

3. *Production / Operational Profile*

Major Products	Unit	Production during (% Capacity Utilization)			%increase/ decrease over previous year
		2005-06	2004-05	2003-04	
Gram	Qntls.	34391	43991	5832	- 21.82
Oil Seeds	Qntls.	23882	24642	30624	- 3.08
Wheat	Qntls.	50181	40872	67266	22.78
Pulses	Qntls.	8292	6895	9081	20.26
Sugercane	Qntls.	123874	152894	204892	- 18.98
Cotton	Qntls.	5085	4052	6010	25.49

4. *Major Financial Highlights*

Particulars	Performance during (Rs. in crore)			%increase/ decrease over previous year
	2005-06	2004-05	2003-04	
Turnover	58.68	57.53	53.96	2
Cost of prod.	71.28	69	69.74	3.3
Net Profit/Loss(-)	-12.39	-13.1	-7.02	-5.42
Net Worth	-43.5	-41.72	-30.57	4.27
Paid up capital	24.19	24.19	24.19	0
Share of Central Govt./holding co.	24.19	24.19	24.19	0

5. *Key Performance Factors*

- There is dearth of qualified staff in the supervisor/senior positions.
- Most of the farms of the company are located in remote areas where much of civic facilities are lacking and therefore talented and qualified staff are not willing to work in such areas.
- The company has 'Fair' MOU rating during the year 2005-06.

13 TEXTILES

There were 15 enterprises in the public sector as on 31.3.2006 which were engaged in producing and selling of Textile Products. The names of these enterprises alongwith their year of incorporation in chronological order are given below:

Sl. No.	Enterprise	Year of Incorporation
1.	National Textile Corpn. (Holding Co.) Ltd.	1968
2.	NTC (A. Pradesh, Karnataka, Kerala and Mahe) Ltd.	1974
3.	NTC (Delhi, Punjab and Rajasthan) Ltd.	1974
4.	NTC (Gujarat) Ltd.	1974
5.	NTC (Madhya Pradesh) Ltd.	1974
6.	NTC (Maharashtra North) Ltd.	1974
7.	NTC (South Maharashtra) Ltd.	1974
8.	NTC (Tamilnadu and Pondicherry) Ltd.	1974
9.	NTC (Uttar Pradesh) Ltd.	1974
10.	NTC (West Bengal, Assam, Bihar and Orissa) Ltd.	1974
11.	National Jute Manufacturers Corporation Ltd.	1980
12.	Brushware Ltd.	1981
13.	British India Corporation Ltd.	1981
14.	National Handlooms Development Corporation Ltd.	1983
15.	Birds, Jute and Exports Ltd.	1987

2. The enterprises falling in this group are mainly engaged in producing and selling textile products such as yarn, worsted and woollen cloth, blankets, hosiery, polyster suiting, shirting etc.

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

4. Net Profit/(Loss) : The details of individual enterprises which earned net profit or sustained net loss (-) in ranking order are given below:

(*Rs. in crore*)

Sl. No.	Enterprise	Net Profit/(Loss) 2005-06	2004-05
1.	NTC (South Maharashtra) Ltd.	1401.57	(272.99)
2.	NTC (Maharashtra North) Ltd.	218.91	(262.66)
3.	NTC (Tamilandu and Pondicherry) Ltd.	7.58	(40.83)
4.	National Handlooms Development	0.50	0.78
5.	Brushware Ltd	(0.03)	0.04
6.	National Textile Corpn. (Holding Co.)	(7.00)	(6.62)
7.	British Inida Corporation Ltd.	(19.10)	(13.54)
8.	NTC (Delhi, Punjab and Rajasthan) Ltd.	(24.40)	(56.84)
9.	NTC (Madhya Pradesh) Ltd.	(33.49)	(44.56)

Sl. No.	Enterprise	Net Profit/(Loss) 2005-06	2004-05
10.	NTC (West Bengal, Assam, Bihar and Orissa) Ltd.	(56.06)	(65.08)
11.	NTC (Gujarat) Ltd.	(76.00)	(92.90)
12.	NTC (Uttar Pradesh) Ltd.	(97.88)	(46.33)
13.	NTC (A. Pradesh, Karnataka, Kerala and Mahe) Ltd. Corporation Ltd.	(103.99)	21.95
14.	National Jute Manufacturers Corporation Ltd.	0.00	(598.90)
15.	Birds Jute and Exports Ltd.	0.00	0.00
	Total	**1210.61**	**(1478.56)**

5. Dividend : Only one enterprise declared dividend as per details given below:

(*Rs. in crore*)

Sl. No.	Enterprise	Dividend 2005-06	2004-05
1.	National Handlooms Development Corporation	0.11	0.16

6. Township and Social Overheads

The operating results of these enterprises after setting off township maintenance and other social overheads such as maintenance of schools, medical facilities, social overheads and cultural subsidies etc. are given in next column:

(*Rs. in crore*)

Sl. No.	Particulars	Township & Social Overheads 2005-06	2004-05
1.	Capital cost of Township	1.62	1.41
2.	Gross expenditure on Township	0.49	0.19
3.	*Less :* Rent receipt and other income	0.28	0.35
4.	Net expenditure on Township	0.21	(0.16)
5.	Social Overheads: Educational, Med. facilities, etc.	4.27	2.23
6.	Total Social Overheads	4.48	2.07
7.	No. of employees	44213	53508
8.	Per capita expend. on Social Overheads (Rs.)	1013	387
9.	No. of houses constructed	3335	4097
10.	No. of houses under construction	0	0
11.	Housing satisfaction (%)	7.5	7.7

7. To appreciate the performance of each enterprise falling in this group, the details about their financial position, working results and important mangement ratios for three years are given in Volume-III.

TEXTILES

SUMMARISED BALANCE SHEET

(Rs. in Lakhs)

PARTICULARS	2005-06	2004-05	2003-04
AUTHORISD CAPITAL	116144	121544	121544
I. SOURCES OF FUNDS			
(1) SHAREHOLDERS FUND			
(A) PAID-UP CAPITAL			
CENTRAL GOVT.	64661	64663	69048
OTHERS	42860	42858	38473
(B) SHARE APPLICATION MONEY	442462	442463	442462
(C) RESERVES & SURPLUS	24906	25645	26559
TOTAL (A)+(B)+(C)	574889	575629	576542
(2) LOAN FUNDS			
(A) SECURED LOANS	21698	23310	24856
(B) UNSECURED LOANS	2037867	1947764	1635715
TOTAL (A)+(B)	2059565	1971074	1660571
(3) DEFERRED TAX LIABILITY	104	112	111
TOTAL (1)+(2)+(3)	2634558	2546815	2237224
II. APPLICATION OF FUNDS			
(1) FIXED ASSETS			
(A) GROSS BLOCK	66422	70031	73920
(B) LESS: DEPRECIATION	40194	42702	46465
(C) NET BLOCK	26228	27329	27455
(D) CAPITAL WORK IN PROGRESS	384	727	534
TOTAL (C)+(D)	26612	28056	27989
(2) INVESTMENTS	904812	1013501	897243
(3) CURRENT ASSETS, LOANS & ADVANCES			
(A) INVENTORIES	14955	18216	20056
(B) SUNDRY DEBTORS	6773	6960	5785
(C) CASH & BANK BALANCES	220895	34913	23375
(D) OTHER CURRENT ASSETS	41420	38049	27238
(E) LOAN & ADVANCES	132879	12646	11397
TOTAL (A+B+C+D+E)	416922	110784	87851
LESS:CURRENT LIABILITIES & PROVN.			
(A) CURRENT LIABILITIES	115780	126062	145103
(B) PROVISIONS	30731	33609	36982
TOTAL (A+B)	146511	159671	182085
NET CURRENT ASSETS	270411	-48887	-94234
(4) DEFERRED REVENUE/PRE.EXPENDITURE	115	143	148
(5) DEFERRED TAX ASSET	0	0	0
(6) PROFIT & LOSS ACCOUNT (DR)	1432608	1554002	1406078
TOTAL (1+2+3+4+5+6)	2634558	2546815	2237224

TEXTILES

SUMMARISED PROFIT AND LOSS ACCOUNT

(Rs. in Lakhs)

PARTICULARS	2005-06	2004-05	2003-04
INCOME			
SALES/OPERATING INCOME	85570	87519	82548
EXCISE DUTY	220	1884	5498
NET SALES	85350	85635	77050
OTHER INCOME/RECEIPTS	95333	91535	96597
ACCRETION/DEPLETION IN STOCKS	-2702	-885	3259
TOTAL	177981	176285	176906
EXPENDITURE			
PURCHASE OF FINISHED GOODS/ CONSUMPTION OF RAW MATERIALS	56977	61582	57974
STORES & SPARES	2626	2760	2701
POWER & FUEL	9999	10845	10820
MANUFACTURING/DIRECT/OPERATING EXPENSES	3462	3178	3265
SALARY,WAGES AND BENEFITS/EMPLOYEE EXPENDITURE	36684	48184	66428
OTHER EXPENSES	2989	3459	2936
PROVISIONS	1171	728	2769
TOTAL	113908	130736	146893
PROFIT BEFORE DEP, INTEREST, TAXES, EXTRA-ORDINARY ITEMS & PPA(PBDITEP)	64073	45549	30013
DEPRECIATION	432	467	566
DRE/PREL. EXPENSES WRITTEN OFF	0	16	475
PROFIT BEFORE INTEREST, TAXES, EXTRA-ORDINARY ITEMS & PPA (PBITEP)	63641	45066	28972
INTEREST			
ON CENTRAL GOVERNMENT LOANS	56267	79694	71556
ON FOREIGN LOANS	0	0	0
OTHERS	87436	90436	76688
LESS INTEREST CAPITALISED	0	3	0
CHARGED TO P & L ACCOUNT	143703	170127	148244
PROFIT BEFORE TAX, EXTRA-ORDINARY ITEMS & PPA (PBTEP)	-80062	-125061	-119272
TAX PROVISIONS	68	54	79
NET PROFIT/LOSS BEFORE EXTRA-ORDINARY ITEM	-80130	-125115	-119351
NET EXTRA-ORDINARY ITEMS & PRIOR PERIOD ADJUSTMENT	-201191	22741	-161860
NET PROFIT/LOSS(-)	121061	-147856	42509
DIVIDEND DECLARED	11	16	30
DIVIDEND TAX	1	2	4
RETAINED PROFIT	121049	-147874	42475

TEXTILES

MANAGEMENT RATIO

DETAILS	2005-06	2004-05	2003-04
GENERAL (RS. IN LAKHS)			
INVESTMENT	1979273	1971365	1745642
CAPITAL EMPLOYED	296639	-21558	-66779
NET WORTH	-857834	-978516	-829684
COST OF PRODUCTION	258043	301346	296178
COST OF SALES	260745	302231	292919
VALUE ADDED	13046	9563	8814
R AND D EXPENDITURE	95	53	61
PERSONNEL			
EMPLOYEES(OTHER THAN CASUAL) (NOS)	44213	53508	67096
AVERAGE MONTHLY EMOLUMENTS PER EMPLOYEE(Rs)	6914	7504	8250
INVENTORIES (IN TERMS OF NO. OF DAYS)			
TOTAL INVENTORY : SALES	64	78	95
SEMI/FINISHED GOODS : SALES	50	62	73
FINANCIAL RATIOS (%)			
SALES : CAPITAL EMPLOYED	28.77	-	-
MATERIAL COST : COST OF PRODUCTION	22.08	20.44	19.57
MANPOWER COST : COST OF PRODUCTION	14.22	15.99	22.43
COST OF SALES: SALES	305.50	352.93	380.17
PBDITEP : CAPITAL EMPLOYED	21.60	-	-
PBITEP : CAPITAL EMPLOYED	21.45	-	-
PBITEP : SALES	74.56	52.63	37.60
PROFIT BEFORE TAX & EP(PBTEP): NET WORTH	-	-	-
NET PROFIT : NET WORTH	-	-	-
R AND D EXPENDITURE : SALES	0.11	0.06	0.08
SUNDRY DEBTORS : SALES (NO. OF DAYS)	29	30	27

Birds Jute & Exports Ltd. (BJEL)

1. *Company Profile*

BJEL was incorporated on 2nd July, 1904 in private sector. 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 a uncategorised / BIFR / Takenover CPSE in Textile sector under the administrative control of M/o Textiles, having its registered and corporate offices at Kolkata, West Bengal. The company is registered with BIFR since 1999 which has recommended for its winding up.

2. Industrial / Business Activities

BJEL is engaged in processing, blending, dyeing and printing of jute cotton and blended fabrics. BIFR concluded that no public interest would be served by reviving this company and recommended for its winding up. As such all the employees except 11 officers have been given VRS benefit. The officers union has field an appeal before the AAFIR, which has stayed the winding up order of BIFR and has sought the opinion of the Government regarding the proposal of the Officers' Union.

3. Production / Operational Profile

Company is not in operation.

4. Major Financial Highlights

Particulars	Performance during (Rs. in crore)			% increase/ decrease over prev-ious year
	2005-06	2004-05	2003-04	
Turnover	0	0	0.00*	-
Cost of prod.	0	0	9.12*	-
Net Profit/Loss(-)	0	0	-8.82*	-
Net Worth	-53.9	-53.9	-53.9	0
Paid up capital	0.14	0.14	0.14	0
Share of Central Govt./holding co.	0.39	0.39	0.39	0

5. Key Performance Factors

- The Government had filed an affidavit in the High Court stating that it has no objection if a liquidator is appointed for BJEL. However, the AAIFR stayed the operation of the winding up order of the BIFR.
- The Company has not furnished any information for the year 2005-06.

British India Corp. Ltd. (BIC)

1. *Company Profile*

BIC was incorporated in the year 1920 in private sector and was nationalized in 1981 under B.I.C. Ltd. (Acquisition of shares) Act, with an objective to take over the controlling shares from private hands. BIC is a Schedule-'B' / BIFR referred / takenover CPSE in Textile sector under the administrative control of M/o Textiles with 96.94% shareholding by the Government of India. Its registered and corporate offices are at Kanpur, Uttar Pradesh.

2. Industrial / Business Activities

BIC is involved in manufacturing of woolen / worsted fabrics through its two operating 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 first two subsidiaries have been closed at the recommendations of BIFR for winding up. The enterprise has a workforce of 2729 employees as on 31.3.2006.

3. Production / Operational Profile

Major Products	Unit	Production during			% increase/ decrease over prev-ious year
		2005-06	2004-05	2003-04	
Wollen Fabrics	Mts.	27.48	46.77	67.29	-41.24

4. Major Financial Highlights

Particulars	Performance during (Rs. in crore)			% increase/ decrease over prev-ious year
	2005-06	2004-05	2003-04	
Turnover	22	23.74	12.48	-7.33
Cost of prod.	37.89	42.84	61.11	-11.55
Net Profit/Loss(-)	-19.1	-13.54	21.75	41.06
Net Worth	-143.89	-128.03	-114.37	12.39
Paid up capital	31.71	31.71	30.74	0
Share of Central Govt./holding co.	31.71	31.71	31.71	0

5. Key Performance Factors

- BIC has suffered a loss during 2005-06 due to obsolete machinery, excess manpower, shortage of working capital, inadequate marketing infrastructure for retail sale etc. Further there is no permanent CMD in the company.
- The restructuring was approved in 2002 with a cash assistance of Rs.86 crore and non-cash assistance of Rs.125 crore. The modernization programme has been delayed because of non-availability of funds through the sale of surplus land as Government of U.P. has not allowed the conversion of leasehold land into free hold either free of cost or at concessional rate.

6. Strategic Issues

- In 2005, the Government has approved a new revival plan for BIC on the recommendations of BRPSE which provides an additional allocation of Rs. 47.35 crore under Non-Plan to BIC for making payment to the Government of UP to secure conversion of leasehold lands into freehold, which will be paid in 8 quarterly installments. Leasing the mills to private partner(s) subject to the conditions that appropriate provisions be made in the lease conditions with regard to any land which may be surplus.

Brushware Ltd. (BL)

1. Company Profile

BL was incorporated in the year 1893 in private sector and was nationalised in the year 1981. BL is a uncategorised / takenover CPSE in Textile sector under the administrative control of M/o Textiles having its registered and corporate office at Kanpur, Uttar Pradesh. The company is a subsidiary of British India Corp. (BIC), which holds 57.2% of its equity shares.

2. Industrial / Business Activities

BL was involved in manufacturing of all types of brushes like industrial, domestic, personal and paint brushes catering to the needs of Defence, Railway, HAL, Sugar mills, textile mills, road ways etc. However, production activity of the company is almost closed since 1994-95. There is virtually no work force on the roll of the company.

The company was not referred to BIFR as it being a small-scale unit. Also due to the non-availability of funds for working capital no steps could be taken to improve upon its operational activity.

The application for closure of the company under the I.D. Act has been turned down by Ministry of Labour.

The company is completely closed for the last ten years.

National Handlooms Development Corp. Ltd. (NHDCL)

1. Company Profile

NHDCL was incorporated in the year 1983 under the Companies Act, 1956 with an objective to serve as a national level agency for promotion and development of the Handloom sector. The Company is a Schedule-'C' / CPSE in textile sector under the administrative control of M/o Textiles with 100% shareholding by the Government. Its Registered and Corporate offices are at Lucknow, (U.P.)

2. Industrial / Business Activities

NHDCL is one of the pioneering enterprises to ensure the availability of raw material like yarn, dyes and chemicals to handloom weavers and supply of handloom fabrics to undertake developmental activities like technical, marketing, production and training to weavers/dyers and handloom personnel through its 8 regional offices situated all over India. The enterprise is driven by a workforce of 225 employees as on 31.3.2006.

3. Production / Operational Profile

The company is not a manufacturing enterprise. It is involved in promotional and development activities relating to handloom.

4. Major Financial Highlights

Particulars	Performance during (Rs. in crore)			%increase/ decrease over previous year
	2005-06	2004-05	2003-04	
Turnover	253.45	241.72	284.75	4.85
Cost of prod.	263.77	250.97	294	5.1
Net Profit/Loss(-)	0.5	0.78	1.45	-35.9
Net Worth	26.84	26.56	31.46	1.05
Paid up capital	19	19	19	0
Share of Central Govt./holding co.	19	19	19	0

5. Key Performance Factors

- Profitability declined during 2005-06 as compared to last year by 35.71%.
- Due to withdrawal of CENVAT administrative charges have reduced to nil during 2005-06. Payment of VRS compensation has been made from internal resources.
- Due to implementation of FBT, Rs. 7.54 lakhs were paid as FBT during 2005-06.
- An incentive scheme under MGPS scheme to boost sales resulted in increase of transportation & depot expenses.
- The Earning Per Share of the company decreased tremendously from Rs. 4.12 in 2004-05 to Rs. 2.65 in 2005-06.
- Company has 'Very Good' MOU rating during the year 2005-06.

6. VRS

During the year, 2 employees left the company out of which 1 availed of VRS.

National Jute Manufacturing Corp. Ltd. (NJMC)

1. Company Profile

NJMC was incorporated on 3.6.1980 under the Companies Act, 1956 with an objective to take over the 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' / BIFR referred CPSE in Textile sector under the administrative control of M/o Textile having 100% Government holding with its registered office and corporate office at Kolkata, West Bengal.

2. Industrial / Business Activities

NJMC is one of the enterprises in the manufacturing of Jute goods having its 6 operating units at North 24 Paraganas, Howrah and Kolkata in West Bengal and Katihar in Bihar. It has one subsidiary namely Birds Jute and Exports Ltd. The enterprise is driven by a workforce of 19746 employees as on 31.3.2006.

3. Production / Operational Profile

Major Products	Unit	Production during (% Capacity Utilization)			%increase/ decrease over previous year
		2005-06	2004-05	2003-04	
Jute Goods	M.T.	-	28	8144 (7)	-

4. Major Financial Highlights

Particulars	Performance during (Rs. in crore)			%increase/ decrease over previous year
	2005-06	2004-05	2003-04	
Turnover	0	0.2	11.68	-
Cost of prod.	0	451.44	442.79	-
Net Profit/Loss(-)	0	-598.9	-437.13	-
Net Worth	-4530.62	-4530.62	-3931.73	0
Paid up capital	55.8	55.8	55.8	0
Share of Central Govt./holding co.	55.8	55.8	55.8	0

5. Key Performance Factors

- Company has not furnished any information for the year 2005-06.
- The Company is registered with BIFR since 1994 and has been recommended for 'winding up' on 8.7.2004. There is no production activity in the company since 2004-05 except conversion of minimum process stock to finished stock due to disconnection of power supply by CESC / BSEB for non payment of bills.

- NJMC had been suffering cash loss since inception. Hon'ble High Court of Calcutta has passed the order for winding up of the company on 6.1.2005 and has directed the official liquidator to take possession of assets of the company. Presently the matter is pending before the Division Bench of Calutta High court for review. The AAIFR has also granted stay order against the order of BIFR.

National Textile Corp. Ltd. (NTC)

1. Company Profile

NTC was incorporated on 1.4.1968 under the Companies Act, 1956 with an objective to manage the affairs of Sick takenover Textile units with its 9 subsidiaries. NTC is a Schedule-'A' CPSE in Textile sector under the administrative control of M/o Textiles having 100% Government holding with its registered and corporate office at New Delhi.

2. Industrial / Business Activities

NTC is one of the holding enterprises which arrange funds (for working capital and VRS etc.) from GOI and provide them to its units / subsidiaries as per their requirement. It has 9 subsidiaries namely NTC (DPandR), NTC (Guj.), NTC (UP), NTC (SM), NTC (MN), NTC (WBABO), NTC (APKKM), NTC (MP) and NTC (TNP). The enterprises is driven by a workforce of 119 employees as on 31.3.2006.

3. Production / Operational Profile

NTC is a holding company as such there is no production of its own.

4. Major Financial Highlights

Particulars	Performance during *(Rs. in crore)*			% increase/ decrease over previous year
	2005-06	2004-05	2003-04	
Turnover	0	0	0.00*	-
Cost of prod.	722.11	662.94	574.56	8.93
Net Profit/Loss(-)	-7	-6.62	-10.33	5.74
Net Worth	2923.98	2930.99	2937.6	-0.24
Paid up capital	540.1	540.1	540.1	0
Share of Central Govt./holding co.	540.1	540.1	540.1	0

5. Key Performance Factors

- The corporation has been charging interest from the subsidiaries for the loans advanced after 31.3.2001 as the GOI has been advancing interest-bearing loans. However, this is not in conformity with the scheme of BIFR.
- The corporation has not undertaken any manufacturing / sale or exports activity during the year.
- Statutory auditors have made comments regarding underestimation of losses and non-reconciliation of certain assets / liabilities and no provision on certain losses.

6. Strategic Issues

- On the recommendation of BRPSE Govt. has sanctioned revival scheme for NTC and its subsidiaries.
- During the year, 112 employees left the company out of which 106 availed VRS, 5 retired on superannuation and 1 left on other grounds. Till 31.3.2006 a total of 163 employees have taken VRS. No VRS Grant was sanctioned / released by the Government during the year.

National Textile Corp. Ltd. (APKK&M) [NTC (APKK&M)]

1. *Company Profile*

NTC (APKK&M) was incorporated on 23.10.1974 under the Companies Act, 1956 as a 100% subsidiary of NTC Ltd. with an objective to manage the business of nationalised textile mills taken over under the Sick Textile Undertaking (Nationalisation) Act, 1974 and situated in the states of Andhra Pradesh, Karnataka, Kerala and Maharashtra. NTC (APKK&M) is a Schedule-'B' / BIFR referred takenover CPSE in textile sector under the administrative control of M/o Textiles having its registered and corporate offices at Bangalore, Karantaka.

2. Industrial / Business Activities

NTC (APKKandM) is one of the subsidiary

enterprises of NTC engaged in manufacturing wide range of fabrics in cotton blended and 100% synthetic suiting, shirting, drills, casement, furnishing material, dress material, surgical cloth, sarees etc. through its ten operating mills at Chittoor, Tadapateri in Andhra Pradesh, Bangalore and Tolhunse in Karnataka, Kollam, Trissur(2 mills), Kannur and Thiruvmalu in Kerala and Mahe (Pondicherry). It has two Marketing Divisions at Bangalore and Hyderabad.The enterprise is driven by a workforce of 3639 regular employees as on 31.3.2006.

3. Production / Operational Profile

Major Products	Unit	Production during (% Capacity Utilization)			%increase/ decrease over previous year
		2005-06	2004-05	2003-04	
YARN	Lakh KG.	108.18 (82.86)	118.98 (81.36)	92.30 (74.34)	- 9.08
CLOTH	Lakh Mtrs.	15.43 (34.26)	11.70 (30.61)	27.21 (50.84)	31.88

4. Major Financial Highlights

Particulars	Performance during (Rs. in crore)			%increase/ decrease over previous year
	2005-06	2004-05	2003-04	
Turnover	125.46	126.14	94.48	-0.54
Cost of prod.	230.85	232.04	202.67	-0.51
Net Profit/Loss(-)	-103.99	21.95	-41.93	-573.76
Net Worth	-875.16	-771.17	-793.12	13.48
Paid up capital	58.29	58.29	58.29	0
Share of Central Govt./holding co.	57.06	57.06	57.06	0

5. Key Performance Factors

- Marketing conditions are favourable by way of better movement and realization. The company has taken up production of more combed cotton yarn and high twist yarn of high value.
- Uneconomical activities have been curtailed by stopping old plain loom shed, auto loom shed in two mills and closed loss making retail show rooms to reduce cost and improve competitiveness.
- Labour cost has been brought down by 4% of production value by giving MVRS to surplus employees and substituting permanent workers with casual workers.
- Plant and machinery and other assets disposed off to the tune of Rs. 0.75 crore.

6. Strategic Issues

- The rehabilitation plan was sanctioned in 21.3.2002 with the capital outlay of Rs. 390.66 crore.
- On the recommendation of BRPSE Govt. has sanctioned revival scheme for NTC and its subsidiaries.
- The modernization of plant and machinery as per the 'Sanctioned Scheme' is being initiated, in the final stage of negotiations and tie-up of resources through sale of surplus land is arranged. Funds assistance is being received from NTC Ltd.

7. Non-performing assets

Depreciation reserves worth Rs. 75.84 crore were non-performing assets as on 31.3.2006.

8. VRS / Outstanding dues

During 2005-06 total 1352 employees left the company out of which 1198 availed of VRS, 128 retired on superannuation and 26 left on other grounds. An amount of Rs. 41.94 crore was spent in this regard. There were no outstanding dues as on 31.3.2006.

National Textile Corp. (DP&R) Ltd. [NTC (DP&R)]

1. Company Profile

NTC (DP&R) was incorporated in the year 1974 under the Sick Textile Undertaking (Nationalisation) Act 1974 as a 100% subsidiary of NTC Ltd. with an objective to rehabilitate and run the nationalised sick textile mills. NTC (DP&R) is a Schedule-B / BIFR referred takenover CPSE in Textile sector under the administrative control of M/o Textiles with its Registered and Corporate offices at Delhi.

2. Industrial / Business Activities

NTC (DP&R) is engaged in manufacturing and selling of cotton / blended / woolen yarn and woolen cloth through its 5 operating units at Beawar, Bijainagar and Udaipur in Rajasthan and Kharar and Malout in Punjab. The enterprise is driven by a workforce of 700 regular employees as on 31.3.2006.

3. Production / Operational Profile

Major Products	Unit	Production during (% Capacity Utilization)			%increase/ decrease over previous year
		2005-06	2004-05	2003-04	
Cotton yarn	Lakh Kg.	21.96 (37.08)	48.38 (82.49)	-	- 46.61
Waste	Lakh Kg.	2.74	5.72	-	- 52.10

4. Major Financial Highlights

Particulars	Performance during (Rs. in crore)			%increase/ decrease over previous year
	2005-06	2004-05	2003-04	
Turnover	27.74	50.12	40.94	-44.65
Cost of prod.	135.77	122.39	124.29	10.93
Net Profit/Loss(-)	-24.4	-56.84	80.03	-57.07
Net Worth	-456.24	-431.84	-375	5.65
Paid up capital	28.43	26.89	26.89	5.73
Share of Central Govt./holding co.	28.43	28.43	28.43	0

5. Key Performance Factors

The company has been incurring losses for last several years. Though its sales decreased tremendously, its losses also decreased during 2005-06 due to profit on sale of assets as also reduction in administrative expenses and consumption of raw materials.

6. Strategic Issues

- On the recommendation of BRPSE Govt. has sanctioned revival scheme for NTC and its subsidiaries which is under implementation.
- The revival scheme envisaged modernization of five viable mills and closure of the remaining four mills, out of which three since have been closed.

7. VRS

During the year, 2139 employees left the company out of which 2055 availed of VRS and 84 retired on superannuation. A payment of Rs. 51.30 crore was made by the company to VRS retirees from its own resources. Till 31.3.2006 a total of 3592 employees have taken VRS.

National Textile Corp. (Gujarat) Ltd. [NTC (Gujarat)]

1. Company Profile

NTC (Gujarat) was incorporated in the year 1974 under the Companies Act, 1956 in pursuant to Sick Textile Undertakings (Nationalization) Act, 1974 with the objective of taking over the assets and liabilities of the 11 nationalized mills located in Gujarat. NTC (Gujarat) is a Schedule-'B' / BIFR referred CPSE in Textile sector under the administrative control of M/o Textile, having its registered and corporate offices at Ahmedabad, Gujarat. It is a 100% subsidiary of NTC Ltd. The company is registered with BIFR since 1992 and BIFR has sanctioned revival scheme for the company.

2. Industrial / Business Activities

NTC (Gujarat) is engaged in production of cotton and P.V. Yarn through its 11 operating mills at Ahmedabad, Bhavnagar, Rajkot, Petlad and Viramgam in Gujarat. The enterprises has workforce of 281 employees as on 31.3.2006.

3. Production / Operational Profile

Major Products	Unit	Production during			%increase/ decrease over previous year
		2005-06	2004-05	2003-04	
Cotton / PV Yarn	Lakh Kgs	5.34	15.16	15.25	-64.78

4. Major Financial Highlights

Particulars	Performance during (Rs. in crore)			%increase/ decrease over previous year
	2005-06	2004-05	2003-04	
Turnover	7.19	17.15	15.4	-58.08
Cost of prod.	68.18	79.37	89.01	-14.1
Net Profit/Loss(-)	-76	-92.9	301.35	-18.19
Net Worth	-636.77	-561.66	-468.76	13.37
Paid up capital	24.84	24.84	24.84	0
Share of Central Govt./holding co.	24.84	24.84	24.84	0

5. *Key Performance Factors*

The company is incurring losses and is under revival scheme approved by the Government of India/BIFR.

6. *Strategic Issues*

On the recommendation of BRPSE Govt. has sanctioned revival scheme for NTC and its subsidiaries. In view of reduction in number of mills under the NTC Group of companies, it has been decided to merge all subsidiaries into one company. The BIFR has approved this proposal. The merging process is going on and a dissolution certificate will be issued by the concerned Registrar of Companies and the existence of all subsidiaries will come to an end including NTC(Gujarat).

7. *Surplus assets*

The company is having non-performing assets of Rs.1.38 crore and surplus assets of Rs.11.17 crore. Steps are being taken to dispose off non-performing assets.

8. *VRS / Outstanding dues*

During the year, 1108 employees left the company out of which 1096 availed of VRS, 3 retired on superannuation and 9 left on other grounds. Till 31.3.2006, total of 7939 employees have taken VRS.

National Textile Corp. (Madhya Pradesh) Ltd. [NTC (MP)]

1. *Company Profile*

NTC(MP) was incorporated on 1.11.1974 under the Companies Act, 1956 as a 100% subsidiary of NTC Ltd. with an objective to Manage the affairs of seven sick textile mills in Madhya Pradesh which were nationalised under Sick Textile Undertakings (Nationalisation) Act, 1974. NTC (MP) is a Schedule-'B' / BIFR referred CPSE in Textile sector under the administrative control of M/o Textiles having its registered and corporate office at Indore, Madhya Pradesh.

2. *Industrial / Business Activities*

NTC (MP) is one of the subsidiary enterprises of NTC engaged in manufacturing of yarn and cotton cloth through its two operating units at Burhanpur and Bhopal in Madhya Pradesh. The enterprise is driven by a workforce of 996 employees as on 31.3.2006.

3. *Production / Operational Profile*

Major Products	Unit	Production during (% Capacity Utilization)			% increase/ decrease over previous year
		2005-06	2004-05	2003-04	
Yarn	Spinning	(87.61)	(86.17)	(87.52)	-
Cotton Yarn	Lac Kg.	15.84	13.33	8.22	18.83

4. *Major Financial Highlights*

Particulars	Performance during (Rs. in crore)			% increase/ decrease over previous year
	2005-06	2004-05	2003-04	
Turnover	13.48	13.28	11.37	1.51
Cost of prod.	62.74	81.19	67.7	-22.72
Net Profit/Loss(-)	-33.49	-44.56	247.73	-24.84
Net Worth	-503.13	-469.68	-425.14	7.12
Paid up capital	33.57	33.57	33.57	0
Share of Central Govt./holding co.	33.57	33.57	33.57	0

5. *Key Performance Factors*

- The company is incurring losses and is under revival plan as sanctioned in 2002 by the BIFR and subsequently by the Government/BIFR based on the recommendations of BRPSE in 2005-06.
- Holding company (NTC Ltd.) has made available a sum of Rs. 9.67 crores as working capital loan for Payment of wages & salaries and Rs. 7.04 crores as MVRS/ Revival loan for payment under VRS and creditors.
- Gross loss has come down mainly due to saving in wages & salaries on account of reduction in employees under VRS.

6. *Strategic Issues*

- Revival scheme of the company was approved by BIFR during 2002 under which five mills were closed during the year 2002-03 and employees of these mills have been relieved after giving compensation under VRS.

- The implementation of revival scheme is effected due to various factors such as non-realisation of funds from sale of assets mainly land, on account of non-receipt of permission from the State Governments of Madhya Pradesh and Chhattisgarh.
- On the recommendation of BRPSE Govt. has sanctioned revival scheme for NTC and its subsidiaries. In view of reduction in number of mills under the NTC Group of companies, it has been decided to merge all subsidiaries into one company. The BIFR has approved this proposal. The merging process is going on and a dissolution certificate will be issued by the concerned Registrar of Companies and the existence of all subsidiaries will come to and end including NTC(MP).

7. VRS

- During the year, 93 employees left the company after availing of VRS.Till 31.3.2006 total 1075 employees availed of VRS. An amount of Rs.. 2.70 crores were spent on this account during 2005-06.

National Textile Corp. (MN) Ltd. [NTC (MN)]

1. *Company Profile*

NTC (MN) was incorporated in the year 1974 under the Companies Act, 1956 as a 100% subsidiary of NTC Ltd. with an objective to own and manage 11 eastern nationalised textiles mills taken over under the Sick Textile Undertaking (Nationalisation) act 1974 (seven more mills were entrusted to corporation w.e.f. 1.4-1997). NTC (MN) is a Schedule-'B' / BIFR referred CPSE in textile sector under the administrative control of M/o Textiles having its registered and corporate offices at Mumbai, Maharashtra. As per the revival scheme sanctioned by the BIFR on 25.7.2002, 10 mills have been closed and two more mills recommended for revival are to be merged with Tata Mills. Thus at present 6 mills are in operation under the company.

2. *Industrial / Business Activities*

NTC (MN) is one of the subsidiary enterprises of NTC engaged in manufacturing and marketing of yarn, grey and processed fabric through its 6 operating units at Mumbai and Akola in Maharashtra. The enterprise is driven by a workforce of 4328 regular employees as on 31.3.2006.

3. *Production / Operational Profile*

Major Products	Unit	Production during (% Capacity Utilization)			% increase/ decrease over previous year
		2005-06	2004-05	2003-04	
Fabric	Lac Mtrs.	78.63 (83.31)	68.10 (80.66)	103.13 (56.16)	65
Market yarn	Lac Kgs.	59.63 (86.23)	54.76 (80.32)	66.83 (67.64)	35

4. *Major Financial Highlights*

Particulars	Performance during (Rs. in crore)			% increase/ decrease over previous year
	2005-06	2004-05	2003-04	
Turnover	74.86	64.71	59.44	15.69
Cost of prod.	309.95	323.93	330.45	-4.32
Net Profit/Loss(-)	218.91	-262.66	-37.88	-183.34
Net Worth	-1636.53	-1855.44	-1593.39	-11.8
Paid up capital	59.59	59.59	59.59	0
Share of Central Govt./holding co.	59.59	59.59	59.59	0

5. *Key Performance Factors*

- As compared to last year turnover has increased on account of improvement in operational activities and increase in production of own products instead of job work product. The net loss decreased mainly due to improvement in activity.
- Modernization of Poddar Mill was undertaken during the year.
- Major portion of the sales i.e. 89.13% was

from sales other than to Government Departments/organizations.

- Rationalization of manpower, energy audit, rehabilitation of the mills as per approved revival plan were the measures taken for cost reduction and improvement in competitiveness.

6. Strategic Issues

- BIFR had approved revival of 8 mills and closure of 10 mills. It has now been decided that 2 mills will be merged in one viable mill and finally there would be 6 viable mills. Joint venture is under consideration for few mills for restructuring.
- In view of reduction in number of mills under the NTC Group of companies, it has been decided to merge all subsidiaries into one company. The BIFR has approved this proposal.

7. Surplus/non-performing assets

NTC(MN) is having surplus assets of old plant and machinery, and land due to closure of mills as per rehabilitation scheme. The surplus land is 167.27 acres and plant and machinery worth Rs. 9.72 lakhs. During 2005-06, surplus land and surplus machinery were sold at Rs. 428.06 croe and Rs. 102 crore respectively.

8. VRS / Outstanding dues

- During the year, 1009 employees left the company out of which 836 availed of VRS and 173 retired on superannuation. Up-till 31.3.2006 total 17822 employees have taken VRS. Rs. 38.20 crore were spent on VRS during 2005-06.
- As on 31.3.2006, total Rs. 82.80 crore were outstanding dues out of which Rs. 8.24 crore were statutory dues and Rs. 74.56 croe on other grounds, but not on salary and wages. An ex-gratia payment of Rs. 30.11 crore were made during the year.

National Textile Corporation (South Maharashtra) [NTC(SM)]

1. Company Profile

NTC (SM) was incorporated on 1.4.1974 under the Companies Act, 1956 as a 100% subsidiary of NTC Ltd. with an objective to manage the affairs of sick textile mills in Maharashtra which were nationalised under Sick Textile Undertaking (Nationalisation) Act, 1974. NTC (SM) is a Schedule-'B' / BIFR referred / takenover CPSE in Textile sector under the administrative control of M/o Textiles with its Registered and Corporate offices at Mumbai (Maharashtra).

2. Industrial / Business Activities

NTC(SM) is engaged in manufacturing of cloth and yarn and job conversion of cloth yarn through its 15 operating units at Mumbai, Maharashtra. The enterprise is driven by a workforce of 4778 employees as on 31.3.2006.

3. Production / Operational Profile

Major Products	Unit	Production during			% increase/ decrease over previous year
		2005-06	2004-05	2003-04	
Cloth	Lakh Mtrs.	49.61	56.05	19.0	- 11.49
Yarn	Lakhs Kgs.	91.60	70.47	45.2	29.98
Waste	Lakhs Kgs.	8.94	7.10	-	25.92

4. Major Financial Highlights

Particulars	Performance during *(Rs. in crore)*			% increase/ decrease over previous year
	2005-06	2004-05	2003-04	
Turnover	119.17	95.82	83.73	24.37
Cost of prod.	306.31	323.79	337.55	-5.4
Net Profit/Loss(-)	1401.57	-272.99	-430.01	-613.41
Net Worth	-710.22	-2111.79	-1838.8	-66.37
Paid up capital	49.1	49.1	49.1	0
Share of Central Govt./holding co.	49.1	49.1	49.1	0

5. Key Performance Factors

On the recommendation of BRPSE Govt. has sanctioned revival scheme for NTC and its subsidiaries including NTC (SM).

6. VRS

During the year 2005-06 280 availed of VRS and an amount of Rs. 11.87 crore was spent in this regard. In addition 162 employees retired on superannuation.

National Textile Corp. (TN&P) Ltd. [NTC (TN&P)]

1. Company Profile

NTC (TN&P) was incorporated in the year 1974 under the Sick Textile Undertaking (Nationalization) Act,1974 as a 100% subsidiary of NTC Ltd. with an objective to provide employment to the jobless workers all over the country and to run 13 sick textile units in the State of Tamilnadu and 2 in Pondicherry (Transferred to Pondicherry Government on 1.4.2005) profitably with adequate modernization and renovation. NTC (TN&P) is a Schedule-'B' / BIFR referred / takenover CPSE in Textile sector under the administrative control of M/o Textile having its Registered and Corporate offices at Coimbatore, Tamilnadu.

2. Industrial / Business Activities

NTC (TN&P) is one of the taken over subsidiary enterprises of NTC engaged in production of yarn and fabrics in its 8 operating units in the State of Tamilnadu after restructuring effected in recent years. The enterprise has a workforce of 4118 employees as on 31.3.2006.

3. Production / Operational Profile

Major Products	Unit	Production during (% Capacity Utilization)			% increase/ decrease over previous years
		2005-06	2004-05	2003-04	
Yarn	Lakhs Kg.	107.27 (91.76)	125.30 (87.46)	89.04 (55.78)	- 14.39
Cloth	Lakhs Mts.	50.83 (80.59)	38.71 (80.72)	39.76 (59.14)	31.31

4. Major Financial Highlights

Particulars	Performance during (Rs. in crore)			% increase/ decrease over previous year
	2005-06	2004-05	2003-04	
Turnover	187.53	194.14	129	-3.4
Cost of prod.	233.15	264.63	206.28	-11.9
Net Profit/Loss(-)	7.58	-40.83	-20.05	-118.56
Net Worth	-264.98	-264.89	-219.2	0.03
Paid up capital	88.91	88.91	88.91	0
Share of Central Govt./holding co.	88.91	88.91	88.91	0

5. Key Performance Factors

- The operational performance of the company has improved during the year and it achieved an ever time high capacity utilization of 91.76% resulting in improvement in operating profit.
- The improvement in the operating profit is also due to favorable market factors as there was reduction in cotton prices and increase in yarn prices.
- Sale consideration of the two mills transferred to the Government of Pondicherry amounting to Rs. 39.43 crore was included in profit on sale of assets and adjusted in net profit.

6. Strategic Issues

A comprehensive revival plan for the company had been approved by the Government which originally contemplated closure of 6 unviable mills and revival of 9 viable mills as per the Techno-Economic viability study by South India Textile Research Association. Subsequently, a revised and fully tied up modernization proposal for revival of 6 mills in Tamil nadu was drawn up as per the study of NITRA and the same is under implementation.

7. VRS/Outstanding dues

- During the year, 203 employees left the company out of which 34 availed of VRS and 169 retired on superannuation. Up-till 31.3.2006, total 2005 employees have taken VRS.
- The company had outstanding statutory

dues of Rs. 9.04 crore as on 31.3.2006. It paid ex-gratia of Rs. 1.27 crore during 2005-06.

National Textile Corp. (UP) Ltd. [NTC (UP)]

1. *Comp any Profile*

NTC (UP) was incorporated in the year 1974 under the Companies Act, 1956 as a 100% subsidiary of NTC Ltd. with an objective to manage the business of 11 textile mills takenover under the Sick Textile Undertaking (Nationalisation) Act ,1974 and situated in the state of U.P.. The current objective of the company is to produce cheaper cloth and yarns for the weaker sections. NTC (U.P.) is a Schedule-'`B' / BIFR referred / takenover CPSE in textile sector under the administrative control of M/o Textiles having its registered and corporate office at Kanpur, U.P.

2. *Industrial / Business Activities*

NTC (UP) is one of the subsidiary enterprises of NTC engaged in the production of yarn through its two operating units namely Swadeshi Cotton Mill at Allahabad and Bhanjan in U.P. The enterprise is driven by a workforce of 587 employees as on 31.3.2006.

3. *Production / Operational Profile*

Major Products	Unit	Production during (% Capacity Utilization)			% increase/ decrease over previous years
		2005-06	2004-05	2003-04	
Yarn	L. Kgs.	9.14 (64.19)	15.60 (74.35)	19.87 (73.09)	- 41.40

4. *Major Financial Highlights*

Particulars	Performance during *(Rs. in crore)*			% increase/ decrease over previous year
	2005-06	2004-05	2003-04	
Turnover	8.94	15.98	17.25	-44.06
Cost of prod.	123.21	91.27	134.05	35
Net Profit/Loss(-)	-97.88	-46.33	435.12	111.27
Net Worth	-1232.03	-1134.14	-1087.97	8.63
Paid up capital	40.61	40.61	40.61	0
Share of Central Govt./holding co.	38.92	38.92	38.92	0

5. *Key Performance Factors*

Cash losses of the company are reimbursed by holding company.

6. *Strategic Issues*

- As per BIFR revival plan of 2002, nine units are selected for closure and two units at Bhonjan and Allahabad are to be revived. Accordingly 9 out of 11 units have been closed. Production of yarn is going on in only two units.
- On the recommendation of BRPSE Govt. has sanctioned revival scheme for NTC and its subsidiaries. In view of reduction in number of mills under the NTC Group of companies, it has been decided to merge all subsidiaries into one company. The BIFR had approved this proposal.

7. *Surplus assets*

- As on 1.5.2006, 217.18 acres land were surplus out of which 36.04 acres were related to viable mills. The value of this land is stated to be Rs. 307.16 crore.

8. *VRS* / Outstanding dues

- 1464 employees took VRS during the year 2005-06. There were no outstanding dues as on 31.3.2006.

National Textile Corp. (WBAB&O) Ltd. [NTC(WB)]

1. *Company Profile*

NTC (WB) was incorporated in the year 1974 in pursuant to Sick Textile Undertaking (Nationalisation) Act 1974 with an objective to take over the assets and liabilities of nationalised mills. 16 textile mills of the region had been vested with the corporation. It is a 100% subsidiary of NTC Ltd. NTC(WB) is a Schedule-'B' / BIFR referred CPSE in Textile sector under the administrative control of M/o Textiles having its Registered and Corporate offices at Kolkata, West Bengal. The company is registered with BIFR since 1993 which sanctioned a revival scheme in 2002.

2. Industrial / Business Activities

NTC (WB) is one of the subsidiary enterprises of NTC in the production of cotton yarn and cloth having its 5 running mills in West Bengal. 1 mill is non-operative and 10 mills have since been closed. The enterprises is driven by a workforce of 1836 employees as on 31.3.2006.

3. Production / Operational Profile

Major Products	Unit	Production during			% increase/ decrease over previous year
		2005-06	2004-05	2003-04	
Mkt. Yarn	L.Kgs.	10.76	11.09	9.04	- 2.98

4. Major Financial Highlights

Particulars	Performance during (Rs. in crore)			% increase/ decrease over previous year
	2005-06	2004-05	2003-04	
Turnover	13.68	13.35	9.98	2.47
Cost of prod.	86.46	86.61	88.15	-0.17
Net Profit/Loss(-)	-56.06	-65.08	323.85	-13.86
Net Worth	-484.24	-428.14	-363.06	13.1
Paid up capital	44.84	44.84	44.84	0
Share of Central Govt./holding co.	42.03	42.03	44.84	0

5. Key Performance Factors

The company is incurring losses and is under revival package. The losses have come down during last three years. The company received Rs.82.66 crore from the holding company as wage support.

6. Strategic Issues

- As per BIFR revival plan of 2002, ten units were selected for closure and six units were to be revived. Cost of revival scheme was estimated at Rs.253.56 crore. Accordingly 10 units have been closed. Modernisation of six revivable mills is under process. Modernization fund is being arranged by sale of surplus plant & machinery of both closed and running mills, salvaged building of a few closed mills and also land of the closed as well as surplus land of the running mills.
- As per modified revival scheme one of the mills of this subsidiary (Arati Cotton Mills) has been earmarked for modernization and the five mills will be modernized under Joint Venture.

14 TRADING AND MARKETING SERVICES

There were 13 enterprises in the public sector as on 31.3.2006 which were engaged in Trading and Marketing Services. The names of these enterprises along with their year of incorporation in chronological order are given below:

Sl. No.	Enterprise	Year of Incorporation
1.	State Trading Corpn. of India Ltd.	1956
2.	Central Warehousing Corpn.	1957
3.	Handicrafts and Handlooms Exports Corp. India Ltd.	1962
4.	MMTC Ltd.	1963
5.	MSTC Ltd.	1964
6.	Food Corpn. of India	1965
7.	Cotton Corpn. of India Ltd.	1970
8.	Jute Corpn. of India Ltd.	1971
9.	PEC Ltd.	1971
10.	HMT (International) Ltd.	1975
11.	Central Cottage Industries Corp. of India Ltd.	1976
12.	North Eastern Handicrafts and Handloom Dev. Corpn. Ltd.	1977
13.	STCL Ltd.	1982

2. The enterprises falling in this group are mainly engaged in following activities:

(i) to regulate trade in certain sensitive products;

(ii) to control and eliminate to the extend possible speculative activily in the trade of certain products vital to the community;

(iii) to provide support prices to agricultural products of certain cash crops;

(iv) to ensure availability of essential consumer products to all sections of the community;

(v) to arrange import of certain industries in the small sectors with or without high export potential;

(vi) to provide adequate scientific storage facilities for agricultural products etc.

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

4. Net Profit/(Loss) : The details of individual enterprises which earned net profit or sustained net loss (-) in ranking order are given below:

(*Rs. in crore*)

Sl. No.	Enterprise	Net Profit/(Loss) 2005-06	2004-05
1.	MMTC Ltd.	108.29	107.18
2.	Central Warehousing Corpn.	70.62	41.30
3.	MSTC Ltd.	54.68	38.30
4.	State Trading Corpn. of India Ltd.	38.95	25.03
5.	Cotton Corpn. of India Ltd.	14.55	27.04
6.	PEC Ltd.	13.25	14.55

Sl. No.	Enterprise	Net Profit/(Loss) 2005-06	2004-05
7.	STCL Ltd.	5.98	3.58
8.	Central Cottage Industries Corpn. Of India Ltd.	0.69	1.18
9.	Handicrafts and Handlooms Exports Corp. India Ltd.	0.64	1.30
10.	HMT (International) Ltd.	0.60	0.01
11.	Jute Corpn. of India Ltd.	(17.77)	1.53
12.	North Eastern Handicrafts and Handloom Dev. Corp.Ltd.	(2.63)	(2.11)
13.	*Bharat Leather Corpn. Ltd.	-	(3.80)
14.	Food Corpn. of India	0.00	0.00
	Total	**287.85**	**255.09**

* Establishment closed.

5. Dividend : The following enterprises declared dividend as per details given below:

(*Rs. in crore*)

Sl. No.	Enterprise	Dividend 2005-06	2004-05
1.	MMTC Ltd.	25.00	22.50
2.	State Trading Corpn. of India Ltd.	15.00	9.00
3.	Central Warehousing Corpn.	14.26	8.15
4.	MSTC Ltd.	10.96	7.68
5.	Cotton Corpn. of India Ltd.	5.00	5.41
6.	PEC Ltd.	3.00	3.80
7.	Handicrafts and Handlooms Exports Corpn. India Ltd.	0.69	0.69
8.	STCL Ltd.	0.60	0.60
9.	Central Cottage Industries Corpn. of India Ltd.	0.14	0.24
	Total	**74.65**	**58.07**

6. Township and Social Overheads

The operating result of these enterprises after setting off township maintenance and other social overheads such as maintenance of schools, medical facilities, social overheads and cultural subsidies etc. are given below:

(*Rs. in crore*)

Sl. No.	Particulars	Township & Social Overheads 2005-06	2004-05
1.	Capital cost of Township	49.76	44.94
2.	Gross expenditure on Township	4.14	4.11
3.	*Less :* Rent receipt and other income	8.68	2.45
4.	Net expenditure on Township	(4.54)	1.66

Sl. No.	Particulars	Township & Social Overheads	
		2005-06	2004-05
5.	Social Overheads: Educational, Med. facilities, etc.	18.36	21.01
6.	Total Social Overheads	13.82	22.67
7.	No. of employees	55600	57671
8.	Per capita expend. on Social Overheads (Rs.)	2486	3931
9.	No. of houses constructed	1702	1174
10.	No. of houses under construction	0	0
11.	Housing (%) satisfaction	3.1	2.0

7. To appreciate the performance of each enterprise falling in this group, the details about their financial position, working results and important mangement ratios for three years are given in Volume-III.

TRADING AND MARKETING SERVICES

SUMMARISED BALANCE SHEET

(Rs. in Lakhs)

PARTICULARS	2005-06	2004-05	2003-04
AUTHORISD CAPITAL	286400	287400	287900
I. SOURCES OF FUNDS			
(1) SHAREHOLDERS FUND			
(A) PAID-UP CAPITAL			
CENTRAL GOVT.	264096	261824	257773
OTHERS	3582	3582	3582
(B) SHARE APPLICATION MONEY	0	0	0
(C) RESERVES & SURPLUS	254811	228586	202655
TOTAL (A)+(B)+(C)	522489	493992	464010
(2) LOAN FUNDS			
(A) SECURED LOANS	4244800	3556212	2692755
(B) UNSECURED LOANS	149787	190335	137164
TOTAL (A)+(B)	4394587	3746547	2829919
(3) DEFERRED TAX LIABILITY	609	620	1773
TOTAL (1)+(2)+(3)	4917685	4241159	3295702
II. APPLICATION OF FUNDS			
(1) FIXED ASSETS			
(A) GROSS BLOCK	241728	236684	225464
(B) LESS: DEPRECIATION	113740	108174	101915
(C) NET BLOCK	127988	128510	123549
(D) CAPITAL WORK IN PROGRESS	6381	4141	5572
TOTAL (C)+(D)	134369	132651	129121
(2) INVESTMENTS	41333	41929	39704
(3) CURRENT ASSETS, LOANS & ADVANCES			
(A) INVENTORIES	1431144	1564536	1465882
(B) SUNDRY DEBTORS	3762195	2805177	2258681
(C) CASH & BANK BALANCES	303232	1382812	1003807
(D) OTHER CURRENT ASSETS	147420	131768	132987
(E) LOAN & ADVANCES	195390	153043	136938
TOTAL (A+B+C+D+E)	5839381	6037336	4998295
LESS:CURRENT LIABILITIES & PROVN.			
(A) CURRENT LIABILITIES	1079669	1977221	1900131
(B) PROVISIONS	72972	47092	23616
TOTAL (A+B)	1152641	2024313	1923747
NET CURRENT ASSETS	4686740	4013023	3074548
(4) DEFERRED REVENUE/PRE.EXPENDITURE	41525	38154	6641
(5) DEFERRED TAX ASSET	9265	7125	6677
(6) PROFIT & LOSS ACCOUNT (DR)	4453	8277	39011
TOTAL (1+2+3+4+5+6)	4917685	4241159	3295702

TRADING AND MARKETING SERVICES

SUMMARISED PROFIT AND LOSS ACCOUNT

(Rs. in Lakhs)

PARTICULARS	2005-06	2004-05	2003-04
INCOME			
SALES/OPERATING INCOME	7992524	8464410	8339130
EXCISE DUTY	215	151	106
NET SALES	7992309	8464259	8339024
OTHER INCOME/RECEIPTS	114849	147724	69439
ACCRETION/DEPLETION IN STOCKS	-121769	177597	-495064
TOTAL	7985389	8789580	7913399
EXPENDITURE			
PURCHASE OF FINISHED GOODS/ CONSUMPTION OF RAW MATERIALS	6698275	7577812	6805621
STORES & SPARES	84286	89153	2159
POWER & FUEL	2507	2251	2069
MANUFACTURING/DIRECT/OPERATING EXPENSES	380200	40011	50920
SALARY,WAGES AND BENEFITS/EMPLOYEE EXPENDITURE	158873	194715	167092
OTHER EXPENSES	282711	544529	589681
PROVISIONS	11491	7126	6391
TOTAL	7618343	8455597	7623933
PROFIT BEFORE DEP, INTEREST, TAXES, EXTRA-ORDINARY ITEMS & PPA(PBDITEP)	367046	333983	289466
DEPRECIATION	6912	7654	7140
DRE/PREL. EXPENSES WRITTEN OFF	3650	2270	2289
PROFIT BEFORE INTEREST, TAXES, EXTRA-ORDINARY ITEMS & PPA (PBITEP)	356484	324059	280037
INTEREST			
ON CENTRAL GOVERNMENT LOANS	0	358	5593
ON FOREIGN LOANS	0	0	0
OTHERS	312171	306081	251441
LESS INTEREST CAPITALISED	0	5	0
CHARGED TO P & L ACCOUNT	312171	306434	257034
PROFIT BEFORE TAX, EXTRA-ORDINARY ITEMS & PPA (PBTEP)	44313	17625	23003
TAX PROVISIONS	16723	15571	7856
NET PROFIT/LOSS BEFORE EXTRA-ORDINARY ITEM	27590	2054	15147
NET EXTRA-ORDINARY ITEMS & PRIOR PERIOD ADJUSTMENT	-1195	-23455	1164
NET PROFIT/LOSS(-)	28785	25509	13983
DIVIDEND DECLARED	7465	5807	4045
DIVIDEND TAX	1046	794	520
RETAINED PROFIT	20274	18908	9418

TRADING AND MARKETING SERVICES

MANAGEMENT RATIO

DETAILS	2005-06	2004-05	2003-04
GENERAL (RS. IN LAKHS)			
INVESTMENT	775883	683722	276355
CAPITAL EMPLOYED	4814728	4141533	3198097
NET WORTH	476511	447561	418358
R AND D EXPENDITURE	1	0	1
PERSONNEL			
EMPLOYEES(OTHER THAN CASUAL) (NOS)	55600	57671	68645
AVERAGE MONTHLY EMOLUMENTS PER EMPLOYEE(Rs)	23812	28136	20285
FINANCIAL RATIOS (%)			
SALES : CAPITAL EMPLOYED	166.00	204.38	260.75
PBDITEP : CAPITAL EMPLOYED	7.62	8.06	9.05
PBITEP : CAPITAL EMPLOYED	7.40	7.82	8.76
PBITEP : SALES	4.46	3.83	3.36
PROFIT BEFORE TAX & EP(PBTEP): NET WORTH	9.30	3.94	5.50
NET PROFIT : NET WORTH	6.04	5.70	3.34
R AND D EXPENDITURE : SALES	0.00	0.00	0.00
SUNDRY DEBTORS : SALES (NO. OF DAYS)	172	121	99

Central Cottage Industries Corp. of India (CCICI)

1. *Company Profile*

CCICI was incorporated on 4.2.1976 under the Companies Act, 1956 as a Central Public Sector Enterprise with an objective to promote, develop, aid, counsel and assist Cottage Industries by organizing their sale in India and abroad. CCICI is a Schedule-'C' CPSE in Trading and Marketing Services sector under the administrative control of M/o Textiles with 100% shareholding by the Government. Its Registered and Corporate offices are at New Delhi.

2. *Industrial / Business Activities*

CCICI is engaged in trading of handicrafts and handlooms and other related services in India and abroad. The six operating units of the corporation are situated at Mumbai (Maharashtra), Kolkata (West Bengal), Bangalore (Karnataka), Chennai (Tamilnadu), Secunderabad (Andhra Pradesh) and Delhi. It also has one Franchise Showroom at Gurgaon (Haryana). The corporation has entered into a 50:50 joint venture with Handicraft and Handloom Exports Corp. of India (HHEC) for sale of 24 carat gold coins. The enterprise is driven by a workforce of 373 regular employees as on 31.3.2006.

3. *Production / Operational Profile*

Major Products	Unit	Production during			% increase/ decrease over previous year
		2005-06	2004-05	2003-04	
Purchases	Lakh bales	14.28	27.17	8.89	-47.44
Purchases: Handicrafts Handlooms	Nos.in lakhs	 7.97 4.30	 7.11 4.33	 - -	 12.10 - 0.69
Sales: Handicrafts Handlooms	Nos.in lakhs	 7.81 4.80	 6.97 4.49	 - -	 12.05 6.90

4. *Major Financial Highlights*

Particulars	Performance during (Rs. in crore)			% increase/ decrease over previous year
	2005-06	2004-05	2003-04	
Turnover	69.07	61.22	58.42	12.82
Cost of prod.	68.57	61.11	59.54	12.21
Net Profit/Loss(-)	0.69	1.18	-0.07	-41.53
Net Worth	21.3	18.16	17.3	17.29
Paid up capital	10.85	10.85	10.85	0
Share of Central Govt./holding co.	10.85	10.85	10.85	0

5. *Key Performance Factors*

- Turnover of the company increased by 12.71% during 2005-06 as compared to previous year.
- Earning Per Share was Rs. 6.32 during 2005-06 as compared to Rs. 10.92 in the previous year.
- Company has 'Very Good' MOU rating during the year 2005-06.

6. *Strategic Issues*

- Steps were taken towards strengthening operations in emporia, improvement in merchandize, cost control, setting up of Showroom on franchise basis and booking of bulk/institutional orders.
- During 2005-06 orders worth Rs. 10.52 crore were received from DGOS, Ministry of Defence.

7. *VRS*

During the year, 15 employees left the company out of which 4 availed of VRS, 3 retired on superannuation and 8 left on other grounds. Till 31.3.2006 total 4 employees availed of VRS.

Central Warehousing Corp. (CWC)

1. *Company Profile*

CWC was incorporated in 1957 under the Agricultural Produce (Development and Warehousing) Act, 1956. However this Act was repealed and re-enacted by the Parliament as the Warehousing Corp. Act, 1962. The objective of setting up the corporation was to provide scientific storage facilities for agricultural inputs and produce like food grains and fertilizers and other notified commodities. CWC is a Schedule-'B' / Mini-ratna CPSE in Trading and Marketing Services sector under the administrative control of M/o Consumer Affairs, Food and Public Distribution, D/o Food and Public Distribution with 55.01% shareholding by the Government of India. Its registered and corporate offices are at New Delhi.

2. Industrial / Business Activities

The CWC is engaged in providing services in the field of storage of agricultural produce and inputs and industrial trade through its 516 warehouses including 87 custom bonded warehouses. CWC also runs 3 Air Cargo complex, 32 container freight stations / inland clearance depots and 3 temperature controlled warehouses. It has also subscribed to the share capital of 17 State Warehousing Corporations (SWCs). The company has one financial joint venture namely National multi Commodity Exchange of India Ltd. (NMCE) with a shareholding of 26%. The enterprise has a workforce of 6413 employees as on 31.3.2006.

3. Production / Operational Profile

Major Services	Unit	Warehousing Services (% Capacity Utilization)			% increase/ decrease (-) over previous year
		2005-06	2004-05	2003-04	
Warehousing Facilities	Lakh Metric Tonnes	71.59 (70)	61.58 (63)	55.24 (60)	16.26

4. Major Financial Highlights

Particulars	Performance during (Rs. in crore)			% increase/ decrease over previous year
	2005-06	2004-05	2003-04	
Turnover	568.83	485.22	436.85	17.23
Cost of prod.	510.09	462.75	427.59	10.23
Net Profit/Loss(-)	70.62	41.3	22.43	70.99
Net Worth	818.66	847.9	765.17	-3.45
Paid up capital	68.02	68.02	68.02	0
Share of Central Govt./holding co.	37.42	37.42	37.42	0

5. Key Performance Factors

- The improvement in turnover and profitability during 2005-06 is attributed to increase in utilization of storage capacity. The average utilization of the storage capacity is 89%. The CWC offers a rebate of 30% in its storage charges for the farmers stocks. The corporation has introduced VRS during the year 2005-06 in order to reduce the establishment cost.
- During the year 45 new warehousing units were opened and 22 were closed down.
- CWC is not depended on any budgetary support from the Government and all its operations / construction plans are met out of internal generations of resources.
- The corporation also operates Farmers Extension Services Scheme and Dis-infestation Extension Service Scheme wherein farmers are trained in Post Harvest Technology and Pest control services respectively.
- CWC's Joint Venture namely NMCE is the first demutualised electronic multi-commodity exchange in the country
- Company has 'Excellent' MOU rating during the year 2005-06.

6. Strategic Issues

- The corporation is planning to enter into the field of controlled atmospheric cold storage infrastructure. The corporation is also setting up warehousing infrastructure for Railways as per MOU signed with M/o Railway. Out of 22 locations, work has already been completed at three locations.
- As per recent amendments, by Warehousing Corporations (Amendment) Act 2001, provisions have made for the Corporation to enter into Joint Venture / Strategic alliances and set up warehouses abroad. Accordingly CWC is venturing into opening of one offshore warehouse in Uruguay (Latin America).
- As the Warehouse Receipt (WR) is not fully negotiable instrument under the Negotiable Instrument Act, 1881, this has

lost the element of negotiability and therefore, the main purpose of pledge financing has been defeated. In order to over-come these problems the Govt. is considering for the regulation of warehouse business by registering warehouses, issuing negotiable WR, registration of accreditation agencies for warehouses following certain norms. This will make WR a prime tool of trade and facilitate finance against it throughout the country.

7. VRS / Outstanding dues

During the year, 278 employees left the company out of which 190 availed of VRS, 62 retired on superannuation and 26 left on other grounds. Up-to 31.3.2006, total 2376 employees have taken VRS. During the year an Ex-gratia payment of Rs.8.14 crore was made.

Cotton Corp. of India Ltd. (CCI)

1. Company Profile

CCI was incorporated in 1970 under the Companies Act, 1956 with an objective to act as a canalizing agency for Import of cotton particularly for long and extra long staple varieties. Subsequently the role of the corporation underwent changes on several occasions and currently the broad objectives are to ensure remunerative and competitive prices to the cotton farmers; to supply cotton to textile industry on reasonable prices; domestic sales operations at negligible margin in order to pass on larger benefit to cotton growers; increasing supplies of contamination free cotton to meet growing demand of textile mills etc. CCI is a Schedule-'B' Miniratna CPSE in Trading and Marketing Services sector under the administrative control of M/o Textiles with 100% shareholding by the Government of India. Its Registered and Corporate offices are at Mumbai, Maharashtra.

2. Industrial / Business Activities

CCI is one of the pioneering enterprises providing services in carrying out price support operations, whenever the market prices of kapas touch the support prices announced by the Government without any quantitative limit and commercial operations at the company's own risk; working as implementing agency for Mini Mission III and IV of Technology Mission on cotton; undertaking developmental activities related to productivity and quality of cotton through its 20 branch offices to cover 88 districts and 262 procurement centers in various cotton growing states. The enterprise has a workforce of 1123 regular employees as on 31.3.2006.

3. Production / Operational Profile

Major Products	Unit	Production during			% increase/ decrease over previous years
		2005-06	2004-05	2003-04	
Purchases	Lakh bales	14.28	27.17	8.89	-47.44
Domestic Sale	Lakh bales	20.88	10.22	7.05	104.31
Exports	Lakh bales	3.07	0.35	0.44	777.14

4. Major Financial Highlights

Particulars	Performance during *(Rs. in crore)*			% increase/ decrease over previous year
	2005-06	2004-05	2003-04	
Turnover	2158.21	1414.08	1011.52	52.62
Cost of prod.	1611.39	2858.42	1255.82	-43.63
Net Profit/Loss(-)	14.55	27.04	10.21	-46.19
Net Worth	275.83	266.98	246.11	3.31
Paid up capital	25	25	25	0
Share of Central Govt./holding co.	25	25	25	0

5. Key Performance Factors

- The turnover during 2005-06 was higher by 49 % over previous year in spite of adverse market conditions by following the strategy of keeping lower margins and giving stress on supplying quality cotton.
- Market share of the company in purchases was 5.54% during 2005-06 as compared to 11.50% in the previous year.
- Earning Per Share was Rs. 48.63 during

2005-06 as against Rs. 141.48 in the previous year.

- Company has 'Very Good' MOU rating during the year 2005-06.
- CCI is not a listed company.

6. Strategic Issues

- Technology Mission on Cotton (TMC) is a joint effort of M/o Agriculture and the M/o Textile under which CCI is an implementing agency for improvement of marketing infrastructure and setting up of Farmer's Information Centers. The corporation has also introduced a scheme for supply of cotton to mills at stable prices under Godown Storage Facility (GSF).
- Steps taken to reduce the cost and increase the competitiveness of the product/services and diversify the product/service range include introduction of Scheme for Godown Storage Facility (GSF); evolving norms for Ginning & Packing; bringing down cost of borrowing etc.
- To tackle the problems of impurities and very high level of contamination, the Corporation has initiated measures for augmenting infrastructure in the G&P factories engaged by it for processing of its kapas stocks.
- As the implementing agency for Mini Mission III and IV of the Technology Mission on Cotton, out of 250 market years sanctioned for development, 201 market yards have been taken up for development. Similarly, as against target of modernization/upgradation of 1000 ginning and pressing factories, 725 factories have been taken up for modernization.
- With a view to improve the production, productivity and quality of cotton, the Government of India had launched Technology Mission on Cotton in February 2000.
- During 2005-06, the company received budgetary support in terms of subsidy related to administered prices and others Rs. 225 crore as against Rs. 167 crore in the previous year.
- Due to record cotton production for the second successive year, the kapas prices came down under pressure and touched the MSP level in major part of the season and as such CCI undertook MSP operations alongwith commercial operations on a very limited scale.

7. Separation of employees

During the year, 26 employees left the company out of which 14 on superannuation and 12 on other grounds. None availed of VRS during 2005-06.

Food Corporation of India Ltd. (FCI)

1*. Company Profile*

FCI was incorporated in 1965 as per Food Corporations Act, 1964 with the objective of acting as a main agency of the Central Government for procurement, movement, storage and distribution of foodgrains and to achieve the main objectives of the food policy of Government namely Price Support and Public Distribution System with maintaining buffer stocks of foodgrains to ensure national food security. FCI is a Schedule-'A' CPSE in Trading and Marketing Services 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.

2. Industrial / Business Activities

FCI is engaged in providing services in the field of procurement and distribution of food grains through its 171 district offices spread all over the country. The enterprise has a workforce of 42449 employees as on 31.3.2006.

3. Operatoinal Profile

Company runs on "no profit no loss" basis.

Major Services (Procurement)	Unit	Total Movements during			% increase/ decrease over previous year
		2005-06	2004-05	2003-04	
Foodgrains	Rs./ crore	33588.68	35858.29	NA	- 6.33
Sugar	Rs./ crore	226.90	189.06	NA	20.01
Gunnies	Rs./ crore	827.62	869.53	NA	- 4.82
Stores and spares	Rs./ crore	8.81	15.51	NA	- 43.20

4. Major Financial Highlights

Particulars	Performance during (Rs. in crore)			% increase/ decrease over previous years
	2005-06	2004-05	2003-04	
Turnover	44189.05	45162.53	52809.68	-2.16
Cost of prod.	43908.35	46371.71	47726.18	-5.31
Net Profit/Loss(-)	0	0	0	-
Net Worth	2173.62	2068.75	2370.68	5.07
Paid up capital	2465.91	2437.47	2392.46	1.17
Share of Central Govt./holding co.	2465.91	2437.47	2392.46	1.17

5. Key Performance Factors

The procurement and issue price of food grains is fixed by the Government of India and the difference between the economic cost and rates realization is reimbursed by the Government as subsidy. During 2005-06 (provisional) FCI has received net subsidy of Rs.21049.93 crore as against net subsidy of Rs.20738.79 crore in 2004-05. In addition FCI also received an amount of Rs.70.67 crore during 2005-06 as un-regularised transit & storage shortages reimbursement.

Handicrafts & Handlooms Exports Corp. India Ltd. (HHEC)

1. Company Profile

HHEC was incorporated in the year 1958 under the Companies Act, 1956 with an objective to develop, promote and aggressively market the products of India crafts and skills abroad thereby providing a marketing channel for Craftsmen and Artisans. HHEC is a Schedule-'B' CPSE in Trading and Marketing Services 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.

2. Industrial / Business Activities

HHEC is engaged in providing services in the field of export of handicrafts, handlooms, readymade garments, carpets, gold and silver jewellery and import of bullion, silk, timber and cotton. Company is also engaged in retail sale of handicrafts and handlooms goods. The company is operating through its four regional offices situated at Delhi, Chennai (Tamilnadu), Mumbai (Maharashtra) and Kolkata (West Bengal). The company also has four branches at Bhudohi (U.P.), Srinagar (J&K), Ahmedabad (Gujart) and Jaipur (Rajasthan). The enterprise is driven by a workforce of 209 employees as on 31.3.2006.

3. Production / Operational Profile

Major Products	Unit	Value of Services during			% increase/ decrease over previous years
		2005-06	2004-05	2003-04	
Export (Direct & Indirect)	Rs. in Crores	58.63	77.07	80.88	- 23.93
Import of Bullion	Rs.	980.52	1198.33	1700	- 18.18

4. Major Financial Highlights

Particulars	Performance during (Rs. in crore)			% increase/ decrease over previous year
	2005-06	2004-05	2003-04	
Turnover	1065.13	1302.18	1784.36	-18.2
Cost of prod.	1077.74	1396.56	1799.68	-22.83
Net Profit/Loss(-)	0.64	1.3	1.52	-50.77
Net Worth	24.39	24.43	23.89	-0.16
Paid up capital	13.82	13.82	13.82	0
Share of Central Govt./holding co.	13.82	13.82	13.82	0

5. Key Performance Factors

- The decline in turnover during the year is due to shifting of bullion imports under OGL w.e.f. 28.1.2004 and RBI's restriction of usance period upto 90 days w.e.f. 9.7.2004 as against one year permitted earlier.

- As part of innovation and development of crafts clusters the corporation has undertaken the projects for development of Tie & Due Fabrics from Sonepur, Bhubneswar. Further projects for development of hand decorated gift items of cane and bamboo, jewellery are under process.
- Company has 'Good' MOU rating during the year 2005-06.

6. *Strategic Issues*

- Steep price spurt in international market, major buyers of USA shifting business to China and Pakistan due to competitive price, spot delivery being desired by local buyers wherein designated banks have an edge, reduction in Duty Draw Back Rates, lack of skilled and senior management manpower etc. were the other reasons for decline in performance.
- Efforts are being made to close unviable foreign branches and consolidation of units to reduce cost as also to rein in new buyers from the existing markets as well as from untapped markets. Besides participation in major international and local fairs, the corporation has posed to organize "Stand Alone Exhibition" in USA, Kuwait and Brussels and preparing to open warehouse & showroom on franchise basis.

7. *VRS/Outstanding dues*

- During the year, 6 employees left the company out of which 5 retired on superannuation and 1 left on other grounds. Up-till 31.3.2006, total 167employees have taken VRS. As on 31.3.2006 Rs.0.12 crore were statutory outstanding dues.

HMT (International) Ltd. [HMT(I)]

1. *Company Profile*

HMT(I) was incorporated in the year 1975 under the Companies Act, 1956 with an objective to carry on the business in India and abroad as exporters, importers and consultants and to undertake project works and technical services abroad, sales of HMT products and other engineering products. HMT(I) is a Schedule-'B' / Mini-ratna CPSE in Trading and Marketing Services sector under the administrative control of M/o Heavy Industries and Public Enterprises, D/o Heavy Industry with 100% shareholding of the holding company HMT Ltd. Its Registered and Corporate offices are at Bangalore, Karnataka.

2. *Industrial / Business Activities*

HMT(I) is one of the subsidiary enterprises involved in export of HMT products, associate products, setting up projects, invisible exports in the form of technical services as well as import of components/parts for machines/watches for Group companies. The company has one financial joint venture namely Gulf Metal Foundry, Dubai having a share Rs29.66 lakhs in equity. The enterprise has a workforce of 68 employees as on 31.3.2006.

3. *Production / Operational Profile*

Major Services during 2005-06	Unit	HMT Products/ Projects/Services
Export	Rs.in Cr.	11.30

4. *Major Financial Highlights*

Particulars	Performance during (Rs. in crore)			% increase/ decrease over previous year
	2005-06	2004-05	2003-04	
Turnover	14.89	28.17	29.94	-47.14
Cost of prod.	19.97	28.86	27.84	-30.8
Net Profit/Loss(-)	0.6	0.01	0.04	5900
Net Worth	20.88	20.39	20.38	2.4
Paid up capital	0.48	0.48	0.48	0
Share of Central Govt./holding co.	0.48	0.48	0.48	0

5. *Key Performance Factors*

- The performance declined during the year due to low carry forward orders at the beginning of the year and delay in opening letter of credits for the orders concluded from customers abroad.

6. *Strategic Issues*

- As per audit observations the company suffered cash loss to the extent of Rs. 2.51 crore in the ordinary course of business and the same has been set off against the profits made on transfer of lands and building being extra ordinary items, to the holding company.
- Declaration of dividend is not in conformity with the provisions of the Companies Act, 1956 as reported by the Audit.
- During 2005-06, the company has received 29 major orders valuing Rs. 21.13 crore. 2 of these orders were from the Government Departments/ organizations. Focus on export of high value machines, project and services and exploring opportunities underlines of credit extended by GOI.
- Company has engaged IIM, Bangalore to workout a revised business model to achieve the quantum jump in levels of operations.

7. *Separation of employees*

During the year, 8employees left the company out of which 2 retired on superannuation and 6 on other grounds. None availed of VRS during 2005-06. Till 31.3.2006, 41 employees availed of VRS.

Jute Corporation of India Ltd. (JCI)

1. *Company Profile*

JCI was incorporated in the year 1971 under the Companies Act, 1956 with an objective to ensure the reasonable price for jute growers for their produce by undertaking purchase of raw jute from the growers at the minimum support price. JCI is a Schedule-'C' CPSE in Trading and Marketing Services 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.

2. *Industrial / Business Activities*

JCI is engaged in conducting purchase operations to ensure maintenance of minimum support price (MSP) of raw jute, undertaking commercial operations in a judicious manner by procuring raw jute at price above the MSP and to procure and maintain a buffer stock as and when advised by the Government i.e. to serve as a stabilizing agency in the raw jute sector. The company is operating through its regional offices located in 7 jute growing states namely Assam, Meghalaya, Tripura, Bihar, Orissa, Andhra Pradesh and West Bengal. The enterprise has a workforce of 1333 employees as on 31.3.2006.

3. *Operational Profile*

Major Products	Unit	Production during			%increase/ decrease over previous year
		2005-06	2004-05	2003-04	
Procurement	Bale (180Kg.)	140792	355628	1121697	-60.41

4. *Major Financial Highlights*

Particulars	Performance during (Rs. in crore)			%increase/ decrease over previous year
	2005-06	2004-05	2003-04	
Turnover	41.41	188.52	233.7	-78.03
Cost of prod.	67.68	117.09	278.76	-42.2
Net Profit/Loss(-)	-17.77	1.53	16.85	-1261.44
Net Worth	6.8	24.57	-122.32	-72.32
Paid up capital	5	5	5	0
Share of Central Govt./holding co.	5	5	5	0

5. *Key Performance Factors*

- The volume of procurement of raw jute / turnover of the company solely depends on the market behavior as procurement is conducted when ruling price touches the Minimum Support Price (MSP) as declared by GOI.
- The corporation receives subsidy in reimbursement of losses on price support account.

- As per restructuring approved by GOI on 2.6.2005 the entire outstanding loan of Rs.195.68 crore and interest of Rs.313.97 crore on these loans together with Rs.23.49 crore being interest accrued but not due on such loan (as on 31.3.2003) has been adjusted against the accumulated losses (Rs.144.17 crore), subsidy receivable (Rs.301.88 crore) and JCI's claim (Rs.64.13 crore) on NJMC as per CGA's recommendations in the accounts of the year 2004-05.

6. *Strategic Issues*

As on 17.4.2006 M/o textiles decided that the amount paid to JCI as subsidy for market operation from 2003-04 to 2005-06 would be treated as grant on the ground that the decision of financial restructuring of the company had been taken in 2005-06 by GOI. However the effect of grant instead of subsidy has been kept in abeyance in the accounts in the absence of formal approval from the Government of India.

7. *VRS* / Outstanding dues

During the year, 61 employees left the company out of which 17 availed of VRS, 38 retired on superannuation and 6 left on other grounds. Up-to 31.3.2006, total 296 employees have taken VRS.

Minerals & Metal Trading Corporation Ltd. (MMTC)

1. *Company Profile*

MMTC was incorporated in the year 1963 under the Companies Act, 1956 with an objective to become a leading international trading house in India to render high quality services to all categories of customers specially to the medium and small scale sectors. MMTC is a Schedule-'A' / Mini-ratna CPSE in Trading and Marketing Services sector under the administrative control of M/o Commerce and Industry, D/o Commerce with 99.34% shareholding by the Government of India. Its registered and corporate offices are at New Delhi.

2. *Industrial / Business Activities*

MMTC is engaged in providing services in the field of international trading of minerals and metals, coal, fertilizers, diamonds, gems, jewellery and other products. It has one wholly owned subsidiary namely MTPL Transnational Pte. Ltd. registered at Singapore. The company has one financial joint ventures namely Neelachal Ispat Nigam Ltd. with the Government of Orissa. The enterprise is driven by a workforce of 2031 employees as on 31.3.2006.

3. *Production / Operational Profile*

Major Products	Unit	Production during (% Capacity Utilization)			% increase/ decrease over previous year
		2005-06	2004-05	2003-04	
Exports	Rs. in Cr.	2925	3031	1892	- 3.50
Imports	Rs. in Cr.	11786	11033	6678	6.82

4. *Major Financial Highlights*

Particulars	Performance during (Rs. in crore)			% increase/ decrease over previous year
	2005-06	2004-05	2003-04	
Turnover	16393.39	15138.07	9141.78	8.29
Cost of prod.	16526.41	15266.37	9218.79	8.25
Net Profit/Loss(-)	108.29	107.18	50.62	1.04
Net Worth	828.78	745.3	654.98	11.2
Paid up capital	50	50	50	0
Share of Central Govt./holding co.	49.67	49.67	49.67	0

5. *Key Performance Factors*

- The turnover and profit of MMTC have increased by 8.19% and 1.05% respectively during 2005-06 as compared to 2004-05. As against a total export of Rs.2925 crore the company has under taken imports of Rs. 11786 crore. The domestic sales amounts to Rs. 10641 crore which is 65.03% of total sales during 2005-06.

- To reduce cost and increase competitiveness, company has taken long-term tie-ups with suppliers along with e auctioning. Logistics management was improved to increase efficiency and reduce cost of inventory.
- During the year Steel/HR Steel Coils, Antimony and Tsunami Cars were added for trading by the company.
- Company has 'Excellent' MOU rating during the year 2005-06.
- The shares of the company are listed in Bombay Stock Exchange and others. However, there was no trading of company's shares during 2005-06..

6. *Strategic Issues*

- Important factors that could make a difference between projections and actual achievements/ operations of the company include economic conditions affecting demand/supply and price conditions in the domestic and overseas market in which the company operates, changes in Government regulations, tax laws, other statutes and other incidental factors.
- MMTC has been pursuing prudent fund management strategies as well as ensuring compliance to diverse statutes and taking legitimate remedies wherever required.
- The company is setting up Free Trade and Warehousing Zones at different sites and has plans to set up e-tendering for increasing its reach to customers and suppliers.
- The company has plans to put in place special trading arrangements such as offset, barter and counter trade against bulk purchases by the Government apart from availing opportunities emerging in new markets/products for generating additional business revenues.
- The changed market requirement and technological developments in Mica processing technologies globally led to activities at Mica Division coming to a halt since 2002-03. The final decision of the Government on the petition filed by the company with appropriate authorities under Section 25 -O of Industrial Disputes Act for closure of Mica Division is awaited.

7. *VRS* / Outstanding dues

During the year, 44 employees left the company out of which 5 availed of VRS, 24 retired on superannuation and 15 left on other grounds. The company spent Rs. 8.19 crore on VRS during 2005-06. Up-to 31.3.2006 a total of 2261 employees have taken VRS. There were no outstanding dues as on 31.3.2006. The company paid an ex-gratia of Rs. 0.38 crore during 2005-06.

Metal Scrap Trading Corp. Ltd. (MSTC)

1. *Company Profile*

MSTC was incorporated in 1964 under the Companies Act, 1956 as Metal Scrap Trade Corp. Ltd. with an objective to undertake disposal of ferrous / non-ferrous scrap and other secondary arising from integrated steel plant and surplus from other PSUs / Departments of Government of India. MSTC is a Schedule-C / Mini-ratna CPSE in Trading and Marketing Services sector under the administrative control of M/o Steel with 90% shareholding by the Government of India and balance 10-% by the members of Steel Furnace Association of India and Ispat Industries Limited. Its Registered and Corporate offices are at Kolkata, West Bengal.

2. *Industrial / Business Activities*

MSTC is one of the pioneering enterprises providing services in the field of selling of ferrous / non-ferrous scrap and other secondary arising from integrated steel plants under SAIL, RINL etc. and for disposal of scrap and surplus stores from other PSUs and Government Departments including Ministry of Defence. It is also involved in marketing / import of steel melting scrap for the use of secondary steel industry and finished iron and steel items like HR Coils, Billets, Pig Iron, DR Pellets, Coke, Coal and other inputs and Petroleum products like Naphtha, Super Kerosene Oil, Furnace Oil etc. It functions through its four Regional Offices at Delhi, Mumbai, Kolkata and Chennai and six Branch Offices at Bangalore, Vishakhapatnam, Tiruchirapali, Bhopal, Vadodara and Surat. It has one subsidiary namely Ferro Scrap Nigam Ltd. (FSNL). The enterprise has a workforce of 305 regular employees as on 31.3.2006.

3. Production / Operational Profile

Major Products	Unit	Production during (% Capacity Utilization)			%increase/ decrease over previous year
		2005-06	2004-05	2003-04	
Marketing	Rs. in Cr.	4504	4649	3427	-
Selling Agency Activities	Rs. in Cr.	3211	1077	738	-
Exports	Rs. in Cr.	27.58	23.61	-	-
Imports	Rs. in Cr.	3940	4496	-	-

4. Major Financial Highlights

Particulars	Performance during (Rs. in crore)			%increase/ decrease over previous year
	2005-06	2004-05	2003-04	
Turnover	4092.55	4898.62	3309.54	-16.46
Cost of prod.	4022.43	4817.1	3347.95	-16.5
Net Profit/Loss(-)	54.68	38.3	18.74	42.77
Net Worth	154.74	112.45	82.79	37.61
Paid up capital	2.2	2.2	2.2	0
Share of Central Govt./holding co.	1.98	1.98	1.98	0

5. Key Performance Factors

- The company has able to multiply marketing activities many fold. Though the turnover of the Company has decreased from Rs. 4960 crores in 2004-05 to Rs. 4173 crores in 2005-06, the disposal value in Selling Agency has been increased from Rs. 1077 crore in 2004-05 to Rs. 3211 crore in 2005-06. Similarly the cost of sales has come down from Rs. 4825 crore to Rs. 4003 crore, the other expenses like employees remuneration, administrative expenses etc. have recorded increase during 2005-06 as compared to previous year.
- The reasons for fall in marketing business are inability of the company to develop new customers and drastic fall in unit price of HR Coils and Lam Coke. However, the increase in Selling Agency volume was the result of coal auction and sale of two old plants of NLC.
- Out of Rs. 3260 crore Selling Agency business, Rs. 2800 crore business was translated through e-auction.
- Earning Per Share was Rs. 249 during 2005-06 as compared to Rs. 174 in the previous year.
- MSTC has 'Very Good' MOU rating for the year 2005-06.

6. Strategic Issues

- MSTC is planning to diversify its activities into the field of manufacturing of iron and steel related items. The capital projects undertaken by the company include acquisition of 40% shares in FSNL from Harsco, USA, setting up of stockyard/ warehousing facilities and development of E-business portal.

7. Non-performing surplus

- The MSTC is having some old non-moving debts to the extent of Rs. 15.47crore against which provision for doubtful recovery has been made in the accounts.

8. Separation of employees/VRS

- During the year, 6 employees left the company out of which 2 retired on superannuation and 4 on other grounds. None availed of VRS during 2005-06. Till

31.3.2006, 7 employees availed of VRS.

- The amount of ex-gratia payment made during 2005-06 works out at Rs. 23 lakh.

North Eastern Handicrafts and Handloom Development Corp. Ltd. (NEHHDC)

1. *Company Profile*

NEHHDC was incorporated on 31.3.1977 under the Companies Act, 1956 with an objective to promote and develop handicrafts and handloom industries in the North-Eastern Region. NEHHDC is a Schedule-'C' CPSE in Trading and Marketing Services sector under the administrative control of D/o Development of North-Eastern Region with 100% shareholding by the Government of India. Its Registered and Corporate offices are at Shillong, Meghalaya.

2. Industrial / Business Activities

NEHHDC is providing services in the field of Marketing of handicrafts and handlooms products through its Regional office at Guwahati (Assam), Area Office-cum-Crafts Development Centre at Silchar, 6 Emporia at Kolkata, Chennai, Bangalore, Guwahati, Shillong and New Delhi, Common Facility Centre and Central Warehouse at Guwahati and New Delhi Office. The enterprise has a workforce of 137 employees as on 31.3.2006.

3. Production / Operational Profile

Major Products	Unit	Production during (% Capacity Utilization)			% increase/ decrease over previous year
		2005-06	2004-05	2003-04	
Purchases:					
Handicrafts	Rs. in Cr.	2.76	3.75	NA	-26.40
Handlooms		3.36	4.10	NA	-18.05
Yarn and others		0.03	-	NA	-
Sales:					
Handicrafts		3.72	4.43	NA	-16.03
Handlooms		4.48	4.68	NA	-

4. Major Financial Highlights

Particulars	Performance during (*Rs. in crore*)			% increase/ decrease over previous year
	2005-06	2004-05	2003-04	
Turnover	9.11	8.21	5.88	10.96
Cost of prod.	11.91	10.41	8.17	14.41
Net Profit/Loss(-)	-2.63	-2.11	-2.25	24.64
Net Worth	-17.92	-15.98	-13.97	12.14
Paid up capital	2	2	2	0
Share of Central Govt./holding co.	2	2	2	0

Although the turnover of he company has increased during 2005-06 as compared to 2004-05, its profitability has deteriorated further. The declined in profitability may be the result of increase in expenditure on salary and wages, administrative overheads etc.

PEC Ltd. (PEC)

1. *Company Profile*

PEC was incorporated in 1971 under the Companies Act, 1956 with an objective to focus on export of engineering projects and equipment specially for small and medium enterprises and to trade in international as well as in domestic markets in commodities such as agricultural products, industrial raw materials, chemicals and bullion and to develop new products and new markets. PEC is a Schedule-'B' / Mini-ratna CPSE in Trading and Marketing Service sector under the administrative control of M/o Commerce and Industry, D/o Commerce with 100% shareholding by the Government. Its Registered and Corporate offices are at New Delhi.

2. Industrial / Business Activities

PEC is one of the pioneering enterprises providing services in the field of export of projects, equipments, capital goods, agricultural commodities, import & domestic trading of agricultural commodities, industrial raw materials and import of bullion through its 19 Branch Offices including one abroad i.e. at Dubai. The enterprise has a workforce of 192 employees as on 31.3.2006

3. Production / Operational Profile

Major Products	Unit	Production during (% Capacity Utilization)			% increase/ decrease over previous year
		2005-06	2004-05	2003-04	
Export	Rs. in Cr.	393.08	NA	NA	10.31
Imports	Rs. in Cr.	3249.27	NA	NA	85.20
Domestic	Rs. in Cr.	171.52	NA	NA	4.50

4. Major Financial Highlights

Particulars	Performance during (Rs. in crore)			% increase/ decrease over previous year
	2005-06	2004-05	2003-04	
Turnover	3725.43	5961.32	5853.62	-37.51
Cost of prod.	3709.16	6192	5895.83	-40.1
Net Profit/Loss(-)	13.25	14.55	24.37	-8.93
Net Worth	74.65	64.82	54.57	15.17
Paid up capital	2	2	1.5	0
Share of Central Govt./holding co.	2	2	1.5	0

5. Key Performance Factors

- The sales of the company declined significantly during 2005-06 as compared to previous year by 38.63%. This is the result of fall in import of bullion and export of agro commodity.
- The Earning Per Share was Rs. 663 during 2005-06 as compared to Rs. 727 in the previous year.
- *MOU rating for 2005-06 was 'Very Good'.*

6. Strategic Issues

- Consolidation on existing line of business, selective diversification into sustainable business areas, improving operational efficiency and cost effectiveness were the measures taken to reduce the cost and improve competitiveness.

7. Separation of employees/ VRS

During the year, 7employees left the company out of which 3 availed of VRS, 2 retired on superannuation and 2 left on other grounds. Till 31.3.2006, 55 employees availed of VRS.

Spices Trading Corpn. of India Ltd. (STCL)

1*. Company Profile*

STCL was incorporated in 1982 under the Companies Act, 1956 as 'Cardamon Trading Corp. Ltd.' and renamed as Spices Trading Corp. of India Ltd. in 1987 (further renamed as STCL Ltd. in 2004). The main objectives are to trade in domestic and international market of spices and agricultural products, to process and manufacture spice, agricultural spice and agricultural products of international standards. STCL is a Schedule-'C' CPSE in Trading and Marketing Services sector under the administrative control of M/o Commerce and Industry, D/o Commerce having its Registered and Corporate offices at Bangalore, Karnataka. STCL is a 100% subsidiary of STC Ltd.

2. Industrial / Business Activities

STCL is one of the subsidiary enterprises providing services in the field of trading of spices, agricultural commodities and import and export of spices and other commodities and industrial inputs through its 8 branch offices situated at Bodinakanpur, Kochi, Madikeri, Tirupathi, New Delhi, Kolkata, Sakleshpur and Kumily. It also has 5 sub-collection centers of Kumily Branch in Kerala. The enterprise has a workforce of 39 regular employees as on 31.3.2006.

3. Production / Operational Profile

STCL is only a trading company.

4. Major Financial Highlights

Particulars	Performance during (Rs. in crore)			% increase/ decrease over previous year
	2005-06	2004-05	2003-04	
Turnover	470.78	431.96	315.23	8.99
Cost of prod.	462.23	432.87	313.64	6.78
Net Profit/Loss(-)	5.98	3.58	2.5	67.04
Net Worth	18.24	13.02	10.09	40.09
Paid up capital	1.5	1.5	1.5	0
Share of Central Govt./holding co.	1.5	1.5	1.5	0

5. Key Performance Factors

- The turnover of the company has increased due to product diversification and utilization of market opportunities. The export value during 2005-06 was worth Rs. 130.58 crore as compared to Rs. 87.26 crore in the previous year.
- Earning Per Share was Rs. 3.98 during 2005-06 as against Rs. 2.39 in the previous year.
- The productivity per employee has come down to Rs. 12.07 crore during 2005-06 as compared to Rs. 13.09 crore in the previous year. This appears to be the result of increase in administrative overheads significantly by 47.31%.
- During the year the company received orders worth Rs. 470.78 crore out of which one order of Rs. 27.39 crore was from the Government Department/ organization.

State Trading Corp. of India Ltd. (STC)

1. *Company Profile*

STC was incorporated in 1956 under the Companies Act, 1956 with an objective to trade with East European countries and to supplement the efforts of private trade and industry in developing exports from the country. It is a Schedule-'A' / Mini-ratna CPSE in Trading and Marketing Services sectors under the administrative control of M/o Commerce and Industry, D/o Commerce with 91.03% shareholding by the Government. Its Registered and Corporate offices are at New Delhi.

2. *Industrial / Business Activities*

STC is in exports, imports and domestic trading activities in a large basket of items through its 11 branch offices, mostly located at major port towns of the country. It has one wholly owned subsidiary namely STCL Limited. The enterprise is driven by a workforce of 928 employees as on 31.3.2006.

3. *Production / Operational Profile*

Major Products	Unit	Trading during			% increase/ decrease over previous year
		2005-06	2004-05	2003-04	
Imports	Rs.Cr.	5493	8407	6978	- 34.66
Exports	Rs.Cr.	1095	568	1192	92.78
Domestic sale	Rs.Cr.	537	547	179	- 1.83

4. *Major Financial Highlights*

Particulars	Performance during (Rs. in crore)			% increase/ decrease over previous year
	2005-06	2004-05	2003-04	
Turnover	7125.24	9562.49	8394.98	-25.49
Cost of prod.	7414.83	9700.49	8513.94	-23.56
Net Profit/Loss(-)	38.95	25.03	19.73	55.61
Net Worth	365.14	319.99	286.2	14.11
Paid up capital	30	30	30	0
Share of Central Govt./holding co.	27.31	27.31	27.31	0

5. Key Performance Factors

- The performance of STC declined in terms of turnover 25.17% during 2005-06 as compared to last year. However exports grew by 93% because of diversification in steel raw materials, iron ore and bullion and imports declined due to a systematic shift of focus from items yielding higher turnover to ones giving better trading. The profit increased by 56% during the year over previous year as a result of concentrating on items of higher trading margins.
- Earning Per Share was Rs. 12.98 during 2005-06 as compared to Rs. 8.34 in the previous year.
- Company's market share in export of wheat, rice and chemicals & pharmaceuticals were 0.6%, 1.5% and 1% respectively and in import of edible oils, gold/silver, sugar, fertilizers and hydrocarbons were 8%, 5%, 5%, 30% and 9% respectively during 2005-06.
- Company has ' Excellent ' MOU rating during the year 2005-06.

- During 2004-05 the company closed one of its branch office at Vizag.
- The market price of the company's shares was between Rs. 96 to Rs. 207 during the year 2005-06 as compare to Rs. 65 to Rs. 158 during 2004-05.

6. Strategic Issues

- With a view to sustaining the high growth momentum in business operations and strengthening its hold in market, STC is contemplating to enter into forward and backward integration, mining operations, extending overseas steel operations to other countries, and setting up operations in the areas of pharmaceuticals and textiles in CIS countries jointly with local entrepreneurs.
- STC has been appointed as a nodal agency by the Government of India to monitor implementation of off-set/counter trade obligations arising out of purchase of aircraft by India/Air India.

7. VRS

- During 2005-06 total 15 employees left the company out of which 11 retired on superannuation and 4 left on other grounds.
- Till 31.3.2006, total 1288 employees have availed of VRS.

15 TRANSPORATION SERVICES

There were 11 enterprises in the public sector as on 31.3.2006 which were engaged in Transportation Services. The names of these enterprises along with their year of incorporation in chronological order are given below:

Sl. No.	Enterprise	Year of Incorporation
1.	Air India Ltd.	1953
2.	Indian Airlines Ltd.	1953
3.	Shipping Corporation of India Ltd.	1961
4.	Air India Charters Ltd.	1972
5.	Dredging Corpn. of India Ltd.	1977
6.	Airline Allied Services Ltd.	1983
7.	Pawan Hans Helicopters Ltd.	1985
8.	Container Corporation of India Ltd.	1988
8.	Airports Authority of India Ltd.	1996
10.	Ennore Port Ltd.	1999
11.	Air India Air Transport Services Ltd.	2003

2. The enterprises falling in this group are mainly engaged in providing transport by Air, Road and Sea, management of national as well as international airports, creating and maintaining required depth in ports and rivers, providing helicopter services etc.

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

4. Net Profit/(Loss) : The details of individual enterprises which earned net profit or sustained net loss (-) in ranking order are given below:

(*Rs. in crore*)

Sl. No.	Enterprise	Net Profit/(Loss) 2005-06	2004-05
1.	Shipping Corpn. of India Ltd.	1042.20	1419.91
2.	Airports Authority of India	717.62	325.38
3.	Container Corpn. of India Ltd.	525.80	428.60
4.	Dreadging Corpn. of India Ltd.	176.46	113.29
5.	Indian Airlines Ltd.	0.00	65.61
6.	Pawan Hans Helicopters Ltd.	47.39	49.58
7.	Air India Ltd.	14.94	96.36
8.	Ennore Port Ltd.	9.07	8.38
9.	Air India Air Trans. Services Ltd.	0.00	(0.02)
10.	Air India Charters Ltd.	0.00	(3.06)
11.	Airline Allied Services Ltd.	(43.94)	(28.68)
	Total	**2489.54**	**2474.35**

5. Dividend : The following enterprises declared dividend as per details given below:

(*Rs. in crore*)

Sl. No.	Enterprise	Dividend 2005-06	Dividend 2004-05
1.	Shipping Corporation of India Ltd.	239.96	197.61
2.	Airports Authority of India Ltd.	143.52	83.33
3.	Container Corporation of India Ltd.	116.98	94.23
4.	Dredging Corpn. of India Ltd.	42.00	33.60
5.	Pawan Hans Helicpoters Ltd.	22.75	22.75
6.	Air India Ltd.	0.00	15.38
	Total	**565.21**	**446.90**

6. Township and Social Overheads

The operating results of these enterprises after setting off township maintenance and other social overheads such as maintenance of schools, medical facilities, social overheads and cultural subsidies etc. are given in next column:

(*Rs. in crore*)

Sl. No.	Particulars	Township & Social Overheads 2005-06	Township & Social Overheads 2004-05
1.	Capital cost of Township	222.27	213.90
2.	Gross expenditure on Township	19.34	26.75
3.	*Less :* Rent receipt and other income	66.36	0.87
4.	Net expenditure on Township	(47.02)	25.88
5.	Social Overheads Educational, Med. facilities, etc.	109.48	26.40
6.	Total Social Overheads	62.46	52.28
7.	No. of employees	63500	64053
8.	Per capita expend. on Social Overheads (Rs.)	9836	8162
9.	No. of houses constructed	4369	6854
10.	No. of houses under construction	0	0
11.	Housing (%) satisfaction	10.8	10.7

7. To appreciate the performance of each enterprise falling in this group, the details about their financial position, working results and important mangement ratios for three years are given in Volume-III.

TRANSPORTATION SERVICES

SUMMARISED BALANCE SHEET

(Rs. in Lakhs)

PARTICULARS	2005-06	2004-05	2003-04
AUTHORISD CAPITAL	333500	333500	280505
I. SOURCES OF FUNDS			
(1) SHAREHOLDERS FUND			
(A) PAID-UP CAPITAL			
CENTRAL GOVT.	128905	127106	105606
OTHERS	21296	21296	41296
(B) SHARE APPLICATION MONEY	0	0	0
(C) RESERVES & SURPLUS	1170983	964095	757292
TOTAL (A)+(B)+(C)	1321184	1112497	904194
(2) LOAN FUNDS			
(A) SECURED LOANS	305607	240703	269593
(B) UNSECURED LOANS	292167	128583	148185
TOTAL (A)+(B)	597774	369286	417778
(3) DEFERRED TAX LIABILITY	39793	40320	72744
TOTAL (1)+(2)+(3)	1958751	1522103	1394716
II. APPLICATION OF FUNDS			
(1) FIXED ASSETS			
(A) GROSS BLOCK	2898702	2788827	2643911
(B) LESS: DEPRECIATION	1739124	1625988	1487164
(C) NET BLOCK	1159578	1162839	1156747
(D) CAPITAL WORK IN PROGRESS	245367	83380	100316
TOTAL (C)+(D)	1404945	1246219	1257063
(2) INVESTMENTS	43703	34277	19116
(3) CURRENT ASSETS, LOANS & ADVANCES			
(A) INVENTORIES	71970	57663	58168
(B) SUNDRY DEBTORS	336176	281366	258931
(C) CASH & BANK BALANCES	555596	527745	350617
(D) OTHER CURRENT ASSETS	88980	57036	74889
(E) LOAN & ADVANCES	496622	332062	285135
TOTAL (A+B+C+D+E)	1549344	1255872	1027740
LESS:CURRENT LIABILITIES & PROVN.			
(A) CURRENT LIABILITIES	804117	816591	762557
(B) PROVISIONS	386246	326550	281722
TOTAL (A+B)	1190363	1143141	1044279
NET CURRENT ASSETS	358981	112731	-16539
(4) DEFERRED REVENUE/PRE.EXPENDITURE	2271	2547	4475
(5) DEFERRED TAX ASSET	19034	368	139
(6) PROFIT & LOSS ACCOUNT (DR)	129817	125961	130462
TOTAL (1+2+3+4+5+6)	1958751	1522103	1394716

TRANSPORTATION SERVICES

SUMMARISED PROFIT AND LOSS ACCOUNT

(Rs. in Lakhs)

PARTICULARS	2005-06	2004-05	2003-04
INCOME			
SALES/OPERATING INCOME	1932599	2257918	1911897
EXCISE DUTY	0	5	3
NET SALES	1932599	2257913	1911894
OTHER INCOME/RECEIPTS	92828	63818	78483
ACCRETION/DEPLETION IN STOCKS	0	8	-15
TOTAL	2025427	2321739	1990362
EXPENDITURE			
PURCHASE OF FINISHED GOODS/ CONSUMPTION OF RAW MATERIALS	0	56527	44879
STORES & SPARES	66198	67692	51998
POWER & FUEL	417184	451387	321013
MANUFACTURING/DIRECT/OPERATING EXPENSES	439522	658816	555246
SALARY,WAGES AND BENEFITS/EMPLOYEE EXPENDITURE	269618	367175	347165
OTHER EXPENSES	370059	261741	251076
PROVISIONS	6698	9527	21982
TOTAL	1569279	1872865	1593359
PROFIT BEFORE DEP, INTEREST, TAXES, EXTRA-ORDINARY ITEMS & PPA(PBDITEP)	456148	448874	397003
DEPRECIATION	129386	157344	154570
DRE/PREL. EXPENSES WRITTEN OFF	160	1870	2325
PROFIT BEFORE INTEREST, TAXES, EXTRA-ORDINARY ITEMS & PPA (PBITEP)	326602	289660	240108
INTEREST			
ON CENTRAL GOVERNMENT LOANS	2099	541	1533
ON FOREIGN LOANS	4732	5674	7549
OTHERS	14429	12371	14572
LESS INTEREST CAPITALISED	189	850	1365
CHARGED TO P & L ACCOUNT	21071	17736	22289
PROFIT BEFORE TAX, EXTRA-ORDINARY ITEMS & PPA (PBTEP)	305531	271924	217819
TAX PROVISIONS	72060	64425	41531
NET PROFIT/LOSS BEFORE EXTRA-ORDINARY ITEM	233471	207499	176288
NET EXTRA-ORDINARY ITEMS & PRIOR PERIOD ADJUSTMENT	-15483	-39936	9741
NET PROFIT/LOSS(-)	248954	247435	166547
DIVIDEND DECLARED	56521	44690	68225
DIVIDEND TAX	7995	5993	8767
RETAINED PROFIT	184438	196752	89555

TRANSPORTATION SERVICES

MANAGEMENT RATIO

DETAILS	2005-06	2004-05	2003-04
GENERAL (RS. IN LAKHS)			
INVESTMENT	714295	467777	465976
CAPITAL EMPLOYED	1518559	1275570	1140208
NET WORTH	1189096	983989	769257
R AND D EXPENDITURE	148	282	7
PERSONNEL			
EMPLOYEES(OTHER THAN CASUAL) (NOS)	63500	64053	58566
AVERAGE MONTHLY EMOLUMENTS PER EMPLOYEE(Rs)	35383	47770	49398
FINANCIAL RATIOS (%)			
SALES : CAPITAL EMPLOYED	127.27	177.01	167.68
PBDITEP : CAPITAL EMPLOYED	30.04	35.19	34.82
PBITEP : CAPITAL EMPLOYED	21.51	22.71	21.06
PBITEP : SALES	16.90	12.83	12.56
PROFIT BEFORE TAX & EP(PBTEP): NET WORTH	25.69	27.63	28.32
NET PROFIT : NET WORTH	20.94	25.15	21.65
R AND D EXPENDITURE : SALES	0.01	0.01	0.00
SUNDRY DEBTORS : SALES (NO. OF DAYS)	63	45	49

Air India Air Transport Services Ltd. (AIATS)

1. Company Profile

AIATS was incorporated on 9.6.2003 under the Companies Act, 1956 with the objective of carrying on the business of providing all types of services at airports. AIATS is an uncategorised CPSE in Transportation services sector under the administrative control of M/o Civil Aviation, having its registered office at New Delhi and corporate office at Mumbai, Maharashtra. AIATS is 100% subsidiary of Air India Ltd.

2. Industrial / Business Activities

AIATS is engaged in providing services at airports to any entities or persons engaged in transporting passengers, goods, mail and cargo by air. The enterprise has a workforce of 159 employees as on 31.3.2006.

3. Operational Profile

The company is providing services at the airports. It has not furnished information for 2005-06.

4. Major Financial Highlights

Particulars	Performance during (Rs. in crore)			% increase/ decrease over previous year
	2005-06	2004-05	2003-04	
Turnover	0	0.53	0.42	-
Cost of prod.	0	0.9	0.47	-
Net Profit/Loss(-)	0	-0.02	-0.01	-
Net Worth	-0.58	-0.58	-0.64	0
Paid up capital	0.05	0.05	0.05	0
Share of Central Govt./holding co.	0.05	0.05	0.05	0

The company has not furnished information for 2005-06.

Air India Charters Ltd. (AICL)

1. Company Profile

AICL was incorporated in the year 1972 under the Companies Act, 1956 with the objective of undertaking Chartered operations / Flights and overcoming the situation created by discounting of fares by Arab carriers and other non-scheduled operators. However, in 1988 through an amendment, the objective of the company changed to provide quality services to the client airlines. In 2004-05, the company saw metamorphosis in its role from merely a service provider of ground handling and security to the first international low cost, no frill, budget airline from India. AICL is an uncategorised CPSE in Transportation Services sector under the administrative control of M/o Civil Aviation, having its registered and corporate offices at Mumbai, Maharashtra. AICL is a 100% subsidiary of Air India Ltd.

2. Industrial / Business Activities

AICL is engaged in providing various ground handling services. The company took a new dimension with setting up a Low Cost Service namely 'Air India Express' under its management and launched on 29th April, 2005 a low cost airline service from Kerala to certain points in the Gulf which is considered to be a boon to the millions people working abroad especially in the Gulf, & Middle East and South East Asia. The enterprise has a workforce of 30 employees as on 31.3.2006.

3. Operational Profile

Information not furnished for the year 2005-06.

4. Major Financial Highlights

Particulars	Performance during (Rs. in crore)			% increase/ decrease over previous year
	2005-06	2004-05	2003-04	
Turnover	0	23.42	15.71	-
Cost of prod.	0	28.42	15.78	-
Net Profit/Loss(-)	0	-3.06	0.11	-
Net Worth	-2.77	-2.77	0.29	0
Paid up capital	0.05	0.05	0.05	0
Share of Central Govt./holding co.	0.05	0.05	0.05	0

Company has not furnished any information for the year 2005-06.

Air India Ltd. (AI)

1. Company Profile

AI was incorporated on 15.10.1932 as Tata Airlines and renamed Air India in 1946. The company was nationalized in 1953 and splitted into two corporations namely Air India and Indian Airlines with the objective of operating as International carrier and domestic carrier respectively. The main objective of nationalization was to provide safe, efficient, adequate, and economical and properly coordinated Air Services to the best advantage of the nation. In 1992, Air India Ltd. was incorporated under the companies Act, 1956 and as per Air Corporation (Transfer of Undertaking and Repeal) Ordinance 1994 undertaking of Air India was transferred to and vested in Air India Ltd. AI is a Schedule-'A' CPSE in Transportation Services sector under the administrative control of M/o Civil Aviation with 100% shareholding by the Government of India. Its registered office is at New Delhi and corporate office at Mumbai, Maharashtra.

2. Industrial / Business Activities

AI is engaged in providing services in the field of air transport and carry out all other forms of aerial works whether on charter terms or otherwise through its offices situated all over India and abroad. It has three subsidiaries namely Hotel Corporation of India Ltd., Air India Charters Ltd and Air India Air Transport Services Ltd. The enterprise has a workforce of 15535 employees as on 31.3.2006.

3. Operational Profile

Major Services	Unit	Turnover of Services Provided			%increase/ decrease over previous year
		2005-06	2004-05	2003-04	
Traffic revenue	Rs. in crore	7454.91	6686.92	NA	11.48
Handling, services and incidental revenue	Rs. in crore	1378.80	901.25	NA	52.99

4. Major Financial Highlights

Particulars	Performance during (Rs. in crore)			%increase/ decrease over previous year
	2005-06	2004-05	2003-04	
Turnover	8833.71	7588.17	5987.98	16.41
Cost of prod.	9317.18	7571.26	6143.87	23.06
Net Profit/Loss(-)	14.94	96.36	92.33	-84.5
Net Worth	324.63	321.25	238.62	1.05
Paid up capital	153.84	153.84	153.84	0
Share of Central Govt./holding co.	153.84	153.84	153.84	0

5. Key Performance Factors

- The major revenue earning asset of the company is the aircraft fleet.
- The increase in revenue is attributed to increase in additional capacity inducted by taking aircraft on dry lease. The losses are attributed to hike in fuel price and increase in Dry lease charges.

6. Strategic Issues

The company is planning rationalization of operations by reducing operations of the uneconomic B747-200 aircraft type and replacing them with the more economic A310-300 aircraft type, wherever possible. Dry lease of aircraft to increase frequencies to the existing stations and to operate services to new stations, pending the acquisition of new aircraft.

Airline Allied Services Ltd. (AASL)

1. Company Profile

AASL was incorporated on 13.9.1983 under the Companies Act, 1956 with the objective of creating a profit center under the subsidiary company structure for speedy and flexible decision-making and also to utilize the fleet effectively. The company is revitalized as scheduled airlines in 1996. AASL is a Schedule-'C' CPSE in Transportation Services sector under the administrative control of M/o Civil Aviation having its registered and corporate offices at New Delhi. AASL is a 100% subsidiary of Indian Airlines Ltd. (IA).

2. *Industrial / Business Activities*

AASL is engaged in providing services in the field of domestic Airline business through operation of B-737 aircraft and ATR-42-320 Air Cargo. There was no regular employee in the company as on 31.3.2006, but has 800 contract employees.

3. *Production / Operational Profile*

Major Services	Unit	Services during (% Capacity Utilization)			%increase/ decrease over previous year
		2005-06	2004-05	2003-04	
Scheduled operation	Available Tonne Kilo mtrs. (ATKms.)	107.65 (67)	147.28 (64)	171.33 (62.2)	-26.91

4. *Major Financial Highlights*

Particulars	Performance during (Rs. in crore)			%increase/ decrease over previous year
	2005-06	2004-05	2003-04	
Turnover	517.06	613.74	616.65	-15.75
Cost of prod.	597.44	683.15	651.27	-12.55
Net Profit/Loss(-)	-43.94	-29.68	2.05	48.05
Net Worth	-271.02	-224.54	-201.17	20.7
Paid up capital	2.25	2.25	2.25	0
Share of Central Govt./holding co.	2.25	2.25	2.25	0

5. *Key Performance Factors*

Rs. 35 crore received as budgetary support from North Eastern Council for operation of 4 ATR aircrafts.

6. *Outstanding dues*

- As on 31.3.2006, the company was having outstanding dues of Rs. 248.74 croreout of which Rs. 2.08 crore related to salary and wages, Rs. 2.60 crore statutory dues andRs. 244.06 other dues.

Airports Authority of India (AAI)

1. *Company Profile*

AAI was incorporated on 1.4.1995 through an Act of Parliament with the objective of merging International Airport Authority of India and National Airports Authority in to one and accelerating the integrated development, expansion and modernization of the airports in India upto the international standards. AAI is a Schedule-'A' CPSE in Transportation Services sector under the administrative control of M/o Civil Aviation with 100% shareholding by the Government of India. Its registered and corporate offices are at New Delhi.

2. *Industrial / Business Activities*

AAI is involved in providing services in the field of development of airports and Air Traffic services all over India. Currently AAI manages 127 airports. The enterprise has a workforce of 19754 employees as on 31.3.2006.

3. *Operational Profile*

Major Services	Unit	Total Movements during			%increase/ decrease over previous year
		2005-06	2004-05	2003-04	
Navigational Facilities including Landing & Parking	Weight cum Distance	838311	717587	638976	16.82
Cargo Handling	'000Tonnes	1404	1280	1114	9.69
Passenger services	No.of passengers	73338	69284	4870	5.85

4. *Major Financial Highlights*

Particulars	Performance during (Rs. in crore)			%increase/ decrease over previous year
	2005-06	2004-05	2003-04	
Turnover	3247.09	2794.17	2360.05	16.21
Cost of prod.	2281.85	2314.83	2078.38	-1.42
Net Profit/Loss(-)	717.62	325.38	314.96	120.55
Net Worth	4169.86	3408.03	3019.18	22.35
Paid up capital	449.63	431.63	416.63	4.17
Share of Central Govt./holding co.	449.63	431.63	416.63	4.17

5. Key Performance Factors

- The revenue and profit recorded improvement due to increase in Traffic Revenue by Rs.307 crore and Non-Traffic revenue by Rs.186 crore on account of increase in aircraft and passenger movement by 24% and 17% respectively as compared to previous year as also increase in cargo handling, introduction of new duty free shops and increase in license fee of oil companies.
- GPS and GEO Augmented Navigation (GAGAN) Project is being implemented jointly by AAI and ISRO to enhance accuracy and integrity of GPS signals to meet precision approach requirements in civil aviation.
- Company has "Very Good" MOU rating during the year 2005-06.

6. Outstanding dues

- The company is participating in two Joint ventures (JVs) with state Government of Karnataka and Andhra Pradesh for the development of new airports at Bangalore and Hyderabad respectively. AAI will hold 26% equity in each of these JVs.
- During 2005-06 the company got budgetary support of Rs. 41 crore in the form of equity and loan Rs. 18.00 crore each and grants from North East Council Rs. 5.00 crore. The company has outstanding loan of Rs. 55.30 crore raised through Government guarantee.

Container Corporation of India Ltd. (CONCOR)

1. Company Profile

CONCOR was incorporated on 19th May, 1988 under the Companies Act 1956 with an objective to serve as a catalyst for boosting India's international and Internal trade by organizing multi-model containerization. CONCOR is a schedule-A / Mini-ratna CPSE in Transportation Services Sector under the administrative control of M/o Railway with 63.07% shareholding by the Government of India. Its Registered and Corporate offices are at New Delhi.

2. Industrial / Business Activities

CONCOR is engaged in activities relating to freight, handling and transportation of containers. It has extended its network to a total of 51 terminals, of which 44 are export-import container depots, and 7 exclusive domestic container depots. 7 of the terminals are exclusively road fed, all the rest being connected by rail. As many as 26 terminals perform the combined role of domestic as well as international terminals. The company expects the number of terminals to increase to 60 in the next few years.

The company has nine financial joint ventures namely Star Track Terminals Pvt. Ltd., Trident Terminals Pvt. Ltd., Albatross CFS Pvt. Ltd., JWG-Air Cargo Complex, Gateway Terminals India Pvt. Ltd., Himalayan Terminals Pvt. Ltd., CMA-CGM Logistic Park Pvt. Ltd. HALCON and India gateway Terminal Pvt. Ltd. with a shareholding of 49%, 49%, 49%, 26%, 33.33%, 40%, 49%, 50%, and 15% respectively. All these JVs except Hamalayan Terminals Pvt. Ltd. which is located in Nepal, have been incorporated in India. CONCOR also has a wholly owned subsidiary namely fresh & healthy enterprises Ltd. The enterprise is driven by a workforce of 1028 employees as on 31.3.2006.

3. Production / Operational Profile

Major Products/ Services	Unit of Measur-ement	Turnover of each product during 2005/06 (Rs. in crores)	
		Amount	% of total turnover
Freight	PER TEU	1855	76.24
Handling	PER TEU	279	11.47
Transportation	PER TEU	88	3.63

4. Major Financial Highlights

Particulars	Performance during (Rs. in crore)			% increase/ decrease over previous year
	2005-06	2004-05	2003-04	
Turnover	2433.16	2003.49	1764.43	21.45
Cost of prod.	1819.03	1442.1	1308.68	26.14
Net Profit/Loss(-)	525.8	428.6	367.59	22.68
Net Worth	2091.17	1698.76	1377.24	23.1
Paid up capital	64.99	64.99	64.99	0
Share of Central Govt./holding co.	40.99	40.99	40.99	0

5. Key Performance Factors

- During the year, 4 rubber Tyre Gantry Cranes 2 for ICD/TKD and 2 for ICD were received and commissioned.
- Company has 'Excellent' MOU rating during the year 2005-06.
- The Market price of the company's shares was between Rs. 790 to Rs. 1550 during the year 2005-06.

6. Strategic Issues

- Currently 5112 new high-speed wagons are deployed and an order for 270 high speed wagons was also placed during the year. The container fleet (owned and leased) as on 31.3.2006 was 11745.
- In line with the plan for setting up of new terminals and expansion of facilities in existing terminals, new terminals were commissioned during the year at Manideep (Bhopal) and Majerhat (Kolkata).
- Entry of private operators and consequent pressure on margins implies that CONCOR has to play increasingly on volumes to sustain a healthy rate of growth.

Dredging Corporation of India Ltd. (DCI)

1. Company Profile

DCI was incorporated in the year 1976 under the Companies Act, 1956 with an objective to provide integrated dredging and related marine services for promoting the country's national and international maritime trade, beach nourishment, reclamation etc.. DCI is a schedule-'B' / Mini-ratna CPSE in Transportation Services Sector under the administrative control of M/o Shipping, Road Transport & Highways, D/o Shipping, with 78.56% shareholding by the Government. Its Registered office is at Delhi and Corporate office at Visakhapatnam, Andhra Pradesh.

2. Industrial / Business Activities

DCI is engaged in providing services in the field of ocean dredging, beach nourishment and land reclamation through its 9 project offices out of which one each are located in the states of Andhra Pradesh, Karnataka, Kerala, Maharashtra, and Orissa, and 2 each in Tamil Nadu and West Bengal. The enterprise is driven by a workforce of 869 employees as on 31.3.2006.

3. Operational Profile

Major Services	Unit	Services during (% Capicity Utilization)			% increase/ decrease over previous years
		2005-06	2004-05	2003-04	
Dredging sand, silt, clay, rock	Lakhs Cubic Mtrs.	727.49 (91)	723.11 (91)	750.85 (94)	0.61

4. Major Financial Highlights

Particulars	Performance during (Rs. in crore)			% increase/ decrease over previous year
	2005-06	2004-05	2003-04	
Turnover	506.9	524.79	520.63	-3.41
Cost of prod.	362.76	382.83	390.15	-5.24
Net Profit/Loss(-)	176.46	113.29	169.4	55.76
Net Worth	993.01	864.44	789.36	14.87
Paid up capital	28	28	28	0
Share of Central Govt./holding co.	22	22	22	0

5. Key Performance Factors

- The performance declined in terms of turnover and profit during 2005-06 as compared to last year mainly due to reduction in the dredging rates from

February, 2005 to main customer Kolkata Port Trust which resulted in decrease in operational earnings.

- DCI is utilizing its 100% capacity.
- Export sale was 11.92% of the total sales during 2005-06 as against 11.01% in the previous year.
- The market share of the company in maintenance dredging was 63.7% and in capital dredging 38.0% during the 2005-06 as compared to 64.0% and nil respectively duringthe previous years.
- Earning Per Share was Rs. 63.02 during the year as compared to Rs. 40.46 in the previous year.
- Company has 'Very Good' MOU rating during the year 2005-06.
- The market price of the company's shares ranged between Rs. 446 and 749 during 2005-06 as compared to Rs.349 to Rs.625 during the year 2004-05.

6. *Strategic Issues*

- New major capital dredging projects in the country are on the anvil cosequent to which the dredging requirements are expected to increase. DCI has to augment its capacity to take advantage of this increase in demand.
- Benchmarking against international dredging companies and reviewing strategic initiatives with the help of leading management consultants, developing strategic alliances and international joint ventures to increase international presence, acquisition of dredgers with fuel efficient design and advanced technology etc. are in the pipeline.

7. *VRS/oputstanding dues*

- During the year, 72 employees left the company out of which 10 availed of VRS, 28 retired on superannuation and 34 left on other grounds. Up-to 31.3.2006, total 155 employees have taken VRS.
- There were no outstanding dues as on 31.3.20006. The company made an ex-gratia payment of Rs. 0.67 crore during the year.

Ennore Port Ltd. (EPL)

1. *Company Profile*

EPL was incorporated on 11.10.1999 under the Companies Act, 1956 with an objective to provide world class port services. It is a Schedule- B / CPSE in Transportation Services sector under the administrative control of M/o Shipping, Road Transport & Highways, Department of Shipping with 66.67% shareholding by the Government. Its Registered and Corporate offices are at Chennai, Tamilnadu.

2. *Industrial / Business Activities*

EPL is engaged in providing port services by increasing its cargo handling capacity through undertaking new projects through private sector participation relating to Marine Liquid Terminal - 3 MTPA, Coal Terminal - 8 MTPA, Iron Ore Terminal - 12 MMTPA, Container Terminal - 18 MTPA and LNG Terminal - 5 MTPA. In order to support the development of these projects, the company initiated common infrastructure projects namely dredging for new berths, rail connectivity for coal and iron ore terminals, improvement of road connectivity to port etc. The enterprise is driven by a workforce of 20 employees as on 31.3.2006.

3. *Operational Profile*

Major Services	Unit	Services during (% Capacity Utilization)			% increase/ decrease over previous years
		2005-06	2004-05	2003-04	
Coal Terminal	MT	8.387 (69.89)	8.856 (73.80)	9.277 (77.31)	- 5.30
POL (Temporary handling)	MT	0.244 (48.80)	0.104 (20.80)	-	134.62
Iron Ore (Temporary handling)	MT	0.537 (26.85)	0.519 (25.95)	-	3.47

4. Major Financial Highlights

Particulars	Performance during (Rs. in crore)			% increase/ decrease over previous year
	2005-06	2004-05	2003-04	
Turnover	92.32	92	85.65	0.35
Cost of prod.	88.49	80.39	93.12	10.08
Net Profit/Loss(-)	9.07	8.38	-4.8	8.23
Net Worth	284.21	273.99	264.39	3.73
Paid up capital	300	300	300	0
Share of Central Govt./holding co.	200	200	0	0

5. Key Performance Factors

- Ennore port is the first corporate port under which most of the port services are outsourced and the port discharges only certain statutory and regulatory functions.
- The company at present operating at minimum manpower and operation cost. It is catering the requirements of a single customer, namely, Tamil Nadu Electricity Board.
- The temporary iron ore loading system was non-operational since 4th September due to damage of the barge berth. The Thermal coal handling was lower during the year as compared to last year because of increase in hydro power generation by TNEB.
- Earning Per Share was Rs. 0.30 during 2005-06 as compared to Rs. 0.28 in the previous year.

6. Strategic Issues

- The company is exploring the possibility of swapping the relatively high cost debt (14% p.a.) obtained from GOI and Chennai Port Trust with low interest bearing debt.
- The company has initiated steps for expanding the port facilities through implementation of new projects such as Marine liquids terminals, coal terminals, and iron ore terminals through private sector participations on BOT basis.

Indian Airlines Ltd. (IA)

1. Company Profile

IA was incorporated under Air Corporations Act, 1953 along with Air India as Indian Airlines. In 1991 Indian Airlines Ltd. was incorporated under the Companies Act, 1956 with the objective of taking over all the assets and liabilities of IA after the repeal of Air Corporations Act, 1953 and providing safe, efficient, adequate, economical and properly co-ordinated air transport services. IA is a schedule-'A' CPSE in Transportation Services sector under the administrative control of M/o Civil Aviation with 100% shareholding by the Government. Its registered and corporate offices are at New Delhi.

2. Industrial / Business Activities

IA is engaged in providing services in the field of Air transportation through its 4 A-300, 41 A-320 and 11 B-737 aircrafts. It has one subsidiary namely Airline Allied Services Ltd., which operate as Alliance Air. Vayudoot Ltd. continued to be a shell company with Indian Airline (pending finalisation of various legal formalities). The enterprise has a workforce of 18504 employees as on 31.3.2006.

3. Operational Profile

Information not furnished for the years 2004-05 and 2005-06.

4. Major Financial Highlights

Particulars	Performance during (Rs. in crore)			% increase/ decrease over previous year
	2005-06	2004-05	2003-04	
Turnover	0	5333.12	4649.8	-
Cost of prod.	0	5305.8	4594.21	-
Net Profit/Loss(-)	0	65.61	44.17	-
Net Worth	-333.66	-333.66	-399.05	0
Paid up capital	107.14	107.14	107.14	0
Share of Central Govt./holding co.	107.14	107.14	107.14	0

5. Key Performance Factors

Company has not furnished any information for the year 2005-06.

Pawan Hans Helicopters Ltd. (PHHL)

1*. Company Profile*

PHHL was incorporated on 15.10.1985 under the Companies Act 1956 with an objective to provide helicopter support services to meet the requirement of Petroleum sector, to connect remote and inaccessible areas and to operate tourist charters. PHHL is a schedule-'B' / CPSE in Transportation Services sector under the administrative control of M/o Civil Aviation with 78.46% shareholding by the Government of India. Its registered and corporate offices are at New Delhi.

2. Industrial / Business Activities

PHHL is engaged in providing Helicopter Support Services to PSUs and state Governments of North East, Andeman & Nicobar & Lakshadweep Islands, Governments of Punjab and Bihar through its fleet of 33 helicopters consisting of Dauphin / Bell / Mi-172. The enterprise has a workforce of 559 employees as on 31.3.2006.

3. Production / Operational Profile

The company is using 80% of its Helicopter Fleet.

4. Major Financial Highlights

Particulars	Performance during *(Rs. in crore)*			% increase/ decrease over previous year
	2005-06	2004-05	2003-04	
Turnover	164.73	209.56	184.72	-21.39
Cost of prod.	163.98	173.9	158.78	-5.7
Net Profit/Loss(-)	47.39	49.58	52.68	-4.42
Net Worth	280.64	259.29	235.55	8.23
Paid up capital	113.77	113.77	113.77	0
Share of Central Govt./holding co.	89.27	89.27	89.27	0

5. Key Performance Factors

- PHHL is the biggest helicopter operator in India and one of the largest in Asia. It is the only helicopter operator with ISO 9001:2000 certification in Asia for its entire gamut of business activities.
- Long-term contracts with institutional clients mainly Oil industry and State Governments leads to improvement in profitability. Meticulous maintenance checks with upgraded capability and extensive workshops with in-house facilities provide the back up for achieving excellence.
- PHHL is an approved Maintenance Center to carry out servicing of Dauphin series helicopters and is part of Eurocopter Network of Authorized Maintenance Centre (AMC) worldwide to carry out the above servicing in India and other South East Asian Countries.

6. Strategic Issues

ONGC Ltd., a Navratna CPSE, has taken over 21.5% shareholding of the company.

Shipping Corporation of India Ltd. (SCI)

1*. Company Profile*

SCI was incorporated on 2.10.1961 under the Companies Act, 1956 with the merger of two shipping companies namely Eastern Shipping Corporation and Western Shipping Corporation with the objective to operate as a Liner Shipping Company. In the year 1973, the ailing Jayanti Shipping Co. (JSC) was taken over by the GOI and amalgamated with SCI. The Mogul Line Ltd. a Government of India enterprise was also merged with SCI in 1986. SCI is a Schedule-'A' / Mini-ratna CPSE in Transportation services sector under the administrative control of D/o Shipping with 80.12% shareholding by the Government of India. Its registered and corporate offices at Mumbai, Maharashtra.

2. Industrial / Business Activities

SCI is one of the pioneering enterprises providing diversified services almost in all areas of ship transportation and management in India and abroad including Liner and Passenger Services, Bulk Carrier & Tanker Services, Technical & Off-shore Services etc. with a fleet size of 83 vessels of 2.82 million GT (4.91 million DWT). SCI manages 53 vessels on behalf of others of which 21 vessels are mange on behalf of ONGC Ltd., 22 vessels for, Andaman and Nicobar Islands, 5 for UT of Lakshadweep, 3 for Geological Survey of India and 2 for D/o Ocean Development. Besides Head Office at Mumbai, it operates through its Regional Offices at New Delhi, Kolkata, Chennai and London with Branch Offices at Haldia and Port Blair and a Representative Office at Shanghai. The company has four joint ventures namely Irano Hind Shipping Co., Petronet LNG Project, India LNG Transport Company No. 1 & 2 Ltd. and India LNG Transport Company No. 3 S.A. SCI caters to the movement of all type of dry bulk cargos such as steel, coal, Iron ore, fertilizers etc. for India's export-import requirement. It also helps in costal movement of bulk cargo. The enterprise has a workforce of 1035 shore employees and 6242 floating personal as on 31.3.2006.

3. Production / Operational Profile

Major components of operating earnings	Unit	Operating earning during			% increase/ decrease over previous year
		2005-06	2004-05	2003-04	
Freight	Rs. in Cr.	2365.91	2089.51	NA	13.23
Charter Hire	Rs. in Cr.	1026.17	1212.52	NA	- 15.37
Demurrage	Rs. in Cr.	98.80	54.85	NA	80.13
Receipts towards managed vessels	Rs. in Cr.	40.14	39.26	NA	2.24

4. Major Financial Highlights

Particulars	Performance during *(Rs. in crore)*			% increase/ decrease over previous year
	2005-06	2004-05	2003-04	
Turnover	3531.02	3396.14	2932.9	3.97
Cost of prod.	2568.23	2514.57	2290.72	2.13
Net Profit/Loss(-)	1042.2	1419.91	626.99	-26.6
Net Worth	4355.47	3575.68	2368.8	21.81
Paid up capital	282.3	282.3	282.3	0
Share of Central Govt./holding co.	226.19	226.19	226.19	0

5. Key Performance Factors

- Crude carrier consists of 61.4% of SCI fleet despite the withdrawal of nodal agency status for transportation of crude oil for PSU refineries. Company had effectively deployed its tanker fleet in areas other than India-Centric business. SCI owns 35.04% of Indian shipping fleet tonnage.
- Company has 'Excellent' MOU rating during the year 2005-06.
- The market price of the company's shares was between Rs. 136.10 to Rs.171.50 during the year 2005-06 as compared to Rs.69.10 to Rs. 187.50 during 2004-05.

6. Strategic Issues

- SCI has always gone in for strategic acquisition of modern, state of art tonnage to meet the needs of the growing Indian trade.
- Private shipping companies are expanding their fleets rapidly, thereby posing severe competition. The rising cost fuel, which directly affects the vessel operating cost, is also a major cause of concern.

16 CONTRACT AND CONSTRUCTION SERVICES

There were 11 enterprises in the public sector as on 31.3.2006 which were engaged in Contract and Construction Services. The names of these enterprises along with their year of incorporation in chronological order are given below:

Sl. No.	Enterprise	Year of Incorporation
1.	Hindustan Prefab Ltd.	1953
2.	National Projects Construction Corpn. Ltd.	1957
3.	National Bldg. Constn. Corpn. Ltd.	1960
4.	Hindustan Steel works Costn. Ltd.	1964
5.	Bridge and Roof Co. (India) Ltd.	1972
6.	Mineral Exploration Corpn. Ltd.	1972
7.	IRCON International Ltd.	1976
8.	BBJ Construction Company Ltd.	1984
9.	Konkan Railway Corporation Ltd.	1990
10.	Mumbai Railway Vikas Corporation Ltd.	1999
11	Rail Vikas Nigam Ltd.	2003

2. The enterprises falling in this group are mainly engaged in construction of houses, railway lines, roads and bridges and providing consultancy services in allied fields and works etc.

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

4. Net Profit/(Loss) : The details of individual enterprises which earned net profit or sustained net loss (-) in ranking order are given below:

(*Rs. in crore*)

Sl. No.	Enterprise	Net Profit/(Loss) 2005-06	2004-05
1.	IRCON International Ltd.	80.67	88.83
2.	National Bldg. Constn. Corpn. Ltd.	28.03	15.46
3.	Mineral Exploration Corpn. Ltd.	16.21	3.95
4.	Mumbai Railway Vikas Corporation Ltd.	14.11	10.60
5.	National Projects Construction Corpn.Ltd.	2.26	(70.84)
6.	Rail Vikas Nigam Ltd.	1.89	0.00
7.	Bridge and Roof Co. (India) Ltd.	1.39	0.94
8.	BBJ Construction Company Ltd.	0.49	0.33
9.	Hindustan Prefab Ltd.	(13.83)	(13.40)
10.	Hindustan Steel works Costn. Ltd.	(85.97)	(94.21)
11.	Konkan Railway Corporation Ltd.	(235.61)	(305.48)
	Total	**(190.36)**	**(363.82)**

5. Dividend : The following enterprise declared dividend as per details given below:

(*Rs. in crore*)

Sl. No.	Enterprise	Dividend	
		2005-06	**2004-05**
1.	Ircon International Ltd.	25.74	20.29
2	Bridge & Roof Co. (India) Ltd.	0.10	0.00
	Total	**25.84**	**20.29**

6. Township and Social Overheads

The operating result of these enterprises after setting off township maintenance and other social overheads such as maintenance of schools, medical facilities, social overheads and cultural subsidies etc. are given below:

(*Rs. in crore*)

Sl. No.	Particulars	Township & Social Overheads	
		2005-06	**2004-05**
1.	Capital cost of Township	58.18	63.70
2.	Gross expenditure on Township	5.52	4.48
3.	*Less :* Rent receipt and other income	8.53	10.16
4.	Net expenditure on Township	(3.01)	(5.38)
5.	Social Overheads: Educational, Med. facilities, etc.	15.99	12.64
6.	Total Social Overheads	12.98	7.26
7.	No. of employees	17191	16650
8.	Per capita expend. on Social Overheads (Rs.)	7550	4360
9.	No. of houses constructed	3960	5608
10.	No. of houses under construction	0	0
11.	Housing (%) satisfaction	23.0	33.7

7. To appreciate the performance of each enterprise falling in this group, the details about their financial position, working results and important mangement ratios for three years are given in Volume-III.

CONTRACT AND CONSTRUCTION SERVICES

SUMMARISED BALANCE SHEET

(Rs. in Lakhs)

PARTICULARS	2005-06	2004-05	2003-04
AUTHORISD CAPITAL	434647	128747	128747
I. SOURCES OF FUNDS			
(1) SHAREHOLDERS FUND			
(A) PAID-UP CAPITAL			
CENTRAL GOVT.	173053	77459	77259
OTHERS	46211	40789	40704
(B) SHARE APPLICATION MONEY	20002	2505	16
(C) RESERVES & SURPLUS	87931	82129	76096
TOTAL (A)+(B)+(C)	327197	202882	194075
(2) LOAN FUNDS			
(A) SECURED LOANS	318837	334439	323404
(B) UNSECURED LOANS	500155	418587	441099
TOTAL (A)+(B)	818992	753026	764503
(3) DEFERRED TAX LIABILITY	423	845	0
TOTAL (1)+(2)+(3)	1146612	956753	958578
II. APPLICATION OF FUNDS			
(1) FIXED ASSETS			
(A) GROSS BLOCK	434549	427504	419538
(B) LESS: DEPRECIATION	102262	93410	86380
(C) NET BLOCK	332287	334094	333158
(D) CAPITAL WORK IN PROGRESS	160127	3417	1858
TOTAL (C)+(D)	492414	337511	335016
(2) INVESTMENTS	31346	20028	91921
(3) CURRENT ASSETS, LOANS & ADVANCES			
(A) INVENTORIES	53320	44468	42926
(B) SUNDRY DEBTORS	102932	105537	90636
(C) CASH & BANK BALANCES	232249	172298	132064
(D) OTHER CURRENT ASSETS	14928	12804	11028
(E) LOAN & ADVANCES	128844	104730	93923
TOTAL (A+B+C+D+E)	532273	439837	370577
LESS:CURRENT LIABILITIES & PROVN.			
(A) CURRENT LIABILITIES	376330	283026	236634
(B) PROVISIONS	45666	45297	52657
TOTAL (A+B)	421996	328323	289291
NET CURRENT ASSETS	110277	111514	81286
(4) DEFERRED REVENUE/PRE.EXPENDITURE	3495	7236	13221
(5) DEFERRED TAX ASSET	4065	4336	3333
(6) PROFIT & LOSS ACCOUNT (DR)	505015	476128	433801
TOTAL (1+2+3+4+5+6)	1146612	956753	958578

CONTRACT AND CONSTRUCTION SERVICES

SUMMARISED PROFIT AND LOSS ACCOUNT

(Rs. in Lakhs)

PARTICULARS	2005-06	2004-05	2003-04
INCOME			
SALES/OPERATING INCOME	445268	321191	271315
EXCISE DUTY	3	29	38
NET SALES	445265	321162	271277
OTHER INCOME/RECEIPTS	20991	16919	11332
ACCRETION/DEPLETION IN STOCKS	3741	-446	-20
TOTAL	469997	337635	282589
EXPENDITURE			
PURCHASE OF FINISHED GOODS/ CONSUMPTION OF RAW MATERIALS	43716	71860	63796
STORES & SPARES	889	853	740
POWER & FUEL	10140	8219	6264
MANUFACTURING/DIRECT/OPERATING EXPENSES	263650	160972	129124
SALARY,WAGES AND BENEFITS/EMPLOYEE EXPENDITURE	33170	30613	30695
OTHER EXPENSES	71288	35774	32717
PROVISIONS	762	1143	1584
TOTAL	423615	309434	264920
PROFIT BEFORE DEP, INTEREST, TAXES, EXTRA-ORDINARY ITEMS & PPA(PBDITEP)	46382	28201	17669
DEPRECIATION	10724	9876	9761
DRE/PREL. EXPENSES WRITTEN OFF	10645	8171	8022
PROFIT BEFORE INTEREST, TAXES, EXTRA-ORDINARY ITEMS & PPA (PBITEP)	25013	10154	-114
INTEREST			
ON CENTRAL GOVERNMENT LOANS	20848	18072	15900
ON FOREIGN LOANS	0	0	0
OTHERS	23888	25997	28207
LESS INTEREST CAPITALISED	4	0	0
CHARGED TO P & L ACCOUNT	44732	44069	44107
PROFIT BEFORE TAX, EXTRA-ORDINARY ITEMS & PPA (PBTEP)	-19719	-33915	-44221
TAX PROVISIONS	4404	2951	1348
NET PROFIT/LOSS BEFORE EXTRA-ORDINARY ITEM	-24123	-36866	-45569
NET EXTRA-ORDINARY ITEMS & PRIOR PERIOD ADJUSTMENT	-5087	-484	1878
NET PROFIT/LOSS(-)	-19036	-36382	-47447
DIVIDEND DECLARED	2584	2029	1909
DIVIDEND TAX	363	285	250
RETAINED PROFIT	-21983	-38696	-49606

CONTRACT AND CONSTRUCTION SERVICES

MANAGEMENT RATIO

DETAILS	2005-06	2004-05	2003-04
GENERAL (RS. IN LAKHS)			
INVESTMENT	1037403	845292	855440
CAPITAL EMPLOYED	442564	445608	414444
NET WORTH	-181313	-280482	-252947
R AND D EXPENDITURE	5	107	0
PERSONNEL			
EMPLOYEES(OTHER THAN CASUAL) (NOS)	17191	16650	17179
AVERAGE MONTHLY EMOLUMENTS PER EMPLOYEE(Rs)	16079	15322	14890
FINANCIAL RATIOS (%)			
SALES : CAPITAL EMPLOYED	100.61	72.07	65.46
PBDITEP : CAPITAL EMPLOYED	10.48	6.33	4.26
PBITEP : CAPITAL EMPLOYED	5.65	2.28	-0.03
PBITEP : SALES	5.62	3.16	-0.04
PROFIT BEFORE TAX & EP(PBTEP): NET WORTH	-	-	-
NET PROFIT : NET WORTH	-	-	-
R AND D EXPENDITURE : SALES	0.00	0.03	0.00
SUNDRY DEBTORS : SALES (NO. OF DAYS)	84	120	122

BBJ Construction Co. Ltd. (BBJ)

1. *Company Profile*

BBJ was incorporated in the year 1935 in the private sector and nationalized on 13.8.87 with an objective to maintain market leadership in the field of design, fabrication and erection of steel bridges. BBJ is a takenover CPSE in Contract and Construction Services sector under the administrative control of M/o Heavy Industries and Public Enterprises, D/o Heavy Industry with its Registered and Corporate offices at Kolkata, West Bengal. BBJ is a 100% subsidiary of Bharat Bhari Udyog Nigam Ltd. (BBUNL).

2. *Industrial / Business Activities*

BBJ is engaged in providing services in the field of bridge construction, fabrication of steel structures, industrial structures and civil construction. The temporary project construction sites are located all over India. The enterprise has a workforce of 519 employees as on 31.3.2006.

3. *Production / Operational Profile*

Major Products	Unit	Production during			% increase/ decrease over previous year
		2005-06	2004-05	2003-04	
Fabrication & Erection of Steel Bridges/ Structure	Rs. in Cr.	27.03	22.55	14.25	48
Marine Structure & Civil Construction	Rs. in Cr.	30.86	15.74	12.33	52

4. *Major Financial Highlights*

Particulars	Performance during (Rs. in crore)			% increase/ decrease over previous year
	2005-06	2004-05	2003-04	
Turnover	55	42.5	28.38	29.41
Cost of prod.	58.36	40.46	35.99	44.24
Net Profit/Loss(-)	0.49	0.33	-24.29	48.48
Net Worth	9.92	9.1	-28.6	9.01
Paid up capital	17.02	1.97	1.97	763.96
Share of Central Govt./holding co.	17.02	1.97	1.97	763.96

5. Key Performance Factors

- Steps have been taken in all operational areas for reduction of operating costs and to increase the productivity. As the work of steel bridge construction (Structural Steel Girders) is gradually shrinking , the company has successfully diversified into various allied engineering fields.
- In order to promote R&D and upgradation of technology the Company has absorbed the sophisticated technology of Cable Stayed and Cable Suspension Bridges. In the field of Gauge Conversion, the company has developed the First Launching Method of Steel Girders, which has been successfully introduced in various bridges in Assam, U.P. and A.P. Efforts were also made to explore technology from abroad.

6. Strategic Issues

- The details of Financial Restructuring approved by Govt. of India in July, 2005 and its effects reflected in the accounts for the year ending 31.03.2005 include:-
  1) Conversion of Govt. of India Loan as on 31.03.2004 into Equity amounting to Rs. 3.88 Crores during the year ending on 31.03.2005.
  2) Conversion of Interest Outstanding on Govt. of India loan as on 31.03.2004 into Equity amounting to Rs. 10.00 Crores during the year ending on 31.03.2005.
  3) Conversion of Interest Outstanding on Govt. of India Loan as on 31.03.2004 into Zero Rate Debentures amounting to Rs. 10.00 crores during the year ending on 31.03.2005.
  4) Waiver of balance Interest and Penal Interest accrued on Govt. of India Loan as on 31.03.2004 amounting to Rs. 30.73 Crores during the year ending 31.03.2005.

Due to positive net-worth, bank sanctioned enhanced credit exposure to Rs. 26.90 crore.

- BBJ received orders worth Rs. 43.08 crore during 2005-06.

7. *Budgetary support*

During 2005-06, the company received a budgetar support of Rs. 2 crore comprising Rs. one crore each as equity and loan.

Bridge & Roof Co. (India) Ltd. (B&R)

1. *Company Profile*

B&R was incorporated in the year 1920 as a wholly owned subsidiary of Balmer Lawrie and Co. Ltd. In 1972, it became a public sector company under the M/o Petroleum and Natural Gas. In 1986 its control was transferred to M/o Heavy Industries and Public Enterprises, D/o Heavy Industry. Its main objective is to emerge as a leader in construction and project management services in India and in selected foreign markets and provide latest technology of international standard to its customers coupled with highest level of consumer satisfaction through requisite customer service. B&R is a Schedule-'B' / takenover CPSE in Contract and Construction services sector having its registered and corporate offices at Kolkata (West Bengal). B&R became a subsidiary of Bharat Yantra Nigam Ltd. (BYNL) in 1987 which now holds 99.10% equity of this company.

2. *Industrial / Business Activities*

B&R, which has two Strategic Business Units namely Project Division and Howrah Works, is involved in providing services in the field of civil / mechanical construction, tankage, piling etc. in the areas of refineries, power, roads and highways, hydrocarbon, housing and urban development, cross country pipelines, ferrous and non-ferrous metals, environmental projects, sports complex, etc. and to produce bailey bridge, railway wagon, bunk house, freight container, industrial structures at Howrah Works. It is a versatile construction company having presence all over India. The enterprise is driven by a workforce of 1198 employees as on 31.3.2006.

3. *Major Financial Highlights*

Particulars	Performance during (Rs. in crore)			% increase/ decrease over previous year
	2005-06	2004-05	2003-04	
Turnover	467.6	442.9	367.77	5.58
Cost of prod.	506.81	486.07	392.71	4.27
Net Profit/Loss(-)	1.39	0.94	1.19	47.87
Net Worth	72.02	55.75	43.8	29.18
Paid up capital	39.99	13.98	13.98	186.05
Share of Central Govt./holding co.	39.63	13.62	13.62	190.97

4. *Key Performance Factors*

- The performance of the company has improved during 2005-06 as compared to last year. It recorded a growth rate of 12% in turnover and 108.72% in profit. About 98% turnover is achieved through construction activities. About 92% turnover was due to sales to Government Departments/Organizations/CPSEs. Both export and other domestic sales recorded decline during 2005-06 as compared to last year.
- The company undertook various measures such as implementation of modified incentive scheme, utilization of unutilized spaces, adoption of innovative methods of work, acquisition of modern construction equipments etc.
- The company is having record orders in hand for Rs. 930 crores and is expecting orders worth Rs. 250 crore shortly. 16% of the orders received during 2005-06 were due to Purchase Preference Policy of the Government.

5. *Strategic Issues*

- The company has drawn up a comprehensive plan to increase its turnover from Rs. 695 crore to Rs. 1625 crore during the 11th Five Year Plan. A restructuring plan has also been approved by the Government envisaging a plan budgetary support of Rs. 60 crore (Rs. 30 crore each as equity and loan) and if the same is implemented promptly and timely, B&R is expecting to achieve a Compounded Annual Growth Rate of 22% during the11th Five Year Plan period which will enable the company to be self generating and self reliant organization. During 2005-06, the company received a budgetary support of Rs. 30 crore.

- Since the economic upswing supported infrastructural growth including construction industry is on the growth path and the B&R being an established player in the construction market is capable of harnessing/meeting the challenges.

6. *VRS/Outstanding dues*

- During 2005-06, 77 employees left the company out of which 46 were retired on superannuation and 31 on other grounds. None availed of VRS during this period. Till 31.3.2006, TOTAL 465 employees have availed of VRS. However, Rs. 7.81 crore were spent on clearance of VRS dues during 2005-06 out of which Rs. 4.03 crore were from own resources and Rs. 3.78 crore from budgetary support. There was no outstanding dues as on 31.3.2006.
- Implementation of modified incentive scheme based on individual performance concept is likely to yield considerable improvement in overall productivity of the workshop.

Hindustan Prefab Ltd. (HPL)

1. *Company Profile*

HPL was incorporated on 16.8.1955 with an objective to carry on business of manufacturing of PCC and RCC components, construction works and maintenance work etc. HPL is a Schedule-'D' / CPSE in Contract and Construction Services sector under the administrative control of M/o Urban Development (Poverty Alleviation), D/o Urban Development having 100% Government holding with its registered and corporate office at New Delhi.

2. *Industrial / Business Activities*

HPL is engaged in providing services in the field of construction work, maintenance of building and manufacturing of concrete PC Poles, PRC railway sleepers, RCC products. The enterprise has a workforce of 431employees as on 31.3.2006.

3. *Operational Profile*

Major Services	Unit	Production during (% Capacity Utilization)			% increase/ decrease over previous year
		2005-06	2004-05	2003-04	
PC Poles	Nos.	NIL	1915 (3.06)	4256 (11.37)	-
PSC Railway Sleepers	Nos.	NIL	2960 (1.61)	27008 (14.60)	-

4. *Major Financial Highlights*

Particulars	Performance during (Rs. in crore)			% increase/ decrease over previous year
	2005-06	2004-05	2003-04	
Turnover	8.7	9.54	7.65	-8.81
Cost of prod.	22.92	22.45	20.38	2.09
Net Profit/Loss(-)	-13.83	-13.4	-12.25	3.21
Net Worth	-104.09	-90.26	-76.86	15.32
Paid up capital	6.97	6.97	6.97	0
Share of Central Govt./holding co.	6.97	6.97	6.97	0

5. Key Performance Factors

- Production of PRC Railway sleepers and PC Poles has been stopped since mid 2004 for want of viable order and shortage of working capital.
- High manpower and high rate of interest on Government Loans have also caused for increasing losses.

6. Strategic Issues

Company has been referred to BRPSE for capital restructuring / revival.

7. *Budgetary support*

During the year, 25 employees left the company out of which 15 availed VRS and 10 left on other grounds.

Hindustan Steelworks Construction Ltd. (HSCL)

1. *Company Profile*

HSCL was incorporated in the year 1964 under the Companies Act, 1956 with an objective of creating in the Public Sector an organization capable of undertaking complete construction of modern Steel plants. HSCL is a Schedule-'B' / CPSE in Contract and Construction services sector under the administrative control of M/o Steel with 100% shareholding by the Government. Its Registered and Corporate offices are at Kolkata (West Bengal).

2. *Industrial / Business Activities*

HSCL is involved in providing services in infrastructure sectors like steel plant, power, oil and gas, construction of roads / highways, bridges, industrial and township complexes etc. with high degree of planning, co-ordination and modern sophisticated techniques. The company had two JVs as on 31.3.2006 namely HSCL-Sricon Infrastructure Private Limited for construction of Nagpur-Hyderabad Section of NH 7 and HSCL-Avinash Raj Construction Private Limited for purchase of land and development of Housing project from Bengal Immunity Limited, a company under liquidation having 51% interest in each. The enterprise is driven by a workforce of 1843 employees as on 31.3.2006.

3. *Major Financial Highlights*

Particulars	Performance during (Rs. in crore)			% increase/ decrease over previous year
	2005-06	2004-05	2003-04	
Turnover	341.21	313.94	295.6	8.69
Cost of prod.	449.61	433.33	404.07	3.76
Net Profit/Loss(-)	-85.97	-94.21	-88.5	-8.75
Net Worth	-1164.47	-1108.82	-1070.22	5.02
Paid up capital	117.1	117.1	117.1	0
Share of Central Govt./holding co.	117.1	117.1	117.1	0

4. *Key Performance Factors*

- Turnover of the company has shown rising trend and operational profit also increased during 2005-06 resulting in reduction in net loss.
- Company's liquidity positrion has improved and the working capital indicates positive balance of Rs. 80.11 crore as against Rs. 68.73 crore in the last year.
- As per financial restructuring approved for the company during the year, a non-plan loan of Rs.71.89 crore has been sanctioned along with extension of guarantee with full subsidy to secure further loan of Rs.250 from Banks for funding VRS expenditure.
- Company has 'Fair' MOU rating during the year 2005-06.

5. *Strategic Issues*

- Company has secured loan of Rs518.36 crore from Banks in two phases under Government Guarantee.
- It has entered into new areas of business with an order booking value of Rs.521 cr. during 2004-05.
- Govt. of India in the second phase granted non-plan loan of Rs. 222.44 crore for disbursement of outstanding salaries/ wages and statutory dues. The company has also secured loan of Rs. 518.36 crore from banks under GOI guarantee.
- During 2003-04, 04-05 and 05-06, the company received budgetary support of Rs. 33.12 cr., Rs. 86.15 cr. and Rs. 51.75 cr.

6. *VRS / Outstanding dues*

- During 2005-06 total 81 employees left the company out of which 30 availed of VRS and 51 retired under superannuation/other grounds. Till 31.3. 2006, total 11320 employees have taken VRS.
- As on 31.3.2006, Rs. 24.34 crore was outstanding on account of salary and wages.

IRCON International Ltd. (IRCON)

1. *Company Profile*

IRCON was incorporated in the year 1976 under the Companies Act, 1956 with an objective to carry on the business/activities relating to Railway and other construction including turnkey projects, Build Operate and Transfer(BOT), Build Lease and Transfer (BLT), Build Own Operate and Transfer(BOOT) or any other scheme or project found suitable, purchasing, letting or lease or higher purchasing of all kinds of machinery, plants, stock, ships, crawlers, vessels, barges, automobiles and vehicles, construction machinery and consultancy / advisory services in India and abroad. IRCON is a Schedule-'A' Miniratna CPSE in Contract and Construction Services sector under the administrative control of M/o Railways with 99.80% shareholding by the Government. Its registered and corporate offices are at New Delhi.

2. *Industrial / Business Activities*

IRCON is engaged in providing services in the field of laying of rail tracks, electrification of railway lines, construction of highways, bridges, tunnel and airport runway and signaling and telecommunication work / Building electricity transmission substations etc. Besides 45 Regional/Project Offices in India, IRCON has Project Offices in Afghanistan, Bangladesh, Ethiopia, Malaysia, Mozambique, Nepal, Iran and Sharjah. During 2005-06, the company completed 9 projects in India and major on-going projects include railway works, road/highway projects, building projects and PGCIL projects. IRCON has two joint ventures namely Companhia Dos Caminhos De Ferro Da Beira (CCFB), Mozambique with 25% shareholding and Ircon-Soma Tollway Private Limited (ISTPL), India with 50% shareholding. In addition it has 10 unincorporated joint venture with participating interest ranging between 9.5% to 61.22% in India and abroad. The enterprise is driven by a workforce of 1723 employees as on 31.3.2006.

3. *Operational Profile*

Major Services	Unit	Services during			% increase/ decrease over previous years
		2005-06	2004-05	2003-04	
Construction etc.	Rs.in Cr.	1048	950	NA	10.32
Leasing and operation	Rs.in Cr.	10	22	NA	- 54.55

4. *Major Financial Highlights*

Particulars	Performance during *(Rs. in crore)*			% increase/ decrease over previous year
	2005-06	2004-05	2003-04	
Turnover	1058.08	972.45	747.97	8.81
Cost of prod.	999.03	906.73	711.99	10.18
Net Profit/Loss(-)	80.67	88.83	61.61	-9.19
Net Worth	829.3	777.72	712.33	6.63
Paid up capital	9.9	4.95	4.95	100
Share of Central Govt./holding co.	9.88	4.94	4.94	100

5. *Key Performance Factors*

- The main contribution in the operating income is by the construction activities and also from domestic operations.
- There has been 9% increase in the operating income due to higher contribution from Indian projects. However, there was decrease in profit after tax mainly because the excess provision for tax made in earlier years was written back to the tune of Rs. 103.58 million in 2004-05 as compared to only Rs. 9.01 million written back during 2005-06.
- Company has 'Excellent' MOU rating during the year 2005-06.
- During the year the company has record order book position of Rs. 5000 crore.

6. *Strategic Issues*

- IRCON has been upgraded as a Schedule 'A' company w.e.f 15.5.2006.
- During the year 2005-06, IRCON has issued bonus shares to the existing

share holders out of its free reserves. Consequently, the share capital of the company has increased from Rs.49.49 million to Rs. 98.98 million as on 1.4.2005.

7. VRS / Outstanding dues

During 2005-06 only one employee availed of VRS and a payment of Rs. 7 lakh was made in this regard. In addition 8 more employees retired on superannuation. There was no outstanding dues as on 31.3.2006.

Konkan Railway Corp. Ltd. (KRCL)

1. *Company Profile*

KRCL was incorporated in the year 1990 under the Companies Act, 1956 with an objective to construct a new broad gauge rail line between Rohu and Mangalore by raising the finance from Non-Government sources. KRCL is a Schedule-'A' CPSE in Contract and Construction Services sector under the administrative control of M/o Railways with 52.12% shareholding by the Government of India (the remaining holding is with Governments of Maharashtra, Karnataka and Goa). Its Registered office is at Delhi and Corporate office at Mumbai, Maharashtra.

2. Industrial / Business Activities

KRCL is one of the Central / State Government Joint Venture providing services in the field of construction of railway line and operation of railway traffic from Roha in Maharashtra to Mangalore in Karnataka. In addition to the railway transportation, the corporation has undertaken construction of Katra - Laole railway project in J&K and construction of road over bridges in Jharkhand, implementation of ACD network in North East Frontier Railway., etc. The enterprise is driven by a workforce of 4120 including deputationists as on 31.3.2006.

3. Operatoinal Profile

Major components of earning	Units of Measure-ments	Earnings during			% increase/ decrease over previous year
		2005-06	2004-05	2003-04	
Coaching earnings	Rs.in Cr.	191	184	NA	3.80
Freight earnings	Rs.in Cr.	149	88	NA	69.32
Projects earnings	Rs.in Cr.	281	146	NA	92.47
Other earnings	Rs.in Cr.	9	8	NA	12.5

4. Major Financial Highlights

Particulars	Performance during *(Rs. in crore)*			% increase/ decrease over previous year
	2005-06	2004-05	2003-04	
Turnover	621.48	271.76	235.36	128.69
Cost of prod.	872.08	595.03	602.21	46.56
Net Profit/Loss(-)	-235.61	-305.48	-357.73	-22.87
Net Worth	-2080.31	-1859.18	-1558.39	11.89
Paid up capital	803.07	789.92	789.07	1.66
Share of Central Govt./holding co.	411.29	411.29	411.29	0

5. Key Performance Factors

- Punctuality was maintained for carrying passengers at high level of 97% during 2005-06 as compared to 94% in the previous year.
- Introduction of innovative Monsoon Time Table on KRCL w.e.f. 15.6.2005 to 31.10.2005 limiting the maximising speed of passenger carrying trains to 75km/ph ensured 100% punctuality during the period and improved the customer satisfaction in passenger operations.
- Freight earnings surpassed passenger earnings during 2005-06 recording an increase of about 70% over previous year. The major commodities moved were iron ore, pig iron, cement, food Grains & fertilizers. There was also an increase in food grain traffic from north to south via Konkan Railway.
- Operating ratio of trains improved from 89.01 in 2004-05 to 102.48 in 2005-06 and

working ratio improved from 69.06 to 77.50 during the period.

- The company has 'Excellent' MOU rating during the year 2005-06.

6. Strategic Issues

- The Central Government in consultation with 4 participating State Governments is to consider continuation of present corporate and administrative structure of KRCL alongwith existing equity participation of states, assistance by Railway Board in increasing the proportion of freight traffic of KRCL system in order to improve its revenue and restructuring of finance and debt liabilities.
- A supplementary agreement was signed by the President of India through Ministry of Railways and Governments of Maharashtra, Karnataka, Goa and Kerala, being the shareholders on 16.6.2006 extending the tenure of original agreement dated 19.6.1990 till all the liabilities of the corporation are fully discharged.
- KRCL is undertaking execution of various commercial construction projects especially for the Indian Railways.

Mineral Exploration Corp. Ltd. (MECL)

1. Company Profile

MECL was incorporated on 21.10.1972 under the Companies Act, 1956 with an objective to systematically explore minerals to bridge the gap between the initial discovery of a prospect and its eventual exploitation. MECL is a Schedule-B CPSE in Contract and Construction Services sector under the administrative control of M/o Mines, with 100% shareholding by the Government of India. Its Registered and Corporate offices are at Nagpur, Maharashtra. The Zonal offices and Regional Maintenance Centres of the company are located at Ranchi, Nagpur and Hyderabad and Business Development Centers at Delhi and Kolkata.

2. Industrial / Business Activities

MECL is the premier minerals exploration agency in the country. It carries out exploration activities for coal, lignite and other minerals on behalf of and with the funding of the Govt. of India. It also offers its services for mineral targeting, mineral deposit assessment, remote sensing, environmental studies, IT services and other associated services. The enterprise is driven by a workforce of 2217 employees as on 31.3.2006.

3. Production / Operational Profile

Major Products	Unit	Production during (% Capacity Utilization)			% increase/ decrease over previous years
		2005-06	2004-05	2003-04	
Drilling	Mtrs.	178425 (104)	173144 (101)	172281 (100)	65
Development Mining	Mtrs.	8281 (207)	7525 (188)	3357 (84)	13

4. Major Financial Highlights

Particulars	Performance during (Rs. in crore)			% increase/ decrease over previous year
	2005-06	2004-05	2003-04	
Turnover	78.87	73.55	62.44	7.23
Cost of prod.	66.16	71.11	63.19	-6.96
Net Profit/Loss(-)	16.21	3.95	-2.49	310.38
Net Worth	0.77	-18.5	-26.57	-104.16
Paid up capital	73.75	72.75	70.75	1.37
Share of Central Govt./holding co.	73.75	72.75	70.75	1.37

5. Key Performance Factors

- The rigorous marketing efforts to obtain sufficient job from public / private sectors and optimum utilization of available resources have resulted in improvement in drilling production and productivity.
- During 2005-06 a total of 42 drilling projects were operated. Out of this, 17 projects were closed successfully, while in Developmental Mining, 11 units were in operation which includes 3 closed projects.
- The performance during 2005-06 has been remarkable. The gross revenue increased by 10% during 2005-06 as

compared to previous year. The company earned a net profit of Rs. 5.65 crore which is all time high during last 20 years.

- MECL on an average carries out 30% of the total exploratory drilling for mineral exploration purpose in organized sector.
- During 2005-06 diamond bits specific to the strata condition were used to improve upon the productivity. Further, in-house softwares were also developed/ modified to improve upon the quality of exploration reports.
- Company has 'Excellent' MOU rating during the year 2005-06.

6. Strategic Issues

- For long term sustenance of the company and to meet the requirement of the mineral industry, company has drawn up the technological up-gradation / modernization plan.
- As a result of various initiatives w.r.t cost control measures, optimal utilization of available resources and timely maintenance of plants & machineries, the physico financial performance during 2005-06 has been remarkable and the MOU target for almost all the parameters have been exceeded.
- Since the financial restructuring package has been approved by the Government, MECL would be in a position to raise funds for replacement of equipment and old plant & machineries which in turn result the improvement of the performance and productivity and it would be possible for MECL to be more competitive in the market.
- Further, MECL proposes to expand its activity in the field of CBM exploration/ production well drilling, large diameter borehole, geo-technical investigation, geo-hydrological studies and Lump sum Turn Key Projects, as there is huge market potential in these areas. This would be possible when the modernization/ technological up-gradation is undertaken.
- To facilitate mineral development activities in North Eastern Region, MECL has successfully completed exploration for coal at namchi, Sikkim, Jiajuri glass sand deposit, district Nagon Assam. During 2005-06, it tookover new exploration project i.e. Darang coal project, Meghalaya and Saipum shell limestone project, Mizoram.
- MECL received work orders amounting to Rs. 54.85 crore during 2005-06 out of which Rs. 52.82 crore were from CPSEs/ state Governments

7. VRS and outstanding dues

- During 2005-06, 64 employees left the company out of which 34 on superannuation and 30 on other grounds. None availed of VRS during the year. However upto 31.3.2006 total 2300 employees availed of VRS.
- As on 31.3.2006 total outstanding dues were amounting to Rs. 8.00 crore out of which Rs. 0.30 crore on account of salary and wages, Rs. 2.36 crore statutory dues including Rs. 1.62 crore service tax and Rs. 5.34 crore other dues.

8. Budgetary support

Out of capital outlay of Rs. 5 crores for the year 2005-06, Rs. 1 crore was received as budgetary support which has been fully utilized during the year.

Mumbai Railway Vikas Corp. Ltd. (MRVC)

1. *Company Profile*

MRVC was registered on 12.7.1999 and the certificate of commencement of business obtained on 23.3.2000 under the Companies Act, 1956. The objective of setting up of the corporation was to augment transport capacity to match the continuous growth in the number of commuters in Mumbai by developing coordinated plans and implement rail infrastructure projects, integrating urban development plan of Mumbai with Rail capacity and investments, undertaking commercial development of Railway land and air space etc.. MRVC is a Schedule- 'A' / CPSE in Contract and Construction Services sector under the administrative control of M/o Railways with 51% shareholding by the government of India and 49% by the Government of Maharashtra. Its Registered and Corporate offices are at Mumbai, Maharshtra.

2. Industrial / Business Activities

MRVC is one of the Central State Government Joint Venture providing services in the field of development of rail infrastructure project. i.e. Mumbai Urban Transport Project (MUTP) in Mumbai.The enterprise is driven by a workforce of 135 employees as on 31.3.2006.

3. Operational Profile

MRVC will implement the MUTP in two phases. The cost of the project will be shared between M/o Railways and Government of Maharashtra on a 50:50 basis.

4. Major Financial Highlights

Particulars	Performance during (Rs. in crore)			% increase/ decrease over previous year
	2005-06	2004-05	2003-04	
Turnover	3.7	1.51	4.11	145.03
Cost of prod.	5.83	4.28	3.44	36.21
Net Profit/Loss(-)	14.11	10.6	4.19	33.11
Net Worth	56.23	42.12	31.5	33.5
Paid up capital	25	25	25	0
Share of Central Govt./holding co.	12.75	12.75	12.75	0

5. Key Performance Factors

- The World Bank Loan for Phase-1 of the project has been sanctioned. This loan shall be serviced through surcharge on Mumbai suburban tickets.
- The company is registered under section 11A of the Income Tax Act, 1961, where by it is exempt from payment of Income Tax.
- The Earning Per Share was Rs. 566.51 during 2005-06 as against Rs.266.44 in the previous year.
- R&D is done through the Research and Design Standards Organization, Lucknow for inspection of materials and design modifications.
- The company has 'Very Good' MOU rating during the year 2005-06

National Bldg. Const. Corp. Ltd. (NBCC)

1. Company Profile

NBCC was incorporated in November, 1960 under the Companies Act, 1956 with an objective to become a leading company in the construction engineering and consultancy services, providing efficient and quality execution of projects. NBCC is a Schedule-B / CPSE in Contract and Construction Services sector under the administrative control of M/o Urban Development with 100% shareholding by the Government of India. Its Registered and Corporate offices are at New Delhi.

2. Industrial / Business Activities

NBCC is one of the pioneering enterprises providing services in the field of turnkey construction, consultancy and project management services of diverse nature and development of real estate projects. The company has a Joint Venture in Botswana in the name of "Jamal – NBCC International (Proprietory) Ltd. with a share of 51%: 49%. The enterprise is has workforce of 2527 regular employees as on 31.3.2006. For carrying out Home projects Regional Business Groups are located in Delhi and Strategic Business groups in the states of Gujarat, Meghalaya, Rajasthan, Jharkhand and Bihar.

3. Major Highlights

Particulars	Performance during (Rs. in crore)			% increase/ decrease over previous year
	2005-06	2004-05	2003-04	
Turnover	1235.7	778.02	660.62	58.83
Cost of prod.	1277.53	776.36	656.41	64.55
Net Profit/Loss(-)	28.03	15.46	14.97	81.31
Net Worth	73.32	44.72	30.18	63.95
Paid up capital	120	120	120	0
Share of Central Govt./holding co.	120	120	120	0

4. Key Performance Factors

- As against the turnover of Rs. 310.69 crores with 3151 employees during 2000-01 the company achieved a turnover of Rs. 1235.70 crores with 2527 employees during 2005-06. Net worth of the corporation has become positive and company has started earning profit.
- Earning Per Share of NBCC during 2005-06 improved to Rs. 311.50 from Rs. 171.77 in the previous year.
- Elevated track/green building techniques are used.
- In order to achieve competitiveness , the company has diversified in border fencing works and large value EPC contracts in Power Plants and in energy efficient green buildings with Platinum rating of US Green Building Council.
- Company has 'Excellent' MOU rating during the year 2005-06.

5. Strategic Issues

- Improvement in H.R. Policies has resulted improvement in efficiency. Redelegation of powers to reduce decision taking time and procedures, penitration in project management consultancy market, implementation of centralized fund management, etc. are the measures taken for performance improvement.
- During 2005-06 works orders worth Rs. 1250.11 crore were secured.
- The financial restructuring proposal and turn around strategies were approved in 1998 and the restructuring proposal was implemented in the financial year 1998-99.

6. VRS

Out of 98 persons who left the company during 2005-06, 33 availed of VRS, 48 retired on superannuation and 17 left on other grounds. An amount of Rs. 1.21 crore was paid as an ex-gratia during the year.

National Projects Construction Corp. Ltd. (NPCC)

1. Company Profile

NPCC was incorporated in the year 1957 as a Premier Construction Company under the Companies Act, 1956 with the objective of competing with the domestic and international construction organizations in the field of planning, design, consultancy / construction of large civil / allied projects in various sectors of economy and serve as a price deterrent to the private contractor. NPCC is a Schedule-'B' / CPSE in contract and construction services sector under the administrative control of M/o Water Resources with 96.48% shareholding by the Government of India. Its registered office is at New Delhi and Corporate office at Faridabad, Haryana.

2. Industrial / Business Activities

NPCC is engaged in providing services in the field of Construction of large Civil and allied projects in sectors relating to irrigation, river valley projects, barrages, canals, hydel and thermal power, steel, coal, rural and urban transportation, railways etc. The enterprise has a workforce of 2359 employees as on 31.3.2006.

3. Operatoinal Profile

Over the last 49 years, company has completed more than 254 projects of national importance all over the country and in most remote and hazardous locations. It has executed works in the Middle-east countries, Nepal and Bhutan. The company has 20 zonal offices all over the country. The value of work done by the company in different segments during 2005-06 is as follows:

(Rs./crore)

Sl.No.	Segment	Amount
1.	Infrastructure	188.28
2.	Power	109.37
3.	Communication	78.67
4.	Others	201.14
	Total	**577.46**

4. *Major Financial Highlights*

Particulars	Performance during (Rs. in crore)			% increase/ decrease over previous year
	2005-06	2004-05	2003-04	
Turnover	577.66	305.45	302.87	89.12
Cost of prod.	625.16	379.68	377.71	64.65
Net Profit/Loss(-)	2.26	-70.84	-71.17	-103.19
Net Worth	-655.05	-657.47	-586.64	-0.37
Paid up capital	29.84	29.84	29.84	0
Share of Central Govt./holding co.	28.79	28.79	28.79	0

5. *Key Performance Factors*

During the year 2005-06 company has completed 39 new projects and shown substantial increase in turnover and profit. The company has got turnaround after 18 years by earning profit of Rs. 2.26 crore during 2005-06. However the corporation has no major capital scheme of its own in hand. It is only executing the works of the various clients who entrust / award the works to the corporation. The order booking as on 31.3.2006 was Rs.2491 crore as against Rs.1547 crore as on 31.3.2005, showing an increase of 61%.

6. *Strategic Issues*

- In order to improve the performance thrust areas like aggressive marketing, optimum utilization of available resources, continuation of VRS scheme, forming joint ventures etc. have been identified and being pursued aggressively.
- NPCC was a loss making company and the losses were due to lack of orders, fixed cost that includes heavy interest on Government loans and expenditure on surplus manpower. A Revival plan submitted by the administrative Ministry has been recommended by the BRPSE which envisaged restructuring of operations and manpower, waiver of interest, conversion of loan to equity, financial grants etc. The revival plan is yet to be approved by the Government.

7. *VRS / Outstanding dues*

During the year, 136 employees left the company out of which 113 availed of VRS and 23 retired on superannuation. Up-to 31.3.2006, total of 2970 employees have taken VRS.

Rail Vikas Nigam Ltd. (RVNL)

1. *Company Profile*

Rail Vikas Nigam Limited was incorporated on 24th January, 2003 under the Companies Act, 1956 with the objective of implementing the component of National Rail Vikas Yojana namely Strengthening of Golden Quadrilateral and Digonals, Provision of port connectivity and corridors to hinterland. RVNL is a Schedule-'A' CPSE in Contract & Construction Services sector under the administrative control of M/o Railways with 100% shareholding by the Government of India, having its registered and corporate offices at New Delhi.

2. *Industrial / Business Activities*

The company is involved in undertaking project development, resource mobilization and execution of projects pertaining to strengthening of Golden Quadrilateral and its diagonals and port connectivity and capacity augmentation of corridors connecting ports with the hinterland. Presently the company has undertaken 47 projects out of which 26 belong to golden quadrilateral and 21 to port connectivity. 6 projects have been completed during 2005-06. Out of 47 projects 11 are being implemented through ADB funding, 14 through IRFC borrowing, , 10 with RVNL equity and 8 through project specific SPVs, one project through full funding by Ministry of Shipping and remaining 3 are on project development stage. The Company is having 6 Project Implementing Units at Secunderabad, Raipur, Bhubaneswar, Chennai, Navi Mumbai and Jaipur. The enterprise has a workforce of 119 employees as on 31.3.2006.

3. Operatoinal Profile

Major Services	Unit	During			% increase/ decrease over previous year
		2005-06	2004-05	2003-04	
Project completed	No.	6	-	-	-
Railway Project commissioned	Length in Km	1002.30	-	-	-

4. Major Financial Highlights

Particulars	Performance during (Rs. in crore)			% increase/ decrease over previous year
	2005-06	2004-05	2003-04	
Turnover	4.65	0	0.00	-
Cost of prod.	13.67	0	0.00	-
Net Profit/Loss(-)	1.89	0	0.00	-
Net Worth	1149.23	974.17	496.93	17.97
Paid up capital	950	800	270.05	18.75
Share of Central Govt./holding co.	950	800	270.05	18.75

5. Key Performance Factors

M/o Railway has agreed to pay RVNL incentive towards effective project implementation which shall be equivalent to 1% of project cost subject to savings of 2% of project cost. RVNL has successfully achieved the savings of 2% in project implementation cost.

6. Strategic Issues

- The golden quadrilateral projects and port connectivity projects are likely to involve capital expenditure of about Rs. 8000 crore and Rs. 3000 crore respectively. These projects are to be funded by budgetary support, ADB loan and borrowings from market and public private partnership.
- As per present plan, 11 projects will be commissioned in 2006-07, 15 projects in 2007-08 and 18 projects in 2008-09. The entire programme shall be implemented within a total time frame of 5 years.
- Land acquisition is an important and critical activity, which can retard the progress of a project.

17 INDUSTRIAL DEVELOPMENT AND TECHNICAL CONSULTANCY SERVICES

There were 15 enterprises in the public sector as on 31.3.2006 which were engaged in Industrial Development and Technical Consultancy Services. The names of these enterprises along with their year of incorporation in chronological order are given below:

Sl. No.	Enterprise	Year of Incorporation
1.	National Small Industries Corpn. Ltd.	1955
2.	Engineers India Ltd.	1965
3.	Water and Power Consultancy Services (India) Ltd.	1969
4.	Engineering Projects (India) Ltd.	1970
5.	MECON Ltd.	1973
6.	RITES Ltd.	1974
7.	Central Mine Planning and Design Institute Ltd.	1975
8.	Telecommunications Consultants (India) Ltd.	1978
9.	Educational Consultants (India) Ltd.	1981
10.	HSCC (India) Ltd.	1983
11.	Power Grid Corporation of India Ltd.	1989
12.	Certification Engineers International Ltd.	1994
13.	Broadcast Engg. Consultants India Ltd.	1995
14	NTPC Electric Supply Co. Ltd.	2003
15.	Indian Oil Technologies Ltd.	2003

2. The enterprises falling in this group are mainly engaged in rendering engineering, technical and educational consultancy services for construction of all types of projects, plants, installation, certification etc.

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

4. Net Profit/(Loss) : The details of individual enterprises which earned net profit or sustained net loss (-) in ranking order are given below:

(*Rs. in crore*)

Sl. No.	Enterprise	Net Profit/(Loss) 2005-06	2004-05
1.	Power Grid Corpn. of India Ltd.	1008.93	785.52
2.	Engineers India Ltd.	138.64	112.64
3.	RITES Ltd.	99.16	41.20
4.	Telecommunications Consultants (India) Ltd.	32.80	32.93
5.	MECON Ltd.	16.12	10.73
6.	Engineering Projects (India) Ltd.	12.39	7.19
7.	HSCC (India) Ltd.	9.62	4.18
8.	Water and Power Consultancy Services (India) Ltd.	9.61	5.08
9.	Certification Engineers International Ltd.	6.29	6.71

Sl. No.	Enterprise	Net Profit/(Loss) 2005-06	2004-05
10.	Educational Consultants (India) Ltd.	2.48	0.69
11.	Central Mine Planning and Design Institute Ltd.	1.42	1.02
12.	Broadcast Engg. Consultants India Ltd.	1.39	1.30
13.	National Small Industries Corpn. Ltd.	1.25	(11.48)
14.	NTPC Electric Supply Co. Ltd.	0.45	0.04
15.	Indian Oil Technologies Ltd.	0.20	0.42
	Total	**1340.75**	**998.17**

5. **Dividend :** The following enterprises declared dividend as per details given below:

(*Rs. in crore*)

Sl. No.	Enterprise	Dividend 2005-06	2004-05
1.	Power Grid Corporation of India Ltd.	302.68	184.00
2.	Engineers India Ltd.	44.92	42.12
3.	RITES Ltd.	20.00	12.00
4.	Engineering Projects (India) Ltd.	7.08	5.31
5.	HSCC (India) Ltd.	2.16	0.88
6.	Certification Engineers International Ltd.	2.00	2.00
7.	Water and Power Consultancy Services (India) Ltd.	1.93	1.05
8.	Educational Consultants (India) Ltd.	0.75	0.50
9.	Broadcast Engg. Consultants India Ltd.	0.27	0.27
10.	Telecommunications Consultants (India) Ltd.	0.00	21.60
	Total	**381.93**	**269.73**

6. Township and Social Overheads

The operating results of these enterprises after setting off township maintenance and other social overheads such as maintenance of schools, medical facilities, social overheads and cultural subsidies etc. are given below:

(*Rs. in crore*)

Sl. No.	Particulars	Township & Social Overheads 2005-06	2004-05
1.	Capital cost of Township	442.11	365.04
2.	Gross expenditure on Township	27.62	22.07
3.	*Less :* Rent receipt and other income	3.51	2.93
4.	Net expenditure on Township	24.11	19.14

Sl. No.	Particulars	Township & Social Overheads	
		2005-06	2004-05
5.	Social Overheads: Educational, Med. facilities, etc.	62.91	57.01
6.	Total Social Overheads	87.02	76.15
7.	No. of employees	20129	20392
8.	Per capita expend. on Social Overheads (Rs.)	43231	37343
9.	No. of houses constructed	7495	9213
10.	No. of houses under construction	0	0
11.	Housing satisfaction (%)	37.2	45.2

7. To appreciate the performance of each enterprise falling in this group, the details about their financial position, working results and important mangement ratios for three years are given in Volume-III.

INDUSTRIAL DEV. AND TECH. CONSULTANCY SERVICES

SUMMARISED BALANCE SHEET

(Rs. in Lakhs)

PARTICULARS	2005-06	2004-05	2003-04
AUTHORISD CAPITAL	634190	632690	630990
I. SOURCES OF FUNDS			
(1) SHAREHOLDERS FUND			
(A) PAID-UP CAPITAL			
CENTRAL GOVT.	393025	353872	335274
OTHERS	2606	702	2548
(B) SHARE APPLICATION MONEY	3881	1500	3931
(C) RESERVES & SURPLUS	828924	754928	707830
TOTAL (A)+(B)+(C)	1228436	1111002	1049583
(2) LOAN FUNDS			
(A) SECURED LOANS	1049305	906658	770117
(B) UNSECURED LOANS	496063	474957	501753
TOTAL (A)+(B)	1545368	1381615	1271870
(3) DEFERRED TAX LIABILITY	113451	85180	57824
TOTAL (1)+(2)+(3)	2887255	2577797	2379277
II. APPLICATION OF FUNDS			
(1) FIXED ASSETS			
(A) GROSS BLOCK	2556066	2259276	2053457
(B) LESS: DEPRECIATION	672057	595837	529893
(C) NET BLOCK	1884009	1663439	1523564
(D) CAPITAL WORK IN PROGRESS	641050	503214	388242
TOTAL (C)+(D)	2525059	2166653	1911806
(2) INVESTMENTS	237817	212310	210193
(3) CURRENT ASSETS, LOANS & ADVANCES			
(A) INVENTORIES	159785	115760	85711
(B) SUNDRY DEBTORS	153419	166153	152970
(C) CASH & BANK BALANCES	236828	217363	220659
(D) OTHER CURRENT ASSETS	57408	51785	50546
(E) LOAN & ADVANCES	246885	204339	208773
TOTAL (A+B+C+D+E)	854325	755400	718659
LESS:CURRENT LIABILITIES & PROVN.			
(A) CURRENT LIABILITIES	657985	520936	421267
(B) PROVISIONS	120038	84667	95437
TOTAL (A+B)	778023	605603	516704
NET CURRENT ASSETS	76302	149797	201955
(4) DEFERRED REVENUE/PRE.EXPENDITURE	6089	8887	12461
(5) DEFERRED TAX ASSET	8294	4720	1860
(6) PROFIT & LOSS ACCOUNT (DR)	33694	35430	41002
TOTAL (1+2+3+4+5+6)	2887255	2577797	2379277

INDUSTRIAL DEV. AND TECH. CONSULTANCY SERVICES

SUMMARISED PROFIT AND LOSS ACCOUNT

(Rs. in Lakhs)

PARTICULARS	2005-06	2004-05	2003-04
INCOME			
SALES/OPERATING INCOME	633394	545818	542722
EXCISE DUTY	1963	1604	1151
NET SALES	631431	544214	541571
OTHER INCOME/RECEIPTS	67050	53357	80903
ACCRETION/DEPLETION IN STOCKS	4555	540	-22946
TOTAL	703036	598111	599528
EXPENDITURE			
PURCHASE OF FINISHED GOODS/ CONSUMPTION OF RAW MATERIALS	52371	40368	23258
STORES & SPARES	5280	4609	12490
POWER & FUEL	5423	4189	3663
MANUFACTURING/DIRECT/OPERATING EXPENSES	129466	127010	132805
SALARY,WAGES AND BENEFITS/EMPLOYEE EXPENDITURE	89324	82138	82398
OTHER EXPENSES	74222	58989	61738
PROVISIONS	18420	9714	5819
TOTAL	374506	327017	322171
PROFIT BEFORE DEP, INTEREST, TAXES, EXTRA-ORDINARY ITEMS & PPA(PBDITEP)	328530	271094	277357
DEPRECIATION	77917	66882	63351
DRE/PREL. EXPENSES WRITTEN OFF	3731	3610	4209
PROFIT BEFORE INTEREST, TAXES, EXTRA-ORDINARY ITEMS & PPA (PBITEP)	246882	200602	209797
INTEREST			
ON CENTRAL GOVERNMENT LOANS	1040	1107	12328
ON FOREIGN LOANS	21749	17777	17776
OTHERS	72910	83606	88944
LESS INTEREST CAPITALISED	17569	19005	16162
CHARGED TO P & L ACCOUNT	78130	83485	102886
PROFIT BEFORE TAX, EXTRA-ORDINARY ITEMS & PPA (PBTEP)	168752	117117	106911
TAX PROVISIONS	29670	21911	5822
NET PROFIT/LOSS BEFORE EXTRA-ORDINARY ITEM	139082	95206	101089
NET EXTRA-ORDINARY ITEMS & PRIOR PERIOD ADJUSTMENT	5007	-4611	2606
NET PROFIT/LOSS(-)	134075	99817	98483
DIVIDEND DECLARED	38193	26973	20407
DIVIDEND TAX	5357	5455	2623
RETAINED PROFIT	90525	67389	75453

INDUSTRIAL DEV. AND TECH. CONSULTANCY SERVICES

MANAGEMENT RATIO

DETAILS	2005-06	2004-05	2003-04
GENERAL (RS. IN LAKHS)			
INVESTMENT	1879220	1671991	1604779
CAPITAL EMPLOYED	1960311	1813236	1725519
NET WORTH	1188653	1066685	996120
R AND D EXPENDITURE	330	920	210
PERSONNEL			
EMPLOYEES(OTHER THAN CASUAL) (NOS)	20129	20392	19934
AVERAGE MONTHLY EMOLUMENTS PER EMPLOYEE(Rs)	36980	33566	34446
FINANCIAL RATIOS (%)			
SALES : CAPITAL EMPLOYED	32.21	30.01	31.39
PBDITEP : CAPITAL EMPLOYED	16.76	14.95	16.07
PBITEP : CAPITAL EMPLOYED	12.59	11.06	12.16
PBITEP : SALES	39.10	36.86	38.74
PROFIT BEFORE TAX & EP(PBTEP): NET WORTH	14.20	10.98	10.73
NET PROFIT : NET WORTH	11.28	9.36	9.89
R AND D EXPENDITURE : SALES	0.05	0.17	0.04
SUNDRY DEBTORS : SALES (NO. OF DAYS)	89	111	103

Broadcast Engineering Consultants India Ltd. (BECIL)

1. *Company Profile*

BECIL was incorporated on 24.3.1995 under the Companies Acts 1956 with an objective to provide consultancy in Broadcast Engineering and share the expertise of AIR and Doordarshan with Indian companies. BECIL is a Schedule-'C' CPSE in Industrial Development and Technology Consultancy Services sector under the administrative control of M/o Information and Broadcasting with 100% shareholding by the Government of India. Its Registered and Project offices are at NOIDA, U.P. and Head office at New Delhi.

2. *Industrial / Business Activities*

BECIL is engaged in providing consultancy services including turnkey jobs in the specialized field of terrestrial radio & television broadcasting and satellite uplink and down link systems including DTH, TV Automation systems, Acoustics, Audio-Video systems(Sound Reinforcement systems)/ conferencing/recording/production and post production systems, MMDS and CATV network besides broadcast operations and even based satellite services.. The enterprise has a workforce of 13 employees as on 31.3.2006.

3. *Major Financial Highlights*

Particulars	Performance during (Rs. in crore)			% increase/ decrease over previous year
	2005-06	2004-05	2003-04	
Turnover	29.69	35.75	11.23	-16.95
Cost of prod.	27.61	34.22	10.05	-19.32
Net Profit/Loss(-)	1.39	1.3	1.09	6.92
Net Worth	6.98	5.91	5.01	18.1
Paid up capital	1.37	1.37	1.37	0
Share of Central Govt./holding co.	1.37	1.37	1.37	0

4. *Key Performance Factors*

- The company provides flexible, tailor-made solutions to every customer's unique requirements and emphasizes on a professional, total quality approach with frequent reviews and monitoring for efficient and cost effective completion of every project on schedule.
- It is executing orders of various projects including restoration / revamping of information set up in Afghanistan and Restoration / Augmentation of Television Hardware in Jalalabd and Nangarhar provinces of Afghanistan.
- The company has signed various agreements with private TV channel for rendering services involving system design to system integration.
- Under the Government policy for grant of license under Private FM phase-II scheme for 91 cities the BECIL is appointed as system integrator for providing the common transmission infrastructure. Company will construct towers in 5 cities for Ministry of Information and Broadcasting.

5. *Strategic Issues*

- The company is diversifying more to Television Broadcasting.
- The company has signed Memorandum of Understanding (MOU) with Ministry of Information and Broadcasting for financial year 2005-06.

Central Mine Planning & Design Institute Ltd. (CMPDI)

1. *Company Profile*

CMPDI was incorporated on 1.11.1975 under the Companies Act, 1956 with an objective to provide total consultancy in coal / mineral, exploration, mining, engineering and allied fields as a premier consultant in India as well as at International level. CMPDI is a Schedule-'B' / CPSE in Industrial Dev. and Technical

Consultancy services sector under the administrative control of M/o Coal with its Registered and Corporate offices at Ranchi, Jharkhand. CMPDI is a 100% subsidiary of Coal India Ltd. (CIL).

2. *Industrial / Business Activities*

CMPDI is one of the subsidiary enterprises providing consultancy and other allied services in the field of geological exploration, project planning and design, engineering services in the field of designing systems and subsystems for mines, benefication and utilization of plants, coal handling plants, power supply systems etc. CMPDI is operating through its headquarter at Ranchi and seven regional institutes located at Dhanbad and Ranchi (Jharkhand), Bilaspur (Chhattisgarh), Singrauli (Madhya Pradesh), Asansol (West Bengal), Nagpur (Maharashtra) and Bhubaneshwar (Orissa). The enterprise is driven by a workforce of 3234 employees as on 31.3.2006.

3. *Production / Operational Profile*

Major Services	Unit	Services provided during			% increase/ decrease over previ- vious years
		2005-06	2004-05	2003-04	
Drilling	000 Mtrs.	200	202	203	-1.00
Projects etc.	Nos.	274	252	237	8.73

4. *Major Financial Highlights*

Particulars	Performance during *(Rs. in crore)*			% increase/ decrease over prev- ious year
	2005-06	2004-05	2003-04	
Turnover	145.79	151.15	142.3	-3.55
Cost of prod.	144.79	150.21	143.53	-3.61
Net Profit/Loss(-)	1.42	1.02	-1.45	39.22
Net Worth	60.62	59.81	58.78	1.35
Paid up capital	19.04	19.04	19.04	0
Share of Central Govt./holding co.	19.04	19.04	19.04	0

5. *Key Performance Factors*

- During the year CMPDI provided assistance to the M/o Coal in scrutinizing the proposals for allocation of captive mining blocks. The exercise included examination of the boundaries of blocks, assessment of extractable reserves and indicative mine capacities.
- It is serving as nodal agency for all Science and Technology schemes funded by Ministry of Coal and R&D schemes funded by R&D Board of CIL.

6. *Strategic Issues*

Steps are being taken to diversify the activities especially outside Coal India Ltd., the holding company.

7. *Surplus Assets*

CPTI building at Rajrappa since 1994-95. The depreciated value is Rs. 1.62 crore. Action has been taken to transfer the asset to Central Coalfields Limted.

8. *VRS/Outstanding dues*

During the year, 88 employees left the company out of which 7 availed of VRS, 42 retired on superannuation and 39 left on other grounds. Till 31.3.2006 7employees have availed of VRS. There was no outstanding dues as on 31.3.2006. However, the ompany made ex-gratia payment of Rs. 0.29 crore during 2005-06.

Certification Engineers International Ltd. (CEI)

1. *Company Profile*

CEI was incorporated in the year 1994 under the Companies Act, 1956 with an objective to undertake activities related to certification, re-certification, safety audit and safety management systems for offshore and onshore oil and gas facilities and third party inspection of equipments and installations in the hydrocarbon and other quality sensitive sectors of the industry. CEI is a schedule 'C' CPSE in Industrial Development and Technology Consultancy Services sector under the administrative control of M/o Petroleum and Natural Gas having its Registered office at New Delhi and

Corporate office at Mumbai, Maharashtra. It is a 100% subsidiary of Engineers India Ltd. (EIL).

2. Industrial / Business Activities

CEI is one of the subsidiary enterprises providing services in the field of certification, re-certification, third party inspection, risk analysis, safety, energy and quality audits, and vender assessment. The company is driven by a workforce of 29 employees as on 31.3.2006.

3. Major Financial Highlights

Particulars	Performance during (Rs. in crore)			% increase/ decrease over previous year
	2005-06	2004-05	2003-04	
Turnover	17.44	21.19	9.63	-17.7
Cost of prod.	8.36	10.98	6.56	-23.86
Net Profit/Loss(-)	6.29	6.71	2.47	-6.26
Net Worth	21.17	17.06	12.62	24.09
Paid up capital	1	1	1	0
Share of Central Govt./holding co.	1	1	1	0

4. Key Performance Factors

- The performance of the company declined termendously during 2005-06 as compared to last year.
- Reduced activities in LSTK jobs, delay in take off of major projects, considerable reduction in average man-day realization due to higher competition etc. were the reasons for low turnover and profitability.
- The company intends to expand client base / explore overseas business for further growth.
- Standardization of procedures, optimum utilization of available manpower, reduction in average man day cost etc. are the steps envisaged for performance improvement.
- During 2005-06 orders worth Rs. 19.85 crore were received mainly from Government Departments/organization.

Educational Consultants (India) Ltd. (Ed.CIL)

1. Company Profile

Ed.CIL was incorporated in the year 1981 under the Companies Act, 1956 with the main objective of providing educational consultancy services in design, resource development, research and evaluation studies and management development, nationally and internationally, to enable educational systems to achieve excellence and to promote Indian education abroad as the single window nodal service provider. Ed.CIL is a Schedule-C / Mini-ratna CPSE in Industrial Development and Technical Consultancy Services sector under the administrative control of M/o Human Resources Development, Department of Higher Education and Secondary Education with 100% shareholding by the Government. Its Registered office is at New Delhi and Corporate office at NOIDA, U.P.

2. Industrial / Business Activities

Ed.CIL is engaged in promotion of Indian education abroad by placement of International students in Indian Universities and secondment of teachers/ experts to foreign clients, conducting education fairs, seminars-cum-counseling sessions, improving liaison with Indian Missions abroad etc. and providing educational consultancy services including technical assistance, supply of educational aids, testing, institutional development etc. The enterprise has a workforce of 89 employees as on 31.3.2006.

3. Operational Profile

Major Products	Unit	Turnover of services during			% increase/ decrease over previous year
		2005-06	2004-05	2003-04	
Human Resource Development: Placement	Rs. in Crore	9.08	9.58	7.49	- 5.22
Secondment		0.94	0.56	0.74	67.86
Testing		5.47	2.65	4.43	106.42
Institutional Development		14.42	5.71	6.82	152.54
Technical Assistance:					
Educational Aids		0.81	0.36	13.14	125.00
Other Projects		8.56	4.74	9.59	80.59

4. *Major Financial Highlights*

Particulars	Performance during (Rs. in crore)			% increase/ decrease over previous year
	2005-06	2004-05	2003-04	
Turnover	39.29	23.61	42.21	66.41
Cost of prod.	37.89	24.36	40.74	55.54
Net Profit/Loss(-)	2.48	0.69	1.96	259.42
Net Worth	12.53	10.91	10.78	14.85
Paid up capital	1.25	1.25	1.25	0
Share of Central Govt./holding co.	1.25	1.25	1.25	0

5. *Key Performance Factors*

- Turnover increased by 66% and profit by 257.39% during 2005-06 as compared to last year.
- Earning Per Share was Rs. 199 during 2005-06 as compared to Rs. 56 in the last year.
- Company has 'Good' MOU rating during the year 2005-06.
- Efforts such as introduction of profit center scheme w.e.f. 1.4.2005, establishment of Research & Planning unit to explore opportunities for diversification and establishment of an office either in South Africa or in ASEAN/Middle East region to promote Brand India in education sector were made/being made to improve competitiveness and cost control.

Engineering Projects (India) Ltd. (EPI)

1. *Company Profile*

EPI was incorporated on 16.4.1970 under the Companies Act, 1956 as an Indian consortium of Industrial Projects Ltd, the name was subsequently changed to Engineering Projects (India) Limited (EPI) on 14.12.1970. The main objective is to undertake turnkey projects in India and abroad mainly in the fields of civil and structural, material handling, metallurgy, mining, fertilizers and other industrial projects. EPI is a Schedule-'B' / Mini ratna Category-II CPSE in Industrial Development and Technology Consultancy Services sector under the administrative control of M/o Heavy Industries and Public Enterprises, D/o Heavy Industry with 100% shareholding by the Government. Its Registered office is at Ranchi, Jharkhand and Corporate office at New Delhi.

2. *Industrial / Business Activities*

EPI is engaged in the field of turnkey project management and project exports. The services rendered by the company include the specialized activities like feasibility studies, detailed project reports, design and engineering, supply of plant and equipment, quality assurance, civil and structural works, erection, trial runs and commissioning, operation & maintenance, etc. The enterprise is driven by a workforce of 473 employees as on 31.3.2006.

3. *Major Financial Highlights*

Particulars	Performance during (Rs. in crore)			% increase/ decrease over previous year
	2005-06	2004-05	2003-04	
Turnover	636.32	515.38	388.47	23.47
Cost of prod.	640.22	520.99	432.61	22.89
Net Profit/Loss(-)	12.39	7.19	29.66	72.32
Net Worth	94.73	88.37	85.17	7.20
Paid up capital	35.42	35.42	35.42	0
Share of Central Govt./holding co.	35.42	35.42	35.42	0

4. *Key Performance Factors*

- Despite stiff competition and increase in prices of construction material, EPI achieved an all time high turnover of Rs.637.38 crore and recorded increase in profit by over 70% during 2005-06 as compared to last year.
- Company has 'Excellent' MOU rating during the year 2005-06.

5. *Strategic Issues*

Cost reduction assumes great significance as the company is operating in a highly competitive field.

6. *VRS*

Up-to 31.3.2006 a total of 350 employees have taken VRS. 11 persons left the company on superannuation during 2005-06.

Engineers India Ltd. (EIL)

1. *Company Profile*

EIL was incorporated in the year 1965 under the Companies Act, 1956 with an objective to become a globally competitive EPC (Engineering, Procurement, Construction) and consultancy organisation. EIL is a Schedule-'A' / Mini-ratna CPSE in Industrial Development and Technical Consultancy Services sector under the administrative control of M/o Petroleum and Natural Gas with 90.40% shareholding by the Government of India. Its registered and corporate offices are at New Delhi.

2. *Industrial / Business Activities*

EIL is engaged in providing EPC and consultancy services in the field of process design, engineering procurement, construction management and commissioning through its three regional offices and one branch office in India and five overseas offices in U.A.E., Qatar, Kuwait, Libya and Soudi Arbia. It has two subsidiaries namely EIL Asia Pacific and Certification Engineers International Ltd. registered at Malaysia and India respectively. The enterprise has a workforce of 2588 employees as on 31.3.2006.

3. *Operational Profile*

Major Products	Unit	Consultancy and LSTK Projects			% increase/ decrease over previous years
		2005-06	2004-05	2003-04	
Consultancy and engineering	Rs.in Crore	425.61	365.62	-	16.41
Lumpsum turnkey projects	Rs.in Crore	364.87	550.18	-	- 33.68

4. *Major Financial Highlights*

Particulars	Performance during *(Rs. in crore)*			% increase/ decrease over previous year
	2005-06	2004-05	2003-04	
Turnover	792.66	907.48	1281.84	-12.65
Cost of prod.	655.51	801.12	987.13	-18.18
Net Profit/Loss(-)	138.64	112.64	80.18	23.08
Net Worth	943.32	845.86	762.61	11.52
Paid up capital	56.16	56.16	56.16	0
Share of Central Govt./holding co.	50.77	50.77	50.77	0

5. *Key Performance Factors*

- The overall capacity utilization was 82.8% during 2005-06 as compared to 82% last year.
- Fall in turnover is due to lower revenue from the LSTK business.
- Increase in profitability is attributed to improved productivity through greater use of electronic media & business process improvement and stringent cost control.
- Company has 'Very Good' MOU rating during the year 2005-06.
- The market price of the company's shares was between Rs. 325 to Rs. 1020 during the year 2005-06 as compared to Rs. 200 to Rs. 405 during 2004-05.
- The company received orders worth Rs. 801 crore during 2005-06.

6. *VRS*

During the year, 212 employees left the company out of which 8 availed of VRS, 42 retired on superannuation and 162 left on other grounds. Up-to 31.3.2006 (since 1983) total 625 employees have taken VRS.

HSCC (India) Ltd.

1. *Company Profile*

HSCC was incorporated on 30.3.1983 under the Companies Act, 1956 with an objective to be a market leader in providing innovative, high quality knowledge based services in the health and social sectors by seeking opportunities in special market niches and to develop as a consultancy organization with contemporary professional standards in the field of healthcare. HSCC is an uncategorised, Miniratna CPSE in Industrial Development and Technical Consultancy Services sector under the administrative control of M/o Health and Family Welfare, D/o Health with 100% shareholding by the Government. Its Registered office is at Delhi and Corporate office at Noida, U.P.

2. Industrial / Business Activities

HSCC is engaged in providing specialized consultancy services in the health care and other social sector which include to conduct studies in rehabilitaion- upgradation - modernization and base line survey and to undertake architectural planning & design, project management, procurement, acquisition of technology, information technology / recruitment / training in the field of hospitals and medical related institutes and laboratories. The enterprise is driven by a workforce of 133 regular employees as on 31.3.2006.

3. Operational Profile

Major Services	Unit	Services during			% increase/ decrease over previous year
		2005-06	2004-05	2003-04	
Consultancy	Rs. in Cr.	0.90	0.48	0.94	87.5%

4. Major Financial Highlights

Particulars	Performance during (Rs. in crore)			% increase/ decrease over previous year
	2005-06	2004-05	2003-04	
Turnover	18.45	10.78	20.1	71.15
Cost of prod.	11.57	9.65	9.18	19.9
Net Profit/Loss(-)	9.62	4.18	10.28	130.14
Net Worth	47.13	39.98	36.82	17.88
Paid up capital	1.6	1.6	1.6	0
Share of Central Govt./holding co.	1.6	1.6	1.6	0

5. Key Performance Factors

- There is 71% and 130% increase in the turnover and profits respectively of HSCC during 2005-06 as compared to the previous year.
- Earning Per Share was Rs. 600.91 during 2005-06 as compared to Rs. 260.94 in the previous year.
- More than 90% employees have been made computer oriented. Advanced Softwares are being used for design and engineering.
- Company has 'Good' MOU rating during the year 2005-06.

6. Strategic Issues

The thrust of the company is on diversifying and expanding field of operation as also the client base by exploring business opportunities in SAARC and CIS group of countries and to tap the prospects in the corporate sector.

7. Non-performing/surplus assets

The company was having non-performing assets worth Rs. 1.20 crore as on 31.3.2006.

8. VRS/Outstanding dues

During the year, 10 employees left the company on other grounds than VRS/ superannuation. Only one employee has taken VRS so far until 31.3.2006. The company was having outstanding dues of Rs. 1.20 crore as on 31.3.2006, out of which Rs. 0.91 crore were statutory dues and Rs. 0.29 crore other dues.

Indian Oil Technologies Ltd. (IOTL)

1. Company Profile

IOTL was incorporated on 20.6.2003 under the Companies Act, 1956 with an objective to work as the technology provider through excellence in management of knowledge, technology and innovation for the benefit of stakeholders. IOTL is an uncategorised CPSE in Industrial Development and Technical Consultancy sector under the administrative control of M/o Petroleum & Natural Gas with its Registered office at Delhi and Corporate office at Faridabad, Haryana. The company is a 100% subsidiary of Indian Oil Corporation Limited(IOCL).

2. Industrial / Business Activities

IOTL is one of the subsidiary enterprises of IOC, involved in marketing of technologies, products and quality services and solutions developed by IOC R&D center, Faridabad to oil companies in India and aboard. The technology basket of company consists of process technologies, products and specialized services. Currently, enterprise has five employees as on 31.3.2006.

3. Operational Profile

The R&D center of IOC, set up over three decades ago, has developed several technologies and technical expertise both in refining and lubricant sector. IOTL markets the R&D developed lubricants technology. IOTL also offers state of the art sludge disposal technology based on biotechnology for hydrocarbon sector.

4. Major Financial Highlights

Particulars	Performance during (Rs. in crore)			%increase/ decrease over previous year
	2005-06	2004-05	2003-04	
Turnover	0.89	1.09	0.01	-18.35
Cost of prod.	0.61	0.45	0.02	35.56
Net Profit/Loss(-)	0.2	0.42	-0.01	-52.38
Net Worth	1.14	0.94	0.51	21.28
Paid up capital	0.55	0.55	0.05	0
Share of Central Govt./holding co.	0.55	0.55	0.05	0

5. Key Performance Factors

- The performance declined during 2005-06 as compared to last year.
- The year 2003-04 was the first year of operation. Since the company is involved in a highly competitive & protective area of technology marketing, there is bound to be a gestation period.

6. Strategic Issues

The Company has been taking steps like initiating contacts with some of the prospective clients resulting in increase in the customer base, aggressive pursuation for technology offerings in Gulf & Africa etc.

MECON Ltd.(MECON)

1. Company Profile

MECON was incorporated on 31.3.1973 under the Companies Act, 1956 with an objective to reduce the dependency on foreign consultants and build indigenous capability for design and consultancy of steel plants in the country as also to absorb and assimilate technologies available in different developed countries and adopt it to suit Indian conditions. MECON is a Schedule- A / Mini-ratna CPSE in Industrial Development and Technical Consultancy Services sector under the administrative control of M/o Steel with 100% shareholding by the Government. Its Registered and Corporate offices are at Ranchi, Jharkhand.

2. Industrial / Business Activities

MECON is engaged in providing services in the field of design, engineering and consultancy services for the iron and steel industries including setting up of the integrated steel plants. It has also diversified in other sectors of economy like oil & gas, power, infrastructure etc. The company has 3 financial joint ventures namely KIOCL, Neelanchal Ispat Nigam Ltd. and Global Procurement Consultant Ltd. with a share in equity. The enterprise is driven by a workforce of 1513 employees as on 31.3.2006.

3. Major Financial Highlights

Particulars	Performance during (Rs. in crore)			%increase/ decrease over previous year
	2005-06	2004-05	2003-04	
Turnover	257.75	173.86	271.15	48.25
Cost of prod.	276.16	206.98	303.29	33.42
Net Profit/Loss(-)	16.12	10.73	-10.72	50.23
Net Worth	-178.84	-206.04	-227.62	-13.2
Paid up capital	2.42	2.42	2.42	0
Share of Central Govt./holding co.	2.42	2.42	2.42	0

4. Key Performance Factors

- MECON has ISO-9001 certification.
- Earning Per Share improved from Rs. 44.39 in 2004-05 to Rs. 66.64 in 2005-06.
- Company has 'Very Good' MOU rating during the year 2005-06.
- In order to improve performance endeavor

made to increase revenue from consultancy and also to cut costs.

5. ***Strategic Issues***

- The company has booked large value orders in consultancy and supply which led to significant increase in revenue.
- Business is re-structured into four strategic Business Units covering Metals, OIL & GAS, Power and Infrastructure.
- Effective marketing thrust resulted in improved order booking.
- Manpower resource optimization through right sizing.
- Financial restructuring proposal is under consideration. During 2005-06 total budgetary support of Rs. 10.54 crore was given out of which Rs. 4.00 crore was as loan and Rs. 6.54 crore as interest subsidy.

6. ***Non-performing/surplus assets***

The company is having non-performing office building at WTC, Mumbai revalued at Rs. 4.41 crore as on 31.3.2000. Disposal procedure is being followed and kept in the books of account as 'Assets held for disposal'.

7. ***VRS/Outstanding dues***

- During the year, 69 employees left the company out of which 5 availed of VRS, 46 retired on superannuation and 18 left on other grounds. Till 31.3.2006 total 944 persons availed of VRS.
- As on 31.3.2006 Rs. 27.81 crore were outstanding dues out of which Rs. 26.00 crores were on account of salary and wages and Rs. 1.81 crore statutory dues.

NTPC Electric Supply Company Ltd.

1. ***Company Profile***

NTPC Electric Supply Co. Ltd. was incorporated in 2002 under the Companies Act, 1956 with an objective to acquire, establish and operate electrical systems, etc. for distribution and supply electric energy. It is a wholly owned subsidiary of NTPC Ltd. It is an uncategorized CPSE in Industrial Development and Technical Consultancy Service sector under the administrative control of M/o Power with its Registered office at New Delhi and Corporate office at NOIDA, UP.

2. ***Industrial / Business Activities***

NTPC Electric Supply Co. Ltd. is involved in establishment and operation of electrical systems for distribution and supply of electric energy, to purchase and sale of electrical energy and coordinate with other companies, to act as engineer/consultants to manufacturers/dealers in connection with the generation, transmission distribution, sub-transmission, supply to bonafide customers and to prepare project reports to modernize existing electric lines and sub-stations etc. All the employees are on secondment from the Holding Company, NTPC Ltd.

3. ***Major Financial Highlights***

Particulars	Performance during *(Rs. in crore)*			% increase/ decrease over previous year
	2005-06	2004-05	2003-04	
Turnover	7.46	6.12	0	21.9
Cost of prod.	8.18	7.22	0	13.3
Net Profit/Loss(-)	0.45	0.04	0	1025
Net Worth	0.41	0.11	0.01	272.73
Paid up capital	0.08	0.08	0.08	0
Share of Central Govt./holding co.	0.08	0.08	0.08	0

4. ***Key Performance Factors***

The companyhas not commenced distribution of electricity during 2005-06, but it is acting as an Adviser-cum-Consultant to the Ministry of Power for its Accelerated Power Development Reforms Programme (APDRP) and undertaking other consultancy assignment with turnkey execution of rural electrification works under the Rajiv Gandhi Gramin Vidyutikaran Yojana(RGGVY) programme of Government of India in various states. The company earned Rs. 7.46 crore through consultancy during the year.

National Small Industries Corp. Ltd. (NSIC)

1. *Company Profile*

NSIC was incorporated in the year 1955 with an objective to aid, promote and foster the growth of the small scale industries and industry related small scale services/business enterprises in the country. NSIC is a Schedule-'B' / CPSE in Industrial Development and Technical Consultancy Services sector under the administrative control of M/o Small Scale Industries and Agro & Rural Industries with 100% shareholding by the Government of India. Its registered and corporate offices are at New Delhi.

2. *Industrial / Business Activities*

NSIC is engaged in promotional and commercial activities and renders services in the field of marketing assistance, credit support, technology support, infomediary services, international cooperation and consultancy services etc. for small industries through its 7 Zonal Offices and 26 Branch Offices along with certain sub-offices, technical service centres, extension centres spread across the country. The enterprise has a workforce of 889 employees as on 31.3.2006.

3. *Major Financial Highlights*

Particulars	Performance during (Rs. in crore)			% increase/ decrease over previous year
	2005-06	2004-05	2003-04	
Turnover	264.17	355.63	148.09	-25.72
Cost of prod.	319.32	408.78	206.2	-21.88
Net Profit/Loss(-)	1.25	-11.48	0.77	-110.89
Net Worth	63.76	54.94	51.68	16.05
Paid up capital	217.99	187.99	187.99	15.96
Share of Central Govt./holding co.	217.99	187.99	187.99	15.96

4. *Key Performance Factors*

- The company is trying to reach a larger number of SSI units through the concept of cluster development in selected sectors.
- The focus of activities has been shifted from financing to non-financing activities. Efforts are made in increasing the business in respect of non-financing schemes like distribution of Raw Material (Steel, Aluminium & Copper), marketing of products of small scale industries, Government purchase registration, intermediary services etc.
- Company has 'Good ' MOU rating during the year 2005-06.

5. *Strategic Issues*

The restructuring plan of the company is under implementation, which calls for re-orientation of the company's activities. As per restructuring plan, NSIC would become self-sufficient w.e.f. 1.4.2007 and no more grants would be given by the Government thereafter. Further, NSIC would discontinue financing schemes w.e.f. 1.4.2007 except for technology upgradation. Accordingly, the focus of business activities has been shifted from financing to non-financing schemes.

6. *VRS / Outstanding dues*

During the year, 46 employees left the company out of which 16 availed of VRS, 9 retired on superannuation and 21 left on other grounds. There was no outstanding dues as on 31.3.2006. The company paid ex-gratia of Rs. 0.52 crore during the year 2005-06.

Power Grid Corporation of India Ltd. (POWERGRID)

1. *Company Profile*

POWERGRID was incorporated on 23.10.1989 under the Companies Act, 1956 with an objective to take over the transmission assets and manpower from the power sector undertakings namely NTPC, NHPC, NEEPCO, NLC, NPC, THDC, and CEA. It started commercial operations in 1992-93. POWERGRID is a Schedule-'A' / Miniratna CPSE in Industrial Development and Technical Consultancy Services sector under the administrative control of the

M/o Power with 100% shareholding by the Government of India. Its registered office is at New Delhi and corporate office at Gurgaon, Haryana.

2. Industrial / Business Activities

POWERGRID is engaged in providing services in the field of electric power transmission across the country through inter-state transmission system by way of construction, operation and maintenance of extra High Voltage AC and High Voltage DC transmission lines, sub-stations, load dispatch centers and communication facilities. The company operates through its 8 regional offices, 93 sub-stations, 5 regional load dispatch and communication centers.

POWERGRID has formed two shell companies namely Byrnihat Transmission Company Limited and Parbati Koldam Transmission Co. Limited to facilitate private investment in transmission sector. The company has one financial Joint Venture with Tata Power namely Powerlinks Transmission Ltd. with 49% stake. The enterprise has a workforce of 7101 employees as on 31.3.2006.

3. Operational Profile

- The Company's transmission system has a capacity of 55121 circuit Kms and transformation capacity of 54, 377 MVA, the utilization of which was 99.64%, 99.74% and 99.30% during 2005-06, 2004-05 and 2003-04 respectively.
- The company has also diversified into Telecom Business to utilize spare telecommunication capacity inherent with ULDC schemes and leveraging its ROW along countrywide transmission infrastructure use. It has already commissioned about 18700 Km transmission lines interconnecting about 60 major cities across the country. It undertakes project consultancy jobs with expertise available in-house and has already completed /implementing projects on international front.

4. Major Financial Highlights

Particulars	Performance during (Rs. in crore)			%increase/ decrease over previous year
	2005-06	2004-05	2003-04	
Turnover	3145.34	2513.07	2263.03	25.16
Cost of prod.	2312.58	1950.34	2049.45	18.57
Net Profit/Loss(-)	1008.93	785.52	748.2	28.44
Net Worth	9981.26	9001.24	8489.29	10.89
Paid up capital	3584.63	3204.06	3035.25	11.88
Share of Central Govt./holding co.	3584.63	3204.06	3035.25	11.88

5. Key Performance Factors

- The capacity utilization is being maintained consistently above 99% on annual basis by deploying best operation and management practices at par with the international utilities. About 45% of the total power generated in the country is being transmitted over POWERGRID owned transmission network.
- During FY 2005-06, POWERGRID commissioned about 4400 CKm. of transmission lines, 8 new substations with transformation capacity of 5000 MVA leading to an accreditation of Gross Asset Base of about Rs.2950 Crore. Inter-regional capacity was enhanced to 9500 MW.
- The company is executing a project in Bhutan which includes specific transmission lines under transmission system associated with Tala HEP to be completed by December, 2006 at a cost of Rs. 1612 crore of the total project cost of Rs. 2484 crore.
- Earning Per Share on diluted ground was Rs. 303 during 2005-06 as compared to Rs. 254 last year.
- Company has 'Excellent' MOU rating during the year 2005-06.

6. Strategic Issues

- The company has evolved and put into implementation for establishment of an integrated National Power Grid, in a phased manner, for strengthening the regional grids (five grids structured on geographical contiguity basis) and to support the generation capacity addition program of about 1,00,000 MW during X & XI Plans. Inter-regional power transfer capacity of 9500 MW by the end of FY 2005-06 has been increased to 11500 MW and is expected to be enhanced to 37200 MW by year 2012.

- The company received a budgetary support of Rs. 419.38 crore in the form of equity during 2005-06.
- The company raised loan against Government guarantee for Rs. 7061.46 crore out of which Rs. 1944.17 crore was outstanding as on 31.3.2006.

7. *VRS / Outstanding dues*

- During 2005-06, total 64 employees left the company out of which 17 retired on superannuation and 47 left on other ground. None availed of VRS during the year.
- During the year 0.99 crore was outstanding statutory dues. The company paid an ex-gratia of Rs. 4.12 crore.

RITES Ltd.

1. *Company Profile*

RITES was incorporated in the year 1974 under the Companies Act, 1956 with an objective to enhance the technological image of the country and earn foreign exchange through export of consultancy and supply / operation / maintenance of railway rolling stock and other transport related services and equipment. RITES is a Schedule-'B' / Mini-ratna CPSE in Industrial Development and Technical Consultancy Services sector under the administrative control of M/o Railways with 100% shareholding by the Government of India. Its registered office is at New Delhi and Corporate office at Gurgaon, Haryana.

2. *Industrial / Business Activities*

RITES is engaged in providing consultancy, engineering and project management services in the field of transportation, infrastructure and related technologies areas in India and abroad. The company has two subsidiaries namely RITES (AFRIKA) Proprietary Limited, Botswana and RITES Colombia Ltd. The company has three financial joint ventures for concessioning of Rail Network at Colombia, Austria and Mozambique with an equity share of 5%, 13% and 26% respectively. The enterprise has a workforce of 2655 regular employees as on 31.3.2006.

3. *Operational Profile*

Major Services	Unit	Turnover of Services Provided			% increase/ decrease over previous year
		2005-06	2004-05	2003-04	
Consultancy:					
(i) Domestic	Rs.Cr.	256.85	170.40	NA	50.73
(ii) Abroad	Rs.Cr.	31.95	23.66	NA	35.04
(iii) Exports	Rs.Cr.	96.09	18.26	NA	426.23
(iv) Leasing	Rs.Cr.	9.48	9.64	NA	- 1.66

4. *Major Financial Highlights*

Particulars	Performance during (Rs. in crore)			% increase/ decrease over previous year
	2005-06	2004-05	2003-04	
Turnover	394.38	221.96	266.95	77.68
Cost of prod.	337.83	169.69	184.29	99.09
Net Profit/Loss(-)	99.16	41.2	47.7	140.68
Net Worth	387.26	310.91	282.8	24.56
Paid up capital	4	4	4	0
Share of Central Govt./holding co.	4	4	4	0

5. *Key Performance Factors*

- Performance improvement is mainly on account of rigorous marketing efforts, state of art consultancy services and efforts towards diversification in the area of privatization and concessioning of railway system in developing countries.
- Earning Per Share improved tremendously from Rs. 1030 during 2004-05 to Rs. 2479 in 2005-06.

- Company has 'Very Good' MOU rating during the year 2005-06.

6. Strategic Issues

- As a step towards diversification, efforts are on to capture privatization and concessioning of railway system in developing countries through SPV.
- The company received orders worth Rs. 559 crore during 2005-06 out of which orders amounting to Rs. 263 crore were from abroad.

7. VRS/Outstanding dues

Up-to 31.3.2006, total 34 employees have taken VRS. As on 31.3.2006, Rs. 14.00 crore were outstanding dues out of which Rs. 11.40 crore on salary and wages, Rs. 1.80 crore statutory dues and Rs. 0.80 crore other dues.

Telecommunication Consultants India Ltd. (TCIL)

1. *Company Profile*

TCIL was incorporated on 10.3.1978 under the Companies Act, 1956 with an objective of extending the wide-ranging telecom expertise available with DOT to friendly developing countries. TCIL is a Schedule-'A' Mini-ratna CPSE in Industrial Development and Technical Consultancy Services sector under the administrative control of M/o Communications and Information Technology, D/o Telecommunications with 100% shareholding by the Government of India. Its registered and corporate offices are at New Delhi.

2. Industrial / Business Activities

TCIL is engaged in providing communication solutions in telecommunication and information technology services in India and abroad specially in network projects, software support, switching and transmission systems, cellular services, rural telecommunication and optical fibre based backbone network.It has diversified into inroad construction also. The company operates through its 3 regional offices and 11 foreign based offices / branches. The company also has 7 financial Joint Ventures namely Intelligent Communication System Ltd., Tamilnadu Telecommunications Ltd., TCIL Saudi Ltd., TCIL Bell South Ltd., USA, Telecommunication Consultants Nigeria Ltd., Hexacon India Ltd., Canada and United Telecom Ltd., Nepal, with a share in equity. The enterprise has a workforce of 924 employees as on 31.3.2006.

3. Operational Profile

Major Services	Unit	Value of exports during			%increase/ decrease over previous year
		2005-06	2004-05	2003-04	
Exports	Rs. Crore	206.51	327.08	387.92	-36.86

4. Major Financial Highlights

Particulars	Performance during (Rs. in crore)			%increase/ decrease over previous year
	2005-06	2004-05	2003-04	
Turnover	453.49	418.49	508.94	8.36
Cost of prod.	466.1	435.46	493.67	7.04
Net Profit/Loss(-)	32.8	32.93	75.6	-0.39
Net Worth	396.65	395.85	410.11	0.2
Paid up capital	28.8	28.8	28.8	0
Share of Central Govt./holding co.	28.8	28.8	28.8	0

5. Key Performance Factors

- The company adopted world-class communication and IT technologies for catering to the local needs of countries mainly in developing world. The company secures business by participating in international competitive biding.
- TCIL is constantly reviewing its costs and diversified in hi tech area i.e. wireless, fibre to the home, ship to shore communications, airport terminal communication, e-governance, OPGW on power transmission lines, civil projects for road construction, cyber park and cyber city.

- The company has 'Very Good' MOU rating during the year 2005-06.
- TCIL received orders worth Rs. 769.47 crore during 2005-06.

6. *Outstanding dues*

As on 31.3.2006 there were outstanding dues amounting to Rs. 3.47 crore out of which Rs. 2.85 crore were on account of salary and wages and Rs. 0.62 crore statutory dues.

Water & Power Consultancy Services (India) Ltd. (WAPCOS)

1. *Company Profile*

WAPCOS was incorporated on 26.6.1969 under the Companies Act, 1956 with an objective to provide consultancy services in a diverse range of engineering in water resources, power, infrastructure development and allied sectors in India and abroad. WAPCOS is a Schedule-'C' / Miniratna CPSE in Industrial Development and Technical Consultancy Services sector under the administrative control of M/o Water Resources with 100% shareholding by the Government of India. Its registered office is at New Delhi and Corporate office at Gurgaon, Haryana.

2. *Industrial / Business Activities*

WAPCOS is engaged in providing consultancy services mainly in the field of irrigation and drainage, flood control and land reclamation, river management, dams, reservoir engineering and barrages, integrated agriculture development, watershed management, hydro and thermal power generation, power transmission and distribution, rural electrification, ground water and other related projects covering all aspects from concept to commissioning and operation and maintenance etc. It operates through 20 regional/field offices spreading across the country. The enterprises has a workforce of 483 employees as on 31.3.2006.

3. *Major Financial Highlights*

Particulars	Performance during (Rs. in crore)			% increase/ decrease over previous year
	2005-06	2004-05	2003-04	
Turnover	111.19	86.58	61.76	28.42
Cost of prod.	96.11	79.49	51.43	20.91
Net Profit/Loss(-)	9.61	5.08	6.93	89.17
Net Worth	48.41	41	37.1	18.07
Paid up capital	2	2	2	0
Share of Central Govt./holding co.	2	2	2	0

4. *Key Performance Factors*

- The performance of the company has improved by 28.44% in turnover and 89.17% in profit. The Earning Per Share improved tremendously from Rs. 254.24 in the year 2004-05 to Rs. 480.32 in 2005-06.
- It is presently implementing 22 major projects out of which 7 are abroad.
- The company has diversified in Roads & Bridges; Rural Development including undertaking projects in power Sector on turnkey basis.
- For restructuring of Business, company's strategic plan and establishment of productivity benchmark have been prepared by an independent agency.
- Company has 'Excellent' MOU rating during the year 2005-06.

5. *VRS / Outstanding dues*

As on 31.3.2006, there were outstanding dues amounting to Rs. 6.34 crore out of which Rs. 1.79 crore were on account of salary and wages, Rs. 4.14 crore statutory dues and Rs. 0.41 crore other dues. None availed of VRS so far.

19 FINANCIAL SERVICES

The were 9 enterprises in the public sector as on 31.3.2006 which were engaged in rendering Financial Services. The names of these enterprises along with their year of incorporation in chronological order are given below:

Sl. No.	Enterprise	Year of Incorporation
1.	Export Credit Guarrantee Corpn. of India Ltd.	1957
2.	Rural Electrification Corpn. Ltd.	1969
3.	Housing and Urban Dev. Corpn. Ltd.	1970
4.	National Film Dev. Corpn. Ltd.	1975
5.	Power Finance Corporation Ltd.	1986
6.	Indian Railway Finance Corporation Ltd.	1986
7.	Indian Renewable Energy Devt. Agency Ltd.	1987
8.	Balmer Lawrie Investments Ltd.	2001
9.	Kumarakuppa Frontier Hotels Ltd.	2001

2. The enterprises falling in this group are mainly engaged in rendering financial services such as lending and debt services.

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

4. Net Profit/(Loss) : The details of individual enterprises which earned net profit or sustained net loss (-) in ranking order are given below:

(*Rs. in crore*)

Sl.	Enterprise	Net Profit/(Loss)	
No.		2005-06	2004-05
1.	Power Finance Corporation Ltd.	970.95	984.12
2.	Rural Electrification Corpn. Ltd.	637.51	781.36
3.	Indian Railway Finance Corpn. Ltd.	333.88	404.77
4.	Housing and Urban Dev. Corpn. Ltd.	260.24	396.77
5.	Export Credit Guarantee Corpn. of India Ltd.	221.76	76.14
6.	Indian Renewable Energy Devt. Agency Ltd.	30.65	30.14
7.	Kumarakuppa Frontier Hotels Ltd.	5.61	5.36
8.	Balmer Lawrie Investments Ltd.	5.56	3.43
9.	National Film Dev. Corpn. Ltd.	2.40	-5.12
	Total	**2468.56**	**2677.24**

5. Dividend : The following enterprises declared dividend as per details given below:

(*Rs. in crore*)

Sl. No.	Enterprise	Dividend 2005-06	Dividend 2004-05
1.	Power Finance Corporation Ltd.	361.53	385.00
2.	Rural Electrication Corpn. Ltd.	191.26	234.50
3.	Indian Railway Finance Corporation Ltd.	150.00	115.00
4.	Export Credit Guarantee Corpn. of India Ltd.	44.35	15.23
5.	Housing and Urban Dev. Corpn. Ltd.	39.68	80.71
6.	Indian Renwable Energy Devt. Agency Ltd.	6.25	6.10
7.	Kumarakuppa Frontier Hotels Ltd.	3.90	2.92
8.	Balmer Lawrie Investments Ltd.	3.37	2.22
	Total	**800.34**	**841.68**

6. Township and Social Overheads

The operating results of these enterprises after setting off township maintenance and other social overheads such as maintenance of schools, medical facilities, social overheads and cultural subsidies etc. are given below:

(*Rs. in crore*)

Sl. No.	Particulars	Township & Social Overheads 2005-06	Township & Social Overheads 2004-05
1.	Capital cost of Township	15.93	0.00
2.	Gross expenditure on Township	0.87	0.00
3.	*Less :* Rent receipt and other income	2.18	0.00
4.	Net expenditure on Township	(1.31)	0.00
5.	Social Overheads: Educational, Med. facilities, etc.	0.35	0.00
6.	Total Social Overheads	(0.96)	0.00
7.	No. of employees	3059	3053
8.	Per capita expend. on Social Overheads (Rs.)	(3138)	0
9.	No. of houses constructed	195	0
10.	No. of houses under construction	0	0
11.	Housing (%) satisfaction	6.4	0.0

7. To appreciate the performance of each enterprise falling in this group, the details about their financial position, working results and important mangement ratios for three years are given in Volume-III.

FINANCIAL SERVICES

SUMMARISED BALANCE SHEET

(Rs. in Lakhs)

PARTICULARS	2005-06	2004-05	2003-04
AUTHORISD CAPITAL	764000	764000	763900
I. SOURCES OF FUNDS			
(1) SHAREHOLDERS FUND			
(A) PAID-UP CAPITAL			
CENTRAL GOVT.	517317	504755	479425
OTHERS	895	993	895
(B) SHARE APPLICATION MONEY	0	0	0
(C) RESERVES & SURPLUS	1471590	1357492	1216108
TOTAL (A)+(B)+(C)	1989802	1863240	1696428
(2) LOAN FUNDS			
(A) SECURED LOANS	3762804	3261318	2877835
(B) UNSECURED LOANS	5676072	4899781	4613561
TOTAL (A)+(B)	9438876	8161099	7491396
(3) DEFERRED TAX LIABILITY	224960	161138	131
TOTAL (1)+(2)+(3)	11653638	10185477	9187955
II. APPLICATION OF FUNDS			
(1) FIXED ASSETS			
(A) GROSS BLOCK	62471	62310	60329
(B) LESS: DEPRECIATION	40243	38164	35260
(C) NET BLOCK	22228	24146	25069
(D) CAPITAL WORK IN PROGRESS	7099	1499	825
TOTAL (C)+(D)	29327	25645	25894
(2) INVESTMENTS	2584427	2346299	2002161
(3) CURRENT ASSETS, LOANS & ADVANCES			
(A) INVENTORIES	96	152	348
(B) SUNDRY DEBTORS	790	3161	2497377
(C) CASH & BANK BALANCES	918554	667220	509253
(D) OTHER CURRENT ASSETS	136638	105711	193203
(E) LOAN & ADVANCES	8574596	7615582	4540719
TOTAL (A+B+C+D+E)	9630674	8391826	7740900
LESS:CURRENT LIABILITIES & PROVN.			
(A) CURRENT LIABILITIES	394215	400833	393987
(B) PROVISIONS	212244	189122	217768
TOTAL (A+B)	606459	589955	611755
NET CURRENT ASSETS	9024215	7801871	7129145
(4) DEFERRED REVENUE/PRE.EXPENDITURE	3905	4079	4906
(5) DEFERRED TAX ASSET	10918	6495	25274
(6) PROFIT & LOSS ACCOUNT (DR)	846	1088	575
TOTAL (1+2+3+4+5+6)	11653638	10185477	9187955

FINANCIAL SERVICES

SUMMARISED PROFIT AND LOSS ACCOUNT

(Rs. in Lakhs)

PARTICULARS	2005-06	2004-05	2003-04
INCOME			
SALES/OPERATING INCOME	1010825	1059531	1102836
EXCISE DUTY	49	724	985
NET SALES	1010776	1058807	1101851
OTHER INCOME/RECEIPTS	53814	38455	26434
ACCRETION/DEPLETION IN STOCKS	0	238	0
TOTAL	1064590	1097500	1128285
EXPENDITURE			
PURCHASE OF FINISHED GOODS/ CONSUMPTION OF RAW MATERIALS	0	0	0
STORES & SPARES	3	2	19
POWER & FUEL	299	220	236
MANUFACTURING/DIRECT/OPERATING EXPENSES	161492	46632	62660
SALARY,WAGES AND BENEFITS/EMPLOYEE EXPENDITURE	14191	13830	13322
OTHER EXPENSES	26369	32011	32130
PROVISIONS	14354	18350	15254
TOTAL	216708	111045	123621
PROFIT BEFORE DEP, INTEREST, TAXES, EXTRA-ORDINARY ITEMS & PPA(PBDITEP)	847882	986455	1004664
DEPRECIATION	1267	1371	5344
DRE/PREL. EXPENSES WRITTEN OFF	1226	1202	1652
PROFIT BEFORE INTEREST, TAXES, EXTRA-ORDINARY ITEMS & PPA (PBITEP)	845389	983882	997668
INTEREST			
ON CENTRAL GOVERNMENT LOANS	11211	16853	30056
ON FOREIGN LOANS	27643	23237	22191
OTHERS	464095	561054	562872
LESS INTEREST CAPITALISED	0	0	0
CHARGED TO P & L ACCOUNT	502949	601144	615119
PROFIT BEFORE TAX, EXTRA-ORDINARY ITEMS & PPA (PBTEP)	342440	382738	382549
TAX PROVISIONS	91195	112038	83812
NET PROFIT/LOSS BEFORE EXTRA-ORDINARY ITEM	251245	270700	298737
NET EXTRA-ORDINARY ITEMS & PRIOR PERIOD ADJUSTMENT	4389	2976	-2653
NET PROFIT/LOSS(-)	246856	267724	301390
DIVIDEND DECLARED	80034	84168	69962
DIVIDEND TAX	11162	11325	8977
RETAINED PROFIT	155660	172231	222451

FINANCIAL SERVICES

MANAGEMENT RATIO

DETAILS	2005-06	2004-05	2003-04
GENERAL (RS. IN LAKHS)			
INVESTMENT	9345196	8009983	7416543
CAPITAL EMPLOYED	9046443	7826017	7154214
NET WORTH	1985051	1858073	1690947
R AND D EXPENDITURE	25	0	0
PERSONNEL			
EMPLOYEES(OTHER THAN CASUAL) (NOS)	3059	3053	3082
AVERAGE MONTHLY EMOLUMENTS PER EMPLOYEE(Rs)	38659	37750	36021
FINANCIAL RATIOS (%)			
SALES : CAPITAL EMPLOYED	11.17	13.53	15.40
PBDITEP : CAPITAL EMPLOYED	9.37	12.60	14.04
PBITEP : CAPITAL EMPLOYED	9.34	12.57	13.95
PBITEP : SALES	83.64	92.92	90.54
PROFIT BEFORE TAX & EP(PBTEP): NET WORTH	17.25	20.60	22.62
NET PROFIT : NET WORTH	12.44	14.41	17.82
R AND D EXPENDITURE : SALES	0.00	0.00	0.00
SUNDRY DEBTORS : SALES (NO. OF DAYS)	0	1	827

Balmer Lawrie Investments Ltd. (BLIL)

1. *Company Profile*

BLIL was incorporated on 20.9.2001 under the Companies Act, 1956 with the objective of facilitating the disinvestment of IBP Co. Ltd., wherein the share holding of IBP Co. in Balmer Lawrie and Co. Ltd. was de-merged in favour of BLIL with effect from 15.10.2001. BLIL is an uncategorised CPSE in Financial Services sector under the administrative control of M/o Finance, D/o Disinvestment with 59.68% Government holding with its registered and corporate office at Kolkata, West Bengal.

2. Industrial / Business Activities

BLIL is one of the holding enterprises engaged in providing a specific service i.e. to hold the equity shares of its subsidiary, Balmer Lawrie and Co. Ltd. The equity shares of the company are under compulsory demat mode and the shares are listed in the stock exchange. The company does not have any employee of its own except its Company Secretary whose services have been seconded from Balmer Lawrie & Co. Ltd.

3. Operational Profile

The company is neither engaged in any production activity nor providing any service. BLIL is registered with RBI as a Non-Banking Finance Company.

4. Major Financial Highlights

Particulars	Performance during *(Rs. in crore)*			% increase/ decrease over previous year
	2005-06	2004-05	2003-04	
Turnover	0	3.52	3.12	-100
Cost of prod.	0.32	0.27	0.37	18.52
Net Profit/Loss(-)	5.56	3.43	2.86	62.1
Net Worth	36.06	34.8	33.91	3.62
Paid up capital	22.2	22.2	22.2	0
Share of Central Govt./holding co.	13.25	13.25	13.25	0

5. Key Performance Factors

- The only major income of the company is dividend received from its subsidiary, Balmer Lawrie & Co. Ltd. The variation in financial performance is due to variation in dividend received.
- All service for the company in the nature of accounts, finance, taxation, legal, secretarial, administration etc. are obtained from Balmer Lawrie & Co. Ltd. under a service agreement.
- The market price of the company's shares was between Rs. 57 to Rs. 163 during the year 2005-06.

Export Credit Guarantee Corp. of India Ltd. (ECGC)

1. *Company Profile*

ECGC was incorporated on 31.7.1957 in the name of "Export Risk Insurance Corporation of India Ltd., under the Companies Act, 1956 with an objective to support and strengthen the export promotion efforts of the country by issuing credit insurance covers to protect the exporters against non-realisation on account of commercial and political risk. ECGL is a schedule 'C' CPSE in Financial Services sector under the administrative control of M/o Commerce and Industry, D/o Commerce with100% shareholding by the Government of India. Its registered and corporate offices are at Mumbai, Maharashtra.

2. Industrial / Business Activities

ECGC is engaged in providing a range of credit risk, instance to Indian exporters against loss of goods & services and offering guarantees to banks and financial institutions to enable exporters to obtain better facilities from banks. Besides Head Office it has 51 branch offices. The enterprise has a workforce of 608 employees as on 31.3.2006.

3. Operational Profile

Major Services	Unit	Services during			% increase/ decrease over previous year
		2005-06	2004-05	2003-04	
Premium Income	Rs. Crore	578.44	515.54	445.48	12.20
Claims Paid	Rs. Crore	386.59	352.28	449.26	9.74

4. *Major Financial Highlights*

Particulars	Performance during (Rs. in crore)			% increase/ decrease over previous year
	2005-06	2004-05	2003-04	
Turnover	543.05	476.13	587.04	14.05
Cost of prod.	305.14	466.78	616.56	-34.63
Net Profit/Loss(-)	221.76	76.14	68.56	191.25
Net Worth	1098.47	825.88	666.96	33.01
Paid up capital	700	600	500	16.67
Share of Central Govt./holding co.	700	600	500	16.67

5. *Key Performance Factors*

- Company has ' Excellent' MOU rating during the year 2005-06.

6. *Strategic Issues*

- A National Export Insurance Account (NEIA) has been set up by the Government of India wich is operated by the Corporation to provide adequate credit Insurance cover to protect medium and long term exporters.
- The company got renewed the certification to function as non-life insurance and to carry on credit insurance bussiness.
- The company holds dominant market position in the credit insurance business. The ICRA Ltd. has assigned highest rating i.e. "AAA" rating denoting the ECGC's claim paying ability is highest and revealing the best prospects meeting policy holders' obligation.
- Earning per share improved from Rs. 14.98 in 2004-05 to Rs. 33.69 during 2005-06.

Housing & Urban Development Corp. Ltd. (HUDCO)

1. *Company Profile*

HUDCO was incorporated in the year 1970 under the Companies Act, 1956 with an objective to provide long-term finance for undertaking housing and urban development programmes in the country. HUDCO is a Schedule-'A' / CPSE in Financial Services sector under the administrative control of M/o Urban Poverty Alleviation D/o Urban Employment and Poverty Aviation with 100 % share holding by the Govt. of India. Its registered and corporate offices are at New Delhi.

2. *Industrial / Business Activities*

HUDCO is one of the pioneering enterprises providing services in the field of financing housing scheme, infrastructure development, Building technology, consultancy and research and training in Human settlements from its 66 offices spread all over India. It has emerged as the leading national techno-financing institution with the major objective of financing / encouraging the housing activity in the country there by alleviating housing shortage of all groups in rural and urban areas. The enterprises is driven by a workforce of 1098 employees as on 31.3.2006.

3. *Operational Profile*

Till 31.3.2005, HUDCO has sanctioned 15437 projects involving total cost of Rs.1, 60,601 crore with a sanctioned loan of Rs.69,345 crore. Annual sanction during 2004-05 is Rs.13861 crore. Latest info in this regard has not been furnished by the Company.

4. *Major Financial Highlights*

Particulars	Performance during (Rs. in crore)			% increase/ decrease over previous year
	2005-06	2004-05	2003-04	
Turnover	2297.99	2773.47	2742.27	-17.14
Cost of prod.	1918.54	2066.07	2349.62	-7.14
Net Profit/Loss(-)	260.24	396.77	332.44	-34.41
Net Worth	3589.83	3370.51	3217.71	6.51
Paid up capital	2001.9	2001.9	1898.6	0
Share of Central Govt./holding co.	2001.9	2001.9	1898.6	0

5. *Key Performance Factors*

- Financial assistance are made available to agencies like State Housing Boards, Rural Housing Boards, Slum Clearance boards, Development Authorities, Improvement Trusts, Municipal Corporations, Primary Cooperative Societies, NGO's/Private Developers, Joint Sector and individuals.

- Company has 'Very Good' MOU rating during the year 2005-06.

6. *Strategic Issues*

Expansion of lending to housing and urban infrastructure housing delivery through expanded avenues with due regards to Profitability and Social Justice.

Indian Railway Finance Corp. Ltd. (IRFC)

1. *Company Profile*

IRFC was incorporated on 12.12.1986 under the Companies Act, 1956 with the main objective of raising resources from capital market in India and abroad at the most competitive rates and terms as per annual targets given by the Ministry of Railways. IRFC is a Schedule-'B' / CPSE in Financial Services sector under the administrative control of M/o Railways with 100% shareholding by the Government of India. Its registered and corporate offices are at New Delhi.

2. *Industrial / Business Activities*

IRFC is providing financial services by borrowing from the commercial markets mainly to finance the acquisition of rolling stock assets to be leased to Indian Railways. The enterprise is driven by a workforce of 20 employees as on 31.3.2006.

3. *Major Financial Highlights*

Particulars	Performance during (Rs. in crore)			% increase/ decrease over previous year
	2005-06	2004-05	2003-04	
Turnover	1892	1827.23	1776.35	3.54
Cost of prod.	1514.62	1455.45	1483.93	4.07
Net Profit/Loss(-)	333.88	404.77	378.85	-17.51
Net Worth	2095.76	2392.91	2578.6	-12.42
Paid up capital	232	232	232	0
Share of Central Govt./holding co.	232	232	232	0

4. *Key Performance Factors*

- Since IRFC is a finance company its operating income is derived from income on loans, deposits and advances. The increase in operating income during 2005-06 as compared to last year is attributable to the incremental assets leased by IRFC to Ministry of Railways and disbursal to Rail Vikas Nigam Limited. However, the EPS has decreased due to reduction in Profit After Tax on account of provisioning higher deferred tax liability.
- As a result of IRFC operations, the incremental cost of lending to M/o Railways has come down from as high as 15% in 1996-97 to 7.55% in 2005-06, which is comparable to the cost of borrowings by the Central Government.
- Profit Before Tax (PBT) has increased marginally. The slow growth in PBT is on account of a drop in earning through other income mainly on account of the maiden asset securitization, which was not available during the year 2005-06.
- It has received highest ratings from the domestic credit rating agencies; CRISIL, ICRA and CARE. The international credit rating agencies; Standard & Poor's and Moody's have accorded it rating equivalent to the Sovereign Rating.
- Company has 'Excellent' MOU rating during the year 2005-06.

Indian Renewable Energy Dev. Agency Ltd. (IREDA)

1. *Company Profile*

IREDA was incorporated in the year 1987 under the Companies Act, 1956 with an objective to Finance and promote investment in renewable energy sources. IREDA is a Schedule-'C' / CPSE in Financial sector under the administrative control of M/o Non conventional Energy sources having 100% share holding by Govt. of India. Its registered and corporate office at New Delhi.

2. Industrial / Business Activities

IREDA is engaged in providing financing services as well as promoting self sustaining investment in energy generation from renewable sources, energy efficiency and environmental technologies for sustainable development. The company has one financial Joint Venture namely MP Wind Farms Ltd. with an investment of 12 lakhs in equity. The enterprise has a workforce of 116 employees as on 31.3.2006.

3. Operational Profile

Provides financial assistance and services for promotion for non-conventional engergy resources.

4. Major Financial Highlights

Particulars	Performance during (Rs. in crore)			% increase/ decrease over previous year
	2005-06	2004-05	2003-04	
Turnover	155.54	241.03	237.91	-35.47
Cost of prod.	159.21	216.2	218	-26.36
Net Profit/Loss(-)	30.65	30.41	23.34	0.79
Net Worth	678.59	629.05	563.9	7.88
Paid up capital	400	375.35	325.35	6.57
Share of Central Govt./holding co.	400	375.35	325.35	6.57

5. Key Performance Factors

- The variation in performance is attributed to competition from scheduled commercial banks and other financial institutions who have started financing NRSE sector, frequent changes in Govt. policies regarding tarrif, wheeling, banking etc., delay in getting state Govt. clearances/forest land clearances for project land allocation and related documentations, uncertainities with respect to existing power purchase policy and power puchase agreements in some of the states and delay in projects implemention due to unfore seen floods/ rains/clouds/bursts etc. in some of the reasons. Many of IREDA sanctioned projects either have been closed/ withdrawn/taken over by the banks due to interest differences as compare to banks.
- Company has 'Good' MOU rating during the year 2005-06.
- IREDA has diversified into consultancy service.

Kumarakruppa Frontier Hotel Pvt. Ltd. (KFH)

1. Company Profile

KFH was incorporated on 23.08.2001 under the Companies Act, 1956 with the objective of receiving the land, building and other assets and liabilities of the hotel properties given on lease-cum-management contract, administering the lease-cum-management contract and receiving the lease payments from time to time. KFH is an un-categorized CPSE in Financial Services sector under the administrative control of M/o Tourism, having its registered and corporate offices at New Delhi. It is a wholly owned subsidiary of ITDC.

2. Industrial/Business Activities

The main and only activity of the company is to receive lease rent from Bharat Hotels for the leased property. The enterprise has a workforce of 4 employees as on 31.3.2006.

3. Major Financial Highlights

Particulars	Performance during (Rs. in crore)			% increase/ decrease over previous year
	2005-06	2004-05	2003-04	
Turnover	10.51	6.1	0	72.3
Cost of prod.	0.58	0.81	0	-28.4
Net Profit/Loss(-)	5.61	5.36	0	4.66
Net Worth	10.13	10.11	0	0.2
Paid up capital	0.97	0.88	0	10.23
Share of Central Govt./holding co.	0.97	0.98	0	-1.02

4. Key Performance Factors

Most of its revenues (lease rentals) become a distributable net profit. The increase in turnover is due to increase in lease rent received.

National Film Development Corp. Ltd. (NFDC)

1. Company Profile

NFDC was incorporated in the year 1975 under the Companies Act, 1956 with an objective to plan, promote and organise an integrated and efficient development of the film industry in accordance with the national economic policy and objectives laid down by the Central Government from time to time. The company was restructured in 1980 by the merger of erstwhile Indian Motion Picture Export Corporation and Film Finance Corporation thereby the company emerged as a central Agency to promote Good Cinema in the country. NFDC is a Schedule-'C' Mini-ratna CPSE in Financial Services sector under the administrative control of M/o Information and Broadcasting with 100% shareholding by the Government of India. Its registered and corporate offices are at Mumbai, Maharashtra.

2. Industrial / Business Activities

NFDC is engaged in providing services in the field of financing / producing / distribution / export / import of quality feature films with socially relevant themes, creative and artistic excellence / experimental in form etc. The company also ensures the welfare of the Cine Artistes through the Cine Artistes Welfare Fund of India set up by the company. It acts as a nodal Agency to spread awareness of the India films and undertakes promotional activity by regularly participating in international film markets by films and delegations. The company operates through three regional offices in Chennai, Delhi and Kolkata and four branch offices at Hyderabd, Trivandrum, Bangalore and Guwahati. The enterprise is driven by a workforce of 217 employees as on 31.3.2006.

3. Operational Profile

Major Services	Unit	Earnings during			% increase/ decrease over previous year
		2005-06	2004-05	2003-04	
Distribution of films through TV	Rs.in Crore	6.59	14.09	25.78	-53.23
Export of film software	Rs.in Crore	0.68	1.33	1.42	-48.87
Foreign film distribution	Rs.in Crore	0.05	0.29	0.62	-82.67
Special projects	Rs.in Crore	2.97	2.97	5.18	-

4. Major Financial Highlights

Particulars	Performance during *(Rs. in crore)*			% increase/ decrease over previous year
	2005-06	2004-05	2003-04	
Turnover	11.8	20.4	34.77	-42.16
Cost of prod.	35.39	25.96	46.16	36.33
Net Profit/Loss(-)	2.4	-5.12	-8.31	-146.88
Net Worth	4.86	2.51	8.27	93.63
Paid up capital	14	14	14	0
Share of Central Govt./holding co.	14	14	14	0

5. Key Performance Factors

- The turnover of the corporation during 2005-06 has been shown higher than last year due to excess provision written back on arbitration. Otherwise there is a shortfall in the turnover which is attributed to the discontinuance of marketing of Free Commercial Time (FCT) of Ministry of Health & Family Welfare and sourcing of films for DD-1 Friday & Saturday slots.
- During 2005-06 the corporation got turned around by earning a profit of Rs. 2.38 crore as compared to a loss of Rs. 3.87 crore incurred last year. However, this does not appears to be the operational profit but because of certain adjustments.
- During the year 2005-06, the Corporation completed the production of one feature film in Tamil language while one film in Bengali language is under production.

- The Corporation participated in 8 International Film Festivals across the globe showcasing around 22 Indian films in different languages during the year 2005-06.
- Company has 'Good' MOU rating during the year 2005-06.

6. *Strategic Issues*

- With the changing trends of broadcasting the corporation is aiming towards the upgrading of its facilities to provide these facilities at par with foreign counterparts with financial assistance from M/o Information & Broadcasting.
- Primary mandate before the Corporation is to plan, promote and organize an integrated and efficient development of film industry in accordance with the national economic policy.

Power Finance Corporation Ltd. (PFC)

1. *Company Profile*

PFC was incorporated on 16.7.1986 under the Companies Act, 1956 with an objective to excel as a financial institution in the power sector for the development of power and associated sectors and its linkage with an eye on global operations. PFC is a Schedule-A/ Mini-ratna CPSE in Financial Services sector under the administrative control of M/o Power with 100% shareholding by the Government of India. Its Registered and Corporate offices are at New Delhi.

2. *Industrial / Business Activities*

PFC is engaged in providing services in the field of extending financial assistance to power projects in the area of generation, transmission, distribution, system improvement etc. The product range of the company comprises of Rupee Term Loan, Foreign Currency Term Loan, Line of Credit, Suppliers Credit, working Capital Loan, Bridge Loan, Bill discounting, Lease Finance, Debt Re-financing, Take out Financing, Financial Assistance to Equipment Manufacturers, Guarantees, Consultancy Services and grants. It has set up 5 subsidiary companies during 2005 for implementing projects at Coastal Maharashtra, Akaltara, Coastal Gujarat, Sasan, and Coastal Karnataka. The enterprise is driven by a workforce of 289 regular employees as on 31.3.2006.

3. *Operational Profile*

Major Services	Unit	Earnings during			% increase/ decrease over previous year
		2005-06	2004-05	2003-04	
Sanctioned loan	Rs.in crore	22502	18596	NA	21
Disbursed loan	Rs.in crore	11681	9420	NA	24

4. *Major Financial Highlights*

Particulars	Performance during (Rs. in crore)			% increase/ decrease over previous year
	2005-06	2004-05	2003-04	
Turnover	3125.56	3040.38	3652.16	2.8
Cost of prod.	1872.62	1650.64	1547.55	13.45
Net Profit/Loss(-)	970.95	984.12	1606.99	-1.34
Net Worth	8138.48	7536.05	6575.75	7.99
Paid up capital	1030.45	1030.45	1030.45	0
Share of Central Govt./holding co.	1030.45	1030.45	1030.45	0

5. *Key Performance Factors*

- Regular interaction and feedback from borrowers ensures a fair assessment of the market trends and requirements.
- Company has 'Excellent' MOU rating during the year 2005-06.

6. *Strategic Issues*

- Government of India has appointed PFC as a nodal agency to facilitate the development and construction of potential Ultra Mega Power Projects in India, i.e. 4000-5000 MW Mega Super Thermal Power Projects with the objective to develop large capacity power projects in India.
- Although the operating income of PFC increased by 3% during 2005-06 as compared to the figures of last year its net profit declined by about Rs. 13 crore in this period because of reduction in restructuring premium on loans due to discontinuation of

company's policy on restructuring of loans.

- Keeping in view its developmental role in Power sector, the corporation is proactively supporting the power utilities with innovative financial products/services based on their needs apart from formulation of schemes, financial closure of private power projects, project monitoring etc.

7. VRS / Outstanding dues

- None has taken VRS till 31.3.2006
- As on 31.3.2006, the PFC had outstanding dues of Rs. 0.52 crore on account of salary and wages.

Rural Electrification Corp. Ltd. (REC)

1. *Company Profile*

REC was incorporated on 25.7.1969 under the Companies Act, 1956 with the main objective of financing rural electrification schemes in the country. REC is a Schedule-'A'/Mini-ratna -I CPSE in Financial Services sector under the administrative control of M/o Power with 100% shareholding by the Government of India. Its registered and corporate offices are at New Delhi.

2. Industrial / Business Activities

REC is engaged in providing services in the field of Financing projects/schemes of power generation, transmission, distribution, rural electrification, systems improvement, renovation and modernization of power plants in both public and private sectors. REC finances different categories of loans/schemes such as Generation/Transmission and Distribution Projects, R&M Projects, Systems Improvement/Intensive Electrification Schemes for Dalit Bastis/Village/Hamlet Electrification, Short Terms Loans etc. It is endeavouring for implementation of Rajiv Gandhi Grameen Vidyutikaran Yojana, a Government of India Scheme for rural electricity infrastructure and household electrification. Besides corporate office it operates through 17 project offices, one sub-office and one training center. The enterprise is driven by a workforce of 707 employees as on 31.3.2006.

3. Operational Profile

Major Services	Unit	Services during			% increase/ decrease over previous year
		2005-06	2004-05	2003-04	
Mobilization of resources	Rs. Crore	9063	8501	4014	6.61
Loan sanctioned	Rs. Crore	18771	16316	NA	15.05
Disbursement	Rs. Crore	8007	7885	6017	1.55

4. Major Financial Highlights

Particulars	Performance during (Rs. in crore)			% increase/ decrease over previous year
	2005-06	2004-05	2003-04	
Turnover	2071.31	2199.81	1984.89	-5.84
Cost of prod.	1415.08	1265.44	1195.17	11.83
Net Profit/Loss(-)	637.51	781.36	609.17	-18.41
Net Worth	4198.33	3778.91	3264.37	11.1
Paid up capital	780.6	780.6	780.6	0
Share of Central Govt./holding co.	780.6	780.6	780.6	0

5. Key Performance Factors

- The operational income has increased by Rs. 298 crore during 2005-06 as compared to last year. The profit of the corporation declined from Rs. 1037 crore to Rs. 830 crore. The decline in profit is attributable to reduction in one time income which stood at Rs. 122 crore in 2005-06 as compared to Rs. 547 crore in the previous year.
- REC reduced average cost of borrowing by raising funds from market at competitive rates and pre-payment to bondholders by exercising call options on bonds carrying higher interest rates.
- REC's debt instruments enjoy 'AAA' rating - the highest rating assigned by the rating agency CRISIL.
- Company has 'Excellent' MOU rating during the year 2005-06.

6. Strategic Issues

Term loans becoming non-performing assets amount to Rs 279.56 crores as on 31.3.2006.

7. VRS

During the year, 7 employees left the company after attaining the age of superann uation. Upto 31.3.2006 a total of 217 employees have taken VRS.

20 TELECOMMUNICATION AND INFORMATION TECHNOLOGY SERVICES

There were 4 enterprises in the public sector as on 31.3.2006 which were engaged in rendering Telecommunication and Internet Services. The names of these enterprises along with their year of incorporation in chronological order are given below:

Sl. No.	Enterprise	Year of Incorporation
1.	Mahanagar Telephone Nigam Ltd.	1986
2.	Bharat Sanchar Nigam Ltd.	2000
3.	Millennium Telecom Ltd.	2000
4.	RailTel Corporation India Ltd.	2000

2. The enterprises falling in this group are mainly enga ged in rendering Telecommunication and Internet Services.

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

4. Net Profit/(Loss) : The details of individual enterprises which earned net profit or sustained net loss (-) in ranking order are given in next column:

(*Rs. in crore*)

Sl.	Enterprise	Net Profit/(Loss)	
No.		2005-06	2004-05
1.	Bharat Sanchar Nigam Ltd.	8939.69	10183.29
2.	Mahanagar Telephone Nigam Ltd.	580.29	938.98
3.	Millennium Telecom Ltd.	0.06	0.66
4.	RailTel Corporation India Ltd.	(10.27)	(19.50)
	Total	**9509.77**	**11103.43**

5. Dividend : The following enterprises declared dividend as per details given below:

(*Rs. in crore*)

Sl.	Enterprise	Dividend	
No.		2005-06	2004-05
1.	Bharat Sanchar Nigam Ltd.	1175.00	1175.00
2.	Mahanagar Telephone Nigam Ltd.	252.00	283.50
	Total	**1427.00**	**1458.50**

6. Township and Social Overheads

The operating results of these enterprises after setting off township maintenance and other social overheads such as maintenance of schools, medical facilities, social overheads and cultural subsidies etc. are given below:

(*Rs. in crore*)

Sl. No.	Particulars	Township & Social Overheads	
		2005-06	2004-05
1.	Capital cost of Township	0.00	0.00
2.	Gross expenditure on Township	0.00	0.00
3.	*Less :* Rent receipt and other income	0.00	0.00
4.	Net expenditure on Township	0.00	0.00
5.	Social Overheads: Educational, Med. facilities, etc.	0.00	0.00
6.	Total Social Overheads	0.00	0.00
7.	No. of employees	378314	394431
8.	Per capita expend. on Social Overheads (Rs.)	0.00	0.00
9.	No. of houses constructed	0	0
10.	No. of houses under construction	0	0
11.	Housing satisfaction (%)	0.0	0.0

7. To appreciate the performance of each enterprise falling in this group, the details about their financial position, working results and important mangement ratios for three years are given in Volume-III.

TELECOMMUNICATIONS AND INFORMATION TECHNOLOGY SERVICES

SUMMARISED BALANCE SHEET

(Rs. in Lakhs)

PARTICULARS	2005-06	2004-05	2003-04
AUTHORISD CAPITAL	1940200	1940000	1940000
I. SOURCES OF FUNDS			
(1) SHAREHOLDERS FUND			
(A) PAID-UP CAPITAL			
CENTRAL GOVT.	1309077	1308878	1301242
OTHERS	27851	27851	27851
(B) SHARE APPLICATION MONEY	0	0	7635
(C) RESERVES & SURPLUS	7897059	7063104	6021770
TOTAL (A)+(B)+(C)	9233987	8399833	7358498
(2) LOAN FUNDS			
(A) SECURED LOANS	9200	2000	0
(B) UNSECURED LOANS	740895	837091	840769
TOTAL (A)+(B)	750095	839091	840769
(3) DEFERRED TAX LIABILITY	231576	361802	536681
TOTAL (1)+(2)+(3)	10215658	9600726	8735948
II. APPLICATION OF FUNDS			
(1) FIXED ASSETS			
(A) GROSS BLOCK	12739844	11920484	10972733
(B) LESS: DEPRECIATION	5986923	5016304	3979479
(C) NET BLOCK	6752921	6904180	6993254
(D) CAPITAL WORK IN PROGRESS	453143	531496	638981
TOTAL (C)+(D)	7206064	7435676	7632235
(2) INVESTMENTS	61876	59747	58070
(3) CURRENT ASSETS, LOANS & ADVANCES			
(A) INVENTORIES	293032	243236	243301
(B) SUNDRY DEBTORS	776041	840471	563388
(C) CASH & BANK BALANCES	3306290	2448675	1415406
(D) OTHER CURRENT ASSETS	73721	23643	6961
(E) LOAN & ADVANCES	1986323	1861745	1952645
TOTAL (A+B+C+D+E)	6435407	5417770	4181701
LESS:CURRENT LIABILITIES & PROVN.			
(A) CURRENT LIABILITIES	2102605	2009634	2011502
(B) PROVISIONS	1401206	1306554	1126386
TOTAL (A+B)	3503811	3316188	3137888
NET CURRENT ASSETS	2931596	2101582	1043813
(4) DEFERRED REVENUE/PRE.EXPENDITURE	11435	60	120
(5) DEFERRED TAX ASSET	0	0	0
(6) PROFIT & LOSS ACCOUNT (DR)	4687	3661	1710
TOTAL (1+2+3+4+5+6)	10215658	9600726	8735948

TELECOMMUNICATIONS AND INFORMATION TECHNOLOGY SERVICES

SUMMARISED PROFIT AND LOSS ACCOUNT

(Rs. in Lakhs)

PARTICULARS	2005-06	2004-05	2003-04
INCOME			
SALES/OPERATING INCOME	4181679	3907610	3778047
EXCISE DUTY	0	0	0
NET SALES	4181679	3907610	3778047
OTHER INCOME/RECEIPTS	461529	313228	283516
ACCRETION/DEPLETION IN STOCKS	0	0	0
TOTAL	4643208	4220838	4061563
EXPENDITURE			
PURCHASE OF FINISHED GOODS/ CONSUMPTION OF RAW MATERIALS	4631	0	10195
STORES & SPARES	0	0	0
POWER & FUEL	151504	136055	114486
MANUFACTURING/DIRECT/OPERATING EXPENSES	890293	759677	707183
SALARY,WAGES AND BENEFITS/EMPLOYEE EXPENDITURE	933698	1026037	799697
OTHER EXPENSES	477224	440162	475260
PROVISIONS	170763	38709	56054
TOTAL	2628113	2400640	2162875
PROFIT BEFORE DEP, INTEREST, TAXES, EXTRA-ORDINARY ITEMS & PPA(PBDITEP)	2015095	1820198	1898688
DEPRECIATION	1005538	1024119	1043290
DRE/PREL. EXPENSES WRITTEN OFF	50	41	41
PROFIT BEFORE INTEREST, TAXES, EXTRA-ORDINARY ITEMS & PPA (PBITEP)	1009507	796038	855357
INTEREST			
ON CENTRAL GOVERNMENT LOANS	106333	0	0
ON FOREIGN LOANS	0	0	0
OTHERS	7010	8227	13837
LESS INTEREST CAPITALISED	643	733	1083
CHARGED TO P & L ACCOUNT	112700	7494	12754
PROFIT BEFORE TAX, EXTRA-ORDINARY ITEMS & PPA (PBTEP)	896807	788544	842603
TAX PROVISIONS	-38615	-199592	347104
NET PROFIT/LOSS BEFORE EXTRA-ORDINARY ITEM	935422	988136	495499
NET EXTRA-ORDINARY ITEMS & PRIOR PERIOD ADJUSTMENT	-17963	-122207	-215716
NET PROFIT/LOSS(-)	953385	1110343	711215
DIVIDEND DECLARED	142700	145850	56475
DIVIDEND TAX	20013	20216	7308
RETAINED PROFIT	790672	944277	647432

TELECOMMUNICATIONS AND INFORMATION TECHNOLOGY SERVICES

MANAGEMENT RATIO

DETAILS	2005-06	2004-05	2003-04
GENERAL (RS. IN LAKHS)			
INVESTMENT	2074523	2160820	2162497
CAPITAL EMPLOYED	9684517	9005762	8037067
NET WORTH	9217865	8396112	7356668
R AND D EXPENDITURE	0	0	0
PERSONNEL			
EMPLOYEES(OTHER THAN CASUAL) (NOS)	378314	394431	401731
AVERAGE MONTHLY EMOLUMENTS PER EMPLOYEE(Rs)	20567	21678	16589
FINANCIAL RATIOS (%)			
SALES : CAPITAL EMPLOYED	43.18	43.39	47.01
PBDITEP : CAPITAL EMPLOYED	20.81	20.21	23.62
PBITEP : CAPITAL EMPLOYED	10.42	8.84	10.64
PBITEP : SALES	24.14	20.37	22.64
PROFIT BEFORE TAX & EP(PBTEP): NET WORTH	9.73	9.39	11.45
NET PROFIT : NET WORTH	10.34	13.22	9.67
R AND D EXPENDITURE : SALES	0.00	0.00	0.00
SUNDRY DEBTORS : SALES (NO. OF DAYS)	68	79	54

Bharat Sanchar Nigam Ltd. (BSNL)

1. *Company Profile*

BSNL was incorporated on 15.9.2000 under the Companies Act, 1956 with an objective to take over the business of providing telecom services and network of erstwhile D/o Telecommunications along with all assets and liabilities, contractual rights and obligations w.e.f. 1.10.2000. BSNL is a Schedule-'A' / Miniratna CPSE in Telecommunication and IT Services sector under the administrative control of M/o Communication and Information Technology, D/o Telecommunications with 100% shareholding by the Government of India. Its registered and corporate offices are at New Delhi.

2. *Industrial / Business Activities*

BSNL is engaged in providing all type of Telecommunication services in 26 telecom circles spread all over India other than cities of Delhi and Mumbai. The enterprise has a workforce of 3,26,948 employees as on 31.3.2006.

3. *Operational Profile*

Major Products	Unit	Services provided during (% Capicity Utilization)			% increase/ decrease over previous year
		2005-06	2004-05	2003-04	
Basic Telephone connections	000 Nos.	508 (73.93)	1093 (75.25)	462 (74.95)	-53.52
Cellular Mobile connections	000 Nos.	7716 (88.69)	4193 (99.53)	2998 (108.09)	84.02
Internet connections	000 Nos.	803 (60.70)	785 (79.15)	500 (49.74)	2.29
Broadband connections	000 Nos.	552 (83.24)	34 (NA)	-	1523.53
Total	000 Nos.	9579 (77.18)	6106 (79.19)	3959 (76.81)	56.88

4. *Major Financial Highlights*

Particulars	Performance during (Rs. in crore)			% increase/ decrease over previous year
	2005-06	2004-05	2003-04	
Turnover	36138.94	33450.04	31399.34	8.04
Cost of prod.	31907.06	29401.53	27163.53	8.52
Net Profit/Loss(-)	8939.69	10183.29	5976.52	-12.21
Net Worth	80756.51	72779.11	63018.33	10.96
Paid up capital	12500	12500	12500	0
Share of Central Govt./holding co.	12500	12500	12500	0

5. *Key Performance Factors*

- The market share of company in fixed line services dropped to 84.77% during 2005-06 as compared to 86.52% in 2004-05. However market share of company in mobile services increased to 24.8% in 2005-06 as compared to 22.92% during 2004-05.
- Broadband services with brand name 'Dataone" were launched in January 2005. During the year 2005-06, more than 5.5 lakhs broadband connections were provided. Data one services is operational in 251 cities and also planning to provide broadband connectivity in about 900 cities in the country.
- More than 77 lakhs of new cellular customers were added during the year
- MPLS VPN infrastructure was commissioned as Port-I on National Internet Backbone Phase-II to offer Internet access, VPN and other value added services.
- Bharat Sri Lanka submarine cable project has been completed.
- BSNL has planned to provide 300 Hot sports in 24 cities.
- Submarine cable project for international long distance services has been taken up jointly with MTNL.
- Earning Per share declined to Rs. 15.28 during 2005-06 from Rs. 15.65 in the previous year.

- Company is having "Excellent" MOU rating during 2005-06.

6. Strategic Issues

- Various competitive tariffs are offered from time to time in different services and the company has diversified in new value added services for which tariff has been fixed based on market competition.
- Telecom sector is opened to private competition. There are 4-5 major telecom service providers in most of the 26 telecom circles. BSNL is leading service provider and ranked as first in basic services with 83% market share, ranked second in-cellular mobile behind Bharti. BSNL is leader in Internet and Broadband also.

Mahanagar Telephone Nigam Ltd. (MTNL)

1. Company Profile

MTNL was incorporated in the year 1986 under the Companies Act, 1956 with the objective of taking over the management, control and operation of Telecom Network at Mumbai and Delhi with a view to raise necessary financial resources for development needs of area of operations and to up-grade the same. MTNL is a Schedule-'A' / Navaratna CPSE in Telecommunications and Information Technology Services sector under the administrative control of M/o Communication and Information Technology, D/o Telecommunications with 56.25% shareholding by the Government of India. Its registered and corporate offices are at New Delhi.

2. Industrial / Business Activities

MTNL is engaged in providing all types of Telecommunication services including Basic Telephone services, Cellular (GSM and CDMA), Mobile services, internet and value added services in Delhi and Mumbai through its529 exchanges and other network. It has two wholly owned subsidiaries namely Millennium Telecom Ltd and Mahanagar Telephone Mauritius Ltd. The company has two financial Joint Venture namely United Telecom Ltd. with a share of 26.68% along with VSNL, TCIL and NVPL (Local Partner in Nepal) to provide CDMA based basic service in Nepal and MTNL STPI Services Ltd. with STPI, a Society under D/o Information Technology with 50:50 partnership. The enterprise has a workforce of 51133 employees as on 31.3.2006.

3. Operational Profile

Major Services	Unit	Income from services during			% increase/ decrease over previous year
		2005-06	2004-05	2003-04	
Basic and other services	Rs.in crore	4988.32	5315.31	-	- 6.15
Cellular	Rs.in crore	572.66	277.07	-	106.68

4. Major Financial Highlights

Particulars	Performance during (Rs. in crore)			% increase/ decrease over previous year
	2005-06	2004-05	2003-04	
Turnover	5560.98	5592.39	6369.6	-0.56
Cost of prod.	5419.63	4868.44	4997.98	11.32
Net Profit/Loss(-)	580.29	938.98	1150.47	-38.2
Net Worth	11122.52	10943.83	10327.63	1.63
Paid up capital	630	630	630	0
Share of Central Govt./holding co.	354.37	354.37	354.37	0

5. Key Performance Factors

- MTNL emerged as NO. 1 GSM operator in terms of subscriber additions in Delhi and Mumbai the number of which was 1059459 as on 31.3.2006. No. of Cellular subscribers increased from 881696 as on 31.3.2005 to 1941155 on 31.3.2006 recording a growth of 120.16%. Broad Bend subscribers increased about 40 times from 5374 to 211935 during this period.
- In the past 20 years, the company has taken rapid strides to emerge as India's leading and one of Asia's largest telecom operating companies.
- The company has taken new initiatives like

launching National Long Distance Service between Delhi and Mumbai, tieing up with VSNL for bandwidth for traffic carriage, bringing the two cities landline network under 95-dialing facility, introduction of Reverse Query Service(1297) etc. during 2005-06.

- The company has 'Very Good' MOU rating during the year 2005-06.
- The Market price of the company's shares was between Rs.108 to Rs.170.05 during the year 2005-06 as against Rs. 92.90 to Rs.194.75 during 2004-05.

6. *Strategic Issues*

The year 2005-06 was the challenging and exciting for the Indian Telecom industry which witnessed significant regulatory development alongwith changes in competitive landscape. There was downward revision of ILD and NLD tariff charges affecting the margins adversely.

7. *VRS / Outstanding dues*

- During the year a total of 3861 employees left the company out of which 604 availed of VRS and 3257 retired on superannuation.
- There were outstanding dues of Rs. 1201 crore out of which Rs. 46 crore were on account of salary and wages and statutory dues each and Rs. 1109 crore other dues.

Millennium Telecom Ltd. (MTL)

1. *Company Profile*

MTL was incorporated on 22.11.2000 under the Companies Act, 1956 with an objective to provide Internet/Intranet and Information Technology enabled services space in India and abroad. MTL is an uncategorised CPSE in Telecommunication and Information Technology Services sector under the administrative control of M/o Communication and Information Technology, D/o Telecommunications having its registered and corporate offices at Mumbai, Maharashtra. MTL is a wholly owned subsidiary of MTNL.

2. *Industrial / Business Activities*

MTL is engaged in providing services in the field of Internet and related services (ISDN, Multimedia, Paging etc.) and other value added services to lay Submarine cable from India to South East Asia and Middle East with ultimate intent to extend eventually to USA and Europe.

3. *Major Financial Highlights*

Particulars	Performance during (Rs. in crore)			% increase/ decrease over previous year
	2005-06	2004-05	2003-04	
Turnover	0	1.29	1.74	-100
Cost of prod.	0.17	0.61	1	-72.13
Net Profit/Loss(-)	0.06	0.66	0.91	-90.91
Net Worth	5.22	5.06	4.32	3.16
Paid up capital	2.88	2.88	2.88	0
Share of Central Govt./holding co.	2.88	2.88	2.88	0

4. *Key Performance Factors*

- During 2005-06, there was no income from the operations of the company. The other income was from interest on fixed deposits with bank and miscellaneous income.
- MTL is handling new project for lay Submarine cable from India to South East Asia and Middle East with ultimate intent to extend eventually to USA and Europe. By investing in this project, MTNL(the holding company) and the BSNL (would be joint venture partner with 49% equity participation in MTL) can get International Bandwidth to support its own network demand as well as to lease it to others at very competitive rates.
- The Board of Directors of the company has approved the infusion of further equity capital in order to execute the aforesaid project and decided to increase it upto 20 crores.

RailTel Corp. of India Ltd. (RTCL)

1. *Company Profile*

RTCL was incorporated on 26.9.2000 under the Companies Act, 1956 with the objective of expeditiously modernising Railways' train control, operational safty systems & networks, creating a nationwide broadband telecom and multimedia network to supplement national telecom infrastrure to sphir growth of telecom, internet and IT enables value added services and generating sevennucs for the plementing Railways' developmental projects, safety enhencement and asset replacement programme. RTCL is a Schedule-'A' CPSE in Telecommunications and Information Technology Services sector under the administrative control of M/o Railways having 100% Government holding with its registered and corporate office at New Delhi.

2. *Industrial / Business Activities*

RTCL is engaged in the business providing bandwidth, VPN and internet services by laying Optic Fibre Cable network on the side of the railway track along with leasing of bandwidth, ISP and other services. The enterprise is driven by a workforce of 193 employees as on 31.3.2006.

3. *Operational Profile*

Major Services	Unit	Services during			%increase/ decrease over previous year
		2005-06	2004-05	2003-04	
Bandwith	Els	2464	1233	190	99.84

4. *Major Financial Highlights*

Particulars	Performance during (Rs. in crore)			%increase/ decrease over previous year
	2005-06	2004-05	2003-04	
Turnover	56.12	32.38	9.79	73.32
Cost of prod.	70.11	52.36	27.09	33.9
Net Profit/Loss(-)	-10.27	-19.5	-15.75	-47.33
Net Worth	187.53	233.12	216.4	-19.56
Paid up capital	234.4	234.41	158.05	0
Share of Central Govt./holding co.	234.4	234.41	158.05	0

5. *Key Performance Factors*

- RTCL has obtained Infrastructure Provider-I (IP-I) , IP-II and Internet Service Provider (ISP) licenses in 2002 and now authorised to lease telecom infrastruture, lease/sell bandwidth and providing internet services.
- The performance of the company has improved tremendously during the year 2005-06 by recording growth of 93.64% in turnover and reducing lossess by 40%.
- RTCl has made considerable progress in building its networth infrastructure and sales and marketing activities.
- The company follows the standard set forth by RDSO a Railway organisation al all high value items are procured from RDSO approved sowces and with RDSO inspection.
- The company has rating MOU for the year 2005-06.
- The company has 'Good' MOU rating during the year 2005-06.

6. *Strategic Issues*

- Railtel have plans to complete the network spanning 40,000 Route Kms (RKms) by March 2008.
- Railtel had signed an MOU with BSNL for using Railtel's OFC infrastructure at railway stations for providing rural telephony and continuous coverage of their Cell One mobile phones along with the track.

21 SECTION 25 COMPANIES

There were 12 enterprises in the public sector as on 31.3.2006 which were engaged in promotion of commerce, art, science, charity or other useful purposes as prescribed under section 25 of the Companies Act. The names of these enterprises along with their year of incorporation in chronological order are given below:

Sl. No.	Enterprise	Year of Incorporation
1.	National Research Development Corpn. of India.	1953
2.	Artificial Limbs Mfg. Corpn. of India	1973
3.	India Trade Promotion Organisation	1976
4.	National Scheduled Caste Finance and Devp. Corpn.	1989
5.	National Backward Classes Finance and Development Corp.	1992
6.	National Informatic Centre Services Incorporated	1995
7.	National Minorities Development and Finance Corpn.	1994
8.	National Safai Karamcharis Finance and Devpt. Corpn.	1997
9.	National Handicapped Finance and Devpt. Corpn.	2000
10.	Karnataka Trade Promotion Organisaion	2000
11.	Tamil Nadu Trade Promotion Organisation	2000
12.	National Scheduled Tribes Finance and Devp. Corpn.	2001

2. The enterprises falling in this group are mainly engaged in promotion of commerce, art, science, charity or other useful purposes as prescribed under section 25 of the Companies Act.

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

4. Net Profit/(Loss) : The details of individual enterprise which earned net profit or sustained net loss (-) in ranking order are given below:

(*Rs. in crore*)

Sl. No.	Enterprise	Net Profit/(Loss) 2005-06	2004-05
1.	India Trade Promotion Orgn.	65.19	55.22
2.	National Informatic Centre Services Incorporated	24.08	0.00
3.	National Backward Classes Finance and Devlopment Corp.	15.31	12.08
4.	National Minorities Development and Finance Corp.	11.22	9.45
5.	National Scheduled Tribes Finance and Development Corp.	8.83	8.16

Sl. No.	Enterprise	Net Profit/(Loss) 2005-06	2004-05
6.	National Scheduled Caste Finance and Development Corp.	7.71	10.15
7.	Artifical Limbs Mfg. Corpn. of India	4.87	3.41
8.	National Safai Karam-charis' Finance and Dev. Corporation	2.36	4.11
9.	National Handicapped Finance and Dev. Corp.	2.01	1.73
10.	Tamil Nadu Trade Promotion Organisation	1.74	3.48
11.	National Research Development Corpn. of India	0.13	0.07
12.	Karnataka Trade Promotion Organisation	(0.80)	(0.16)
	Total	**142.65**	**107.70**

5. Dividend : During the year 2005-06, no company has declared dividend.

6. Township and Social Overheads

The operating results of these enterprises after setting off township maintenance and other social overheads such as maintenance of schools, medical facilities, social overheads and cultural subsidies etc. are given below:

(*Rs. in crore*)

Sl. No.	Particulars	Township & Social Overheads 2005-06	2004-05
1.	Capital cost of Township	0.44	0.34
2.	Gross expenditure on Township	0.02	0.01
3.	*Less :* Rent receipt and other income	0.01	0.14
4.	Net expenditure on Township	0.01	(0.13)
5.	Social Overheads: Educational,Med. facilities, etc.	1.51	1.41
6.	Total Social Overheads	1.52	1.28
7.	No. of employees	2102	2114
8.	Per capita expend. on Social Overheads (Rs.)	7231	6055
9.	No. of houses constructed	72	85
10.	No. of houses under construction	0	0
11.	Housing satisfaction (%)	3.4	4.0

7. To appreciate the performance of each enterprise falling in this group, the details about their financial position, working results and important mangement ratios for three years are given in Volume-III.

SECTION 25 COMPANIES

SUMMARISED BALANCE SHEET

(Rs. in Lakhs)

PARTICULARS	2005-06	2004-05	2003-04
AUTHORISD CAPITAL	348400	333400	331600
I. SOURCES OF FUNDS			
(1) SHAREHOLDERS FUND			
(A) PAID-UP CAPITAL			
CENTRAL GOVT.	158050	145199	118816
OTHERS	7825	7029	5905
(B) SHARE APPLICATION MONEY	3745	7072	23291
(C) RESERVES & SURPLUS	104200	92583	75938
TOTAL (A)+(B)+(C)	273820	251883	223950
(2) LOAN FUNDS			
(A) SECURED LOANS	0	418	0
(B) UNSECURED LOANS	6850	3953	4610
TOTAL (A)+(B)	6850	4371	4610
(3) DEFERRED TAX LIABILITY	2	47	7
TOTAL (1)+(2)+(3)	280672	256301	228567
II. APPLICATION OF FUNDS			
(1) FIXED ASSETS			
(A) GROSS BLOCK	18513	13986	11230
(B) LESS: DEPRECIATION	6261	5288	4644
(C) NET BLOCK	12252	8698	6586
(D) CAPITAL WORK IN PROGRESS	154	518	1661
TOTAL (C)+(D)	12406	9216	8247
(2) INVESTMENTS	2747	2871	1188
(3) CURRENT ASSETS, LOANS & ADVANCES			
(A) INVENTORIES	1337	983	1144
(B) SUNDRY DEBTORS	3519	3706	2452
(C) CASH & BANK BALANCES	57882	55785	48075
(D) OTHER CURRENT ASSETS	2098	3290	3453
(E) LOAN & ADVANCES	211249	190646	172832
TOTAL (A+B+C+D+E)	276085	254410	227956
LESS:CURRENT LIABILITIES & PROVN.			
(A) CURRENT LIABILITIES	9541	9587	7477
(B) PROVISIONS	3605	3541	4549
TOTAL (A+B)	13146	13128	12026
NET CURRENT ASSETS	262939	241282	215930
(4) DEFERRED REVENUE/PRE.EXPENDITURE	107	49	47
(5) DEFERRED TAX ASSET	0	0	-50
(6) PROFIT & LOSS ACCOUNT (DR)	2473	2883	3205
TOTAL (1+2+3+4+5+6)	280672	256301	228567

SECTION 25 COMPANIES

SUMMARISED PROFIT AND LOSS ACCOUNT

(Rs. in Lakhs)

PARTICULARS	2005-06	2004-05	2003-04
INCOME			
SALES/OPERATING INCOME	27689	22225	22779
EXCISE DUTY	0	40	31
NET SALES	27689	22185	22748
OTHER INCOME/RECEIPTS	5632	3924	4657
ACCRETION/DEPLETION IN STOCKS	128	-167	253
TOTAL	33449	25942	27658
EXPENDITURE			
PURCHASE OF FINISHED GOODS/ CONSUMPTION OF RAW MATERIALS	2554	2000	1771
STORES & SPARES	205	172	147
POWER & FUEL	2221	489	276
MANUFACTURING/DIRECT/OPERATING EXPENSES	2297	86	88
SALARY,WAGES AND BENEFITS/EMPLOYEE EXPENDITURE	6195	5666	5254
OTHER EXPENSES	5017	6567	7591
PROVISIONS	2343	782	411
TOTAL	20832	15762	15538
PROFIT BEFORE DEP, INTEREST, TAXES, EXTRA-ORDINARY ITEMS & PPA(PBDITEP)	12617	10180	12120
DEPRECIATION	688	645	563
DRE/PREL. EXPENSES WRITTEN OFF	55	13	6
PROFIT BEFORE INTEREST, TAXES, EXTRA-ORDINARY ITEMS & PPA (PBITEP)	11874	9522	11551
INTEREST			
ON CENTRAL GOVERNMENT LOANS	0	13	241
ON FOREIGN LOANS	0	0	0
OTHERS	18	21	20
LESS INTEREST CAPITALISED	0	0	0
CHARGED TO P & L ACCOUNT	18	34	261
PROFIT BEFORE TAX, EXTRA-ORDINARY ITEMS & PPA (PBTEP)	11856	9488	11290
TAX PROVISIONS	33	20	96
NET PROFIT/LOSS BEFORE EXTRA-ORDINARY ITEM	11823	9468	11194
NET EXTRA-ORDINARY ITEMS & PRIOR PERIOD ADJUSTMENT	-34	-1302	56
NET PROFIT/LOSS(-)	11857	10770	11138
DIVIDEND DECLARED	0	0	0
DIVIDEND TAX	0	0	0
RETAINED PROFIT	11857	10770	11138

SECTION 25 COMPANIES

MANAGEMENT RATIO

DETAILS	2005-06	2004-05	2003-04
GENERAL (RS. IN LAKHS)			
INVESTMENT	171770	159300	152622
CAPITAL EMPLOYED	275191	249980	222516
NET WORTH	271240	248951	220698
R AND D EXPENDITURE	4	2	1
PERSONNEL			
EMPLOYEES(OTHER THAN CASUAL) (NOS)	2102	2114	2120
AVERAGE MONTHLY EMOLUMENTS PER EMPLOYEE(Rs)	24560	22335	20653
FINANCIAL RATIOS (%)			
SALES : CAPITAL EMPLOYED	10.06	8.87	10.22
PBDITEP : CAPITAL EMPLOYED	4.58	4.07	5.45
PBITEP : CAPITAL EMPLOYED	4.31	3.81	5.19
PBITEP : SALES	42.88	42.92	50.78
PROFIT BEFORE TAX & EP(PBTEP): NET WORTH	4.37	3.81	5.12
NET PROFIT : NET WORTH	4.37	4.33	5.05
R AND D EXPENDITURE : SALES	0.01	0.01	0.00
SUNDRY DEBTORS : SALES (NO. OF DAYS)	46	61	39

Artificial Limbs Manufacturing Corp. of India (ALIMCO)

1. *Company Profile*

ALIMCO was incorporated in the year 1972 under Section 25 of the Companies Act, 1956 with the main objective of benefiting the disabled persons to the maximum extent possible by manufacturing and supply of quality rehabilitation aids and appliances. ALIMCO is a Schedule-'C' CPSE in section 25 companies group 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.

2. *Industrial / Business Activities*

ALIMCO is one of the pioneering enterprises engaged in the manufacturing of artificial limbs, components and rehabilitation aids and appliances for disabled persons through its production unit at Kanpur in U.P. It also has three auxiliary production centers situated at Bhubaneshwar, Jabalpur and Bangalore. The company is in the process of establishing fourth auxiliary production centre at Chanalon, Punjab. The company also has three regional marketing centers one each at Delhi, Mumbai and Kolkata. The enterprise is driven by a workforce of 511 regular employees including 45 disabled personnel as on 31.3.2006.

3. *Production / Operational Profile*

Major Products	Unit	Production during			%increase/ decrease over previous year
		2005-06	2004-05	2003-04	
No.of Aids and Appliances Manufactured	Nos.	1778118	1336625	1264061	33.03
Orthotic Lower	Nos.	NA	341489	481485	-
Tricycles	Nos.	NA	66849	61412	-
Crutches	Nos.	NA	46915	86694	
Wheel Chairs	Nos.	NA	22388	25168	-
Hearing Aids	Nos.	NA	14900	39800	-

4. *Major Financial Highlights*

Particulars	Performance during (Rs. in crore)			%increase/ decrease over previous year
	2005-06	2004-05	2003-04	
Turnover	53.33	48.71	47.18	9.48
Cost of prod.	56.85	44.03	43.08	29.12
Net Profit/Loss(-)	4.87	3.41	8.09	42.82
Net Worth	1.51	-3.81	-7.21	-139.63
Paid up capital	1.97	1.96	1.97	0.51
Share of Central Govt./holding co.	1.97	1.96	1.97	0.51

5. *Key Performance Factors*

- Total number of products supplied and categories of services rendered by the Corporation is 352.
- Good industrial relations, modernization of plant and machinery and better capacity utilization have helped to improve Corporation's performance. Besides, growing awareness of persons with Disabilities and children with special needs has increased the market.
- ALIMCO is an ISO 9001 : 2000 company.
- During the year, 6 new products namely, Light Weight Foldable Stretcher, Electrical Hand, Myo-Electric Hand, Solar Battery Charger for Hearing Aid, Wheel Chair Tubular Folding, Size-II and Body Level Hearing Aid with Tele-Coil facility have been taken up for design and development.
- The company has 'Good' MOU rating during the year 2005-06
- Market share of major products was 50% in India.

6. *Strategic Issues*

- The corporation has exported its products to Bangladesh, Sri Lanka, Bhutan, Afghanistan, Combodia, UAE, Angola, Ghana, Uzbekistan, Tanzania, Nepal, Israel etc. The products supplied by ALIMCO have been well accepted and appreciated by the buyers in these countries. In the year 2005-06 the total value of export works out to Rs. 7.83 lakhs.

- During last three years there has been no upward revision in the product price inspite of 30% increase in raw material input cost.
- A recurring expenditure of Rs. 2.87 lakh was made on R&D during 2005-06 which is 0.05% of the total turnover.

7. Separation of employees

During 16 employees left the company out of which 14 retired on superannuation and 2 left on other ground.

India Trade Promotion Organisation (ITPO)

1. Company Profile

The Trade Fair Authority of India (TFAI) was incorporated under Section 25 of the Indian Companies Act, 1956 on 30th December, 1976 by amalgamating three organizations of the Government of India viz. India International Trade Fair Organization, Directorate of Exhibitions and Commercial Publicity and Indian Council of Trade Fairs and Exhibitions and commenced operations with effect from 1st March,1977. Consequent upon the decision of the Government of India, the Trade Development Authority (TDA), a registered society, under the administrative control of the Ministry of Commerce & Industry was merged with TFAI with effect from 1st January,1992. Subsequently, the name of the "Trade Fair Authority of India" was changed to "India Trade Promotion Organization" (ITPO) with effect from 16th April,1992.

ITPO, is a Schedule-B / CPSE in Section 25 Companies group under the administrative control of M/o Commerce and Industry, D/o Commerce with 100% shareholding by the Government of India. Its Registered and Corporate offices are at New Delhi.

2. Industrial / Business Activities

ITPO is engaged in providing services in the field of trade fairs in India and abroad to increase India's exports by providing trade information and facilitate commerce / trade. The company has four regional and five foreign offices. It has two subsidiaries namely Karnataka Trade Promotion Organization and Tamil Nadu Trade Promotion Organisation. The company has one financial Joint Venture namely National Center for Trade Information with an equity share of 50% with National Informatics Center. The enterprise is driven by a workforce of 1191 employees as on 31.3.2006.

3. Production / Operational Profile

Major Products	Unit	Service during			% increase/ decrease over previous year
		2005-06	2004-05	2003-04	
Events	No.	80	-	13	-

4. Major Financial Highlights

Particulars	Performance during (Rs. in crore)			% increase/ decrease over previous year
	2005-06	2004-05	2003-04	
Turnover	132.31	94.82	103.81	39.54
Cost of prod.	105.75	84.69	91.75	24.87
Net Profit/Loss(-)	65.19	55.22	40.03	18.06
Net Worth	426.27	361.36	293.45	17.96
Paid up capital	0.25	0.25	0.25	0
Share of Central Govt./holding co.	0.25	0.25	0.25	0

5. Key Performance Factors

- Organizing trade development and promotion through specialized programmes such as buyer-seller Meets and coordination of business delegations.
- During the year 2005-06, ITPO organized Participation in 59 overseas trade fairs and organized 21 fairs both national and international in India. Silver jubilee annual edition (25th) of India International Trade Fair' 2005) has the major event of the year. 85 events were organized in Pragati Maidan by Industry Association, etc.
- Company has 'Very Good' MOU rating during the year 2005-06.

6. Strategic Issues

- Duriong 2005-06, 21 persons left the company out of which 14 retired on superannuation and 7 left on other grounds.

Karnataka Trade Promotion Organisation (KTPO)

1. Company Profile

KTPO was incorporated on 6.12.2000 under the Companies Act, 1956 as a joint venture between India Trade Promotion Organization (ITPO) and Government of Karnataka with an objective to set up an exhibition complex at Bangalore, Karnataka. KTPO is an uncategorised CPSE in Section 25 Companies group under the administrative control of M/o Commerce and Industry, D/o Commerce, having its registered and corporate offices at Bangalore. KTPO is a subsidiary of India Trade Promotion Organisation (ITPO) which hold 52% of its equity.

2. Industrial / Business Activities

KTPO is one of the center-state joint venture enterprise engaged in providing services in the field trade promotion through organizing trade fairs and exhibitions as also to provide covered air-conditioned exhibition space on rental basis to exhibitors for organizing trade and industry related exhibitions/events. The enterprise has a workforce of 4 employees as on 31.3.2006.

3. Production / Operational Profile

Major Services	Unit	Service during			% increase/ decrease over previous year
		2005-06	2004-05	2003-04	
Renting of exhibition space	No.of days	24.5	6	-	308.33

4. Major Financial Highlights

Particulars	Performance during (Rs. in crore)			% increase/ decrease over previous year
	2005-06	2004-05	2003-04	
Turnover	1.73	0	0.00*	-
Cost of prod.	2.53	0.41	0.08	517.07
Net Profit/Loss(-)	-0.8	-0.16	-0.04	400
Net Worth	9.45	0.23	0.49	4008.7
Paid up capital	0.5	0.5	0.5	0
Share of Central Govt./holding co.	0.26	0.26	0.5	0

5. Key Performance Factors

Turnover of the company increased due to aggressive marketing efforts. However losses are also increasing. The total number of days on which exhibitions held is still low.

National Backward Classes Finance and Development Corp.

1. Company Profile

NBCFD was incorporated on 13.1.1992 under Section 25 of the Companies Act, 1956 with an objective to promote economic and developmental activities for the benefit of the members of backward classes living below double the poverty line. NBCFD is a Schedule-'C' CPSE in section 25 companies 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 New Delhi.

2. Industrial / Business Activities

NBCFD is engaged in providing services in the field of disbursement of concessional loan to members of backward classes living below double the poverty line under self employment generation schemes through state channelising agencies. The corporation is implementing term loan and micro finance schemes. It is operating through five regional offices at Kolkata, Mumbai, Chennai, Kanpur and Hyderabad. The enterprise is driven by a workforce of 51 employees as on 31.3. 2006.

3. Production / Operational Profile

Major Services	Unit	Value of Service during			% increase/ decrease over previous year
		2005-06	2004-05	2003-04	
Loans disbursement	Rs. in Cr.	97.63	93.42	131.09	4.51
Repayment & refunds received	Rs. in Cr.	75.77	68.82	61.65	10.10

4. Major Financial Highlights

Particulars	Performance during (Rs. in crore)			% increase/ decrease over previous year
	2005-06	2004-05	2003-04	
Turnover	21.74	20.17	25.87	7.78
Cost of prod.	9.92	8.32	7.74	19.23
Net Profit/Loss(-)	15.31	12.08	18.91	26.74
Net Worth	618.26	590.93	560.12	4.62
Paid up capital	435.35	406.63	402.4	7.06
Share of Central Govt./holding co.	435.35	406.63	402.4	7.06

5. Key Performance Factors

- The Corporation has improved its performance over last year due to optimum use of its resources and reduction in operating costs.
- Company has 'Excellent' MOU rating during the year 2005-06.

6. Strategic Issues

- The Corporation has proposed new programmes for XI th Five Year Plan including strengthening of state channelizing agencies, establishment of vocational training schools for target groups, providing innovation products, financial assistance to enhance traditional skills for artisans/handicraft persons, strengthening monitoring system etc. The corporation expects to disburse 50% of the total loan under micro finance scheme.
- The corporation received budgetary support of Rs. 12 crore during 2005-06 as equity.

National Handicapped Finance & Dev. Corp. (NHFDC)

1. Company Profile

NHFDC was incorporated on 24.1.1997 under the Companies Act, 1956 with the objective of economic empowerment of persons of disability. NHFDC is a Schedule-'C' CPSE in Section 25 Companies group under the administrative control of M/o Social Justice & Empowerment with 100% shareholding by the Government of India. Its registered and corporate offices are at Faridabad, Haryana.

2. Industrial / Business Activities

NHFDC is engaged in providing services in the field of financial assistance for self-employment of the disabled persons through State Channelising Agencies. The enterprise has a workforce of 19 employees as on 31.3.2006.

3. Operational Profile

The financial assistance is provided through the State Channelising Agencies (SCAs) nominated by the concerned State Governments and Union Territories.

4. Major Financial Highlights

Particulars	Performance during (Rs. in crore)			% increase/ decrease over previous year
	2005-06	2004-05	2003-04	
Turnover	1.67	1.4	1.22	19.29
Cost of prod.	0.95	0.88	0.84	7.95
Net Profit/Loss(-)	2.01	1.73	4.33	16.18
Net Worth	90.38	81.96	81.51	10.27
Paid up capital	68.3	62.3	62	9.63
Share of Central Govt./holding co.	68.3	62.3	62	9.63

5. Key Performance Factors

The company has not furnished detailed information.

National Informatics Centre Services Incorporated (NICSI)

1. *Company Profile*

NICSI was incorporated in the year 1995 with the objective of promoting economic, scientific, technological, social and cultural development of India by promoting, assisting and streamlining the creation, adaptation, absorption, growth, application, dissemination and utilization of information technology in Government departments and its organizations including finance, institutional, agriculture, trade, social, industrial etc. and to further development of services, technologies, infrastructure and expertise supplementing that developed by NIC.

2. *Industrial / Business Activities*

NRDC is engaged in providing products and services to organizations in the Central and State Government and PSUs by facilitating the procurement of hardware, software and IT project related services. The enterprise does not have its own manpower but is taken on deputation from NIC, DIT, GOI for a fixed term. As on 31.3.2006 the number of such employees was 40.

3. *Major Financial Highlights*

Particulars	Performance during (Rs. in crore)			% increase/ decrease over previous year
	2005-06	2004-05	2003-04	
Turnover	60.75	0	0.00	-
Cost of prod.	67.04	0	0.00	-
Net Profit/Loss(-)	24.08	0	0.00	-
Net Worth	106.87	0	0.00	-
Paid up capital	2	0	0.00	-
Share of Central Govt./holding co.	2	0	0.00	-

4. *Key Performance Factors*

- Total turnover/operating income of the company is from Government Departments/organizations.
- Earning Per Share was Rs. 1204 during 2005-06 as compared to Rs. 850 in the last year.
- The company has huge cash and bank balances amounting to Rs. 384.54 crore as on 31.3.2006 as compared to Rs. 213. 08 crore as on 31.3.2005. It is also having reserves of Rs. 104.87 crore and Rs. 80.79 crore respectively on these dates.
- NICSI has entered into an agreement with M/s CISCO Systems Inc. for "Connected Government-SWAN program" to support the development of successful SWAN based e-government initiatives at the village, district, state and national levels.

National Minorities Development & Finance Corp. (NMDFC)

1. *Company Profile*

NMDFC was incorporated on 30.9.1994 under the Companies Act, 1956 with an objective to promote economic and developmental activities for the benefit if backward sections amongst minorities as defined under National Minorities Commission Act, 1992. NMDFC is a Schedule-C CPSE in Section 25 Companies 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 New Delhi.

2. *Industrial / Business Activities*

NMDFC is a national level apex financing body providing services in the field of concessional finance to the eligible members of specified minorities living below double the poverty line for self employment ventures and technical and professional education, with preference to women and occupational groups through 33 operational State Channelising Agencies (SCA) in 26 states and two union territories and through a network of 144 NGOs, 50 SHGs etc. across the country. The enterprise has a workforce of 44 employees as on 31.3.2006.

3. Operational Profile

The major schemes implemented by NMDFC are term loan, Margin money, Micro Credit, interest free loan for promotion of self help groups, revolving fund scheme under micro financing, educational loan, vacational training, Grant for skill/ Design development / Marketing assistance scheme.

Major Products/ Services	Unit	Value of Service during			% increase/ decrease over previous year
		2005-06	2004-05	2003-04	
Disbursements of Loans	Rs.in Crore	108.12	139.37	86.62	-

4. Major Financial Highlights

Particulars	Performance during (Rs. in crore)			% increase/ decrease over previous year
	2005-06	2004-05	2003-04	
Turnover	17.10	13.75	11.42	24.36
Cost of prod.	7.61	6.42	3.41	18.54
Net Profit/Loss(-)	11.22	9.45	9.38	18.73
Net Worth	529.51	481.24	390.15	10.03
Paid up capital	422.31	399.75	299.80	5.64
Share of Central Govt./holding co.	344.57	329.71	241.26	4.11

5. Key Performance Factors

- Term Loan through SCAs is the main activity under which the company has been able to finance above Rs. 800 crores and the number of beneficiaries were about 2 lakhs as on 31.3.2006. The company has also assisted about 100000 beneficiaries through NGOs by disbursing about Rs. 32 crores on this date.
- The repayment under the SCA programme ranges from 85% to 90% whereas under the NGO programme it is in the range of 90% to 92%.
- The company in general operates within the framework of guidelines provided by the Government of India.
- Company has 'Very Good' MOU rating during the year 2005-06.

6. Strategic Issues

Since NMDFC is a community welfare organization it receives funds from the Government of India and the State Government for promoting economic and developmental activities amongst the minorities. The company received Rs. 37.07 crore during 2005-06 as compared to Rs. 81.63 crore in the previous year.

National Research Development Corp. (NRDC)

1. Company Profile

NRDC was incorporated on 31.12.1953 under Section 25 of the Companies Act, 1956 with an objective to promote, develop and commercialize new technologies. NRDC is a Schedule-‘C’ CPSE in Section 25 companies sector under the administrative control of M/o Science and Technology, D/o Scientific and Industrial Research with 100% shareholding by the Government. Its Registered and Corporate offices are at New Delhi and only Regional office at Bangalore.

2. Industrial / Business Activities

NRDC is engaged in providing technical, commercial and financial measures needed for closing gaps in the “innovation chain” through which an idea, invention or process is converted into a product in the market such as licensing indigenous technology, Intellectual property right (IPR) consultancy, etc. The enterprise is driven by a workforce of 99 employees as on 31.3.2006.

3. Production / Operational Profile

Major Products	Unit	Value of Service during			% increase/ decrease over previous year
		2005-06	2004-05	2003-04	
Royalty from Licensing	Rs. in Cr.	2.44	2.33	2.24	56.42%
License Agreement	No.	39	48	25	-

4. Major Financial Highlights

Particulars	Performance during (Rs. in crore)			% increase/ decrease over previous year
	2005-06	2004-05	2003-04	
Turnover	3.93	3.4	3.57	15.59
Cost of prod.	4.75	4.01	4.21	18.45
Net Profit/Loss(-)	0.13	0.07	0.12	85.71
Net Worth	9.41	9.16	8.97	2.73
Paid up capital	4.42	4.42	4.42	0
Share of Central Govt./holding co.	4.42	4.42	4.42	0

5. Key Performance Factors

- During the year the turnover and profitability has increased.
- During the year 30 new processes were assigned to the corporation for commercialization from various R&D laboratories and universities during 2005-06 as compared to 42 in 2004-05.
- NRDC could evince interest in its technologies in several African nations and efforts are on to establish several Demonstration Centres of Small and Micro Machineries in these countries.
- The company has 'Very Good' MOU rating for the year 2005-06.

6. Strategic Issues

- The corporation has been identified as the agency to manage all matters connected with the intellectual property rights generated under the D/o Scientific & Industrial Research (DSIR) technology development projects. Based on the study conducted by a management consultant Strategies have been laid down for enlarging the existing business and diversifying into the related businesses like Project Consultancy and Technology Business Incubation.

National Safai Karamcharis Finance & Development Corp. (NSKFDC)

1. Company Profile

NSKFDC was incorporated on 24.1.1997 under Section 25 of the Companies Act, 1956 with the primary objective of socio economic development of Safai Karamcharis/ Scavengers beneficiaries including their dependents through State Channelising Agencies. NSKFDC is a Schedule-'C' CPSE in Section 25 Companies 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 New Delhi.

2. Industrial / Business Activities

NSKFDC provides concessional financial assistance to income generating and viable projects to the Safai Karamcharis/ Scavengers and their dependents through 26 State Channelising Agencies nominated by State Governments / UTs. It is operating through term loan scheme, micro credit finance, educational loan etc.The enterprise is driven by a workforce of 21 employees as on 31.3.2006.

3. Production / Operational Profile

Major Products	Unit	Value of Service during			% increase/ decrease over previous year
		2005-06	2004-05	2003-04	
Total loan sanctioned	Rs. in Cr.	65.69	92.31	NA	-28.84
Disbursements of Loans	Rs. in Cr.	51.61	43.77	33.96	17.92
Beneficiaries covered	No.	35628	9539	6870	273.50

4. Major Financial Highlights

Particulars	Performance during (Rs. in crore)			% increase/ decrease over previous year
	2005-06	2004-05	2003-04	
Turnover	5.45	4.75	4.41	14.74
Cost of prod.	3.05	0.62	0.69	391.94
Net Profit/Loss(-)	2.36	4.11	4.35	-42.58
Net Worth	175.23	150.28	126.18	16.6
Paid up capital	143.34	111.76	101.76	28.26
Share of Central Govt./holding co.	143.34	111.76	101.76	28.26

5. Key Performance Factors

- Funds are provided generally by way of equity through budgetary support every year. It is necessary that there should be efficient system of appraisal of income generating viable projects and timely recovery of loans to have maximum coverage of Safai Karamcharis.
- During the year 2005-06 the Corporation exceeded the recovery target of Rs.15.50 crore by Rs.6.82 crore. The cumulative recovery percentage for term loan was 76%.
- The company has first time entered into MOU with the Government during 2005-06.

6. Strategic Issues

- The company made a plan for disbursement of loan of Rs.52 crore to cover 18162 beneficiaries for the year 2005-06.
- Awareness camps are organized in the basties/localities of the target group to dissuade them from continuing their traditional occupation and for taking alternative and dignified work.

National Scheduled Castes Finance& Development Corp. (NSCFDC)

1. Company Profile

NSCFDC was incorporated on 8.2.1989 under section 25 of the Companies Act, 1956 as National SC and ST Finance and Development Corporation, which was later bifurcated into two corporations one for SCs and another for STs w.e.f. 10.4.2001. The main objective is to exclusively work for the economic development activities of the people belonging to SC categories living below double the poverty line. NSCFDC is a Schedule-'C' CPSE in Section 25 Companies sector under the administrative control of M/o Social Justice and Empowerment with 100% shareholding by the Government. Its Registered and Corporate offices are at New Delhi.

2. Industrial / Business Activities

NSCFDC is engaged in providing concessional financial assistance to the people belonging to SC categories by financing income-generating schemes, micro credit, grants for skill development programes,etc through 37 State/UT Channelising Agencies. Beneficiaries are required to pay 4-8% p.a. interest depending upon the scheme and extent of loan. The company has seven zonal offices at Bangalore, Mumbai, Chandigarh, Patna, Kolkata, Lucknow and Guwahati.The enterprise is driven by a workforce of 86 employees as on 31.3.2006.

3. Production / Operational Profile

There were 1817schemes having outstanding loan balances of Rs. 495.95 crore as on 31.3.2006 pertainining to SC beneficiaries after transferring all assets and liabilities to the National Scheduled Tribes Finance and Development Corporation w,e.f. 10.4.2001.

4. Major Financial Highlights

Particulars	Performance during (Rs. in crore)			% increase/ decrease over previous year
	2005-06	2004-05	2003-04	
Turnover	15.99	14.74	15.8	8.48
Cost of prod.	12.65	7.05	6.1	79.43
Net Profit/Loss(-)	7.71	10.15	11.45	-24.04
Net Worth	508.12	483.82	452.57	5.02
Paid up capital	351.8	324.2	314.1	8.51
Share of Central Govt./holding co.	351.8	324.2	314.1	8.51

5. Key Performance Factors

- The financial assistance is provided through the State Channelising Agencies (SCAs) nominated by the concerned State Governments and Union Territories.
- During the year the corporation disbursed funds worth Rs.147.96 crore covering 75 types of income generating schemes including primary, secondary and tertiary sectors.

- During 2005-06, NSCFDC recovered Rs. 113.16 crore towards principal and interest from state channelising agencies, besides receiving a refund of Rs. 0.57 crore and recalling - as per the Lending Policy mandate Rs. 18.37 crore from them. The cumulative recovery of the corporation from the SCAs as on 31.3.2006 was 88.40%. The corporation declared national allocations for sanction of Rs. 188.24 crore to its channelising agencies.
- The company has 'Very Good' MOU rating during the year 2005-06.

6. VRS/outstanding dues

- During 2005-06 only one employee left the company on grounds other than VRS/ superannuation.
- As on 31.3.2006 an amount of Rs. 0.53 crore was outstanding out of which Rs. 0.03 crore was on account of salary and wages, Rs. 0.05 crore statutory dues and Rs. 0.45 crore on other grounds.

National Scheduled Tribes Finance & Development Corp. (NSTFDC)

1. Company Profile

NSTFDC was incorporated on 10.4.2001 by bifurcating erstwhile National Scheduled Castes and Scheduled Tribes Finance and Development Corporation under the Companies Act, 1956 with an objective to work for the economic development of Scheduled Tribes. The company has been granted license under Section 25 (a company not for profit) of the Companies Act, 1956. NSTFDC is a Schedule-'C' CPSE in Section 25 companies sector under the administrative control of M/o Tribal Affairs with 100% shareholding by the Government. Its registered and corporate offices are at New Delhi.

2. Industrial / Business Activities

NSTFDC is engaged in providing concessional financial assistance for viable income generating schemes / projects costing Rs. 10 lakhs per unit and upto Rs. 25 lakh per Self Help Groups (SHGs) through the central/State channelising agencies (SCAs) nominated by respective Ministries/State / UT Governments for the economic development of eligible Scheduled Tribes having annual family income up to double the poverty line income limit. It also undertakes procurement and marketing activities of agricultural/minor forest produces and related activities in the tribal areas and provide grants through SCAs for undertaking training programmes for skill and entrepreneurial development etc. The enterprise is driven by a workforce of 56 employees as on 31.3.2006.

3. Operational Profile

Major Services	Unit	Value of Service as on			% increase/ decrease over previous years
		2005-06	2004-05	2003-04	
Disbursements:					
(a) Term Loans	Rs.in crore	309.87	271.53	NA	14.12
(b) Micro Finance Credit	Rs.in crore	3.54	3.54	NA	-
(c) Adivasi Mahila Shashaktikaran Yojna	Rs.in crore	24.74	19.33	NA	27.99
(d) Working Capital Assistance	Rs.in crore	26.50	18.00	NA	47.22
Total	Rs.in crore	364.65	312.40	NA	16.73
Refund/ Repayment	Rs.in crore	148.59	117.80	NA	26.14

4. Major Financial Highlights

Particulars	Performance during *(Rs. in crore)*			% increase/ decrease over previous year
	2005-06	2004-05	2003-04	
Turnover	15.12	12.69	8.37	19.15
Cost of prod.	6.17	3.75	2.68	64.53
Net Profit/Loss(-)	8.83	8.16	10.11	8.21
Net Worth	325.84	317.01	288.84	2.79
Paid up capital	230.5	210.5	60	9.5
Share of Central Govt./holding co.	230.5	210.5	60	9.5

5. Key Performance Factors

- Funds are provided generally by way of equity every year through budgetary support.
- The increase in excess of income over expenditure (net profit) is due to higher sanction/release of funds for economic development of STs.
- Earning Per Share was Rs. 38.44 during 2005-06 as compared to Rs. 38.76 in the previous year.

6. Strategic issues

- Innovative schemes based on cluster based approach is being encouraged.
- During 2005-06 financial assistance for Self Help Groups (SHGs) has been introduced.

Tamil Nadu Trade Promotion Organisation (TNTPO)

1. *Company Profile*

TNTPO was incorporated on 17.11.2000 as a Joint venture between India Trade Promotion Organisation (ITPO) and Tamilnadu Government through Tamilnadu Industrial Development Corp. (TIDCO) under Section 25 of the Indian Companies Act, 1956 with an objective to promote, organise and participate in industrial trade and other fairs and exhibitions in India and abroad and to take all measures for promotion of Indian Industry trade and enhance its global competitiveness. TNTPO is an uncategorised CPSE in Section 25 Companies sector under the administrative control of M/o Commerce and Industry, D/o Commerce having its registered and corporate office at Chennai, Tami Nadu. The 49% shares are with TIDCO and 51% holding is with ITPO.

2. Industrial / Business Activities

TNTPO is one of the subsidiary Joint Venture enterprise providing services in the field of promoting trade and industry by letting out exhibition halls and convention center to organise industrial Exhibitions, Trade fairs etc. and to invite wider participation in export promotion activities like buyer sellers meet, contract promotion programme etc. The enterprise is driven by a workforce of 20 employees as on 31.3.2006.

3. Operational Profile

Major Products	Unit	Value of Service during			%increase/ decrease over previous year
		2005-06	2004-05	2003-04	
No. of Exhibitions	No.	118	70	33	-

4. Major Financial Highlights

Particulars	Performance during (Rs. in crore)			%increase/ decrease over previous year
	2005-06	2004-05	2003-04	
Turnover	8.52	7.42	5.83	14.82
Cost of prod.	5.7	4.36	3.1	30.73
Net Profit/Loss(-)	1.74	3.48	4.65	-50
Net Worth	18.42	17.33	11.91	6.29
Paid up capital	0.01	0.01	0.01	0
Share of Central Govt./holding co.	0.01	0.01	0.01	0

5. Key Performance Factors

- Chennai Convention Center equipped with modern facilities was inaugurated on 1.11.2004. Booking of events in the convention center is very encouraging.