ANNUAL REPORT

2019 2020

HEAVY ENGINEERING ✦ MACHINE TOOLS ✦ HEAVY ELECTRICALS ✦ AUTOMOBILES ✦ PUBLIC SECTOR ENTERPRISES

सत्यमेव जयते

Government of India

Ministry of Heavy Industries and Public Enterprises

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Annual Report
2019-20

Ministry of Heavy Industries and Public Enterprises

Government of India

Udyog Bhawan, New Delhi-110 011

Website : dhi.nic.in / dpe.gov.in

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Overview of the Ministry of Heavy Industries and Public Enterprises

1.1 The Ministry of Heavy Industries and Public Enterprises, comprising Department of Heavy Industry and the Department of Public Enterprises, functions under the charge of Cabinet Minister (Heavy Industries and Public Enterprises). There is a Minister of State for Heavy Industries and Public Enterprises. The Ministry promotes the development and growth of three sectors i.e. Capital Goods, Auto and Heavy Electrical Equipments in the country; administers 29 Central Public Sector Enterprises (CPSEs); 5 Autonomous Organizations and frames policy guidelines for Central Public Sector Enterprises (CPSEs) and overall administration of CPSEs.

A. Department of Heavy Industry (DHI)

1.2 The allocation of work of the Department of Heavy Industry entails promoting engineering industry viz. machine tools, heavy electrical, industrial machinery and auto industry and administration of 29 CPSEs and 5 autonomous organizations. The list of CPSEs and their current status is given in the **Annexure-1(A).** The CPSEs under the Department are engaged in manufacture, consultancy and contracting services. The CPSEs under the Department manufacture a wide range of products viz; Boilers, Gas/Steam/Hydro turbines, Industrial machinery, turbo generators, three wheelers and consumer products such as Paper and Salt. The Ministry also looks after the Machine building Industry and caters to the requirements of equipment for basic industry such as Steel, Mining, Non-Ferrous Metals, Power, Fertilizers, Refineries, Petrochemicals, Shipping, Paper, Cement, Sugar, etc. The Department supports the development of a range of Intermediate Engineering Industry such as castings, forgings, diesel engines, industrial gears and gear boxes. The Department also provides over sight to the following autonomous organisations:

i. Automotive Research Association of India (ARAI), set up in 1966, and ARAI Forging Industry Division, (ARAI-FID) Pune, Maharashtra, set up in 2006.

ii. Fluid Control Research Institute (FCRI), Palakkad, Kerala set up in July 1987, to cater to the needs of the flow industry for calibration.

iii NATRIP Implementation Society (NATIS), set up in July 2005, for guiding the implementation of the National Automotive Testing and R & D Infrastructure Project (NATRIP).

iv National Automotive Board (NAB) set up in 2012 to steer, coordinate and synergize all efforts of the government in the automotive sector.

v Central Manufacturing Technology Institute (CMTI), an R&D organization focusing on the manufacturing technology sector and assisting technological growth in the country.

Allocation of Business for the Department of Heavy Industry is given at **Annexure-I.**

1.3 The Department maintains a constant dialogue with various Industry Associations in the Capital goods, Auto and Heavy Electrical Equipment Sector and encourages initiatives for the growth of industry. The Department also assists the industries in achieving their growth plans through support for policy, other interventions such as restructuring of tariff, technological collaboration and research & development activities etc.

1.4 The Department of Heavy Industry is headed by a Secretary to the Government of India who is assisted by a team of officers and staff with an overall Sanctioned Strength of 233 as on 1.12.2019 (excluding Minister's Staff). The Department is also supported by Integrated Finance Wing headed by the Additional Secretary and Financial Adviser. The organogram chart of the Department is at **Annexure–III.**

B Department of Public Enterprises (DPE)

1.5 In their 52nd Report, the Estimates Committee of 3rd LokSabha (1962-67) stressed the need for setting up a centralized coordinating unit, which could also make continuous appraisal of the performance of public enterprises. This led to the setting up of the Bureau of Public Enterprises (BPE) in 1965 in the Ministry of Finance. Subsequently, as a result of the reorganization of the Ministries/ Departments of the Union Government in September, 1985, BPE was made part of the Ministry of Industry. In May, 1990, BPE was made a full-fledged Department known as the Department of Public Enterprises (DPE). Presently, it is part of the Ministry of Heavy Industries & Public Enterprises.

1.6 The Department of Public Enterprises is the nodal department for all the Central Public Sector Enterprises (CPSEs) and formulates policy pertaining to CPSEs. It lays down, in particular, policy guidelines on performance improvement and evaluation, autonomy and financial delegation and personnel management in CPSEs. It furthermore collects and maintains information in the form of a Public Enterprises Survey on several areas in respect of CPSEs.

1.7 In fulfilling its role, the Department coordinates with other Ministries, CPSEs and concerned organisations. As per the Allocation of Business Rules of the Government, the following subjects have been allocated to the DPE:

- Residual work relating to erstwhile Bureau of Public Enterprises including Industrial Management Pool.

- Coordination of matters of general policy affecting all Public Sector Enterprises.
- Evaluation and monitoring the performance of Public Sector Enterprises, including the Memorandum of Understanding mechanism.
- Matters relating to Permanent Machinery of Arbitration for the Public Sector Enterprises.
- Counselling, training and rehabilitation of employees in Central Public Sector Undertakings under Voluntary Retirement Scheme.
- Review of capital projects and expenditure in Central Public Sector Enterprises.
- Measures aimed at improving performance of Central Public Sector Enterprises and other capacity building initiatives of Public Sector Enterprises.
- Rendering advice relating to revival, restructuring or closure of Public Sector Enterprises including the mechanisms therefor.
- Matters relating to Standing Conference of Public Enterprises.
- Matters relating to International Center for Public Enterprises.
- Categorisation of Central Public Sector Enterprises including conferring 'Ratna' status.
- Survey of Public Enterprises.

1.8 Department of Public Enterprises is headed by Secretary to the Government of India who is assisted by an establishment with an overall sanctioned strength of 118 officers/ personnel. The organizational structure of DPE is at **Annexure-I.**

Department of Heavy Industry (DHI)

Vision

To have a globally competitive, green & technology-driven heavy industry manufacturing sector, including automotive and capital goods sectors, which propels growth and job creation.

Mission

To facilitate Auto, Heavy Electrical & Capital Goods Sectors to be globally competitive, growth oriented and profitable and to provide all necessary support to CPSEs to improve their overall performance.

Introduction

Chapter 1

1.1 Performance of Industry

1.1.1 The Government is continuously taking steps to boost industrial growth including infrastructure sector which, inter-alia, includes putting in place a policy framework to create conducive business environment, strengthening infrastructure network and ensuring availability of required inputs. Foreign Direct Investment (FDI) policy and procedures have been simplified and liberalised progressively. The Government has also taken up a series of measures to improve Ease- of -Doing Business.

1.1.2 As per National Accounts statistics, the Gross Value Added (GVA) in the industrial sector has recorded growth of 6.9% during 2018-19 compared to growth of 5.9% during 2017-18. Within Industry GVA, the GVA in the manufacturing sector has recorded growth of 6.9% during 2018-19 compared to growth of 5.9% in 2017-18 **(Table-1)**. During the first two quarters of 2019-20, GVA in manufacturing has registered growth rate of 0.6 % and (-) 1.0 % respectively.

Table 1: Growth Rate (in %) of GVA at basic price (at constant prices 2011-12)

Industry	2012-13	2013-14	2014-15	2015-16*	2016-17 (2nd RE)	2017-18 (1st RE)	2018-19 (PE)	2019-20	
								Q1	Q2
I. Agriculture	1.5	5.6	-0.2	0.6	6.3	5.0	2.9	2.0	2.1
II. Industry	3.3	3.8	7.0	9.6	7.7	5.9	6.9	2.7	0.5
Mining & quarrying	0.6	0.2	9.7	10.1	9.5	5.1	1.3	2.7	0.1
Manufacturing	5.5	5.0	7.9	13.1	7.9	5.9	6.9	0.6	-1.0
Electricity, gas & water supply	2.7	4.2	7.2	4.7	10.0	8.6	7.0	8.6	3.6
Construction	0.3	2.7	4.3	3.6	6.1	5.6	8.7	5.7	3.3
III. Services	8.3	7.7	9.8	9.4	8.4	8.1	7.5	6.9	6.8
Trade, hotels, transport, communication & services related to broadcasting	9.8	6.5	9.4	10.2	7.7	7.8	6.9	7.1	4.8

Industry	2012-13	2013-14	2014-15	2015-16*	2016-17 (2nd RE)	2017-18 (1st RE)	2018-19 (PE)	2019-20	
								Q1	Q2
Financial Services, real estate & professional services	9.7	11.2	11.0	10.7	8.7	6.2	7.4	5.9	5.8
Public administration, defence and other services	4.3	3.8	8.3	6.1	9.2	11.9	8.6	8.5	11.6
GVA at basic price	5.4	6.1	7.2	8.0	7.9	6.9	6.6	4.9	4.3

**:Third Revised Estimates, RE: Revised Estimates, PE: Provisional Estimates*

Source: National Statistical Office, MoSPI

1.1.3 Industrial performance measured in terms of Index of Industrial Production (IIP), with base year 2011-12, registered growth of 0.5% in the first seven months of the current year i.e April-October, 2019-20. During this period, the Manufacturing sector grew by 0.5%. Mining and electricity sectors recorded growth of (-) 0.4 % and 1.6 % respectively.

1.1.4 As per the use-based classification of IIP, during April-October, 2019-20, Intermediate goods sector registered positive growth of 11.3 per cent. The growth of Primary goods and Consumer non-durables have been positive during April-October, 2019-20. During April-October, 2019-20, the Capital goods, Infrastructure/ construction goods and consumer durables have exhibited negative growth **(Table-2)**.

Table 2: Growth Rate of Industrial Production (Base: 2011-12) (in per cent)

Sector/Groups	Weight	2017-18	2018-19	2018-19 (Apr-Oct)	2019-20 (Apr-Oct)
Sectoral classification					
Mining	14.37	2.3	2.9	3.9	-0.4
Manufacturing	77.63	4.6	3.9	5.8	0.5
Electricity	7.99	5.4	5.2	6.8	1.6
Overall	100.00	4.4	3.8	5.7	0.5
Use Based classification					
Primary goods	34.05	3.7	3.5	5.1	0.2
Capital goods	8.22	4.0	2.7	8.9	-12.0
Intermediate goods	17.22	2.3	0.9	1.5	11.3
Infrastructure/ construction goods	12.34	5.6	7.3	8.7	-2.4
Consumer durables	12.84	0.8	5.5	9.4	-7.0
Consumer non-durables	15.33	10.6	4.0	4.6	4.3
IIP	100.00	4.4	3.8	5.7	0.5

Source: National Statistical Office, MoSPI

1. 2 The Department of Heavy Industry has been allocated the following subjects/ Industrial Sectors:

a) Heavy Engineering Equipment and Machine Tools Industry

b) Heavy Electrical Engineering Industry

c) Automotive Sector, including Tractors and Earth Moving Equipment.

1.3 19 Sub-sectors under the 3 broad sectors are as under:-

(i) Boilers

(ii) Cement Machinery

(iii) Dairy Machinery

(iv) Electrical Furnace

(v) Freight Containers

(vi) Material Handling Equipment

(vii) Metallurgical Machinery

(viii) Mining Machinery

(ix) Machine Tools

(x) Oil Field Equipment

(xi) Printing Machinery

(xii) Pulp and Paper Machinery

(xiii) Rubber Machinery

(xiv) Switchgear and Control Gear

(xv) Shunting Locomotive

(xvi) Sugar Machinery

(xvii) Turbines & Generator Set

(xviii) Transformers

(xix) Textile Machinery

1.4 CPSEs under the Department of Heavy Industry:

1.4.1 There are 29 Central Public Sector Enterprises (CPSEs) under the administrative control of the Department of Heavy Industry (DHI), out of which 10 CPSEs are profit making and 12 CPSEs are loss making during 2018-19. Remaining 7 CPSEs (and one Division of a CPSE) are under closure. Besides these, there are 14 CPSEs under liquidation outside the purview of the Official Liquidator (OL). The list of all the CPSEs under administrative control of DHI is annexed at **Annexure-II**.

1.4.2 The total investment (Gross Block) in the 22 operating CPSEs out of 29 under the administrative oversight of the Department was ₹9088.24 crore as on 31.3.2019. Details given at **Annexure-IV**. The total number of employees in the roll of these CPSEs is 58532. The number of SC, ST, OBC & PWDs employees are 10925, 7327, 20319 & 1019 respectively.(**Annexure-V).**

1.4.3 Out of the 22 operating CPSEs, 10 are making profit and the remaining 12 are incurring losses. Details of actual and target production and profit is given below:

Table No- 3

(₹in crore)

	2018-19 (Actual)	2019-20 (Anticipated)	2020-21 (Tentative Target)
Production	**36168.52**	**34425.80**	**36198.21**
Profit (+)/ Loss(-)	**1344.91**	**70.51**	**479.26**

(CPSE-wise details of production, profit/loss are in ***Annexure-VI & VII*** *respectively).*

1.4.4 The loss making enterprises suffer from a number of factors including poor order book, shortage of working capital, surplus manpower, obsolete plant and machinery, difficulty in adjusting to changing market conditions, products profile/ technology and fierce competition etc. Several of these loss making CPSEs have problems of large work force and huge overheads, far above the industry norms. In this context, salary/wage bill and social overheads as percentage of turnover are given in **Annexure-VIII.**

1.4.5 The order book of CPSEs under the Department, as on 1.10.2019, stands at ₹115541.99 crore (**Annexure-IX**). Only CPSE doing some exports is BHEL. Details of export performance of CPSEs under DHI are given in **Annexure-X.** Details of Government equity, net worth and accumulated profit/loss of these CPSEs are given in **Annexure-XI**. The following 5 CPSEs paid dividend to the Government for the year 2018-19:

Table No--4

Name of the CPSE	₹ in Crore
BHEL	696.00
Bridge & Roof	10.00
BBJ	10.88
REIL	2.48
HMT(I)	0.144

1.5 Steps taken by DHI for revival/ restructuring/Disinvestment/closureof CPSEs:

1.5.1 DHI has been undertaking regular appraisal of each loss making CPSE to assess the prospects of revival. As a part of this exercise, the loss making CPSEs having the potential of turnaround are considered for revival/ restructuring. Those found chronically sick are disinvested or closed down after payment of compensation to employees. Steps taken by DHI so far in this regard are as follows:

1.5.2 The Government approved on 22.12.2015 closure of Tungabhadra Steel Products Ltd., Hospet, Karnataka by offering an attractive VRS/VSS for their employees and disposal of movable & immovable assets and liquidation of outstanding liabilities. All its employees have availed VRS and were relieved. Most of the activities for striking off of the name of the company from the register of companies are completed and the ministry of Corporate Affairs was requested in December, 2019 to initiate action under s.248(1) of the Companies Act as approved by the Union Cabinet.

1.5.3 The Government, on 6th January, 2016, approved closure of HMT Watches Ltd., HMT Chinar Watches Ltd., and HMT Bearing Ltd. by offering attractive VRS/VSS package to their employees and disposal of their movable and immovable properties as per the Govt. Policy. Accordingly, the action for closure of these companies is in progress.

1.5.4 The Government, on 27th October, 2016, approved closure of Tractor Unit of HMT Ltd. at Pinjore by offering attractive VRS/ VSS package to their employees.

1.5.5 The Government, on 28.09.2016, approved closure of Hindustan Cables Ltd. by offering attractive VRS/VSS package to their employees and disposal of their movable and immovable properties as per the Government Policy. Accordingly, the action for closure of the company is in progress.

1.5.6 The Government, on 30.11.2016, approved closure of Kota Unit of Instrumentation Ltd. and the transfer of Palakkad Unit of Instrumentation Ltd. to Government of Kerala. In this connection, the Government has approved attractive VRS/VSS package at 2007 notional pay scale to employees of Kota Unit of Instrumentation Ltd. (Full details at 2.16, page 19)

1.5.7 The Government, on 21st September, 2016 has approved the financial restructuring of Richardson & Cruddas (1972) Limited, by way of conversion into equity of the Government of India loan of ₹101.78 crore given to the company, along with the waiver of interest accrued thereon, amounting to ₹424.81 crore. Government also approved constitution of an IMG for undertaking the task of putting to the best/optimal use of Mumbai land of R&C. The IMG meetings are regularly held (last IMG held on 27.12.2019), so that a final decision in this regard could be taken.

1.5.8 The Government, on 27th October, 2016, approved the following:

- 100% disinvestment of Bridge & Roof Co. Ltd., Scooters India Ltd. and Bharat Pumps & Compressors Ltd.
- Disinvestment of 100% shareholding of the concerned CPSE in Hindustan Newsprints Ltd. to strategic buyer through two stage auction process.
- Units of Cement Corporation of India to be disinvested where it is legally permissible to strategic buyer through two stage auction process.
- Merger of Engineering Projects (India) Ltd. with similarly placed CPSEs.

Necessary action(s) for implementation of this decision is underway in the Department.

1.6 Autonomy to CPSEs/Navratnas and Miniratnas

Maharatna CPSEs compared to others are given greater autonomy for flexibility in respect of capital expenditure, formation of strategic alliance, formulation of HR policies etc. BHEL is a Maharatna CPSE . Seven other CPSEs under DHI namely, BPCL, B&R, EPI, HMT (I), HNL, HPC, and REIL are categorized as Miniratnas. Miniratna CPSEs have also been empowered and given more delegated powers for better operational functioning.

1.7 Memorandum of Understanding (MOU)

Greater autonomy is being given to the public sector enterprises but mechanism are put in place to make them accountable for achieving their objectives. All the CPSEs under the Department have been signing MOUs.

1.8 National Automotive Testing and R&D Infrastructure Project (NATRIP)

National Automotive Testing and R&D Infrastructure Project (NATRIP) is fully Government of India funded project for setting up of state of the art automotive testing, homologation and R&D

infrastructure facilities in India. The project aims at putting in place automotive testing infrastructure that will meet safety and emission regulation standard and also extend India□s automotive R&D capabilities with the following objectives:

a) Creating critically needed automotive testing infrastructure to enable the Government to usher in global vehicular safety, emission and performance standards;

b) Deepening manufacturing in India, promoting larger value addition leading to significantly enhancing the employment potential/opportunities and facilitating convergence of India□s strengths in IT and electronics with state-of-art automotive engineering;

c) Enhancing India□s low global outreach in this sector by de-bottlenecking exports; and

d) Removing the absence of basic product testing, validation and development infrastructure for automotive industry.

1.8.1 Scheme for North Eastern Region (NPPC, CCI &AYCL)

Under the Department of Heavy Industry, the following CPSEs/Units are situated in the North Eastern Region:-

(i) Hindustan Paper Corporation Ltd. (HPC) (Nagaon & Cachar Paper Mills), Assam. It is under National Company Law Tribunal.

(ii) Nagaland Pulp & Paper Company Ltd. (NPPC), Nagaland. This company is not operational.

(iii) Cement Corporation of India Ltd. (CCI), (Bokajan Unit), Assam.

(iv) Andrew Yule & Company Ltd. (AYCL), (Tea Gardens), Assam.

While HPC and NPPC were set up for manufacture of paper, CCI and AYCL are in the manufacture of Cement and Tea.

1.9 Audit observations of Comptroller & Auditor General of India (CAG)

As per the requirement stipulated by the CAG, a summary of important audit observations of CAG of India on the working of the Department of Heavy Industry is given in **Annexure-XII.** Details of Budget Estimates are given at **Annexure-XIV.**

2.0 Details of BE, RE and Actual Expenditure for 3 years of the Department is at Annexure-XIV.

2.1 General Purpose Financial Reports of CPSEs-Union Government (Commercial) No. 18 of 2019. Details are at Annexure XV.

CPSEs under DHI

2
Chapter

This Department administers 29 Central Public Sector Enterprises (CPSEs). These CPSEs have played a vital role in the industrial development of the country. Ranging from heavy electrical engineering equipment, the CPSEs, cater to diverse sectors of the economy including civil construction, heavy machinery, precision tools, consultancy, tea plantation etc. A brief write up on the CPSEs under the Department is given below:

2.1 Andrew Yule & Co Ltd. (AYCL)

Andrew Yule & Co. Ltd. (AYCL) has achieved production worth ₹199.46 crore against the MoU Target of ₹233.05 crore, Sales worth ₹169.78 crore against the Target of ₹198.54 crore and Net Profit (PBT) of ₹2.48 crore against the MoU target of ₹45.01 crore up to September, 2019. AYCL has achieved 85.59% of the Production Target and 85.52% of Sales Target up to the month of September, 2019. The order book position is ₹53.78 crore up to the month of September, 2019 against the target of ₹88.10 crore.

2.2 Hooghly Printing Company Ltd.

Hooghly Printing Company Ltd. (HPCL) is a wholly-owned Subsidiary of Andrew Yule & Co. Ltd (A Government of India Enterprise). The Committee of Secretaries (CoS) has recommended for the merger of HPCL with its holding company AYCL. Its operations have been closed. The process of merger is underway.

2.3 Bharat Heavy Electricals Ltd. (BHEL)

BHEL, a leading power equipment manufacturer globally, provides a comprehensive portfolio of products, systems and services to customers in power, transmission, transportation, renewables, water, defence & aerospace, oil & gas, industry, Energy storage system, E-mobility, rail track electrification.

Hon'ble Prime Minister, Sh. Narendra Modi being briefed about Panki TPS by the then CMD, BHEL in the presence of Shri Yogi Adityanath, Hon'ble Chief Minister of Uttar Pradesh

BHEL has a widespread network of 16 manufacturing facilities, 2 repair units, 4 regional offices, 8 service centres, 1 subsidiary, 3 active joint ventures, 15 regional marketing centres, 3 overseas offices and current project execution at more than 150 project sites across India and abroad.

The worldwide installed base of power generating equipment supplied by BHEL exceeds 185 GW - making it the undisputed leader amongst Indian power plant equipment manufacturers.

Contribution to the economy

POWER SECTOR

BHEL is one of the few companies in the world having the capability to manufacture the entire range of power plant equipment, with proven capabilities for executing thermal, gas, hydro and nuclear power projects. Offerings include:

- Boilers, steam turbines, generators and auxiliary equipment for fossil-fuel applications upto 1000 MW unit size.
- Emission control equipment including Flue Gas Desulphurisation systems, high efficiency Electrostatic Precipitators and Selective Catalytic Reduction systems.
- Gas turbines and generators up to 299 MW (ISO) unit size.
- Hydro turbines and generators up to 400 MW unit size.
- 220/235/540/550/700 MWe Nuclear Turbine Generator sets, Steam Generator and Reactor Header.

INDUSTRY SECTOR

BHEL is a leading manufacturer of a variety of Industrial systems & products for the core sectors of the economy. Major areas of operation and offerings include: Transportation, Renewables-mobility, Defence & Aerospace, Industrial products, Captive Power projects, Water and Transmission.

Till date, BHEL has installed around 11 GW power generating capacity in overseas markets, and an additional 6 GW is under execution.

PERFORMANCE HIGHLIGHTS

BHEL has delivered an improvement in operational EBIDTA and significant growth in profit for the year.

Turnover in FY 2018-19 was ₹29349 crore as against ₹27850 crore in FY 2017-18, a growth of 5.4% over previous year. Revenue from operations increased by 5.3% in FY 2018-19 over FY 2017-18.

EBIDTA was ₹2820 crore in FY 2018-19 as against ₹2626 crore in FY 2017-18, a growth of 7.4%. The Company registered profit before tax (PBT) of ₹2058 crore in FY 2018-19 as against ₹1585 crore in FY 2017-18, a growth of 29.8%. Net profit (PAT) stood at ₹1215 crore in FY 2018-19.

The Company secured orders worth ₹23859 crore in FY 2018-19 comprising orders worth ₹15490 crore in power segment, ₹7016 crore in industry segment and ₹1353 crore in international operations.

During 2018-19, BHEL undertook buyback of 5.16% of the total number of paid-up equity shares with a cash outflow of ₹1628.30 crore to the shareholders.

BHEL presents a cheque towards interim dividend for the year 2018-19 to Sh. Anant Geete, the then Hon'ble Union Minister of HI & PE and Sh. Babul Supriyo, the then Hon'ble Minister of State for HI & PE

BHEL has paid an interim dividend of ₹0.80 per equity share (@ 40% on equity share of ₹2/- each) amounting to ₹278.57 crore and has paid a final dividend of ₹1.20 per equity share (@ 60 % on equity share of ₹2/- each) amounting to ₹417.85 crore, out of profit for FY 2018-19.

Details are given at Annexure-XIII.

2.4 BHEL-EML

BHEL-EML is a Joint Venture Company between BHEL and Government of Kerala, categorized as schedule 'C company. In this company, BHEL is holding 51% of the paid up equity capital and the balance 49% is held by Government of Kerala/ KEL. BHEL-EML has acquired the Kasargod Unit of Kerala Electrical & Allied Engineering Company Ltd. (KEL) with effect from 28.03.2011 along with the premises, infrastructure, human resources, and product portfolio including intellectual property rights. This JVC was envisaged to take up manufacture of alternators and other rotating machines.

BHEL-EML commenced its operations on 28.03.2011. BHEL-EML is presently Incipient Sick. Based on NITI Aayog recommendations on BHEL- EML, BHELs share held in BHEL Electrical Machines Limited (BHEL-EML) are to be transferred to Government of Kerala.

BHEL had approved the transfer of 51% BHELs stake to Government of Kerala at nominal value of ₹1/- and waiver of working capital loan and accrued interest thereof. BHEL-EML agreed to take over the shares of BHEL held in BHEL-EML.

BHEL has accepted the offer of Government of Kerala to purchase the entire shares held by them on the terms and conditions mutually agreed upon. Government of Kerala has approved the 'Agreement of Sale of Shares attached with Order, to buy out the 51% of the shares held by BHEL at a nominal cost of ₹1/- and under the agreed terms and conditions as set put in the agreement of sale of shares.

2.5 Braithwaite, Burn & Jessop Construction Company Limited (BBJ)

The Braithwaite Burn and Jessop Construction Co., Ltd. (BBJ) was incorporated on 26.01.1935 under the Indian Companies Act, 1913 contribution made by three major engineering companies of Eastern India namely, Braithwaite & Co. Ltd. (40%), Burn & Co. Ltd. (30%) and Jessop & Co. Ltd. (30%).

Bharat Bhari Udyog Nigam Ltd. (BBUNL) was incorporated as a holding company on 17.09.1986. BBJ became a 'Government company consequent upon transfer of its entire shares to its erstwhile holding company viz. Bharat Bhari Udyog Nigam Ltd. (BBUNL), under the Companies Act, 1956 and became a wholly owned subsidiary of BBUNL w.e.f. 13.08.1987.

Consequent to the order of the Government of India that the Company (BBJ), as the transferor company, was merged with its holding company Bharat Bhari Udyog Nigam Ltd. (BBUNL), as the transferee company, w.e.f. 01.04.2015. Further, BBUNL was renamed as "The Braithwaite Burn and Jessop Construction Company Limited" (BBJ) w.e.f. 18.11.2015.

BBJ was not referred to BIFR. However, to make the company a viable enterprise on a sustainable basis, the financial restructuring proposal of BBJ was approved by the Government of India in July 2005. Since then, the company is continuously achieving Net Profit & positive Net Worth. From financial year 2009-10, BBJ wiped out its accumulated losses completely and paid dividend to its promoter viz. Govt. of India.

BBJ marked as "Dividend paying CPSE" by consistently paying Dividend to Govt. of India. Recently, **BBJ paid dividend ₹10.88 crore** @9% of its equity share capital of ₹120.86 crore as on 31.03.2019 escalated by corporate dividend tax of ₹2.24 crore.

2.6 Bridge & Roof Company (India) Limited (B&R)

Bridge & Roof Co. (India) Ltd. (B&R) was set up in 1920 as a subsidiary of Balmer Lawrie & Company Limited. Subsequently, it became a Government Company in 1972 under the Ministry of Petroleum & Natural Gas. In June, 1986, the administrative control of B&R was transferred to the Ministry of Heavy Industries and Pubic Enterprises and it was subsequently brought under the fold of the holding company, M/s. Bharat Yantra Nigam Limited (BYNL), Allahabad, in 1987. Consequent to the decision taken by Government of India, BYNL ceased to be the Holding Company of B&R from 06.05.2008 and B&R came directly under DHI. The Company capital restructuring and strengthening proposal was approved by GOI on 02.09.2005.

B&R is a premier construction and engineering company in the field of Civil and Mechanical Construction and Turnkey Projects in various sectors such as hydrocarbon, power, aluminum, steel, railways, etc.

The company has been making profits since 2007-08 and was awarded Miniratna category-I in 2010. B&R□s performance during the last few years has been quite good. Turnover of the company during the year 2018-19 was ₹3082.41 crore with PBT of ₹51.42 crore. B&R paid a dividend of ₹9.94 crore to Government of India in October, 2019.

2.7 Richardson & Cruddas (1972) Limited (R&C)

Richardson & Cruddas (1972) Ltd. (R&C) was acquired by Government of India by an Act of Parliament in 1973. The Company is a schedule - C company and fully owned by the GOI. It has four operating units: two at Byculla and Mulund in Mumbai, one each at Nagpur and Chennai, and is engaged in the field of Fabrication & Erection of Steel Structures, Fabrication of Pressure Vessels, Boiler Drums, Hot Pressed Dished Ends, Transmission line towers, providing environmental engineering laboratory services and maintaining townships. The turnover for the year 2018-19 of the company stood at ₹42.70 crore with PBT of ₹22.94 crore. Union Cabinet approved the financial restructuring of the company on 21.09.2016. The implementation of Cabinet decision is underway.

2.8 Bharat Pumps & Compressors Limited (BPCL)

Bharat Pumps & Compressors Ltd. (BPCL) was incorporated in 1970 with manufacturing facility at Naini, Allahabad in U.P. The company is engaged in the manufacture and supply of heavy duty pumps & compressors and high pressure seamless and CNG gas cylinder/cascades to cater to the needs of sectors like oil exploration & exploitation, refineries, petro-chemicals, chemicals, fertilizer and downstream industries. The company is accredited with Integrated Management System Certification having ISO 9001-2000, ISO 14001:2004 and OHSAS 18001 – 2007. The company is also accredited with API 7K license for manufacturing Slush Pump Components.

BPCL was sanctioned a revival package in December, 2006. The company which was earlier a BIFR referred sick company came out of the purview of BIFR in February, 2007 itself. During the next three years BPCL performed well. However, in the year 2018-19 the company registered a net loss of ₹**38.42** crore (Prov.) due to low order booking, slowdown in the economy, the entry of foreign players, growth of domestic manufacturers etc.

Cabinet Committee on Economic Affairs, in its meeting held on 27th October, 2016 considered the CCEA Note No.3/14/2016-DIPAM-II-B dated 14th October, 2016 and Supplementary Note dated 18th October, 2016 of DIPAM and gave 'in-principle approval for strategic disinvestment in respect of BPCL. One round of the disinvestment process has taken place, but at the end of it, there was no bidder for BPCL.

2.9 Triveni Structurals Limited

Triveni Structurals Ltd. (TSL), located at Naini, U.P. was incorporated in 1965. The company had facility for manufacture of heavy steel structural products, such as tall towers and masts for power transmission, communication and T.V broadcasting, hydro-mechanical equipment, pressure vessels etc. The company is sick and stands referred to BIFR. Pursuant to Allahabad High Court order dated 08.10.2013, company is under liquidation.

2.10 Tungabhadra Steel Products Ltd. (TSPL)

The company was established at Hospet (Karnataka) in 1960 as a joint enterprise of the Government of India with Governments of Karnataka and Andhra Pradesh. The company has facilities for design manufacture and erection of hydraulic structures, penstocks, building structures, transmission line towers, EOT & gantry cranes etc. CCEA on 22.12.2015 approved the closure of the company. At present TSPL has closed its operations and all the employees have accepted the VRS & have been relieved.

The closure of TSPL is at advanced stage and most of the regulatory requirements are already complied with. Some liabilities comprising mostly of Income Tax, VAT/ Sales Tax and interest dues to CISF will be paid off after Department of Economic Affairs release the necessary funds as Grants-in-aid.

2.11 Hindustan Cables Ltd.

HCL was set up in 1952 at Rupnarainpur for the manufacture of underground telephone cables (Polythene Insulated Jelly Filled Cable and Optical Fibre Cable). Due to introduction of wireless technology, there was sharp reduction of business of the company. HCL Started making losses since 1995-96.As total net worth of the company eroded and HCL was referred to BIFR in Nov. 2002.

Union Cabinet in their meeting dated 28.09.2016 directed to close the Company. Actions are being taken to implement the decision of the Cabinet.

2.12 Heavy Engineering Corporation Ltd. (HECL)

HEC Ltd., Ranchi was incorporated on 31st December, 1958 with the primary objective of achieving self-sufficiency and self-reliance in the field of design and manufacture of equipment and machinery for iron and steel industry and other core sector industries like Mining, Metallurgical and Engineering Industries. It has three manufacturing units and one turnkey project division viz.:

- **Heavy Machine Building Plant (HMBP)**

This unit manufactures wide range of equipment for Steel Plants like Blast Furnaces and Rolling Mills etc., Material Handling Equipment like EOT Cranes and Wagon Tipplers, etc., equipment for

Mining industries like 5 & 10 CuM Excavators, Crushers, Drag Lines and Mine Winders etc. In addition, it also executes order of technological structurals from various sectors.

- **Heavy Machine Tools Plant (HMTP)**

It manufactures complete range of Heavy Machine Tools including CNC Heavy Duty Machine Tools and Special Purpose Machine Tools required for Railways, Defence, Power and other sectors.

- **Foundry Forge Plant (FFP)**

It manufactures various types of Heavy & Medium Castings, Forging and Rolls for Power, Nuclear and other sector besides B.G. Crank Shaft for Railways. This unit also acts as a feeder unit for HMBP and HMTP.

- **Turnkey Project Division**

It undertakes turnkey projects in the areas of Low Temperature Carbonisation Plants, Coal Handling Plants, Coal Washeries, Sintering Plants, Continuous Casting Plants and Raw Material Handling System etc.

Deteriorating health of equipment/facilities coupled with acute shortage of working capital has been badly affecting the performance since 2013-14. In addition, execution of old orders further affected the cost and company started incurring operating loss. Efforts like outsourcing also did not help due to issue of timely payment to vendors. Due to increase in material cost & other expenses including LD and provisions there has been increase in operating loss during 2018-19 as compared to 2017-18. Production and Turnover during the year 2018-19 had been ₹340.22 crore and ₹356.21 crore respectively as against ₹393.38 crore and ₹399.08 crore respectively during 2017-18. Operating loss during 2018-19 has been ₹256.24 crore against ₹111.94 crore during 2017-18.

A Committee of Experts headed by Dr. V.K.Saraswat, Member, NITI Aayog was set up by DHI on 26.07.2016 for appraisal of the Modernization Plan of HEC and viability of its business plan. The Committee of Experts has submitted their report which is under consideration of Govt. of India.

HEC has been making constant efforts to improve its technological base through various technical tie-ups with Russia and European Companies.

2.13 HMT Limited

HMT Limited, one of India□s premier Engineering conglomerates was incorporated by the Government of India in the year 1953, with the objective of producing machine tools required for building an industrial edifice for the country and a manufacturing unit was established at Bangalore in collaboration with M/s Oerlikon of Switzerland. Over the years the Company diversified into manufacture of various products like Watches, Tractors, Printing Machines, Food Processing Machinery, Presses, Bearings etc. and established manufacturing facilities for these products across the country, in places like Bangalore, Hyderabad, Ajmer, Kalamassery near Cochin, Pinjore near Chandigarh, Tumkur near Bangalore, Ranibagh near Nainital and Srinagar in Kashmir.

To meet the challenges of globalisation consequent to the initiation of New Economic Policies of the Indian Government and in keeping with contemporary business models, the Company was restructured in the year 2000 with the formation of subsidiaries based on its various business portfolios under the ambit of a holding company. HMT Limited (HMTL) became a Holding Company having six subsidiaries viz., HMT Machine Tools Limited (HMTMTL), HMT Watches Limited (HMTWL), HMT Chinar Watches Limited (HMTCWL), HMT Bearings Limited (HMTBL), HMT (International) Limited (HMTI) and Praga Tools Limited, while the Tractors Business and Food Processing Machinery business were managed directly.

Subsequently, Praga Tools Limited was merged with HMT Machine Tools Limited and further the CCEA approved closure of HMTWL, HMTCWL and HMTBL in its meeting of 6th January 2016. During October 2016, the Union Cabinet also approved closure of the HMT Tractor Division (Closure process of these entities are in progress). Consequent to the above closure decisions, the Holding Company – HMT Limited now directly manages only the Food Processing Machinery Division at Aurangabad while HMT(I) and HMTMTL are its two functional subsidiaries.

A brief profile of the Company & its operational subsidiaries is as below:

HMT Limited (HMTL):

HMT Limited, the Holding Company manages the Food Processing Machinery Business directly. The Food Processing Machinery Division is located at Aurangabad in Maharashtra and the unit manufactures a variety of machinery for Milk Processing and other food processing applications. HMT ltd is now profit making.

2.14 HMTMachineToolsLimited(HMTMTL):

HMT Machine Tools Limited, a Technology-Driven Company, comprises of six manufacturing units and a centralised Marketing Division with corporate headquarters at Bangalore. The six manufacturing units are located at Bangalore (Karnataka), Pinjore (Haryana), Kalamassery (Kerala), Hyderabad (2 nos) (Telangana) and Ajmer (Rajasthan) and the Marketing Division has a countrywide marketing and sales network to cater to the sales & service needs of the customers. HMTMTL manufactures metal cutting & metal forming machines including printing machines and Die-casting & Moulding machines, catering to both domestic and export markets. The Company also provides services for reconditioning and refurbishing of machines of HMT as well as other makes. The Company has the distinction of supplying machines and equipment for special applications in Space, Atomic Energy & Defence Sectors, Railways, etc. Four units of HMT Machine Tools Limited have started generating operation profit.

2.15 HMT (International) Limited (HMTI)

Incorporated in 1974 as a wholly owned subsidiary of HMT Limited, HMT(I), a mini-ratna Company, is the export arm of HMT Group and also caters to import requirements of the Group. HMT (I) is regarded as one of the best export houses in the country with a global network of over 38 countries and it also sells products of other Indian Manufacturers, undertakes turnkey engineering projects and has made a niche for itself in the setting up of Vocational Training Centres, IT training Centres, SME Development Centres, Industrial Training Centres, Entrepreneur Training and Development Centres etc. in various countries. Major thrust is given for implementation of Turnkey projects in the area of Tool Rooms and Training Centers.

2.16 Instrumentation Limited, Kota (ILK)

Instrumentation Limited (IL) Kota was set up in 1964 as a fully government owned CPSE to cater to the growing control & Instrumentation (C&I) needs of the Core Industrial Sectors viz. Power, Steel, Oil Refinery etc. and help achieve self reliance in this field. The company has its Registered Office & Headquarters at Kota, Rajasthan and manufacturing plants at Kota for Digital Control

System, Telecom Products, Railway Signaling products etc. and at Palakkad, Kerala for control Valves / Actuators. Both the manufacturing plants are accredited with ISO 9001:2008 series certification. Instrumentation Limited was a sick unit and referred to BIFR in 1994. Looking into all the aspects (including revival, merger), DHI decided to initiate a proposal for recommending closure of IL, Kota and to transfer IL Palakkad unit to Government of Kerala. The proposal was approved by Union Cabinet in their meeting dated 30.11.2016. After approval of the closure proposal ₹400.02 crores were provided in March 2017 to settle the liabilities towards VRS/VSS to employees of Kota unit, clearing pending dues to exemployees and fund of ₹164.14 crores was provided in July/ August 2017.

Accordingly, Kota unit of IL was closed and all employees relieved on 18.04.2017. For the transfer of the Palakkad unit of IL to GOK, a tripartite MoU has been signed on 16.11.2018 between Government of India, Government of Kerala and IL.

2.17 Rajasthan Electronics & Instruments Ltd. (REIL)

Rajasthan Electronics & Instruments Limited, Jaipur (REIL) is Schedule 'C□ and "Mini- Ratna" and ISO 9001 & ISO 14001 certified Central Public Sector Enterprise was set up in 1981 as Joint Venture of Government of India through Instrumentation Limited, Kota (ILK) and Government of Rajasthan through Rajasthan State Industrial Development and Investment Corporation Limited (RIICO) with 51% and 49% ownership respectively. The company has diversified its product range to Solar Photo Voltaic modules/systems, Industrial Electronics, Security Surveillance System and Information Technology.

Pursuant to the approval of the Government of India in February, 2016 REIL, has been delinked from ILK by transferring the entire shareholding to the President of India thus making it an independent Central Public Sector Enterprise.

REIL addresses energy needs of the rural sector through Solar Photo Voltaic, milk testing and quality related needs of the milk cooperative and dairy industry and automation solution and Information Technology & Communication application for e-governance, dairy vertical, small business and Government Sectors. The focus is on Shaping Rural India through Electronics, Renewable Energy & IT Solutions. The recent addition is to set up EV Charging infrastructure to promote e-mobility under FAME Scheme of GOI.

The company has aligned its business activities towards the National missions of the Government such as National Solar Mission, National Dairy Plan, Make in India, Skill India, FAME India and Digital India etc.

2.18 Scooters India Limited (SIL)

Scooters India Limited, Lucknow, set up in 1972 with a second hand plant bought from M/s. Innocenti of Italy, is engaged in manufacturing and marketing of three wheelers.

SIL was declared as a sick company on 11th August, 1992 and came under the purview of Board for Industrial and Financial Reconstruction (BIFR). A revival proposal was approved by the Cabinet in their meeting held on 31.01.2013. The Hon□ble bench of BIFR, New Delhi during their hearing held on 15th September, 2015 noted that the net worth of SIL, Lucknow had become positive by a substantial amount, as per the Audited Balance Sheets as on 31.03.2013 and 31.03.2014, and therefore it did not remain a sick industrial company in terms of Section 3(1)(0) of SICA. Accordingly, SIL was discharged from the purview of SICA.

The performance of Scooters India Limited (SIL) from 2012-13 to 2018-19 is as follows:

(₹in crore)

Year	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19
Sales	209.82	193.66	167.72	152.04	108.55	50.55	63.86
Profit/(loss)	6.00	13.60	11.09	5.48	(10.25)	(18.70)	(5.09)

The Cabinet Committee on Economic Affairs in their meeting held on 27.10.2016 approved the disinvestment of 100% shareholding of Government of India in Scooter India Limited (SIL). Accordingly the process of strategic disinvestment was set in motion with invitation of Expression of Interest (EoI) from likely bidders. The entire process of disinvestment was completed but there was no bidder.

The following proposals relating to the restructuring of balance sheet of Scooters India Limited (SIL) have been approved by CCEA on 23.05.2018:

i) Approval for reduction of equity of ₹85.21 crore in the share capital of SIL held by Government of India against accumulated losses. The reduction would be deemed to have taken effect as on 31.03.2013.

ii) Approval for freezing the interest on the Non-plan loan of ₹1.89 crore released to SIL during 2012-13 from the date of its release to the company.

iii) Approval for conversion into equity of the outstanding principal amount of ₹189 crore.

2.19 Cement Corporation of India Ltd. (CCIL)

Cement Corporation of India Ltd. (CCI) was established in 1965 with the principal objective of setting up cement factories in the public sector to achieve self-sufficiency in cement production and to remove regional imbalance. It has units spread over 7 States/Union Territories, located at Mandhar and Akaltara in Chhatisgarh; Nayagaon in Madhya Pradesh; Kurkunta in Karnataka; Bokajan in Assam; Rajban in Himachal Pradesh; Adilabad and Tandur in Telangana; Charkhi Dadri in Haryana. The Company became sick and was referred and registered with BIFR as a sick company in 1996. A revival package for CCI was approved in 2006 with expansion/up gradation and modernization of three operating plants i.e. Rajban in Himachal Pradesh, Bokajan in Assam and Tandur in Telangana and closure/sale of 7 non-operating plants.

During 2018, major maintenance to improve productivity of the Tandur plant was successfully completed. Further, production of Puzzolona Portland Cement (PPC), which is eco-friendly and cost effective cement, was started from Tandur unit during the year 2017-18. The up-gradation of the railway siding at Tandur Plant is being executed by the India Railway as a depositary work while the Bokajan railways siding work has been completed.

As approved by the Government, the disinvestment process has been initiated for the Nayagaon unit of CCI.

2.20 NEPA Ltd.

NEPA Limited, Nepanagar, Madhya Pradesh was incorporated as a private enterprise on 26th January 1947 by M/s Nair Press Syndicate Limited under the name of "The National Newsprint and Paper Mills

Limited" for production of newsprint. Government of India (GOI) took over the controlling interest of the company in 1958. GoI holds 97.82% equity shares in the capital of Nepa Limited. The name of the Company was subsequently changed to Nepa Limited in February 1989. The company holds a license for the production of newsprint and writing and printing paper. The Nepa Limited has an installed capacity of 88,000 TPA.

The company was referred to Board for Industrial and Financial Reconstruction (BIFR) in 1998 as its net worth had completely eroded by accumulated losses as per annual results of 31st March, 1997. The production of the company stands suspended since July, 2016. The Company is currently undergoing a Revival and Mill Development Plan (RMDP) approved by the Cabinet.

2.21 Hindustan Paper Corporation Ltd. (HPC)

Hindustan Paper Corporation Limited (HPC) was incorporated on 29.05.1970 as a wholly owned Govt. of India enterprise with an objective to establish new pulp and paper and newsprint mills in India. HPC has three subsidiaries and two major integrated pulp and paper mills under its management and control in Assam. These are (i) Hindustan Newsprint Limited (Upgraded from Schedule ‘C□ to ‘B□ w.e.f. 3.1.2007), (ii) Nagaland Pulp and Paper Co. Ltd (NPPC Ltd), Nagaland and (iii) Jagdispur Paper Mills Ltd. HPC has two units namely Nagaon Paper Mills (NPM) and Cacher Paper Mills (CPM).

Hindustan Paper Corporation Limited (HPC) is presently undergoing liquidation as per the National Company Law Tribunal (NCLT), New Delhi Bench Order dated 02.05.2019 and the Order of the National Company Law Appellate Tribunal (NCLAT) dated 29.05.2019.

2.22 Hindustan Newsprint Ltd. (HNL)

Hindustan Newsprint Limited (HNL), a wholly owned subsidiary of Hindustan Paper Corporation Limited (HPC) was incorporated on June 7, 1983 with the main objective of taking over the business of erstwhile Kerala Newsprint Project (KNP), a unit of HPC. The Registered Office of HNL is at Newsprint Nagar, District Kottayam, Kerala. It is located at Newsprint Nagar, Dist. Kottayam, Kerala and has an installed capacity of 1,00,000 tonnes per annum (TPA) of newsprint. The core competence of HNL lies in its highly skilled technical manpower, which is rated as the best in the domestic newsprint industry. HNL produces standard Newsprint grades of 42GSM, 45 GSM and 48.8 GSM of quality, which is at par with the best available in the market.

The parent company of HNL i.e. Hindustan Paper Corporation (HPC) is presently under liquidation as directed by the NCLT/NCLAT. Further, the NCLT Kochi Bench, on 28.11.2019 in an application filed by one of the financial creditors of HNL, has directed initiation of Corporate Insolvency Resolution Process (CIRP) against HNL under Insolvency and Bankruptcy Code, 2016 and has appointed an Interim Resolution Professional.

2.23 Hindustan Photo Films Manufacturing Co. Limited (HPF)

Hindustan Photo Films Manufacturing Co. Limited (HPF) was incorporated on 30th November, 1960 with the aim to make the company self-reliant in the field of photo sensitive products. The company commenced commercial production in 1967. The company started incurring continuous losses since 1992-93. On its Net Worth, becoming negative on 31.03.1994, the company was referred to BIFR in 1995. Operations of the company also came to standstill from April, 2013.

HPF was a BIFR referred sick company. BIFR vide order dated 30.01.2013 ordered for winding up of the Company. The CCEA in its decision dated 28.02.2014, inter-alia, decided for VRS at 2007 notional scale for all the employees and taking action for closure of the Company. All the employees have left the Company. The Hon ble High Court of Madras vide its order dated 29.08.2016 has vacated the stay and accepted the BIFR order of winding up of the company. After liquidation of the Company, management and disposal of assets would be a court supervised process implemented by yet to be appointed Official Liquidator (OL). This Department has been pursing for early appointment of OL by the Hon ble High Court of Madras. In the meantime Debenture Trustee Canara Bank has filed an application in the Hon ble Madras High Court in CP 114/2003 matter with a request to transfer the present Company Petition to the NCLT, Chennai for speedy disposal of the Company Petition.

2.24 Hindustan Salts Limited (HSL)

Hindustan Salts Limited (HSL) was incorporated on 12th of April, 1958 under the Companies Act, 1956 with an objective to take over Government Salt Works, which were then owned and departmentally managed by the Government of India at Sambhar Lake in Rajasthan and Kharaghoda (Gujarat). 100% shareholding of the HSL is held by the Government of India. The Authorised Capital of HSL is ₹60.00 crore and paid up capital is ₹52.05 crore. Company is presently engaged in the production of Salt, Bromine and Magnesium Chloride.

It has two units one at Kharaghoda, Gujarat wherein Company has installed two plants for production of Magnesium Chloride (7500 MT each capacity) and two plants for manufacture of Bromine from waste of Common Salt of 450 MT each capacity and another one at Mandi, Himachal Pradesh wherein Company has engaged in mining of rock salt at Darang, which is used as animal lick.

2.25 Sambhar Salts Limited

Sambhar Salts Limited (SSL) is a subsidiary of Hindustan Salts Limited, was incorporated on 30.09.1964 under the Companies Act, 1956 with an objective to take over the Salt Works at Sambhar Lake Area, which were then owned and managed by HSL. It is engaged in production and sale of edible and industrial salt through its operating unit at Sambhar Lake, Rajasthan, wherein Govt. of India holds 60% shareholding through HSL and 40% by the Government of Rajasthan. The Authorized Capital of SSL is ₹2.00 crore and paid up Capital is ₹1.00 crore. The SSL is engaged in production of salt and has about 90 Sq. Miles of production area spread over three Districts of Rajasthan i.e. Jaipur, Ajmer and Nagaur.

2.26 Engineering Projects (India) Limited. (EPIL)

Engineering Projects (India) Ltd. (EPI) was incorporated in the year 1970 with the main objective to undertake turnkey projects and consultancy services in India and abroad. EPI is the first Indian Company to undertake large civil and industrial projects abroad. EPI is a Mini Ratna, Category–II Central Public Sector Enterprise in Industrial Development and Technical Consultancy Services sector under the administrative control of the Ministry of Heavy Industries & Public Enterprises with 100% shareholding by the Government of India and PSUs. EPI has pan-India presence having its Regional/Zonal Offices at different geographical locations viz. New Delhi, Mumbai, Kolkata, Chennai, Guwahati, to undertake its operations across India besides projects sites spread all over the country as well as in Oman and Sri Lanka.

As on 30.09.2019, EPI has completed 571 projects in India and 31 projects abroad.

Major achievements

Turnover

EPI achieved a turnover of ₹1791.05 crore during the financial year 2018-19 which is the highest turnover ever achieved by EPI.

Project inaugurated/completed

The Company has completed following major projects during the year:

i. Construction of Polytechnic Institute at Gumla, Jharkhand valuing ₹19.06 crore.

ii. Construction of Astro Turf football ground at Laitkor, Shillong valuing ₹4.70 crore.

iii. Construction of Training Shed for Assam Rifles at Laitkor, Shillong valuing ₹4.65 crore.

iv. Construction of Non Residential and Residential Accommodation at Zokhawsang for establishment of Battalion Headquarters of Assam Rifles valuing ₹145.17 crore.

v. Construction of Phase – II Project work (Part – I) at Tripura University, Suryamaninagar, Agartala valuing ₹41.64 crore.

vi. Construction of Student Mess, Recreation Block and Girl's Hostel (Remolding + New) at NID Gandhinagar Campus and Ahmadabad Campus respectively valuing ₹5.73 crore.

vii. Construction of Kalinga Model Residential Schools at Kuchinda distt., Sambalpur and at Champua, distt. Keonjhar, Odisha valuing ₹11.98 crore.

viii. Construction of Mega Urban Education Complex at Pallur hills, Berhampur, distt. Ganjam, Odisha valuing ₹51.30 crore which was formally inaugurated by Hon'ble Chief Minister of Odisha.

ix. Construction of Ekalabya Model Residential School at Nuapadar, distt. Kandhamal, Odisha valuing ₹12.70 crore.

x. Construction of Phase – I works Comprising Research Lab with R & D Office, Hostel Block, Guest House, Type – III Residential Quarters, Animal Farms, STP etc., including associated works for NIAB, at Hyderabad valuing ₹77.63 crore.

xi. Construction of ANNEX Building and improvement works in the existing Passenger Terminal for Cruise Passenger Facilitation Centre at Chennai Port Trust, Chennai valuing ₹17.97 crore.

xii. Construction of Super Specialty Hospital for Government Rajaji Medical College, Madurai under PMSSY Phase–II at Madurai, Tamil Nadu valuing ₹73.05 crore which was formally inaugurated by Hon'ble Prime Minister of India through video conferencing.

xiii. UGD scheme to Bailhongal town of Belgaum district : Karnataka comprising of:

   a) Providing, laying and jointing of Sewer Lines, construction of Manhole Chambers, Screen Chamber, Grit Chamber and Wet Well.

   b) Construction of 8.28 MLD Capacity Sedimentation Basin (STP) and Allied Works both total valuing ₹51.39 crore.

xiv. Construction of New Chemical Sciences Building at IISC Campus, Bangalore valuing ₹48.08 crore which was formally inaugurated by Hon'ble Human Resource Development Minister, Shri Ramesh Pokhriyal 'Nishank'.

Heavy Electricals Engineering, Heavy Engineering and Machine Tool Industries

3

Chapter

3.1 Heavy Engineering and Machine Tool Industries

3.1.1 Background

3.1.1.1 The Heavy Engineering and Machine Tool sector is a part of the Capital Goods sector. The sector comprises of plant and machinery, equipment / accessories required for manufacture / production, either directly or indirectly, of goods or rendering services required for replacement, modernization, technological upgradation and expansion. It also includes packaging machinery and refrigeration equipment.

3.1.2 The Heavy Engineering and Machine Tool sector consists of the following major sub-sectors:

i. Machine Tools

ii. Dies, Moulds and Press Tools

iii. Plastic Machinery

iv. Earthmoving and Mining Machinery

v. Metallurgical Machinery

vi. Textile Machinery

vii. Process Plant Equipment

viii. Printing Machinery

ix. Food Processing Machinery

3.1.3 As per the present estimate, the Capital Goods industry contributes about 12% to the total manufacturing activity in India which translates to about 1.5% of GDP. This Sector is crucial for the development of the country□s economy for the following two reasons:

a) Capital Goods are considered essential for the development of domestic manufacturing capabilities from a national self-reliance perspective.

b) Capital Goods sector through a multiplier effect has a strong bearing on the growth of the user industries as it provides critical inputs, i.e. machinery and equipment for the entire manufacturing sector and other related sectors.

3.1.4 The policy environment for the heavy engineering and machine tool sector is briefly detailed as under:

a. No industrial license is required for the sector;

b. FDI up to 100% permitted on automatic route (through RBI);

c. Quantum of payment for technology transfer, design and drawing, royalty, etc. to the foreign collaborator has no limit and;

d. Imports and exports are allowed freely.

3.2. Overview of the Sub-Sectors

A brief status of the sub-sectors is detailed below

3.2.1 Machine Tools

The Machine Tool industry is considered as the mother industry as it supplies machinery for the entire manufacturing sector. The manufacturers of machine tools are mostly SMEs, few of them are mid-sized manufacturers which have an annual turnover varying between ₹300-500 crore. The types of machine tools currently manufactured are general/special purpose machines, standard Computer Numerical Control (CNC) machines, gear cutting, grinding, medium size machines, electrical discharge machining (EDM), presses, press brakes, pipe bending, rolling, bending machines, etc.

3.2.2 Dies, Moulds and Press tools

The Indian tool room industry consists of commercial tool makers engaged in design, development and manufacturing of tooling in the country. In addition to commercial tool makers, several Government toolrooms–cum-training centers are also operating. The key tool room locations are Mumbai, Bengaluru, Chennai, Pune, Hyderabad and Delhi NCR.

3.2.3 Plastic Processing Machinery

The plastic machines being manufactured are injection moulding machines, blow moulding machines and extrusion moulding machines etc. Product technologies are at par with the leading brands of the developed world. The global leading manufacturers/technologies have manufacturing presence in India through their wholly owned subsidiaries or through technology license arrangements.

3.2.4 Earthmoving, Construction and Mining Machinery

The Indian Earthmoving, Construction and Mining Machinery produces backhoe loaders, compactors, mobile cranes, pavers, batching plants, crawler crane, transit mixer, concrete pump, tower cranes, hydraulic excavators, dumpers, mining shovel, walking draglines, dozers, wheel loaders, graders, drilling equipment, tunnelling machine, etc.

3.2.5 Textile Machinery

A majority of the units engaged in the manufacture of textile machinery in the country are small and medium manufacturers. Major textile machineries include weaving machines, spinning machines, winding machines, processing machines, synthetic fiber machines etc.

3.2.6 Printing Machinery

A majority of the units engaged in the manufacturer of Printing machinery are small and medium manufacturers. Major printing machine manufactured locally are web offset printing machines, UV coating curing machine, flexographic printing machine, screen printing machines, wire stitching machine, lamination machine, etc.

3.2.7 Food Processing Machinery

A majority of the units engaged in the manufacture of food processing machinery are small and medium manufacturers. Major food processing machinery manufactured in India are peelers, sorters, graders, pulpers, grinders, mixers, cookers, fryers, dryers, pulverizers, soya milk machines, food grain and coffee millers, bakery machinery, forming-filling- sealing machine, milking and dairy machines, juicing line, etc.

3.3 Production, Import and Export Statistics

The production, import and export data for the sub-sectors is detailed as under:

a) Production data

(₹in crore)

S No	Sub sector	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	5-year CAGR
	MACHINE TOOLS												
1	Machine Tools	1424	1656	2416	4299	3885	3481	4230	4726	5803	7294	9612	22.52%
2	Dies, Moulds and Press Tools	11058	11080	12485	13421	12789	13793	14647	15000	14750	16068	14900	1.56%
	HEAVY ENGINEERING SECTOR												
3	Textile Machinery	4063	4245	6150	5280	5650	6775	6960	6580	6650	6900	6865	0.26%
4	Printing Machinery	na	na	6976	8439	10825	16069	15748	16916	16424	15016	12390	-5.07%
5	Earthmoving and Mining Machinery	na	50850	65750	73340	64110	52550	50100	56540	64667	82260	97835	13.24%
6	Plastic Machinery	na	na	na	na	na	2150	2500	2700	3000	3375	3100	7.59%
7	Food Processing Machinery	na	na	na	na	na	14703	10995	13206	15246	15600	8750	-9.86%

Source: Capital Goods Industry Associations viz. (i) IMTMA (ii) TAGMA (iii) TMMA (iv) IPAMA (v) ICEMA(vi) PMMAI (vii) AFTPAI.

Note: The base year for CAGR is 2013-14.

na: data not available / not received from Capital Goods Industry Associations.

b) Import Data

(₹in crore)

S No	Sub sector	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	5-year CAGR
	MACHINE TOOLS												
1	Machine Tools	6271	4842	6703	7645	7598	4672	5318	5946	6173	7759	12390	21.54%
2	Dies, Moulds and Press Tools	3323	3755	4150	4728	3431	3081	3322	2800	1200	1350	3200	0.76%
	HEAVY ENGINEERING SECTOR												
3	Textile Machinery	4411	4357	5315	7643	7599	8562	8858	10305	10098	10687	10834	4.82%
4	Printing Machinery	na	na	3347	3801	4869	6082	6381	7051	7035	8322	8922	7.97%
5	Earthmoving and Mining Machinery	na	na	10143	13531	12937	12679	12050	12855	14508	16068	21013	10.13%
6	Plastic Machinery	na	na	na	na	na	1400	1700	2000	2300	2600	1304	-1.41%
7	Food Processing Machinery	na	na	na	na	na	3188	3376	3777	3686	3900	7272	17.93%

Source: Capital Goods Industry Associations viz. (i) IMTMA (ii) TAGMA (iii) TMMA (iv) IPAMA (v) PMMAI (vi) AFTPAI (vii) Import Export Data Bank (DoC website) for Earthmoving Machinery.

Note: The base year for CAGR is 2013-14.

na: data not available / not received from Capital Goods Industry Associations.

c) Export Data

(₹in crore)

S No	Sub sector	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	5-year CAGR
	MACHINE TOOLS												
1	Machine Tools	89	81	91	180	214	247	281	296	361	354	673	22.2%
2	Dies, Moulds and Press Tools	3996	3100	3410	2899	2590	2694	2869	2300	1700	1600	1600	-9.9%
	HEAVY ENGINEERING SECTOR												
3	Textile Machinery	661	556	883	1523	1512	2277	2466	2351	2438	2939	3665	9.99%
4	Printing Machinery	na	na	397	391	417	1421	1255	1366	1332	1235	1180	-3.65%
5	Earthmoving and Mining Machinery	na	na	3545	4506	5636	6465	7380	7632	7778	9380	12045	13.25%
6	Plastic Machinery	na	na	na	na	na	500	600	700	900	1100	247	-13.15%
7	Food Processing Machinery	na	na	na	na	na	2262	2199	2201	2178	2560	4263	13.51%

Source: Capital Goods Industry Associations viz. (i) IMTMA (ii) TAGMA (iii) TMMA (iv) IPAMA (v) PMMAI (vi) AFTPAI (vii) Import Export Data Bank (DoC website) for Earthmoving Machinery.

Note: The base year for CAGR is 2013-14.

na: data not available / not received from Capital Goods Industry Associations.

3.4. Schemes and Policy Interventions

3.4.1 Scheme for Enhancement of Competitiveness in the Indian Capital Goods Sector

The Government of India through the Department of Heavy Industry has launched a scheme for "Enhancement of Competitiveness in the Indian Capital Goods Sector" in November 2014. The objective of the Scheme is to address the constraints faced by the sector. Under the Scheme financial assistance is provided for setting up of Centres of Excellence (CoE) for research and development at reputed universities / R&D Institutes by collaborating with industry, research institutes and the Government. The scheme also provides financial assistance for technology transfer under Technology Acquisition Fund Program (TAFP) to capital goods manufacturing units. Besides, the scheme provides financial assistance for creating common Industrial Integrated Infrastructure Facility (IIIF) such as machine tool industrial parks and Common Engineering Facility Centres (CEFC) and Test & Certification Centres (T&CC) for earthmoving, construction and mining machinery.

3.4.2 Centres of Excellence (CoE) for Technology Development

3.4.2.1 Under the Scheme, grants are given for setting up Centres of Excellence (CoE) for technology development at reputed academic and research institutions. Central assistance is given by way of one-time grant-in-aid not exceeding 80% of the project cost subject to a maximum of ₹100 crores for each CoE. The balance 20% is required to be invested by the Industry and participating organizations.

3.4.2.2 Eight CoEs have been approved which have developed 25 import substitution machines and technologies placed at **Annexure-I.** These technologies once commercialized will reduce import dependence and will enhance the technology generating capacity of India□s capital goods sector. These CoEs are being developed in collaboration with industry partners at:

(i) Central Manufacturing Technology Institute (CMTI), Bengaluru

(ii) IIT Madras / Advanced Manufacturing Technology Development Centre (AMTDC)

(iii) PSG College of Technology, Coimbatore

(iv) Si□Tarc, Coimbatore

(v) IIT Kharagpur

(vi) M/s Heavy Engineering Corporation (HEC), Ranchi

(vii) IISc Bengaluru

(viii) IIT Delhi.

3.4.3 Common Engineering Facility Centre (CEFC)

3.4.3.1 Common Engineering Facility Centres (CEFC) under the scheme would enable Machinery manufacturers to create infrastructure facility such as common precision machining, heat treatment, quality control, skill infrastructure design and other such common facilities required of industrial clusters level in the region. Central assistance is given by way of a one-time grant-in-aid not exceeding 80% of the project cost for setting up of Common Engineering Facility Centres and balance 20% is required to be invested by the Special Purpose Vehicle.

3.4.3.2 Ten such CEFCs have been approved as detailed below:

(i) CEFC for tools, dies and moulds industry by TAGMA Centre of Excellence and Training (TCET)

(ii) Training & Skill Development Centre at HMT Machine Tool, Bengaluru

(iii) CEFC by HEC, Ranchi

(iv) CEFC at Bardoli, Surat for Textile Engineering by Science and Engineering Technology Upliftment (SETU) Foundation

(v) Industry 4.0 Demo-cum-Experience Centre at Pune by Samarth Udyog Technology Forum (SUTF)

(vi) Industry 4.0 Demo-cum-Experience Centre at IIT Delhi by IITD-AIA Foundation for Smart Manufacturing (IAFSM)

(vii) Industry 4.0 Demo-cum-Experience Centre at IISc Bengaluru

(viii) Industry 4.0 Demo-cum-Experience Centre at CMTI, Bengaluru

(ix) Design and Training Centre for Steel Plant Equipment at Bahadurgarh (Haryana) by Korus

(x) Modernization of Precision Metrology Lab at CMTI, Bengaluru.

3.4.4 Integrated Industrial Infrastructure Facility (IIIF)

3.4.4.1 Under the Integrated Industrial Infrastructure Facility (IIIF) component, the Tumakuru Machine Tool Park with an area of about 540 acres is being set up in Karnataka. The park is being implemented by an SPV formed by the Karnataka Industrial Areas Development Board (KIADB), Govt. of Karnataka and the Department of Heavy Industry, Government of India at an estimated cost of approximately ₹421 crores. This machine tool park shall provide the infrastructure for setting up about 150 machine tool manufacturing units and shall facilitate locating the component and machinery manufacturers at one place. This park thus aims to make the sector cost effective, encourage the manufacture of hi-tech machine tools, enhance export capability and attract more investment.

3.4.5 Technology Acquisition Fund Programme (TAFP)

The Technology Acquisition Fund Programme (TAFP) helps capital goods industry to acquire and assimilate specific technologies readily available for acquisition. Under TAFP capital goods sector units are supported by way of a grant of up to 25% of the cost of technology acquisition of each technology with a ceiling of ₹10 crore. Under TAFP 5 projects have been approved pertaining to CNC Lathe technologies, Titanium Castings, High Voltage Cables and Laser Cladding of hydro-turbine blades.

3.4.6 Third Party evaluation of the Scheme:

The third party evaluation of the scheme was carried out by three eminent experts under the chairmanship of Director, IIT Jodhpur. The report of the Evaluation Committee inter alia recommends that, "the present scheme has paved the way towards fulfilling the technological and infrastructural requirements of the Capital Goods sector in a limited way. However to cater to the needs of the entire Capital Goods industry across the country, the up-scaling of the present scheme by at least 10 times in physical as well as financial terms would lead to creation of the desired impact on Make in India initiative of the Govt. of India."

Automotive Industry

4 Chapter

4.1 Overview of the Automotive Industry:

4.1.i Auto Sector:

The automobile industry is one of the key drivers of the Indian economy. Since the liberalization of the sector in 1991 and allowing 100 percent FDI through automatic route, Indian automobile sector has come a long way. Today, there is a presence of almost every global auto manufacturer in the country. All categories of vehicles like two-wheeler, three wheelers, passenger cars, light commercial vehicles, Trucks, Buses, Tractors, heavy Commercial vehicles *etc.* are produced in India. India is the largest manufacturer of 2W and 3W and 4^{th} largest manufacturers of passenger cars in the world. The manufacturing of automobiles including truck, buses, cars, three wheeler/two wheelers etc. in India has risen at a very high pace. Indian Automobile Industry today is 119 Billion USD industry *i.e.* ₹8.2 lakh crore industry during 2018-19. Automobile industry turnover constitutes 7.1% of GDP, 27% of Industrial GDP and 49% of Manufacturing GDP and provides about 37 million direct and indirect jobs. The current annual sale of vehicles is about 26 million.

4.1.ii Agricultural Machinery & Tractors Sector:

Agricultural Machinery mainly consists of Agricultural Tractors, Power Tillers, Combine Harvesters and other Agriculture Machineries & Implements. Due to negligible production of Power Tillers, Combine Harvesters and other Agricultural Machineries, this sector is mainly dominated by Agricultural Tractors. Indian Tractor Industry is the largest in the world (excluding sub 20 HP belt driven tractors used in China), accounting for one third of the global production. The other tractor markets in the world are China and United States.

Indian Tractors were exported to US and other countries like Malaysia, Turkey etc. Indian players have aggressively started exporting to African countries by bidding for government tender requirement. As such, Indian tractors are gaining acceptance in international markets. As the cost of tractors in India is cheapest in the world, there is tremendous scope for improvement of export of tractors in future.

4.2. Role of DHI in development of Automobile Sector:

DHI is not the custodian of any Act/Rules related to Automobile sector. However, Automobile sector is governed and impacted by various rules and regulations enacted by different departments *viz.,*

- MORTH: CMVR
- MOEFCC: Emission regulations
- MOPNG: Regulations related to Fuel Efficiency and Fuel used for vehicles (BS VI)
- MOP: Energy Efficiency requirement through BEE
- MOF: Taxation structure
- DOC: Foreign Trade Agreements
- DPIIT: Internal Trade and Make in India

DHI is mainly engaged in policy advocacy for promotion of Automobile industries. In addition, DHI work towards achieving target set under Automotive Mission Plan and for promotion of Electric Mobility.

4.3. Important initiatives taken in respect of auto sector by the Department of Heavy Industry (DHI):

DHI being the nodal Department for automobile and auto component industry, takes up an array of issues relating to automobile sector at various platforms for its growth. In this regard, DHI has taken various important initiatives, as outlined below:

4.3.1 Development Council for Automotive and Allied Industries (DCAAI):

The Development Council constituted under the chairmanship of Secretary, Heavy Industry is focused upon the issues relating to the growth of the sector and achieving AMP targets. This forum provides an opportunity to identify key areas of concern for which appropriate policy modulations and other identified areas of action can be taken up by various Ministries/Departments of the Government of India. According to the Industries (Development and Regulations) Act, 1951, "*A Development Council shall perform such functions of a kind specified in the Second Schedule as may be assigned to it by the Central Government and for whose exercise by the Development Council it appears to the Central Government expedient to provide in order to increase the efficiency or productivity in the scheduled industry or group of industries renders or could render to the community or to enable such industry or group of industries to render such service more economically*".

The funds allocated under DCAAI to the Department are utilised for supporting R&D & study projects received from Industry in Collaboration with IITs/NITs, ARAI and such like Institutions through Expression of Interest (EoI) issued by the Department. The proposals sent are evaluated by a Screening Committee (headed by Joint Secretary) and Main Committee (Apex Committee – headed by Secretary, DHI) considers the projects and accords them final administrative and financial approval. During the last FY-2018-19, ₹10.28 crore (excluding the amount of ₹4.72 crore released to UNIDO-ACMA-DHI Phase II project) was released for funding various projects.

4.3.2 UNIDO-ACMA-DHI Cluster Development Project:

The project aims to provide practical services to Small and Medium Enterprises (SMEs) for enhancing the performance of domestic SMEs in the automotive component industry to facilitate their inclusion into national, regional and global supply chain requirements (quality, cost and delivery), to upgrade and enhance the competitiveness of an increasing number of target companies along the supply chain in India, including lower tier suppliers. The 1st Phase of this project was completed in June, 2018 and 2nd Phase commenced from 1st January, 2019. US $ 654,089.20 was released during the FY 2018-19 for the UNIDO-ACMA-DHI Phase II programme.

4.3.3 Indo-German Joint Working Group (JWG) on Automotive Sector:

Indo-German Joint Working Group (JWG) on automotive sector was established under the aegis of Indo-German Joint Commission on Industrial and Economic Cooperation (JCM). This is the fifth JWG; the other four groups are in the areas of Agriculture, Coal Infrastructure and Tourism. The first meeting of the JWG was held on 6.2.2009 in New Delhi with three sub-working groups i.e. (i) Sub-working Group on Technology (ii) Sub-working Group on Commercialization & Framework Development and (iii) Sub-working Group on Institutional Cooperation, Training & Skill Development. The last meeting (12th meeting) of this Joint Working Group was held from 12th – 13th March, 2019 in Berlin. JS (Auto) co-chaired the aforesaid meeting as a representative of DHI.

4.3.4 AutomotiveSkillDevelopmentCouncil (ASDC):

Department of Heavy Industry has taken an initiative for "*Formulation of Skill Development Plan*" with a view to make available adequate, trained manpower for sectors like machine tools, heavy electrical, auto industry etc. so as to ensure proper streamlined and high growth rate during the current fiscal and in future. As far as auto sector is concerned, the task of identifying the skill gaps in the industry was undertaken through the specialized group formed during the framing of AMP 2006-16, whereby the industry was expected to require an additional 25 million workforce by 2016. Based on the deliberations held in the Department on various occasions, the Society of Indian Automobile Manufacturers (SIAM) prepared a Detailed Project Report (DPR). Accordingly, an Automotive Skill Development Council (ASDC) has been set up under the oversight of NSDC. ASDC was incorporated as a society under the Societies Registration Act, 1860 in March 2011.

ASDC ACTIVITIES

Conducting Research

1. Continuous research of skill gap in Auto Sector
2. Identifying trades to be taken up for skill development
3. Developing Competency Standards for the Sector with inputs from the Auto industry
4. Benchmarking with international standards
5. Productivity analysis of human resources

6. Maintaining Data base of skilled manpower in Auto Sector

Delivery Mechanism

1. Affiliation of Training Delivery Partners
2. Certifying content/curriculum to ensure alignment with ASDC standards
3. Training the Trainers
4. Providing career guidance to students & assisting in employment

Quality Assurance

1. Developing assessment mechanism for trainers/students
2. Developing Certification framework as per Occupation Standards
3. Certification of Skill Training course curriculums
4. Accreditation of Training Delivery Partners and Assessment Partners
5. Assessment & Certification of Trainers & Students

4.3.5 End of Life of Vehicle (ELV) Policy:

While MoRTH is reported to be engaged in preparing draft legislation for End of Life of Vehicle Policy in consultation with all stakeholders, the main role of DHI in the matter is to provide/create a proper roadmap, considering all related aspects before such a policy is laid out. There is a need for creating infrastructure for dismantling of vehicle in a scientific and environment friendly manner. There is an immediate need for generating awareness and public opinion for voluntarily giving the old vehicles for dismantling, for which incentives or some policy structures are to be created. There are other issues related to working out compensation structure for vehicle owners, setting environment/ public health/safety parameters for scrapping, system for collection of vehicles to scrapping/dismantling canters, linkage between recycling or raw materials and location of scrapping canters etc.

4.3.6 Voluntary Vehicle Recall Information:

The vehicle recall is as per SIAMs guidelines *"Voluntary Code on Vehicle Recall"* announced in July 2012. This guideline addresses the potential issues that exist in a motor vehicle that do not meet safety requirements due to a manufacturing defect and subsequent remedial actions. A vehicle is covered under safety recall for seven years and targets the first buyer. The decision on recall takes into account the degree of seriousness or severity of any possible hazard involved. This data is maintained by SIAM with a link on DHI website which is updated on a regular basis.

4.3.7 National Electric Mobility Mission Plan 2020:

Government of India approved the National Mission on Electric Mobility in 2011; subsequently, the National Mission on Electric Mobility Plan 2020 (NEMMP 2020) was unveiled in 2013 by the then Honble Prime Minister.

The National Electric Mobility Mission Plan 2020 is one of the most important and ambitious initiatives undertaken by the Government of India that has the potential to bring about a transformational paradigm shift in the automotive and transportation industry in the country. This is the culmination of a comprehensive collaborative planning for promotion of hybrid and electric mobility in India through a combination of policies aimed at gradually ensuring a vehicle population of about 6-7 million electric/hybrid vehicles in India by the year 2020 along with a certain level of indigenisation of technology, thereby ensuring India's global leadership in some vehicle segments.

4.3.8 Automotive Mission Plan 2016-26:

4.3.8.1 Vision Statement: Based on the envisaged future scenario, the Vision Statement for the Indian Automotive industry under AMP2026 is as follows:

Vision 3/12/65

"By 2026, the Indian Automotive industry will be among the top three of the world in engineering, manufacture and export of vehicles and components, and will encompass safe, efficient and environment friendly conditions for affordable mobility of people and transportation of goods in India comparable with global standards, growing in value to over 12% of India's GDP, and generating an additional 65 million jobs"

4.3.8.2 The Objectives of Automotive Mission Plan, 2026:

'Automotive Mission Plan' for the period of 2006-2016 was a step further from Auto Policy 2002. It set growth targets for the automotive industry and recommended interventions to make India a global automotive hub. The Mission Plan envisaged to make India emerge as the destination of choice in the world for design and manufacture of automobiles and auto components, with output reaching a level of US$ 145 billion (accounting for more than 10% of the GDP) and providing additional employment to 25 million people by 2016. It envisaged increase in automotive industry from the level of ₹169000 crore to reach ₹5,61,200 – 7,31,400 crore by 2016.

The success of the Automotive Mission Plan 2006-16 gave a definite boost to the industry and Government of India who have jointly worked on the next collective vision for the Indian automotive industry, AMP 2016-26 aims to deliver on three critical aspects also known as "Vision 3/12/65". The idea is to bring Indian automotive industry among the top three of the world in engineering, manufacturing and export of vehicles and auto components. Second part of the vision is to ensure that the automotive industry contributes to over 12% of the Indian GDP and generates an additional 65 million jobs to fulfil a major part of its responsibility, thus 3/12/65.

AMP 2026 also seeks to define the trajectory of evolution of the automotive ecosystem in India including the specific regulations and policies that govern research, design, technology, testing, manufacturing, import/export, sale, use, repair, and recycling of automotive vehicles, components and services. In terms of production and basic numbers, under the AMP 2016–26 vehicle sales are expected to touch 66 million units by 2026 with additional investment of ₹4.5 trillion-5.5 trillion. A large share of the production is expected to be exported globally. This growth is expected to impact directly the auto component sector, providing it huge opportunities. Indian automotive industry has evolved very significantly and we are now the 4th largest market for passenger vehicles.

Department of Heavy Industry has been working for formulation of National Automotive Policy for Holistic development of Automobile sector in India. After series of one to one stakeholder consultation, Department has finalized the draft Automotive policy, which inter alia proposed to:

- Adopt a long-term road map for emission standards beyond BSVI and harmonize the same with global standards by 2028
- Roll out CAFE norms till 2025 and beyond ands setup incentives/ penalties and introduce banking, trading
- Adopt a composite criterion based on length and CO_2 emissions to classify vehicles for differential taxation purposes
- Harmonize automotive standards over the next 5 years in line with WP-29
- Improve the skill development and training eco-system, increase accountability of ASDC and implement a Labour Market Information System
- Retain tax exemption on different levels of R&D expenditure with strong audit control
- Scale-up of indigenous R&D with commercially viable innovations
- Harmonize AIS and BIS standards on safety critical parts over next 3 years
- Fast track adoption of Bharat New Vehicle Safety Assessment Program

4.3.8.3 The core objectives of AMP2026 can be summarised under five themes as follows:

- AMP 2026 aims to propel the **Indian Automotive industry to be the engine of the "Make in India" programme**, as it is amongst the foremost drivers of the Manufacturing sector: Over the next decade, the Indian Automotive sector is likely to contribute in excess of 12% of the country's GDP and comprise more than 40% of its manufacturing sector. Around 13% of the excise duty collection of the Government can be attributed to the Indian Automotive industry. The Automotive industry can be termed as the mother of the manufacturing sector in an economy, as its fortunes directly impact the fortunes of several related manufacturing industries (*e.g.* Iron & Steel, Aluminium, Lead, Rubber, Plastics, Glass, Machine tools, Moulds & dies, Chemicals, and Capital Goods) and several in the Services sector (*e.g.* Logistics, Banking, Insurance, Sales & distribution, Service & repair, and Fuels). The rapid growth of the Indian Automotive industry will provide a strong fillip to the Micro, Small and Medium industries of the country across multiple sectors, the development of which is one of Government's principal objectives.

- AMP 2026 aims to make the **Indian Automotive Industry a significant contributor to the "Skill India" programme** and make it one of the largest job creating engines in the Indian economy: The incremental number of jobs to be created by the Indian Automotive industry over the next decade is 65 million. This is over and above the 25 million jobs created in the previous decade. The automotive industry has numerous backward and forward linkages with over two dozen industries across manufacturing and service sectors, across rural and urban India, and across the formal and informal sectors of the economy. Most of the jobs in the Indian Automotive industry involve acquiring specialist skills, and confer to the person sufficient technical and soft skills to progress professionally within and outside the automotive sector. In addition to creating high skilled jobs, the industry also provides employment opportunity to a large number of semi-skilled and low-skilled workers.

- **AMP 2026 seeks enhancing mobility:** The focus of AMP 2026 is to promote safe, efficient and comfortable mobility for every person in the country, with an eye on environmental protection and affordability through both public and personal transport options. The objective is to provide a choice to the consumer to access multiple options for mobility. AMP 2026 aims to enhance mobility in the country while also addressing the need to minimize the negative externalities arising from the use of automobiles, such as, congestion, air pollution, global warming, and road accidents. AMP 2026 seeks to achieve a healthy balance between the human aspiration of personal transport and efficiency of public transport in India.

- **AMP 2026 seeks to increase net exports of the Indian Automotive industry several fold:** AMP 2026 recognises that the Indian Automotive industry (both vehicles and auto components) has the potential to scale up exports to the extent of 35-40% of its overall output over the next ten years and become one of the major automotive export hubs of the world. In line with this, AMP 2026 makes several prescriptions to improve competitiveness, technological advancement, infrastructure investment, and branding. On the flip side, the import intensity of automobiles is likely to increase in the coming years on account of the increasing use of electronics and the enhancement in the value of design and engineering in making of vehicles and components. At present, India is deficient in skills and capabilities in both these areas, namely, auto-electronics and design/engineering. AMP 2026 seeks to increase the share of local manufacture of vehicles and components, in particular, automotive electronics, light-weighting materials, moulds & dies, and machinery, which will save the country substantial foreign exchange and be a shot in the arm for the "Make in India" programme as well. AMP 2026 also aims to increase the quantum of indigenously carried out research, design, engineering and manufacturing in both automotive vehicles and components. Developing a robust ecosystem for design and development of automobiles in India is an important pillar that will determine the industry□s success. This will also go a long way in building Brand India from current Low Cost Manufacturer tag to something more aspirational.

- **Comprehensive and stable policy dispensation required:** Given the distinctive contributions of the Indian Automotive Industry to the socio-economic development of the country, it is imperative that the industry is subjected to a comprehensive and predictable policy regime that governs it in a stable and sustainable manner. World over, every economically advanced nation has succeeded in attaining its developed status with Government□s support and nurturing of its automotive industry. Given the widespread and differential impact of the Automotive sector on different stakeholders and the vibrancy of India□s democracy, regulations and policies that govern the Auto sector are subject to pulls and pressures of several lobbies. Therefore, to ensure a fair and predictable governing environment for the Indian Automotive industry, AMP 2026 spells out the Government□s views on the path of evolution of key policies for the Auto sector, so that all regulations impacting the industry are formulated comprehensively in scope and scale to be implemented harmoniously across the nation and both at the Centre and the States.

4.3.9 FAME India Scheme:

National Electric Mobility Mission Plan (NEMMP) 2020: Unveiled in 2013 aimed at 6-7 million electric/hybrid Vehicle by 2020. As part of the mission, Department of Heavy Industry formulated a scheme, namely, FAME – India [Faster Adoption and Manufacturing of (Hybrid &) Electric Vehicles in India} to promote hybrid/electric technology in transportation so as to reduce dependence on fossil fuels. The overall scheme was proposed to be implemented over a period of 6 years, till 2020, wherein it was intended to support the hybrid/ electric vehicles market development and its manufacturing eco-system to achieve self-sustenance at the end of the stipulated period. The scheme is one of the most important green initiatives of the Government of India, which will be one of the biggest contributors to reduction of pollution from the road transport sector. Phase-1 of the scheme was approved initially for a period of 2 years, commencing from 1st April 2015 i.e. FY 2015-16 and FY 2016-17, with an outlay of ₹795 crore. The duration of Phase-1 of the scheme was extended from time to time and the last extension was allowed upto 31st March 2019, with enhancement of total outlay to ₹895 crore.

The scheme had four focus areas i.e. Technology Development, Demand Creation, Pilot Project and Charging Infrastructure.

Market creation through demand incentives is aimed at incentivizing all vehicle segments i.e. 2-Wheelers, 3-Wheelers Auto, Passenger 4-Wheeler vehicles, Light Commercial Vehicles and Buses. The scheme lays greater emphasis on providing affordable and environmental friendly public and private transportation/ vehicular mobility for the masses. The demand incentive is available to buyers (end users/consumers) in the form of an upfront reduced purchase price to enable wider adoption. The demand incentive amount has been determined for each category (vehicle - technology - battery type), taking into account the principles of Total Cost of Ownership (TCO), Pay-back Period on account of fuel savings, cost of maintenance etc.

Specific projects under Pilot Projects, R&D/Technology Development and Public Charging Infrastructure components are approved by the Project Implementation & Sanctioning Committee (PISC), under the chairmanship of Secretary (Heavy Industry), for extending grant under focus areas of the scheme.

4.3.9.1 Achievements of Phase-1 of FAME India Scheme:

- About 2.8 lakhs electric/hybrid vehicles incentivised with financial support of about ₹360 crore.
- About ₹158 crore projects sanctioned for Technology development to various R&D and Academic organizations/institutions through Technology platform for Electric Mobility along with DST. Sanctioned about ₹361 crore for Pilot Projects including charging infrastructure projects. This includes sanction of 465 e-buses in 9 cities for ₹301 crore.
- Scheme was very successful in creating the major policy discourse on Electric Mobility among all stakeholders including different departments of Government of India and State Governments.
- Based on the outcome and experience of the Scheme, Phase-II of FAME India was approved by Government and notified on 8th March 2019.

Government of India has also extended financial assistance amounting to ₹65 crore (Approx) for the Technology Development Projects like Establishment of Testing Infrastructure, Preparation for specification & draft standards for xEV charging stations, setting up of Centre for Advanced Research in electrified transportation, setting up of Center of Battery Engineering etc. by various organisations/institutions like Automotive Research Association of India (ARAI), IIT Madras, IIT Kanpur, Non Ferrous Material Technology Development Centre (NFTDC), Aligarh Muslim University (AMU) etc.

To give a fresh thrust to e-mobility in public transport, Department of Heavy Industry announced the launch of public & shared mobility based on electric power train on 31st October 2017, through a system of Expression of Interest (EoI), offering demand incentives in combinations of electric buses, electric 4-wheeler passenger cars and electric 3-wheelers to cities with population of more than one million & special category states. This EoI has received the following response: receipt of 47 proposals from 44 cities across 21 states, with requirement of 3144 E-buses, 2430 E-Four Wheeler Taxies and 21545 E-Three Wheeler Autos.

After evaluation of these proposals, eleven (11) cities were selected for funding under the present Expression of Interest as the pilot project. Selected cities were required to finalize the tendering process and issue supply order before 28th February 2018. Out of the selected eleven (11) cities, nine (9) cities have finalized their tendering process and issued letter of award to the selected bidder. Accordingly, 425 e-Buses are being supported in these 9 cities:

4.3.9.2 Status of Fund Allocation and Utilization:

Financial Year	Fund Allocation	Fund Utilization
2015-16	₹75.00 Crore	₹75.00 Crore
2016-17	₹144.00 Crore	₹144.00 Crore
2017-18	₹165.00 Crore	₹165.00 Crore
2018-19	₹145.00 Crore	₹145.00 Crore
TOTAL	**₹529.00 Crore**	**₹529.00 Crore**

4.3.9.3 FAME India Scheme- PHASE-II

Based on the experience gained during Phase 1 of FAME Scheme and suggestions of various stakeholders, the Department of Heavy Industry notified Phase-II of the Scheme, vide S.O. 1300 dated 8th March 2019, with the approval of Cabinet. Phase-II of the scheme is for a period of 3 years, commencing from 1st April 2019, with an outlay of ₹10,000 crore. The main objective of the scheme is to encourage faster adoption of Electric and hybrid vehicle by way of offering upfront Incentive on purchase of Electric vehicles and also by establishing the necessary charging Infrastructure for electric vehicles. The scheme will help in addressing the issues of environmental pollution and fuel security.

In this phase of the scheme, more emphasis is given on electrification of public transportation that includes shared transport. Demand Incentives on operational expenditure model for electric buses will be delivered through State/city transport corporation (STUs). In 3W and 4W segments, incentives will be applicable mainly to vehicles used for public transport or registered for commercial purposes. In the e-2Ws segment, focus will be on private vehicles. The Scheme aims to create demand by way of supporting 7000 e-Buses, 5 lakh e-3 Wheelers, 55000 e-4 Wheeler Passenger Cars and 10 lakh e-2 Wheelers. Creation of charging infrastructure will be supported in selected cities and along major highways to address range anxiety among users of electric vehicles under the Scheme.

4.3.9.4 Salient features of FAME India Scheme Phase – II:

Outlay of ₹10,000 crore for a period of 3 years:

- Clear message to industry and to the world about our intention to promote Electric Mobility.

Ambitious target:

- Many ICE OEMs, who were not into making EVs, now reviewing their strategy.

Focus on Public and Shared Transport:

- With the numbers in the scheme, India to be No. 2 after China in Electric Vehicles especially Buses

Performance of vehicles:

- Higher quality performance parameters for eligibility as per stakeholder consultations.

Demand Incentives:

- Incentives based on Energy Contents of the Battery of vehicle

Charging Infrastructure:

- Sufficient provision exists in the scheme for deployment of Charging Infrastructure.

Category of Vehicle	Buses	2W	3W	4W Cars
EV Technology	Electric	Electric	Electric	Strong Hybrid Plug in Hybrid and Electric
Used for	Public Transport	• Private Uses • Commercial Uses • Shared Transport	• Commercial Uses • Shared Transport	• Commercial Uses • Shared Transport
Incentives	₹20000/- KWH	₹10000/- KWH	₹10000/- KWH	₹10000/- KWH
Mode of Reimbursement	Through STU	Through online Portal of FAME II	Through online Portal of FAME II	Through online Portal of FAME II
No of Vehicles to be supported	About 7000	About 1 million	About 5 lakhs	About 55000

Localization content: Under FAME India Scheme II, vehicle to be manufactured in India with certain minimum localization contents

- 40% for E buses and E Cars
- 50% for e2W and e3W

For localization, DHI issued Phased Manufacturing Programme (Localisation) giving phased timeline for localisation of various assemblies, sub-assemblies and components.

As on date total 35 models of all category of e-vehicle in respect of 13 OEM is approved.

4.4 Achievements of the Auto Sector:

4.4.1 Achievements of the Auto Sector in the year 2018-19 are as follows:

- Turnover : 119 USD Billion (~₹8.2 lakh crore)
- Turnover as % of GDP: 7.1% (Old Series)
- Turnover as % of Industrial GDP : 27% (Old Series)
- Turnover as % of Manufacturing GDP: 49% (Old Series)
- Direct Employment: 8 million
- Indirect Employment: 29 million
- Percentage Export: 8% (~25 billion USD)
- Percentage Import: 3.48% (~16 billion USD)
- GST: ₹1.5 lakh crore (15% of total GST collection)

Today, most of the multinational OEMs are present in the Indian Market and are catering to the local market and exporting in large number.

4.4.2 Category wise production Statistics (Million Units) in the year 2018-19:

Category	Total Production	Total Sales	Total Exports	World wise ranking in manufacturing
2W	24.5	21.18	3.28	No 1
3W	1.27	0.70	0.57	No 1
4W Passenger Car	4.02	3.38	0.68	No 4
Commercial Vehicles	1.11	1.01	0.10	No 7
Total	**30.9**	**26.27**	**4.63**	**No 4**

4.4.2(i) Production: The Industry produced a total 30.9 million vehicles including passenger vehicles, commercial vehicles, three wheelers, two wheelers and quadricycle in FY 2018-19 against 29.0 million in FY 2017-18 (% of growth rate is 6.26%)

4.4.2(ii) Exports: The overall automobile export has increased from 4.04 million in FY 2017-18 to 4.62 million in FY 2018-19 (% of growth rate is 14.50%).

The details of automobile production, sale and export of various automobile segments during the year 2012-13 to 2018-19 are as under:

4.3 Domestic Automobile Production:

(No. in thousands)

	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19
No. of vehicles Produced	20,626	21,500	23,366	24,016	25,330	29,094	30,915
Growth %	1.20	4.24	8.68	2.78	5.48	14.86	6.26

(Source: SIAM)

4.4 Domestic Automobile Sales:

(No. in thousands)

	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19
No. of vehicles Sold	17815	18423	19752	20468	21863	24981	26267
Growth %	2.61	3.41	7.22	3.63	6.81	14.26	5.15

(Source: SIAM)

4.5 Automobile Export:

(No. in thousands)

	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19
Number of vehicles Exported	2,898	3,110	3,573	3643	3480	4042	4629
Growth %	-1.34	7.31	14.89	1.95	-4.47	16.15	14.50

(Source: SIAM)

Under the GST regime, GST for all category ICE vehicles is 28% and 5% for electrical vehicle. In addition, all ICE vehicles are subject to compensation cess ranging from 1% to 22% depending on category of vehicle, its length, ground clearance, engine size in terms of CC etc.

Technology Up-gradation and R&D

Chapter 5

5.1 India has established a strong and diversified manufacturing base for the production of a wide variety of basic and capital goods to meet the requirements of various sectors including heavy electrical, power generation and transmission industries, process equipment, automobiles, ships, aircrafts, mining, chemicals, petroleum, etc. However, share of manufacturing sector in India's economy is still quite low. There is a considerable potential for growth which, in a globalised world economy, has to be based on improving productivity and competitiveness. Innovation and adoption of new technologies are the key factors in competitiveness. In the Indian context, opening of the economy and consequently the entry of international players has substantially enhanced the need for production of goods and services matching international standards. Indian Industry has undertaken a number of steps to meet the needs of the customers in a fast changing environment. CPSEs under the Department are also pursuing their plans to adopt and adapt new technologies through collaboration and in-house R&D efforts. Some of the initiatives in this regard are described below:

5.2 National Automotive Testing and R&D Infrastructure Project (NATRIP)

1. National Automotive Testing and R&D Infrastructure Project (NATRIP) is a flagship project of DHI for setting up of world level regulations in safety, emission etc., besides providing facilities for R&D for automobiles & auto-component industry. The project was set up in 2005. The Cabinet Committee on Economic Affairs (CCEA) approved the extension of completion schedule date of NATRIP to June 2019 with an enhanced financial outlay of ₹3727.30 cr.

2. NATRIP is being funded by the Central Government through a mix of grant-in-aid, interest free loan and user charges to be collected from the centres for the facilities developed under the project.

3. The project envisaged upgrading two centres at ARAI, Pune and VRDE, Ahmednagar and setting up of 4 Centres of state-of-the-art testing and homologation at ICAT/Manesar, GARC/Chennai, NATRAX/Indore, and NIAMIT/ Silchar. During the processing of RCE-II, EFC stated that the facilities envisaged at the Raebareli centre are already available at other centres and as land acquisition process was delaying the project, the centre could be closed, except for Accidental Data Analysis Centre (ADAC). Accordingly CCEA approved the recommendation and decided that ADAC

should be adjusted with the other centres. The ADAC is presently being operated out of NATRIP HQ. Centres of Excellence have also been created for facilitating R&D in the auto sector at the following locations:

- ICAT, Manesar –Component Lab and NVH Lab.
- GARC-Chennai- Passive Safety Lab, Infotronics Lab and Electromagnetic Compatibility (EMC) Lab.
- NATRAX- Indore – Vehicle Dynamics Lab, and Test Tracks (13 out of 14 being operational).
- ARAI, Pune –Powertrain Lab and Fatigue Lab.

4. In accordance with the approval of CCEA, NATRIP has completed 20 of the 22 sanctioned facilities. Some of the facilities created under NATRIP of various centres are given below:

- ICAT, Manesar – Passive Safety Lab, Powertrain Lab, EMC Lab, Fatigue Lab, CAD/CAE, Component Lab, Infotronics Lab, NVH Lab, Calibration Lab, Tyre Test Lab and Certification Lab, Electromagnetic Compatibility (EMC) Lab.
- GARC-Chennai- Fatigue Lab & Certification Lab, Test Tracks, CAD/CAE Lab & Infotronics Lab, Powertrain Lab, Electromagnetic Compatibility (EMC) Lab.
- NATRAX- Indore – Powertrain Lab, Vehicle Dynamics Lab, CAD/CAE lab and Test Tracks(13 out of 14 being operational).
- VRDE, Ahmedanagar – Electromagnetic Compatibility (EMC) Lab &ABS Test Track.
- NIAMIT, Slichar – Training Test Tracks, Model I & M, Mechanics Training Institute (MTI), Driver Training Institute (DTI).
- ARAI, Pune – Passive Safety Lab, Powertrain Lab & Fatigue Lab.

The remaining 2 facilities under construction/ commissioning are:

- High Speed Test Track (HST) being constructed at NATRAX/Indore
- Advanced Passive Safety Lab being constructed & commissioned at GARC/Chennai.

5. This initiative of DHI has ensured availability of world class infrastructure within the country to test vehicles and components, in line with existing and emerging automotive standards, with the aim to enhance vehicular safety, reduce emissions and bolster performance, thus helping in modernisation of the automotive industry. It has also helped deepen the automotive manufacturing sector in India, to expand India's global presence, promote larger value addition and thereby significantly enhance employment generation in this sector.

In future, it will also help to make India a global outsourcing base for automobiles and auto components, in furtherance of Automotive Mission Plan (AMP).

Possibilities are being explored for operation of the Centres on Public Private Partnership (PPP) Mode.

5.3. **Automotive Research Association of India (ARAI),** Located in Pune and built on approximately 15000 *sq. mt.* area, the Automotive Research Association of India (ARAI) houses various test facilities.

ARAI is a co-operative research organization that was established in 1966 by the Indian Vehicle and Automotive Ancillary Manufacturers and the Government of India (GoI). ARAI is affiliated to the Ministry of Heavy Industries and Public Enterprises and recognized by the Department of Scientific and Industrial Research. It is an ISO 9001-2008, ISO 14001-2004, and OHSAS 18001-2007 certified organisation and is also accredited by National Accreditation Board for Testing and Calibration Laboratories (NABL) for its major certification facilities.

ARAI is registered as a society under the Societies Registration Act XXI of 1860 and major automobile and ancillary manufacturers are its members. The Governing Council consists of members from Indian Automotive Industry and representatives from Government of India.

ARAI has been playing a crucial role in assuring safe, less polluting and more efficient vehicles. It provides technical expertise in R&D, testing, certification, homologation and framing of vehicular regulations.

The state-of-the art Research & Development and Testing facilities at ARAI are increasingly utilised for sponsored and in-house Research & Development projects as well as domestic CMVR type approval and export homologation activities.

The achievements of ARAI in 2018 till September, 2019 are as under:

- Recognized with '*Hall of Fame Award-CNBC TV18'* by Overdrive
- Director ARAI conferred with 'Engineering Excellence Award by SAE Foundation
- First BS VI Certificate in India issued by ARAI
- Inauguration of Virtual Calibration Centre and Environment Research Lab
- Copyright granted to 'Databank on Chemical, Mechanical, Physical and Dynamic Properties of Automotive Grade High Strength Steels (AHSS) by Copyright Office, Government of India
- Director ARAI conferred with '*eMobility+ Leadership Award 2018'*
- Patent granted for 'Improved Process and Device for Biodiesel Production for Home Appliance by The Patent Office, Government of India
- Recognized by National Traffic Safety and Environment Laboratory (NTSEL), Japan for TRIAS 31 Tests
- Collaboration with CHARIN Association for CCS & CHADEMO Association for CHADEMO
- Development of AC and DC Public Charging Station and EV & EVSE Simulator for Electric Vehicles
- Best Technical Paper Awards at SIAT 2019 IRCOBI Asia 2018 conferences
- Accreditation by Telecommunication

Engineering Centre, Department of Telecommunications as "Conformity Assessment Body" for Testing of Telecom Equipment

- Energy and Environment Foundation Global Sustainability Award 2019 in Gold Category
- Energy Conservation Award conferred by Maharashtra Energy Development Agency (MEDA)
- Organized Hardware Edition of Smart India Hackathon (SIH) 2019 along with NCL and IISER, Pune

5.4 Fluid Control Research Institute (FCRI), Palakkad, Kerala

Fluid Control Research Institute (FCRI), is an autonomous organization under Government of India, Department of Heavy Industry (DHI) located at Palakkad, Kerala. FCRI was established in 1987 with assistance from UNDP and is registered under the Societies Registration Act XXI of 1860. The institute has full-fledged NABL accredited laboratories for the calibration/ testing of flow products in water, oil and air media. It is a premier institute in our country rendering industrial services and solutions to industry.

The fluid flow laboratories of FCRI are at par with National/International standards for flow measurement and are accredited by NABL. The facilities are most comprehensive for flow engineering and provide a unique resource for industry in India and abroad. All the facilities are well utilized for sponsored R&D programmes as well as calibration/evaluation of flow products. The accreditation has been awarded on the basis of compliance to NABL – criteria and as per ISO standard 17025-2017. The laboratories accredited by NABL automatically get the approval from the Asia Pacific Laboratory Accreditation Cooperation (APLAC) and International Laboratory accreditation Cooperation (ILAC).

The Flow Laboratories at FCRI are at par with similar International facilities in Europe, as have been proved through regular inter-laboratory comparison programmes with National Engineering Laboratory UK, Delft Hydraulic Laboratory Netherlands, Denmark Tech. Institute Denmark, NIST USA and Czech Metrology Institute, etc. The major objective of the Institute is to establish research and development assistance to the flow product industry and to assist in upgrading quality and reliability of flow measurement and Instrumentation in our country. Higher level Skill development and training of industrial personnel is also an integral activity.

The quality assurance of flow products at FCRI are by and large carried out with reference to international standards like ISO, ISA, API, ASTM and OIML.

The ongoing/recently completed projects by FCRI include:

a) **LOTUS (Low-cost innovative Technology for water quality monitoring and water resources management for Urban and rural water Systems in India)**: FCRI is partnering with IIT Guwahati and IIT Mumbai and doing a project funded by European Union and DST on digital water solutions In order to optimize operational efficiency in water management practices and improve water quality and availability for municipalities and consumers. Digital water solutions have the potential to connect water operations, citizens and authorities with distribution networks that span the whole value chain of water, such as drinking water, irrigation and waste water.

b) **Project on possibilities of improving the efficiency of the dewatering pump '*Petti and Para*':** An MoU has been signed with Energy Management Centre (EMC), Government of Kerala for the research project on "Improving efficiency of *Petti and Para*", aimed at improving the efficiency of the dewatering pump popularly known as '*Petti and Para*□ used in Kuttanad, a low lying paddy cultivation area.

c) **MCGM Bulk Water meter test facility at Byculla:** Design, installation and commissioning of Bulk water meter test facility (50mm to 300mm) at MCGM, Mumbai was completed.

d) **RRSL water meter test facility project:** The design, installation and commissioning of water meter test benches for Regional Reference Standards Laboratories (RRSL) was completed.

e) **Experimental investigations on fluid structure interaction in transient cavitation flow:** Experimental investigations were carried out for Government Engineering College, Thrissur with three different pipe materials of 2" size to study the effect of transients.

5.5 CENTRAL MANUFACTURING TECHNOLOGY INSTITUTE TUMKUR ROAD, BENGALURU 560 022

Central Manufacturing Technology Institute, a premier R&D organization in the manufacturing technology, established in the year 1962, is an autonomous body, registered as a Society and under the administrative control of Department of Heavy Industry, Ministry of Heavy Industries & Public Enterprises. The institute is assisting Indian Industries to achieve excellence in technology and stimulate economic growth. The Institute is active in metal working technology, evolving solutions to national strategic initiatives and is a one-stop destination for end-to-end solutions in manufacturing technology deployment. The Institute is guided by a Governing Council consisting of representatives from industries in manufacturing sector, machine tool manufacturers, Government nominees and other stakeholders.

CMTI continues to support the Indian engineering industry and various sectors through its value added services in manufacturing technology and product development/realization activities. It continues to play a vital role of a catalyst in the application of manufacturing technology. The Institute is equipped with trained manpower, equipment and facilities for design, research, prototype production, manufacturing, testing, inspection, calibration, product development, training and technical information.

The equipment, facilities and expertise required have been acquired and special civil infrastructure facilities have been created for the Nano Manufacturing Technology Centre (NMTC) and an ultra precision Diamond Turning Machine Nano shape T250 has been developed by CMTI. The R&D projects that have been completed are now ready to be deployed for commercial applications. A vision lab has been set up to meet the special needs of vision based non-contact measurement. New 'skill development training courses have been launched to enhance Human Resource Development (HRD) activities through the Academy of Excellence for Advanced Manufacturing Technology (AEAMT) at CMTI, Bengaluru. The CMTI Regional Centre at Rajkot has been augmented with new measurement facilities to cater to metrology needs of the Rajkot cluster of manufacturing units.

The development of the High Speed Shuttleless Rapier Loom technology for a 450 rpm has been completed and testing is in progress.

The ongoing projects at CMTI include:

a. Setting up of "Smart Manufacturing Demonstration and Development Cell", a Smart Manufacturing (Machine Tool Centric) at CMTI encompassing Industry 4.0, IoT (Internet of Things) Platform at CMTI, Bangalore, under the component of Common Engineering Facilities Centre (CEFC) under the Scheme on Enhancement of Competitiveness in the Indian Capital Goods Sector.

b. Modernization of Precision Metrology Laboratory of CMTI under the component of Common Engineering Facilities Centre (CEFC) under the Scheme on Enhancement of Competitiveness in the Indian Capital Goods Sector & funding from Government of Karnataka.

c. Nano Manufacturing Technology Centre (NMTC).

d. Sensor Technology Development Facility (STDF)

5.6 R&D Initiatives by some of the CPSEs.

Some of the technology up- gradation and R&D efforts of the Central Public Sector Enterprises under the Department of Heavy Industry are detailed below.

5.6.1 Bharat Heavy Electricals Ltd. (BHEL)

Major R&D/ Technology up gradation achievements in 2018-19

The R&D expenditure of the company for 2018-19 was ₹820 Crore which is approx. 2.8 % of the turnover. The company filed 558 patent and copyright applications during the year, enhancing the company's intellectual capital to 4561. Approximately 19.6 % of the company's turnover, amounting to ₹5761 Crore has been achieved from its in-house developed products.

Some significant developments carried out during the year are:

- BHEL has developed Alloy 625M turbine casings (Lower Half & Upper half). The Lower half casing is the world's heaviest casting for Alloy 625 poured for any application (poured weight approx.50 T).

- First time in India, designed, developed and manufactured Super Heater Safety Valve for Advanced Ultra Supercritical (AUSC) application.

- Indigenously designed, developed & manufactured compact 67 kW and 130 kW liquid cooled induction motors for electric vehicles.
- Fire Side Corrosion Test Rig (FSCTR) has been successfully commissioned at NTPC Dadri thermal Power plant.
- First time in India, BHEL has successfully developed IGBT based Regeneration System through in-house R&D efforts, for Indian Railways fleet of WAG7 electric locomotives having DC propulsion system.
- BHEL has also successfully developed and tested 125 kW Permanent Magnet Synchronous Motor (PMSM) to address the wayside charging infrastructure business.
- Solar Panel Cleaning Robot has been indigenously developed for cleaning the dust and other debris on solar panels.
- Successfully completed process modelling and simulation of syngas to methanol conversion process for pilot plant of Coal to Methanol (CTM) Project.
- 1 MWh grid connected Battery based Energy Storage System (BESS) with Hybrid Battery Energy Storage System comprising Li-Ion Battery, Flow Battery and Advanced Lead acid Battery has been established in-house at Corp R&D, Hyderabad.
- BHEL has developed 21.5 MW, 11 kV, 4 Pole Closed Air Circuit Water Cooled (CACW) Boiler Feed Pump motor for North Chennai Project of M/s TANGEDCO. BHEL is the only Indian manufacturer to supply these high rating motors.
- For the first time, BHEL has designed and developed 245 kV Fibre Optic Current Transformer (FOCT) providing both Analog & Digital outputs for digital substation application.
- BHEL has indigenously designed largest size butterfly valve (6 meter) and spherical valve (3 meter) for Punatsangchhu, Bhutan Hydro power plant.
- Proton-exchange membrane (PEM) Fuel cell powered 1.25 kW Hybrid Electric Golf cart vehicle for drive range extension of electric vehicles has been developed and demonstrated. This cart can run approx. 130 Km with on board hydrogen storage cylinders.
- BHEL has designed, manufactured and commissioned largest rating (116 MW each) vertical pump-motor sets along with associated auxiliaries for 7 x 116 MW Kaleshwaram Lift Irrigation Scheme.

Major R&D/ Technology upgradation achievements in 2019-20 upto Sept.'19

- Established manufacturing technology for Alloy 617 tubes and pipes for Advance Ultra Super Critical (AUSC) project.
- Material testing (Creep & Fatigue studies) completed for IN 625 Alloy for use in AUSC HP/IP Turbine, which will help in establishing the manufacturing technology for the same.
- Developed a generic Model Predictive Controller (MPC) for Super Heater (SH)

& Re-heater (RH) for steam temperature control of super critical thermal power plants.

- Developed 900 kW, 11 kV, 2 Pole Flame proof motor with sleeve bearing for hazardous area applications and supplied to HPCL Vizag.
- Facilities for manufacturing Space Grade Li-ion cells established in line with Technology Collaboration Agreement (TCA) with Vikram Sarabhai Space Center (VSCC).
- Established Laser cladding process using IN625 powder for dimensional repair/ building of Rotor Shaft to extend the service life time of industrial components.

5.6.2 Rajasthan Electronics & Instruments Limited, (REIL)

Innovation and the pursuit of new business opportunities are essential for growth of an Organization. The Research & Development activities of the Company are aimed at achieving the Corporate Mission of meeting the existing & emerging needs of Customers and serve them through development/ marketing and delivery of Quality Products and dependable after sales service. The Company, through its systematic approach, monitors the Pulse of esteemed Customers to identify their needs and convert them into Quality Products. The R&D activities not only target the new development, but improvement in existing products/processes also to improve productivity and overall performance.

REIL has been providing cost effective solutions in dairy electronics & renewable energy sectors to the country in general and rural masses in particular. The R&D center-equipped with latest tools & technology based equipment and skilled resources are recognized by Department of Science & Industrial Research, Government of India and is engaged in development of various dairy electronics and solar projects.

Major areas of Operation:

- Project Conceptualization, Design & Development.
- Absorption & Transfer of Technical Know-how.
- Indigenization of the Existing Range of Products.
- Engineering Support to Materials Management, Production and Business Divisions.
- Technical Documentation/Project Proposals & Report Generation.
- Management of Design, Drawing & Drafting Section and Technical Library.
- Securing IPR of the company.

The following Research & Development activities were undertaken during the year 2017-18 & 2018-19:

a) Remote Monitoring Unit for Solar Water Pumping System;

b) Solar Pump Controller for existing AC Pumps;

c) The Solar Hybrid Electric Vehicles Charging Systems;

d) Next Generation DPU (NG-DPU);

e) Remote monitoring, control and data acquisition for Bulk Milk Cooler (BMC);

f) Development of Solar Powered Peltier Refrigerator for rural application;

g) Delevopment of system for Solarization of Bulk Milk Coolers;

5.6.3 HMT Limited

HMT has established R & D canters in all manufacturing units to meet the needs of design & development of different products, with a focus to improve product technology and enhance product competitiveness. R&D has been a focus area for the company in its endeavour to serve the customer better and develop new products. R & D activities are carried out in each subsidiary with particular reference to customer needs in product technology, quality, reliability and price competitiveness. Upgrading the existing products with additional features, design optimisation and improvement in aesthetics are the major thrust areas. The initiative has resulted in many new products and also up-gradation of existing products.

Highlights of R&D activities carried out/ planned in the different product areas of HMT›s domain are as below:

(Food Processing Machinery Division)

a) Development of can washer capacity 600 cans/hr

b) Development of Butter Making Machine with capacity of 2000 kg/hour

5.6.4 HMT Machine Tools Limited

All the manufacturing units of the Company have their own R&D facilities to meet its needs. The focus of R&D is to progressively achieve self-reliance in product technology, upgrading the existing products with additional features.

R&D is a continuous process and closely linked with the various operations of the Company and benefits could be derived as a result of the above R & D. Consistent efforts are being made in-house to design, develop and manufacture new products as per technologies available as well as state-of-art and technology centric special purpose machines. Technology development plans are focused to facilitate reduction in cost of production by value engineering, thereby providing viable import substitution as well as Joint Working Arrangement with overseas foreign Institute & IIT,s etc. This approach has resulted in development of new products during 2018-19.

HMT Machine Tools Limited entered into a Technical Agreement with International reputed firm M/s. Fraunhofer, Germany funded by Govt. of India for Technology Transfer of design & development for analysis of "Headstock of Four Guide Way Lathe" and "Development of the Turn Mill Centre with Y-axis SB CNC 30 TMY. The project is funded by DHI, Govt. of India. The design & development of "Headstock of Four Guide Way Lathe" project completed in the month of March 2018 at Bangalore Unit. The prototype of Turn Mill Centre with Y-axis SB CNC 30 TMY was completed in the month of September 2018 at Kalamassery Unit.

Products Development and Technology Up gradation plans.

- Development of CNC Multi Spindle Automats in technical collaboration with M/s Central Manufacturing Technology Institute (CMTI), Bengaluru. CMTI will design, develop & transfer the technology to HMTMT for commercial production, proposal pending with CMTI.

- HMT MTL, Bangalore with a tie-up for transfer of technology with M/s F.T. Machines, Germany, indigenously developed and supplied one no. Flow Forming Machine to Ordnance Factory, Ambhajari. Another two machines are under progress.

- HMT MTL, Hyderabad supplied two nos. of 3 axis CNC Vertical Facing Mill for ISRO□s Satish Dhavan Space Centre to Machine Solid Rocket Motors.

5.6.5 Andrew Yule & Company Limited (AYCL)

The R&D activities carried out by the Company□s different Divisions were as follows:–

I. Status of Subject activities:

a) Tea Division□s Innovation cells for designer/specialty tea of AYCL is in operation.

b) Engineering Division has set-up a R&D unit and is working on Product Development & Process Development.

c) Electrical Division has initiated action to introduce more energy efficient transformers. Acquiring NABL accreditation for in-house testing facilities will be the next step.

II. Benefits derived like product development, cost reduction or import substitution:

a) Measures have been taken to augment the brand image of "Yule Tea" in retail tea market to improve Value Addition.

b) All gardens of the group are now having FSSAI License to operate and manufacture tea. Also all Estates are Trustea certified.

c) Tea Division is expecting to achieve higher turnover compared to previous years.

d) Electrical Division – Chennai Operation (ED-CO) for the first time achieved an outsourced turnover of INR 22.03 Cr for the period Apr-Dec, 2019.

e) Electrical Division – Chennai Operation (ED-CO) has added new customers during the current fiscal year viz. Bajaj Electricals

f) Electrical Division – Kolkata Operation (ED-KO) has added 2 new Products for its product base during this fiscal year viz. Energy Efficiency Level – 2 Distribution Transformer (11/0.433kV, 100kVA Grade) and Energy Efficiency Level – 1 Distribution Transformer (33/0.433kV, 63kVA Grade).

g) Engineering Division have successfully developed, executed and supplied "Thoroughly Reversible Axial Flow Fan", this will cater the needs of various Tea Gardens.

h) Engineering Division has manufactured and Import Substituted Waste Gas fan of Rastriya Ispat Nigam Ltd., Vizag Steel Plant valuing INR 101.51 lacs.

i) Engineering Division successfully developed Import Substitution of Russian Design Fan Impeller – Shaft Assembly for SAIL – Bhilai and bagged the Order for 2 Nos Impeller-Shaft Assembly for a Value of INR 106.00 lacs from SAIL, BHILAI. First Impeller/shaft was already delivered during the period and the second Impeller/shaft Assembly is under manufacturing process.

j) Engineering Division has increased its volume of supply of Energy Efficient Industrial Fans to different Cement plants i.e. Ultratech, ACC, Udaipur Cement etc. and business on this account during this Fiscal Year is INR 2.5 Cr so far.

k) Engineering Division also started Supply of Industrial Fans to a new Industry Segment i.e. Paper Industries Like – Naini Paper, Quantum Paper, KR Pulp, etc. during the current period under review.

5.6.6 The Braithwaite Burn & Jessop Construction Company Ltd. (BBJ)

Awareness about the new technologies and products is being imparted to the senior management for utilizing the same. Presentations on the new and innovative technologies are being organized. Due to various factors viz. conventional nature of job, cost and size constraints etc., Research & Development activities are not presently taken up by the Company.

However, in an increasingly competitive environment, BBJ has recognized the importance of R&D to maintain its leadership position. To further its competitive edge with the limited resources and concerted efforts by the employees, BBJ developed new launching schemes for steel bridges in past. BBJ developed an effective erection scheme to replace old steel bridges with newly fabricated girders in a very short time on running lines. In past, BBJ developed forward launching plans for DMRC project, Ganga Bridge at Munger and also for other projects. BBJ has developed appropriate cutting plans for fabrication to reduce wastage. Up-gradation of technology is being done time to time based on operational need by means of installation of new software to promote Digital India campaign, monitor project execution and accounting related tools.

5.6.7 Engineering Projects (India) Limited (EPI)

Considering company□s nature of job, there is limited scope of Research & Development as EPI is executing the work based on the requirement of clients. However EPI has actively provided state of the art technology like neutral technology beside conventional RCC Framed Structure i.e. precast, modular monolithic concreting using Aluma formwork system etc. for faster and cost effective construction.

The company is making continuous effort to upgrade technology and construction technique. Government of India unveiled with much fanfare the Smart Cities Mission (SCM), one of its marquee initiatives aimed at upgrading 100 cities. Among the projects in SCM are affordable housing, integrated multi-modal transport, creation and preservation of open spaces, and waste and traffic management, among others. The projects focus either on a particular area of the city or the entire city in light of SCM. EPI has signed MoU with French companies to participate in implementation of Smart Cities Mission of Government.

Further, EPI has signed MoUs with following technology providers also for implementation of the projects:-

- Wuhan Kaidi Electric Power Environment Company Ltd., China (KDPE) for the Fuel Gas Desulphurization (FGD) system works of Thermal Power Plants in India.
- Wuhan Kaidi Water Service Company Limited, China, for the works of Sea Water Reverse Osmosis (SWRO) Desalination Plant including O&M services and Environment Control & Measure for Industrial Wastewater Treatment Plant Systems in India and Abroad.
- Tianjin Shidai Tiancheng Environment Tech Co. Ltd. (TCEP), China for exploring Marketing & Developing the projects of Landfill remediation & Management in India & Abroad.

The company has developed a state of the art Border Infrastructure and Surveillance System for international projects, adopting a combination of physical and electronically controlled barriers, real-time display monitoring with an intelligence system using sensors, optical fiber cables and HRC camera's keeping the international border safe and secure for prevention of infiltration/trafficking.

EPI used excavated material like limestone/clinkers for stabilization of sand dunes for construction of roads and fence foundation, etc. EPI has started using rapid monolithic disaster proof technology in construction of mass housing and other construction projects.

5.6.8 Scooters India Limited (SIL)

The Company has upgraded existing 3 Wheeler models from Bharat Stage (BS-III) to Bharat Stage (BS-IV) for mandatory compliance to BS-IV norms in 2017. The vehicle models upgraded are VIKRAM 1000CG, VIKRAM 1500CG, VIKRAM 450D, VIKRAM 750D. The Company has got Type Approval certificate for all vehicle models from ARAI, Pune.

In line with the Govt's policy for the Automobile sector to gradually switch over to cleaner fuel, the Company has successfully made Electric 3-Wheeler vehicle for 6P+1D passenger configuration. Type approval certificate for E-vehicle has been received from M/s ICAT, Manesar.

Company has successfully developed and upgraded self-adjusting brake system for all vehicles of Vikram model with new design of C.I. drums and back plate assembly.

The Company has also installed 1MW Roof Top Solar Power Plant which has leading to substantial saving in energy cost.

Welfare of SCs/STs/OBCs/ PwDs and Minorities

6

Chapter

6.1. It has been the constant endeavour of this Department to oversee the obligations of Central Public Sector Enterprises to promote the welfare of minorities in the light of Government□s directive on this subject. Instructions issued by the Government in respect of reservation in appointment/ promotion for SCs/STs/OBCs, Persons with Disabilities and minority communities are followed by CPSEs under the Department.

6.2. An SC/ ST Cell is functioning within the Department, under the supervision of a Liaison Officer of the rank of Director/ Deputy Secretary for proper monitoring of the implementation of the reservation policy of Government of India.

6.3. The work force in the CPSEs consists of a large number of persons from different minority communities. Their integration into the mainstream workforce is emphasized in all CPSEs and there is no discrimination on account of their caste, creed or religious beliefs. Facilities like residential accommodation etc. are extended to employees on equal terms. Every Year, Qaumi Ekta/Sadbhavna Diwas is organized where people from all sections of the society including women and children participate to stimulate the spirit of oneness, national integration and harmony.

6.4. All operating CPSEs under this Department are under the provisions of the Rights of Persons with Disabilities Act, 2016.

6.5 Department of Heavy Industry issues Essentiality Certificate to Persons with Disability for availing eligible concession on excise duty on purchase of modified cars. As a step towards simplification of Government procedure, the affidavit to be submitted by the applicant in this regard has been replaced with the self-attested certificate. The detailed eligibility conditions are displayed on website of the Department. During the year 2018-19, total number of applications received were 381 and certification were issued to 336 persons and during the period from 01.04.2019 to 30.09.2019, total number of applications received were 463 and certificates were issued to 173 persons.

6.6 The annual data about representation of SCs, STs, OBCs and Persons with Disabilities in the Department of Heavy Industry as on 1st January of each year is furnished on-line to DoPT, through the portal launched by Department of Personnel & Training (www.rrcps.nic.in) for representation of reserved category in posts and services.

Chapter

7 Empowerment / Welfare of Women

7.1 In order to safeguard the rights especially of female employees, the Department of Heavy Industry in accordance with the directions issued by the Government for the preservation and enforcement of rights to gender equality and justice to working women employees, an Internal Complaint Committee has been constituted in the Department for redressal of complaints related to sexual harassment of women in accordance with the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

7.2 Department of Heavy Industry and the CPSEs under its administrative control constantly endeavour to ensure that there is no discrimination against women on any count. All members of the staff are made conscious of the principles of gender mainstreaming and gender justice enshrined in the Constitution of India.

7.3 In order to create awareness regarding human rights, especially of female employees, in accordance with the directions issued by the Government for the preservation and enforcement of rights to gender equity and justice to women employees, a Complaints Committee has been constituted in the Department for redressal of complaints related to sexual harassment of women. Department actively encourages women employees to freely participate in all activities like meetings, seminars, competitions, training etc. This helps in ensuring their fuller integration into the mainstream work force.

7.4 The instructions issued by the Ministry of Women & Child Development on Gender Budgeting with a view to identify sectors/ services where initiatives can be taken by the Department for the implementation of schemes/programmes for promoting gender equality, are being followed in Department of Heavy Industry and CPSEs under the administrative control of the Department.

Vigilance

8

Chapter

8.1 The Department has a Chief Vigilance Officer of the rank of Joint Secretary to look into the vigilance matters of employees of the Department as well as Board Level Officers of the Central Public Sector Enterprises and Organizations under its administrative control. He is assisted by a Director and an Under Secretary along with a Vigilance Section.

8.2 The main areas of work of Vigilance Section are:-

- Dealing with complaints against Board level appointees of CPSEs under the administrative control of the Department of Heavy Industry as well as the officers of the Department;
- Periodical review of vigilance matters;
- Issue of vigilance clearance in respect of Board level appointees in CPSEs and all other appointments based on PESB recommendations requiring ACC approval as well as officers/ officials of DHI;
- Interfacing with CVC, CBI and CVOs of CPSEs under DHI to streamline flow of information in respect of vigilance matters;
- Tendering advice on issues of procedural irregularity;
- Vetting charge sheet in respect of vigilance cases against Board level appointees;
- Monitoring & completion of Performance Appraisal Reports of officers and staff of the Department as well as Board level appointees of its CPSEs and maintenance of the same;
- Monitoring submission of Annual Property Return by officers and staff of the Department of Heavy Industry as well as Board level appointees of its CPSEs;
- Filling of APARs under SPARROW in respect of IAS/IPS/IES/IFS officers & Group 'A officers of CSS/CSSS.

8.3 Vigilance Section lays considerable emphasis on preventive vigilance and is promoting the use of IT to bring about greater transparency. Punitive measures are also taken in appropriate cases and followed up, wherever required.

8.4 Vigilance Awareness Week was observed by DHI from 28.10.2019 to 02.11.2019 to generate and spread awareness against corruption.

8.5 Vigilance cases are usually of complex nature demanding varied and detailed information, comments & analysis into the allegations, with due assistance from the CVOs of CPSEs. Concerted efforts were made to identify the long pending cases, the old cases being given special attention to bring investigation to the logical conclusion. There were **26** vigilance cases/complaints in the beginning of the year 2018. **28** new cases/complaints were received till 08.11.2019. Investigation was completed in **13** cases and they were disposed off after the approval of competent authority and in consultation with Central Vigilance Commission, wherever required.

8.6 Vigilance clearance was obtained from CVC in case of **16** Board level officers for recruitment / confirmation / extension / retirement / resignation and Vigilance Clearance of **125** Officers of DHI/PSUs was granted by CVO, DHI for various purposes.

Progressive Use of Hindi

9

Chapter

9.1 In keeping with the motto "Shramev Jayate□□, Hindi Section of the Department of Heavy Industry is making all efforts to make the Official Language Hindi a medium to transact government business in accordance with the goals set by the Department of Official Language. To review the progress made in the use of Hindi, the Official Language Implementation Committee held its periodical meetings under the chairmanship of Joint Secretary, in-charge of Hindi Section in the Department and suggested ways to remove the impediments in the use of the Official Language in official work.

9.2. During the year 2018-19, the inspecting team of the Department carried out inspections of 24 Units/Offices of Central Public Sector Enterprises under the administrative control of the Department to monitor the progress made in the implementation of Hindi and also directed the officers of these Units/ Offices to achieve the targets prescribed in the Annual Programme issued by the Department of Official Language.

9.3. All the Cabinet Notes, Notifications, Resolutions, Notes and Circulars, Parliament Questions & papers laid on the Table of both Houses of the Parliament, Annual Report, CAG Reports, Delay Statements, General Orders and Citizen Charter were issued both in Hindi and in English.

9.4. Workshops were also organised for officers/ employees to enable them to work on computer in Hindi. Apart from this, Fourth and Fifth Meetings of Reconstituted Hindi Advisory Committee were held respectively on 18th May, 2018 at Munnar, Kerala and on 29th November, 2018 at Havelock, Andaman and Nicobar Island under the chairmanship of Honourable Minister, Ministry of Heavy Industries & Public Enterprises, Shri Anant G Geete. These Meetings were held in energetic manner in which working of DHI in OFFICIAL LANGUAGE has been appreciated.

9.5. In order to promote the use of Hindi and to increase correspondence in Hindi, "Hindi Fortnight" was organized from 1st September, 2018 to 15th September, 2018 in which Officers/Staff of the Department participated enthusiastically. Prize Distribution Ceremony was held under the chairmanship of Joint Secretary, in-charge of Hindi Section.

Photo of HINDI PAKHWARA Prize Distribution Function 2018

9.6. Public Sector Undertakings, under the administrative control of this Department, also continued to make vigorous efforts to implement the Official Language Act and its provisions. Various Seminars, Competitions and Workshops were organised in these PSUs to propagate the use of Hindi. **"HINDI FORTNIGHT/HINDI WEEK/ HINDI MONTH"** were celebrated in these PSUs with great zeal.

Implementation of Sevottam

10 Chapter

10.1 The Department of Heavy Industry is committed to the goal of effective and responsive administration and service on delivery excellence. The SEVOTTAM framework of Government of India has been implemented in the Department. Following steps have been taken in this direction. In addition to above, the Department has appointed/designated various Nodal Officers at appropriate levels for the smooth functioning of the Department as well as for helping its staff and the public. Some of such areas are described below:

In an effort to streamline the system of Redressal of Public Grievances, a Joint Secretary in this Department is functioning as Joint Secretary (Public Grievances).

In order to process litigation matters and to further coordinate, a Nodal Officer has been designated to ensure timely action.

10.1.1 GrievanceRedressManagement:The Department has appointed Sh. A.K. Panda, Economic Adviser as the Public Grievance Officer for monitoring redressal of grievances. "Grievance Redress Management: The Department receives public grievances online through CPGRAMS Portal. In addition, off-line grievances are also received. The grievances are monitored regularly for expeditious disposal. During the period from 01.01.2019 to 31.12.2019, 1363 grievances were received and 72 grievances were brought forward, totalling 1435 grievances. Out of 1435, 1382 grievances, which is 96% of total grievances, were disposed of as on 31.12.2019. The average days of pendency of grievances in the last six months is 19 days".

10.2 IT initiatives in the Department of Heavy Industry

Taking the slogan "Minimum Government andMaximumGovernance,"acitizencentric approach and accountable administration is the focus of the government. Series of steps include simplification of procedures, identification and repeal of obsolete/archaic laws/rules, identification and shortening of various forms, leveraging technology to bring in transparency in public interface and so on. Leveraging the power of information technology brings with it the advantage of transparency, deliver a quality citizen services and improve the way of governance. Digital India Plan and Ease of Doing Business are two sides of a coin. The emphasis has been on simplification and rationalization of the existing rules and introduction of information technology to make governance more efficient and effective. D/o Heavy Industry (DHI) already progressed a lot and put a step ahead with big data analytics to achieve data driven decision making. In addition to that it directs and monitors all its CPSEs and Autonomous Bodies under its domain to promote digital platform and online services.

During 2019-2020 lots of IT achievements have been accomplished which included e-office/e-file factor which crossed 98.3% as on 31.03.2019. The Enhancement of features in FAME-India I with DBT web service integration, Launching of FAME-India 2 portal with DBT web service integration, GST Exemption Certificate portal, MIS application portal, up-gradation of website in cloud platform with monitoring its content activity through MIS, Launching of Dedicated Dashboard on Key Performance Indicators of sectoral growth, DHI-Darpan portal, operational of various in-house intranet applications/ MIS etc. are to be highlighted. Website is enhanced with a dedicated section for Industry 4.0.

DHI informatics division of National Informatics Center, Ministry of Information Technology renders NIC support services, consultations, development cum implementations of e-governance in DHI as well as all its organizations. It also maintains departmental websites, facilitating DHI in accessing on-line e-governance services portals and conducting training/workshops on different topics with reference to the need.

10.2.1 DHI Website

DHI website (https://heavyindustry.gov.in https://dhi.nic.in) has been upgraded into the cloud environment along with more capacity, SSL encryption. It is the most effective platform for dissemination of Information on Policies, Procedures, Feedback, Performance, Budget, RTI etc. relevant to the Heavy Industrial Sectors as well as Indian Citizens to get the benefit of the schemes implemented by DHI.

Flashing of latest initiatives, schemes policies, notices and events under what's new tag is most popular among global visitors. To encourage the participation of the Industry in Policy making inviting the feedback from them within a due date is also in practice. Schemes-wise Policy, Procedures, Performers, Industry 4.0 initiatives, Citizen Charter, Mission Plan, Budget, Grant & Aid details, GST implementation etc. are some of the important tags published in the website. The Content related to various Schemes-wise Policy, Procedures, Performing reports, Industry 4.0 Events, Citizen Charter, Budget, Grant & Aid details, GST implementation etc. are also regularly maintained. To keep the latest information and updating in the website, DHI content moderators are facilitated through content management framework to take care their respective web contents. In order to monitor the content publishing regularly, an automatic email alert has been activated. An exclusive MIS system has also been developed and implemented in intranet to monitor the content moderation activity and trace out the audit log of the website. Both Cyber security audit and STQC certifications had been obtained for the website. Hindi version of the website is also made available and regularly updated by Hindi Section. Total visitors count reached 79 lakhs in 15 November 2019 comparing with 65 lakhs Till Mar 2019. Till November 2019, 16,21,036 visitors hit DHI website at an average of 1,34,918 per month which increased from 110000 of previous year.

10.2.2 E-office Implementation

Under *National e-Governance Division (*NeGD) project, e-office has been implemented at https://dhi.eoffice.gov.in with all its modules in DHI and all are operationalized.

The Union Minister of State (Independent Charge) of the Ministry of Personnel, Public Grievances & Pensions Dr. Jitendra Singh awarded the Certificate of Appreciation to Department of Heavy Industry for achieving above 90% in e-office implementation.

E-File module has been upgraded to version 5.6 with proper hands on training for successful performance. As on Oct 2019, e-file % reached to 98.31%. Other modules like EMD, E-leave, PIMS have also been upgraded to the latest version. Workshops on DSC/e-sign integration, e-mail diarisation, migration of files, e-receipts, special operations etc. had also been conducted by NIC. Out of 259 e-office users, near about twenty five officers have been authorized to publish the circulars/ Notices through KMS. Necessary facilitation for Integration with DSC, e-sign and e-mail diarisation have also been taken up. Nearly 4507 DSC signs and 777 e-signs have been exercised during the period 15 May - 15 November 2019. In order to monitor the performance, an intranet based MIS has been developed and deployed by NIC team of DHI.

10.2.3 DHI Dashboard

A Dashboard portal has been developed by the Department for interaction with the public. The portal contains progress of e-Mobility, 100 days Plan, Sectoral information and information regarding the Central Public Sector Enterprises under the administrative control of DHI.

10.2.4 DHI DARPAN Portal

A DHI-DARPAN interface linked to NGO-Darpan Portal of NITI Aayog to verify the details of the NGOs before releasing funds to them has been developed.

10.2.5 Intranet Applications

Various web based intranet office automation applications and sectoral applications are operationalized. Office automation applications like MIS on e-Office Implementation, MIS on Content Management of website, MIS on Status of Vital Activities of DHI, MIS on DHI Schemes (DBT MIS), MIS on PRAGATI Agenda Updations, CPSEs Performance Monitoring System, User Complaints Monitoring System, MIS on Cyber Incidents in DHI (Cert-in), CPSEs Dash Board, MIS on feedback received through website/ emails, on-line Consumable Distributions System, MIS system on PMO references, Court cases, VIP references, Parliament references, On-line engagement etc. are made operational. Various reports like age-wise pendency, JS/Dir/Section/CPSEs wise pendency, disposed off list are also made available. Sectoral database like CPSEs performance monitoring system, performance on auto sector and capital goods sector are also made available.

10.2.6 Online E-governance Services

In addition to the in-house services , more online e-governance portals with common services like SPARROW (Smart Performance Appraisal Report Recording Window) for IAS, CSS, IPS officers, Pro Active Governance And Timely Implementation (PRAGATI) PMO, Online Single User Platform Related To Employees Online (SUPREMO), Legal Information Online Management & Briefing System (LIMBS), Online e-tendering and e-procurement, Biometric Attendance System (BAS), Visitor Management for the Bhavans (MHA), RTI applications/first appeals online (DoPT), Centralized Public Grievance Redress And Monitoring System (CPGRAMS) DoPT, Online system for monitoring of follow-up action (e-samiksha) (CS), India Code Portal, Foreign Visit Management System, e-suvidha, Foreign Visit Management System, Government E-Marketing Portal, PFMS (Public Financial Management System) are operationalized with D/o Heavy Industry.

10.2.7 VIDEO Conferencing

In order to make an effective and efficient interactions internally, inter-Ministry level as well as externally, Video conferencing setup has been operationalized from the conference room of DHI for last four years. With help of NIC VC control, monthly PRAGATI meetings were organized. In addition to that ten big conferences on various Agenda with different entity including German, Singapore participants. For mini team conferences a desktop/web video conferences facility were organized to facilitate senior officers of DHI and CMDs of CPSEs. During 2019-2020, in addition to PRGATI monthly meetings, 8 VC sessions have been organized. Some VCs on CPSEs board meetings, reviews on various issues were also organized through Skype too.

10.2.8 ICT infrastructure

New Hardware/Software/Accessories have been incorporated to the sections as well as officers level for better performance to utilize the latest information technology. Various cyber security measurements have been taken by deploying more firewalls, manageable network equipment as per the security guidelines issued time to time by GOI. System for automatic patch management and virus detections have also been upgraded to ensure virus free zone over the LAN/WAN/Email/Wifi services. Desktop BAS devices (38X), Tablet (6X) absed BAS devices are also installed and activated.

10.2.9 Social Media

As per the guideline of MeitY, an official twitter account of DHI (@heindustry) has been launched and maintained by DHI. This will bridge the direct platform with Industry/citizens more effectively in sharing the information between them.

10.2.10 IT in CPSEs of DHI

All CPSEs are asked to upgrade their ICT infrastructure with IPV6 compliance. Most of the CPSEs are having their own domain name and all have launched their websites for disseminating their progress. Their web links are made available in dhi website. In order to organize VC meetings and conferences, few CPSEs have already setup VC studios. Some are having NICs desktop VC facility in which they used to organize internal meetings too. All are instructed to integrate with on line e-gov applications like e-tendering, GeM, PFMS etc. Six CPSEs are also equipped with high end VC studios. EPIL and NATRIP already established email service with NIC. Nepa, EPIL already hosting their sites in Meghraj cloud. Implementation of e-office and Online learning Service portal is already undergoing by BHEL.

10.3 INTERNATIONAL COOPERATION

In furtherance of the objective of bringing the state of the art technologies in industry, DHI collaborated with various foreign countries and participated in following International meetings/conferences/seminars:

- Secretary, HI led delegation with JS(HE&MT) as member of the delegation to Hannover Messe 2019 International Fair in Hannover, Germany from 1st to 5th April, 2019. Hannover Messe is the biggest global industrial fair wherein the latest technologies and trends in the industrial sector are showcased. Hannover Messe, organized by Deutsche Messe AG, is world's number one Technology Expo and a leading dialogue hub for business and government leaders. India made an impressive mark through a splendid display of its engineering and manufacturing process during 2015 edition of Hannover Messe as "Partner Country". Ever since 2015, DHI has been regularly participating at this event. The purpose of the participation is to continue the brand building exercise under "Make in India", to get first hand insight into the latest manufacturing technologies and to seek cooperation between India and developed nations of the world in the areas of advances manufacturing. This time the participation was focused specially with a view to explore Investment opportunities, Joint venture opportunities, Technology transfer, First Hand insight about latest automation concepts and concepts related to Industry 4.0 and Site visits to major engineering and technology hubs.

- Department of Heavy Industry, Government of India participated in the 61st edition of MSV Brno held from 7th - 11th October, 2019 in Czech Republic. A high level delegation led by Secretary HI along with JS(HE&MT) led India's participation to the fair who chaired the 6th meeting of Indo Czech Joint Working Group in Heavy Engineering and Advanced Manufacturing held on 8th October, 2019 to coincide with MSV

Brno Fair. MSV Brno is the leading Industrial Trade Fair in Central and Eastern Europe held annually in Czech Republic. The 61st edition of MSV Brno saw the product sectors such as Machine Tooling Forming Machines, Clutches, Bearing and Saw Machines, Surface Technology, Plastics, Welding and Automation, Material for engineering, drives, hydraulics, Pneumatics, Foundry, 3D Printing, Power Engineering and Machine Tools. The visit of DHI delegation to Czech highlighted the immense opportunities which exist between the two countries particularly in Modernization and Manufacturing of Plant & Machinery in India, Encouraging Automation and Industry 4.0, Setting up Manufacturing & Investment Opportunities in India, Technology Transfer.

- Secretary HI along with JS(Auto) participated in a meeting to exchange views with Government of Japan for alternate automobile technology especially in the field of alternate fuel, Hydrogen fuel and low carbon fuel technology accompanied by visit to a Lithium Ion Battery factory, xEV facilities, R&D center, Hydrogen station and battery recycling facility etc. from 5th-9th November, 2019. Representative from Department of Revenue (JS) & D/O Science and Technology (JS) also participated in the aforesaid meeting.

- Japanese side demonstrated advanced Technologies and exchanged views that may result in formation of Joint Working Group for alternate automobile technology with Government of Japan.

- During this visit, Indian Delegation visited a Lithium Ion Battery factory, xEV facilities, R&D center, Hydrogen station and battery recycling facility etc.

- Secretary, HI along with Joint Secretary and CMD-BHEL, visited Bangladesh from 27th to 28th November, 2019 to participate in the 7th Meeting of the High Level Monitoring Committee (HLMC) for Maitree Super Thermal Power Project (STTP) at Ramphal, Bangladesh. The meeting was attended by senior officials representing Ministry of Power (Government of Bangladesh), Department of Heavy Industry (GoI), Ministry of Power (GoI), High Commission of India in Dhaka, Bangladesh, Bangladesh Power Development Board (BPDB), Power Grid Corporation of Bangladesh (PGCB), CEA (GoI), NTPC & BHEL.

- During the meeting, deliberations and discussions were held on critical issues of the project. Delays were analyzed, agencies were asked to work out recovery plan/argument resources at site and make best efforts to complete the entire project as per original time lines.

- Delegation led by Secretary, HI to Madrid, for the Side Event hosted by the Department in the COP 25 held at Madrid, Spain from 2nd to 3rd of December 2019 along with Dir(Auto), HI and Dir(ARAI) were a part of the delegation.

- The side event named “*Accelerating Towards Sustainable Transport in India*” was hosted at India Pavilion on 3rd December 2019. DHI successfully organized the Side Event in partnership with Society of Indian Automobile Manufacturers (SIAM), Automotive Research Institute of India (ARAI), International Centre for Automotive Technologies (iCAT), Rocky Mountain Institute (India) and World Business Council for Sustainable Development (WBSCD).

- The event highlighted the achievements of the automotive industry in India and showcased various initiatives the Department has undertaken to promote sustainable mobility in collaboration with industry and other relevant stakeholders. The agenda of the event included presentations and discussions on government's initiatives to promote e-mobility, various aspects of electrification of transport sector. The highlight of the event was a fireside chat with Secretary, Heavy Industry on “*Sustainable Mobility: India in 2030 and beyond*”.

- The highlight of the Session was the Fireside Chat with Dr. AR Sihag, Secretary, Department of Heavy Industry joined by Mr. C K Mishra, Secretary, Ministry of Environment, Forest and Climate Change. Also a visit to Test Tracks and E-mobility canters was organised during the visit.

Chapter 11 Right to Information

11.1 Various provisions of RTI Act and the like instructions issued by the Government of India, Department of Personnel and Training and the Central Information Commission have been implemented in the Department of Heavy Industry. The Central Public Sector Enterprises under the administrative control of the Department, separate public authorities under RTI Act, have also been enjoined upon to implement the provisions of the RTI Act.

11.2 The web portal `RTI On-line launched by DoPT has been made operational in Department of Heavy Industry with effect from 18.7.2013. All the officers of the level of Under Secretary or equivalent have been designated as CPIOs and all officers at the level of Director/Deputy Secretary or equivalent have been designated as First Appellate Authority under the RTI Act. In addition, officer of the rank of Director/Deputy Secretary is designated as Transparency Officer to ensure suo motu disclosure of information on the website of the Department in terms of Section 4(1) (b) of RTI Act, 2005.

11.3 Based on the guidelines issued by the Department of Personnel & Training on the basis of recommendations of Task Force, for the implementation of suo motu disclosure of information in terms of Section 4(1) (b) of RTI Act, 2005, various steps have been taken in the Department for suo motu disclosure and updating the information on the website of the Department. An officer of the rank of Joint Secretary has been designated as Nodal Officer for ensuring compliance with these pro-active disclosure guidelines.

11.4 For the effective and quick disposal of RTI applications/appeals, Government had decided to integrate the CPSEs/Autonomous Bodies with the 'RTI on-line Portal of DoP&T. As a part of implementation of this decision of Government, the Nodal officers of RTI matter of CPSEs under Department of Heavy Industry have been provided necessary training through DoP&T.

11.5 The RTI logo is being used on the printed stationery used in the Department. The Quarterly RTI returns were submitted to CIC online by the Department and the CPSEs under DHI.

11.6 During the year 2018-19, 880 applications and 45 appeals under RTI were received in the Department and 849 applications and 42 appeals disposed of. For the period 1.4.2019 to 30.09.2019, 351 applications and 7 appeals have been received, and 302 applications and 7 appeals were disposed of.

Annexure-I

Allocation of Business to the Department of Heavy Industry

INFORMATION IN RESPECT OF ADMINISTRATION SECTION

Department of Heavy Industry used to be one of the Departments of Ministry of Industry. With effect from 15th October, 1999, a separate Ministry viz. Ministry of Heavy Industries & Public Enterprises has been created. The Ministry comprises of the Department of Heavy Industry and Department of Public Enterprises. The Department of Heavy Industry is looking after the following items of work:

(A) Work relating to following CPSEs:-

1 Heavy Engineering Corporation Limited

2 Engineering Projects (India) Limited

3 Bharat Heavy Electricals Limited

Subsidiaries:

(i) BHEL Electrical Machines Limited

Joint Venture

(ii) NTPC BHEL Power Projects (Private) Limited

4 HMT Limited

Subsidiaries:

(i) HMT (International) Limited

(ii) HMT (Machine Tools) Limited

5 Scooters India Limited

6 Andrew Yule and Company Limited

Subsidiaries:

(i) Hooghly Printing Company Limited

7 Cement Corporation of India Limited

8 Hindustan Paper Corporation Limited

Subsidiaries:

(i) Nagaland Pulp and Paper Company Limited

(ii) Hindustan Newsprint Limited

(iii) Jagdishpur Paper Mills Limited

9 Hindustan Salts Limited

Subsidiary:

(i) Sambhar Salts Limited

10 Rajasthan Electronics and Instruments Limited

11 NEPA Limited

12 Braithwaite, Burn & Jessop Construction Limited

13 Bharat Pumps and Compressors Limited

14 Richardson and Cruddas (1972) Limited

15 Bridge and Roof Company (India) Limited

CPSEs/Subsidiaries of CPSEs liquidated/ under liquidation, wound up /winding up, closed/ under closure, transferred to other Departments/ Organizations:

1. Bharat Ophthalmic Glass Limited
2. Bharat Leather Corporation Limited
3. Tannery and Footwear Corporation of India Limited

4. Rehabilitation Industries Corporation

5. Bharat Yantra Nigam Limited

6. National Bicycle Corporation of India Limited

7. National Industrial Development Corporation Limited

8. Mining and Allied Machinery Corporation Limited

9. Cycle Corporation of India Limited

10. Jessop and Company Limited

11. Lagan Jute Machinery Company Limited

12. Reyrolle Burn Limited

13. Weighbird (India) Limited

14. Bharat Brakes and Valves Limited

15. Bharat Process and Mechanical Engineers Limited

16. Mandaya National Paper Mills Limited

17. Tyre Corporation of India Limited

18. Triveni Structurals Limited

19. HMT(Bearing) Limited

20. HMT (Watches) Limited

21. HMT (Chinar Watches) Limited

22. HMT Ltd- (Tractor Division, Pinjore only)

23. Tungabhadra Steel Plants Limited

24. Hindustan Cables Limited

25. Hindustan Photo Films Manufacturing Company Limited

26 Instrumentation Limited (Kota Unit-Under Closure & Palakkad Unit- Under Transfer to concerned State Govt.

(B) Autonomous Bodies:

i) Fluid Control Research Institute (FCRI).

ii) The Automotive Research Association of India (ARAI)

iii) NATRIP Implementation Society (for the Implementations of National Automotive Testing and Research & Development Infrastructure Project)

iv) National Automotive Board (NAB).

v) Central Manufacturing Technology Institute (CMTI)

C) Other Subjects:

1. Manufacture of Heavy Engineering Equipment for all industries

2. Heavy Electrical Engineering Industries

3. Machinery Industries including Machine Tools and Steel Plant Equipment

4. Auto Industries, including Tractors and Earth Moving Equipment

5. All Type of diesel engines including automobile engines

6. Development Council for Heavy Electrical and Allied Industries.

7. Development Council for Textile Machinery Industry

8. Development Council for Machine Tools Industry

9. Development Council for Automobile and Allied Industries

10. Electrical Construction Company (A Joint Venture between Govt. of India and Govt. of Libya).

Annexure-I (A)

List of Central Public Sector Enterprises under Department of Heavy Industry (along with disinvestment/closure status))

Sl. No.	Name of CPSE	STATUS OF CPSE
1	Andrew Yule and Company Ltd. (AYCL)	---
2	Bharat Heavy Electricals Ltd. (BHEL)	MAHARATNA
3	Bharat Pumps and Compressors Ltd. (BPCL)	MINIRATNA UNDER DISINVESTMENT
4	BHEL – Electrical Machines Ltd. (BHEL-EML)	---
5	Braithwait, Burn and Jessop Construction Ltd. (BBJ)	---
6	Bridge and Roof Company Ltd. (B&R)	MINIRATNA / UNDER DISINVESTMENT
7	Cement Corporation of India Ltd. (CCI)	UNDER DISINVESTMENT
8	Engineering Projects (India) Ltd. (EPI)	MINIRATNA / UNDER DISINVESTMENT
9	H.M.T. International Ltd.	MINIRATNA
10	H.M.T. Ltd.	---
11	H.M.T. Machine Tools Ltd.	---
12	Heavy Engineering Corporation Ltd. (HEC)	---
13	Hindustan Cables Ltd. (HCL)	UNDER CLOSURE
14	Hindustan Newsprint Ltd.	MINIRATNA / UNDER DISINVESTMENT
15	Hindustan Paper Corporation Ltd. (HPC)	MINIRATNA
16	Hindustan Photo Films Manufacturing Company Ltd. (HPF)	UNDER CLOSURE
17	Hindustan Salts Ltd. (HSL)	---
18	HMT Bearing Ltd.	UNDER CLOSURE
19	HMT Chinar Watches Ltd.	UNDER CLOSURE
20	HMT Watches Ltd.	UNDER CLOSURE
21	Hooghly Printing Co. Ltd.(HOOGHLY)	UNDER MERGER
22	Instrumentation Ltd. (ILK)	UNDER CLOSURE
23	N.E.P.A. Ltd. (NEPA)	---
24	Nagaland Pulp and Paper Company Ltd. (NPPC)	---
25	Rajasthan Electronics and Instruments Ltd. (REIL)	MINIRATNA
26	Richardson and Cruddas Ltd. (R &C)	---
27	Sambhar Salts Ltd. (SSL)	---
28	Scooters India Ltd. (SIL)	UNDER DISINVESTMENT
29	Tungabhadra Steel Products Ltd. (TSPL)	UNDER CLOSURE

Annexure-II

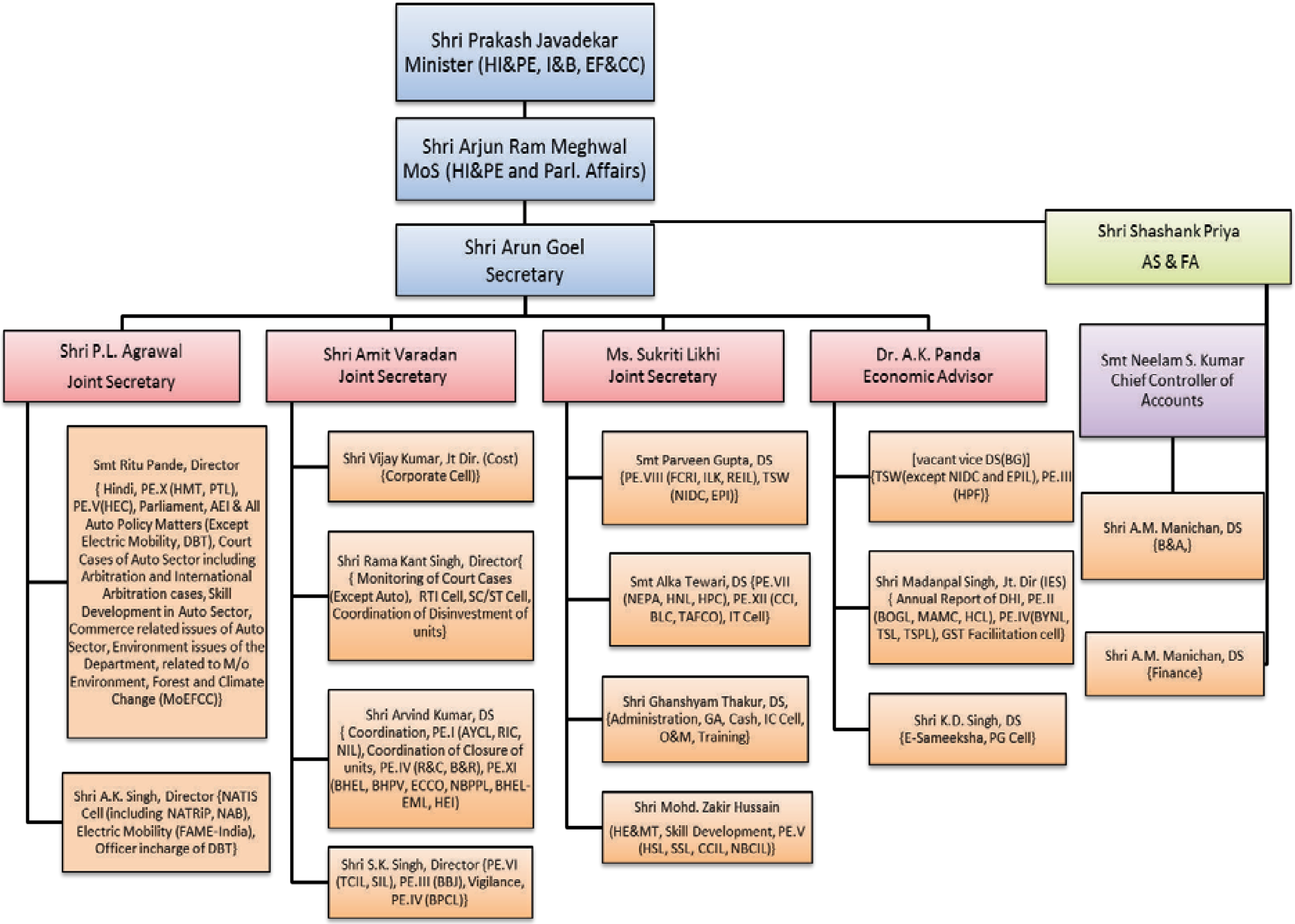
List of Central Public Sector Enterprises under Department of Heavy Industry (Profit Making/Loss Making/Under Liquidation)

Profit making CPSEs	
S. No.	**Name of CPSEs**
1	Bharat Heavy Electricals Ltd.
2	Andrew Yule and Company Ltd.
3	Bridge and Roof Company (India) Ltd.
4	Braithwaite, Burn & Jessop Construction Ltd.
5	HMT Ltd.
6	HMT (International) Ltd. (subsidiary of HMT Ltd.)
7	Rajasthan Electronics & Instruments Ltd.
8	Richardson and Cruddas (1972) Ltd.
9	Hindustan Salts Ltd. (HSL)
10	Cement Corporation of India Ltd.
Loss making CPSEs	
1	Bharat Pumps and Compressors Ltd.
2	Scooters India Ltd.
3	HMT Machine Tools Ltd. (subsidiary of HMT Ltd.)
4	Hindustan Paper Corporation Ltd. (HPC Ltd.)
5	Nagaland Pulp and Paper Company Ltd.(subsidiary of HPC Ltd.)
6	Hindustan Newsprints Ltd. (subsidiary of HPC Ltd.)
7	NEPA
8	Sambhar Salts Ltd. (subsidiary of HSL)
9	BHEL-EML (subsidiary of BHEL)
10	Hooghly Printing Company Ltd. (subsidiary of AYCL undergoing merger process)
11	Engineering Projects (India) Ltd.
12	Heavy Engineering Corporation Ltd.
CPSEs under closure	
1	HMT Watches Ltd. (subsidiary of HMT Ltd.)
2	HMT Chinar Watches Ltd. (subsidiary of HMT Ltd.)
3	Instrumentation Ltd., Kota
4	HMT Bearings Limited (subsidiary of HMT Ltd.)
5	Hindustan Cables Ltd.
6	Tungabhadra Steel Plants Ltd.
7	Hindustan Photo Films Manufacturing Company Ltd.
*	Tractor Division of HMT Ltd. is also under closure.

CPSEs under Liquidation	
S. No.	**Name of CPSEs**
1	Reyrolle Burn Ltd.
2	Tyre Corporation of India Ltd.
3	Bharat Opthalmic Glass Ltd.
4	Weighbrid (India) Ltd.
5	Mining & Allied Machinery Corporation Ltd.
6	Bharat Process & Mechanical Engg. Ltd.
7	Bharat Brakes & Values Ltd.
8	Cycle Corporation of India Ltd.
9	Rehabilitation Industries Ltd.
10	Bharat Yantra Nigam Ltd.
11	Triveni Structurals Ltd.
12	Tannery & Footwear Corporation of India Ltd.
13	Bharat Leather Corporation Ltd.
14	National Industrial Development Corporation Ltd.

Annexure-III

Organogram as on 01.01.2020



ANNEXURE-IV

GENERAL INFORMATION ABOUT CPSEs UNDER DHI

Sl. No.	Name of PSE and location of Registered Office	Year of setting up of CPSE	Gross Block as on 31.03.2019 (₹in crore)
1	Andrew Yule & Co. Ltd., (AY&CL), Kolkata	1919	192.11*
2	Hooghly Printing Co. Ltd., Kolkata	1979	6.35
3	Bharat Heavy Electricals Ltd., (BHEL), New Delhi	1964	6232.00
4	BHEL-EML	2011	10.50
5	Braithwaite, Burn &Jessop Construction Co.Ltd., (BBJ), Kolkata	1987	22.9*
6	Bharat Pumps & Compressors Ltd., (BPCL) Allahabad.	1970	105.22
7	Richardson & Cruddas (1972) Ltd., (R&C) Mumbai	1973	28.62
8	Bridge and Roof Co.(India) Ltd., (B&R) Kolkata.	1920	86.26
9	Heavy Engineering Corpn.Ltd., (HEC), Ranchi.	1958	391.38
10	HMT Ltd.,(Holdg Co.), Bangalore.	1953	145.26*
11	HMT (Machine Tools) Ltd., Bangalore.	2000	321.93*
12	HMT (International)	1974	8.40*
13	Rajasthan Electronics & Instruments Ltd., (REIL) Jaipur	1981	51.28
14	Scooters India Ltd., (SIL), Lucknow.	1972	71.64
15	Cement Corpn. of India Ltd. (CCI), New Delhi.	1965	727.15
16	Hindustan Paper Corporation Ltd. (HPC), Kolkata.	1970	0
17	Hindustan Newsprint Ltd., (HNL), Vellore, Kottayyam.	1983	487.00
18	Hindustan Salts Ltd., (HSL), Jaipur.	1958	18.14
19	Sambhar Salts Ltd., (SSL) Jaipur.	1964	47.86
20	Nepa Ltd., (NEPA), Nepa Nagar.	1947	107.62
21	Engineering Projects (India) Ltd., (EPI), New Delhi.	1970	26.62
22	Nagaland Pulp & Paper Company Limited (NPPC), Dist. Mokokchyng, Nagaland	1971	0
	TOTAL:		**9088.24**

* indicates as on 31.12.2019

ANNEXURE-V

Employment Position including SC, ST & OBC as on 31.3.2019 in CPSEs under DHI

Sl. No.	Name of CPSE	TOTAL NO. OF EMPLOYEES				Number of Employees			
		Executives	Supervisors	Workmen/ Others	Total	SC	ST	OBC	PWDs & their %
1	2	3	4	5	6	7	8	9	10
1	AYCL	193	92	14363	14648	2344	4101	6885	23*
2	Hooghly Ptg.	0	0	0	0	0	0	0	0
3	BHEL	10420	6862	18189	35471	7255	2522	11846	911
4	BBJ	49	6	45	100	8	0	5	0*
5	BHEL-EML	17	6	145	168	12	6	113	3
6	BPCL	53	15	150	218	39	1	58	1
7	R&C	4	2	3	9	1	0	4	0
8	B&R	684	314	208	1206	153	10	82	19
9	HEC	676	107	719	1502	328	335	297	18
10	HMT (Hldg Co.)	26	8	57	91	17	3	17	2*
11	HMT (MT)	221	137	752	1110	225	48	323	17*
12	HMT (International)	13	11	0	24	1	1	6	0*
13	REIL	84	70	85	239	48	9	55	4
14	SIL	70	9	365	444	96	3	171	0
15	CCI	149	158	247	554	85	48	115	3
16	HPC	193	83	957	1233	152	136	14	0
17	HNL	80	22	297	399	43	1	159	12
18	HSL	19	22	52	93	14	2	22	3
19	SSL	8	16	63	87	22	5	32	1
20	NEPA	148	0	378	526	30	8	47	0
21	EPIL	275	30	10	315	50	11	62	2$
22	NPPC	1	1	93	95	2	77	6	0
	TOTAL	13383	7971	37178	58532	10925	7327	20319	1019

* as on 31.12.2019

$ as on 30.09.2019

Annexure-VI

PRODUCTION PERFORMANCE OF CPSEs UNDER DHI

(₹in crores)

Sl. No.	Name of CPSE	2016-17 (Actual)	2017-18 (Actual)	2018-19 (Actual)	01.01. 2019 to 31.12.2019 (Actual)	January-March-2020 (Anti cipated)	2019-20 (Estimated)	2020-21 (Tentative)
1	2	3	4	5	6	7	8	9
1	AYCL	418.38	354.29	302.78	276.36[&]	82.64	359.00	399
2	Hooghly Printing	16.18	9.34	1.09			17.00	
3	BHEL	27740.00	27850.00	29349.00			27500.00	28500
4	BHEL-EML	32.13	14.42	18.65			42.49	
5	BBJ	98.30	72.88	104.99	130.58	55.26	150.00	165
6	BPCL	76.01	76.28	54.56			77.08	120.75
7	R&C	20.76	17.00	13.00			15.00	17
8	B&R	1746.44	2048.24	3074.64			3300.00	3500
9	HEC	364.84	393.38	340.22	97.38[%]		304.18	440.8
10	HMT (Holding Co.)	9.58	12.05	17.01	17.39	7.25	18.00	22
11	HMT(MT)	183.83	163.15	238.83	225.72	105.08	211.00	231
12	HMT (International)	23.98	24.95	57.07	92.25	10.40	55.00	60
13	REIL	230.37	242.88	269.31			300.00	371
14	SIL	99.82	31.08	66.92			73.95	122.11
15	CCI	336.30	321.45	276.66			355.28	388.2
16	HPC	183.72	0.00	0.00		0.00	0.00	0
17	HNL	338.00	261.00	167.00	0.00	0.00	0.00	0
18	HSL	5.82	6.88	7.93			13.12	19.8
19	SSL	20.51	20.62	17.81			34.70	41.55
20	NEPA	33.54	0.00	0.00		0.00	0.00	0
21	EPI	1621.45	1607.41	1791.05			1600.00	1800.00
22	NPPC	0.00	0.00	0.00	0.00	0.00	0.00	0
	Total:	33599.96	33527.30	36168.52	839.68	260.63	34425.80	36198.21

[&] indicates from 1.4.2019 to 31.12.2019 [%] indicates April, 2019- September, 2019

Annexure-VII

PROFIT(+) LOSS (-) (BEFORE TAX) OF CPSEs UNDER DHI.

(₹in crores)

Sl. No.	Name of CPSE	2016-17 (Actual)	2017-18 (Actual)	2018-19 (Actual)	01.01. 2019 to 31.12.2019 (Actual)	January-March-2020 (Estimated)	2019-20 (Anti cipated)	2020-21 (Tentative)
1	2	3	4	5	6	8	9	10
(A) PROFIT MAKING CPSEs								
1	AYCL	38.50	23.57	10.51	6.19 &	1.45	7.64	8.75
2	R&C	14.94	16.45	23.78			25.00	26
3	B&R	30.08	26.07	51.42			66.00	70
4	BBJ	27.05	4.62	1.60	5.37	2.29	7.00	12.65
5	CCI	42.33	17.99	6.35			2.31	7.79
6	HMT (Hldg. Co.)	-236	-2.05	16.93	23.15	4.48	27.55	19.16
7	HMT (International)	0.06	0.14	1.51	3.67	2.00	5.53	6.6
8	BHEL	628.00	1585.00	2058.00			646.00	589
9	HSL	0.40	1.84	1.26			0.06	2.4
10	REIL	17.37	6.22	14.36			14.00	24.5
Sub-total for (A) Profit making Companies		**-1037.43**	**562.72**	**1679.85**	**2180.68**	**1392.01**	**2180.68**	**1392.01**
(B) LOSS MAKING CPSEs								
11	Hooghly Printing	-0.03	-3.67	-3.09			0.25	
12	SIL	-10.26	-18.70	-5.09			-4.33	7.78
13	BPCL	-81.89	-46.30	-38.42			-37.65	-34.84
14	HEC	-82.27	446.00	-93.67			-286.22	-162.63
15	HNL	-60	-102	-132.00	0.00	0.00	0.00	0
16	HPC	-369.26	-389.96	-369.26			-254.05	0

Sl. No.	Name of CPSE	2016-17 (Actual)	2017-18 (Actual)	2018-19 (Actual)	01.01. 2019 to 31.12.2019 (Actual)	January-March-2020 (Estimated)	2019-20 (Anti cipated)	2020-21 (Tentative)
1	2	3	4	5	6	8	9	10
17	HMT (Machine Tools)	-127.95	-125.42	-74.8	-81.78	-39	-123.76	-105.39
18	NEPA	-72.39	-30.08	-78.57			0.00	0
19	BHEL-EML	-3.79	-6.05	-5.46			-3.68	
20	NPPC	0	0	0	0	0	0	0
21	SSL	-8.55	-2.58	-10.83			-6.05	0.35
22	EPI	4.12	1.71	-29.62			-15.09	7.14
Sub-total (B) Loss making Companies.		-812.27	-277.05	-840.81	-81.78	-39.00	-730.58	-287.59
GRAND TOTAL (A&B)		-249.54	1402.80	1344.91	-43.40	-28.78	70.51	479.26

[&] indicates from 1.4.2019 to 31.12.2019

Annexure-VIII

SALARY/WAGE BILL & SOCIAL OVERHEADS AS % OF TURNOVER OF CPSEs UNDER DHI

		Wages and salaries as % of Turnover							Social overheads as % of Turnover						
Sl. No.	Name of CPSE	2016-17 (Actual)	2017-18 (Actual)	2018-19 (Actual)	1.1.2019 to 31.12.2019 (Actual)	January-March -2020 (Estimated)	2019-20 (Anticipated)	2020-21 (Tentative)	2016-17 (Actual)	2017-18 (Actual)	2018-19 (Actual)	1.1.2019 to 31.12.2019 (Actual)	January-March -2020 (Estimated)	2019-20 (Anticipated)	2020-21 (Tentative)
1	2	3	4	5	6	8	9	10	11	12	13	14	15	16	17
1	AYCL	37.60	45.88	53.66	49.97 &	33.35		44.75	3.89	4.89	5.80			4.51	4.5
2	Hoogly Ptg.	18.19	37.23	248.00			16.35		0.00	0.00	0.00			0.00	
3	BHEL	19.00	22.00	21.00			21.00	21.00	2.6	2.7	2.6			2.7	2.6
4	BBJ	17.35	21.77	19.27	15.54	7.59	14.14	13.06	0.91	0.87	0.62	0.69	0.18	0.50	0.48
5	BHEL-EML	25.30	57.00	41.00			20.90		0.00	0.00	0.00			0.00	
6	BPCL	80.90	64.60	46.77			30.00	27.50	1.40	1.35	1.88			1.25	1.2
7	R&C	3.31	2.68	3.75			3.90	4.00	0.00	0.00	0.00			0.00	0
8	B&R	9.46	8.29	6.94			7.27	7.34	1.54	1.94	0.99			1.21	1.23
9	HEC	26.73	29.12	34.75	77.05 %		46.71	31.55	2.45	2.39	2.65	5.89%		4.23	2.85
10	HMT (Hldg)	95.00	77.00	48.00	54.00	37.00	51.00	48.00	6.00	4.00	3.00	3.00	4.00	3.00	3
11	HMT (MT)	64.00	67.00	44.00	37.00	26.00	41.00	39.00	11.00	10.00	7.00	6.00	9.00	7.00	8
12	HMT (Inern tional)	16.00	11.00	5.00	3.00	6.00	7.00	8.00	0.00	0.00	0.00	0.00	0.00	0.00	0
13	REIL	9.70	11.50	11.27			10.50	10.63	1.43	2.32	1.49			1	1.5
14	SIL	28.48	45.90	34.93			29.37	18.23	NA	NA	NA			NA	NA
15	CCI	15.11	15.32	16.00			10.95	5.15	9.54	6.87	8.02			5.15	5
16	HPC	17.98	31.71	73.94			77.64	0.00	7.32	9.44	9.62			10.10	0

		Wages and salaries as % of Turnover							Social overheads as % of Turnover						
Sl. No.	Name of CPSE	2016-17 (Actual)	2017-18 (Actual)	2018-19 (Actual)	1.1.2019 to 31.12.2019 (Actual)	January-March -2020 (Estimated)	2019-20 (Anticipated)	2020-21 (Tentative)	2016-17 (Actual)	2017-18 (Actual)	2018-19 (Actual)	1.1.2019 to 31.12.2019 (Actual)	January-March -2020 (Estimated)	2019-20 (Antici pated)	2020-21 (Tentative)
1	2	3	4	5	6	8	9	10	11	12	13	14	15	16	17
17	HNL	20.78	21.09	25.56			0.00	0.00	1.02	1.11	1.61			0.00	0
18	HSL	104.26	100.67	76.12			59.08	42.93	3.67	3.4	3.14			2.63	2.02
19	SSL	43.35	41.10	32.55			30.72	25.99	3.74	1.86	3.81			2.54	2.17
20	NEPA	138.28	382.65	138.40			0.00	31.08	6.77	17.18	12.60			0.00	0
21	EPIL	4.21	4.12	3.83			4.38	4.01	0.58	0.77	0.43			0.31	0.30
22	NPPC	8.32	8.15	8.40			8.65	8.91	0.00	0.00	0.00			0.00	0

& indicates from 1.4.2019 to 31.12.2019
% indicates from 1.4.2019 to 30.9.2019

ANNEXURE -IX

ORDER BOOK POSITION OF CPSEs under DHI

(₹in crores)

Sl. No.	CPSE	As on 1.10.2015	As on 1.10.2016	As on 1.10.2017	As on 1.10.2018	As on 1.10.2019	As on 31.12.2019	As on 31.3.2020	As on 1.10.2020
1	2	3	4	5	6	7	8	9	10
1	AYCL	65.43	113.81	141.69	161.77	129.07&			95
2	HooghyPtg	0	0.00	0.00	0.00	0.00			
3	BHEL	112300	103300.00	97090.00	115532.00	108603.00			
4	BBJ	360.7	414.93	426.63	638.87	657.57%			794.8
5	BHEL-EML	47.97	47.97	33.50	21.32	23.26			
6	BPCL	154.35	137.02	105.54	88.80	46.44			80
7	R&C	15.92	15.92	19.17	11.67	8.60			10
8	B&R	1255.79	834.10	1489.16	2004.07	1077.57			
9	HEC	1460.21	1139.26	1056.24	863.02	1138.33#			
10	HMT(Hldg)	3.02	3.76	5.99	3.61	20.12%		15	
11	HMT(MT)	82.18	291.72	264.16	322.86	338.51%		410	
12	HMT(I)	3.29	9.19	4.38	80.90	24.24%		54.54	
13	REIL	67.4	67.00	167.86	129.43	173.86			150
14	SIL*	NA	NA	NA	NA	NA	NA	NA	NA
15	CCI	5.93	6.67	5.26	3.83	4.74			5
16	HPC	0	0.00	0.00	0.00	0.00	0.00		0
17	HNL	0	0	0	0	0	0		0
18	HSL	5.46	3.45	3.63	5.51	0.70			7
19	SSL	8.23	8.84	10.20	9.98	10.53			17
20	NEPA	53.26	7.99	53.26	0.00	0.00	0.00		
21	EPIL	9811.61	9669.89	8651.67	5805.79	3285.45			
22	NPPC	0	0.00	0.00	0.00	0.00	0.00		0.00
	TOTAL	125700.75	116071.52	109528.34	125683.43	115541.99	0.00	479.54	1158.8

*Goods are produced for stock and sale hence not applicable.
as on 31st March,2019

& as on 1.12.2019

% as on 31.12.2019

Annexure-X

EXPORT PERFORMANCE OF CPSEs UNDER DHI

(₹in crores)

Sl. No.	PSEs	2014-15 (Actual)			2015-16 (Actual)			2016-17(Actual)			2017-18(Actual)			2018-19(Actual)			2019-20 (Anticipated)		
		Physical	Deemed	Total	Physical	Deemed	Total	Physical	Deemed	Total	Physical	Deemed	Total	Physical	Deemed	Total	Physical	Deemed	Total
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19
1	AYCL	1.85		**1.85**	4.49		**4.49**	1.83		**1.83**	3.63		**3.63**	2.23		**2.23**	3.53		**3.53**[&]
2	BHEL	1418	11539	**12957**	1265.00	10300.00	**11565.00**	1178.00	8779.00	**9957.00**	824.00	4051.00	**4875.00**	3808.00	2019.00	**5827.00**			
3	BPCL		12.03	**12.03**		9.76	**9.76**		1.75	**1.75**		1.55	**1.55**		2.00	**2.00**			
4	B&R	3.7		**3.7**	0.00		**0.00**	0.00		**0.00**	0.25		**0.25**	0.00		**0.00**			
5	HEC	0		**0**			**0.00**			**0.00**			**0.00**			**0.00**			
6	HMT(MT)	0		**0**									**0.00**			**0.00**			
7	HMT(I)	33.4		**33.4**	12.61		**12.61**	3.11		**3.11**	2.13		**2.13**	2.35		**2.35**	2.95		**2.95***
8	REIL	1.54		**1.54**	0.23	0	**0.23**	0.22	0	**0.22**	0.19	0	**0.19**	0.04	0	**0.04**	0.5		**0.5**
9	SIL	0		**0**	0		**0.00**	0		**0.00**			**0.00**	0		**0.00**			
10	HSL	0		**0**	0.00	0.00	**0.00**	0.00	0.00	**0.00**			**0.00**			**0.00**			
11	BHEL-EML	0.77		**0.77**	0.49	0.00	**0.49**	1.45	0.00	**1.45**	0.34		**0.34**	0.58		**0.58**			
12	EPIL	591.42		**591.42**	497.78	0.00	**497.78**	550.97	0.00	**550.97**	795.45	0.00	**795.45**	1116.15	0.00	**1116.15**	752		**752**
13	HPC	0.09		**0.09**	0.00		**0.00**	0.00	0.00	**0.00**			**0.00**			**0.00**			
	Total	2050.77	11551.03	13601.8	1780.60	10309.76	12090.36	1735.58	8780.75	10516.33	1625.99	4052.55	5678.54	4929.35	2021.00	6950.35	759		759

*January 2019-December, 2019
[&]indicates 1.4.2019 to 31.12.2019

ANNEXURE - XI

PAID UP CAPITAL, NETWORTH AND ACCUMULATED PROFIT(+)/LOSS(-) AS ON 31.3.2019 OF THE CPSEs UNDER DHI

(₹in crores)

Sl. No.	Name of CPSE	Paid up capital		Networth	Accumulated Profit (+)/Loss (-)
		Government/ Holding CPSE	Others		
1	2	3	4	5	6
1	AYCL	87.27	10.52	190.13	58.75
2	HOOGHLY PTG	1.03	0.00	-3.93	-3.09
3	BHEL	439.92	256.49	31400.00	30703.00
4	BBJ	120.86	0.00	207.96 $	96.82 4
5	BHEL-EML	10.50	0	-8.28	-18.78
6	BPCL	53.53	0.00	-186.62	-270.17
7	R&C	156.61	0.00	-249.69	-406.30
8	B&R	54.63	0.36	362.18	307.19
9	HEC	606.08	0.00	10.98	-691.32
10	HMT(Holding Co.)	279.57$	76.03$	140.28$	-215.32$
11	HMT(Machine Tools)	276.60 $	0.00$	-1389.91$	1689.22$
12	HMT(International)	0.72$	0.00$	37.45$	36.73$
13	REIL	6.25	6.00	115.03	102.78
14	SIL	81.94	5.33	66.05	21.27
15	CCI	811.41#	0.00	8.59	-782.56
16	HPC	835.30	0.00	-1087.24	-1960.00
17	HNL	99.99	0.00	-146.00	-246.00
18	HSL	52.06	0.00	47.02	-13.29
19	SSL	1.00	0.00	-46.44	-55.73
20	NEPA	493.48	5.82	-19.29	77.78
21	EPIL	35.42	0.007	197.64	162.22
22	NPPC	117.75	0.00	-87.4	-162.03
	TOTAL:	4621.92	360.56	29558.51	25052.73

#including preferential share of ₹355.43 crore

$as on 31.12.2019

Annexure-XII

Important Audit observation from Report of The Comptroller & Auditor General of India for the year ended March, 2018

(Chapter-IV of the Report No.13 of 2019 related to Department of Heavy Industry)

Bharat Heavy Electricals Limited

1. Undue benefit to employees towards Late Night Snacks Allowance

Bharat Heavy Electrical Limited extended undue benefit to its employees towards payment of Late Night Snacks Allowance to the tune of ₹16.69 crore, in violation of the guidelines of DPE as well as its own Personnel Policy.

(Para No.4.1, Report No.13 of 2019)

Details of BHEL Write-Up

POWER SECTOR

Major Orders received in 2019-20 upto Sept.'19

- Power Sector secured orders worth ₹7,534 crore of power projects.
- Secured Orders for FGD Packages from NTPC & its JVs for projects of ~8.2 GW (₹4,546 crore).
- BHEL has secured the two prestigious orders worth ₹928 crore for Kudankulam Nuclear Power Plant being set up with Russian Cooperation.

INDUSTRY SECTOR

Transportation

Major Orders received during 2019-20 upto Sept.'19

- 25 nos. of WAG-7 Electric Locomotives with Regenerative Braking from Indian Railway.
- 77 sets IGBT based Electric Propulsion Equipment for Electric Loco from CLW, Chittaranjan.

Transmission

Major Orders received during 2019-20 upto Sept.'19

- AIS Substation Package for extension of (i) 765kV Solapur (ii) 765kV Aurangabad (iii) 765kV Wardha (iv) 400kV Khandwa (v) 400kV Rajgarh (vi) 400kV Champa (vii) 400/220kV Itarsi and (viii) 400/220kV Jabalpur Substations received from POWERGRID
- 1 no. 315 MVA, 9 nos. 167 MVA and 3 nos. 105 MVA 400 KV Inter Connecting Transformers order from Maharashtra State Electricity Transmission Company Ltd. (MSETCL).

Renewable Energy

BHEL has received highest ever orders in Solar PV segment in financial year 2019-20. In Jun'19 BHEL's Solar Photovoltaic (SPV) portfolio has surpassed 1 GW.

Major Orders received during 2019-20 (upto Sept.'19)

- 147 MW of floating solar PV plants orders from NTPC Ltd. making BHEL the market leader in floating solar PV plants segment in India.

Water Business

Achievements during 2019-20 (up to Sept.'19)

- Telibandha Lake purification project executed by BHEL for Raipur Smart City Limited (RSCL) bagged the 'National Excellence Award' at National Urban Development summit in Aug'19.

Defence & Aerospace

Achievements during 2019-20 (up to Sept.'19)

- ISRO has shortlisted BHEL for manufacturing of Aluminium tankages of Polar Satellite Launch Vehicle (PSLV).
- BHEL has supplied Solar panel & batteries for Chandrayan-2 launched on 22nd July 2019.

Captive Power Plants

Major Orders received during 2019-20 upto Sept.'19

- 5 nos. STGs from various customers.

Industrial Products (including Oil & Gas and Electrical Machines)

Major Orders received during 2019-20 (upto Sept.'19)

- First ever Ethylene Gas Compressor order for Petro-chemical from IOC Panipat.
- 2 nos., 125 Tonne Capacity Workover Rig packages from OIL India Ltd.

Energy Storage Solutions

Achievements during 2019-20 (upto Sept.'19)

- Order for 20 Nos. DC-001 Electric Vehicle Chargers from Energy Efficiency Services Ltd. (EESL).
- Homologation of BHEL make 12-metre e-bus completed at ICAT, Manesar (Certificate received).

INTERNATIONAL OPERATIONS

Major Orders received during 2019-20 (upto Sept.'19)

- LOA received for 2 x 20 MW Rahughat Hydroelectric Project, Nepal.
- Orders have been received from products & after sales segments from Australia, Bangladesh, Egypt, Indonesia, Iraq, Malawi, Mozambique, New Caledonia, Oman & United Arab Emirates.

PROJECT COMMISSIONING

Commissioning highlights during 2018-19

In the utility segment for conventional power plants, BHEL achieved a capacity addition of 2,130 MW in FY 2018-19, the highest capacity addition achieved by any single equipment manufacturer during the year.

Commissioning highlights during 19-20 upto Sept.'19

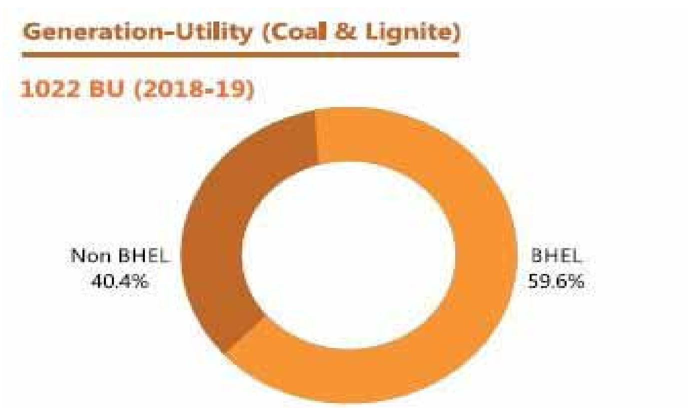
- Achieved capacity addition of Nabinagar-1(660 MW) where BHEL scope is SG only.
- Synchronized Bhadradri-1(270 MW) and Parbati Stage-II (4x200 MW) Unit-3&4.
- BHEL successfully commissioned Chhukha Unit-1 4x84 MW in Bhutan for which Customer commended efficient execution.
- Full load achieved for Wanakbori (800 MW) and Neyveli New (500 MW).

EQUIPMENT PERFORMANCE

During 2019-20 (upto Sept.'19)

57.9% of the country□s total generation of 508.97 BUs for 2019-20 (Apr – Sept. 2019) from thermal utility sets (coal and lignite based) contributed by BHEL supplied sets, testifying superior performance of BHEL sets.

Major performance achievements include:



- Thermal sets registered overall OA of 84.0%. 215 thermal sets registered OA above 90%.

- BHEL’s 1st supercritical unit Barh-4 (660 MW) clocked around 40582 hours of operation. It achieved OA of 100%, PLF of 90.3%.

OTHER HIGHLIGHTS

During 19-20 (up to Sept.’19)

- Commissioned 5 nos. Solar based EV Charging Stations inaugurated by Hon’ble Minister (HI & PE)] on Delhi-Chandigarh Highway at Haryana Tourism Corporation Ltd. sites.

- Signed MoU with Hindustan Petroleum Corporation Ltd. (HPCL) for implementation of electric vehicle charging infrastructure on identified HPCL locations.

Mangdechhu Hydro Power Project commissioned and inaugurated by Hon’ble Prime Minister of India

- 4 x 180 MW Mangdechhu Hydro Power Project commissioned and inaugurated by Hon’ble Prime Minister of India.

RECOGNITION OF EXCELLENCE

During 2018-19

- **17 Vishwakarma Rashtriya Puraskars (Performance year 2016)** to 82 BHEL employees for their innovative suggestions leading to cost reduction, improvement in quality, productivity and working conditions, etc.

- EEPC National Award for Export Excellence in the category ‘Star Performer for the year 2016-17 in the product group – Project Exports – Large Enterprise’.

- Award by Ministry of MSME for supporting SC/ST Entrepreneur in Maharatna Category.

- **Six National Safety Awards (Performance year 2016)** for outstanding achievements in terms of longest accident free period and lowest accident frequency rate.

- Recognized as one of the **top 12 innovators in India** and conferred the Clarivate Analytics India Innovation Award 2018 in the ‘Corporations’ category.

- **CBIP Award 2019** for ‘Best Power Equipment Manufacturing Organization’ for New & Renewable Energy & Power.

CBIP Award 2019 for ‘Best Power Equipment manufacturing Organization’ for New & Renewable Energy and Power

- ICC PSE Excellence Award – **Felicitation of CMD, BHEL** for outstanding contribution to Public Sector Industry.

- Indian Chamber of Commerce (ICC) **PSE Excellence Award** – Runner Up Trophy for HRM Excellence, CSR & Sustainability and R&D, Technology Deployment & Innovation.

During 2019-20 (upto Sept.'19)

- **Nine National Safety Awards (Performance year 2017)** for outstanding achievements in terms of longest accident free period and lowest accident frequency rate.

- BHEL received Gold award at **APEX India HR Excellence Award 2019** and Silver award at APEX India Occupational Health & Safety Awards 2019.

- BHEL received **The Golden Globe Tigers Award for Excellence in HR Leadership 2019** under the category Dream Company to Work for.

- D&B PSU Award in the category of **Manufacturing, Processing & Generation:** Heavy & Medium Engineering.

- **Fastest Growing Maharatna** of the Year (Manufacturing) by DSIJ (Dalal Street Investment Journal).

- Shri M Padmanaban, BHEL Trichy has won the **Jeevan Raksha Padak**. The award was felicitated by Secretary DHI in the presence of CMD, BHEL at Udyog Bhawan.

- CMD, BHEL conferred the **Manav Rachna Excellence Award 2019** for the category Nation Building.

- Golden Peacock Awards for **Environment management** in Engineering sector.

Major Technology Collaborations

- Technology Collaboration Agreement (TCA) signed with NANO Co. Ltd., Republic of Korea on June 27, 2018 for manufacture of Selective Catalytic Reduction (SCR) Catalysts De-NOx application.

- Technology Collaboration Agreement (TCA) with Babcock Power Environmental Inc., USA (BPE) has been entered on September 21, 2018 for Selective Catalytic Reduction (SCR) Systems for De-NOx application.

- License and Technology Transfer Agreement signed with General Electric Technology GmbH, Switzerland for 700 MWe Steam Turbine package for Nuclear Power Projects.

CSR activities undertaken in 2018-19 & 19-20 (up to 30th September 2019)

Clean India

- BHEL provided 3 five seater Mobile Toilets Vans to Satna Nagar Nigam (MP) and approved financial support for construction of toilets in five primary schools located in the Gram Panchayat Chaurawan, Block-Siyar in Ballia district (UP).

- BHEL continued its program for constructing 25 Bio-digester toilets in Haridwar & Rishikesh. Out of these 18 clusters have been completed and made operational for public.

Bio-digester toilets on the banks of river Ganga near Haridwar & Rishikesh installed by BHEL

Educated India

- BHEL supported a Dehradun based NGO in itsprogram"LATIKAVIHAR-EVERYBODYs WELCOME" for holistic development and inclusion of children and young adults with intellectual impairment.
- BHEL manufacturing units and other divisions under took many other CSR initiatives aimed at promotion of education such as renovation of class rooms, construction of sheds, supply of furniture, distribution of books etc.

Healthy India

- A unique CSR project for retraining and capacity building of ASHA workers of Kalyan Block, Thane District, Maharashtra was taken up through "Rambhau Mhalgi Prabodhini", Mumbai.
- One Ambulance was provided to "Kanak Prava Memorial Charitable Centre" in West Bengal.

Green and Sustainable India

- BHEL achieved carbon footprint avoidance of nearly 26499 Metric Tonnes of carbon dioxide equivalent (MT CO_2-e) during 2018-19.
- Total electricity generated through various renewable energy systems stood at 27.6 Million Units during 2018-19 as compared to 15.61 Million units during 2017-18.
- At our units, more than 21500 saplings were planted during the year including on the occasion of world environment day (WED) 2018.

Responsible India, Inclusive India & Disaster Relief

- BHELs PPPU, Thirumayam supported awareness campaign on Plastic Ban propagated by Tamil Nadu Pollution.It also extended relief to "Gaja Cyclone" affected people by distributing items for preparing food in Thanjavur district, Tamil Nadu.

QUALITY PERFORMANCE

To strengthen the existing quality systems in Manufacturing Units & Power Sector project sites, periodic Quality Audits and Quality Management Effectiveness Review (QMER - An indigenous copyright Quality Model of BHEL) by internal cross functional teams are being conducted.

During 2018-19, 22 BHEL divisions were subjected to Quality Management Effectiveness Review. Around 100 Product/Process Quality Audits were carried out at 20 Manufacturing Units/Engineering Centers and 29 Quality audits were carried out at different project sites.

During 2018-19, around 820 executives were trained in Quality Management subjects conducted by BHEL.

Annexure-XIV

Details of Budget Estimates
Demand No.44 – Department of Heavy Industry
Scheme-Wise Allocation for the year 2019-20

(₹in crores)

Sl. No	Schemes/Items	BE 2017-18	RE 2017-18	Actual 2017-18	BE 2018-19	RE 2018-19	Actual 2018-19	BE 2019-20	Expenditure ason30.09.
1.	**Secretariat**	**28.60**	**31.60**	**29.69**	**36.85**	**36.85**	**35.67**	**39.05**	**17.88**
2.	**Development of Automobile Industry**								
i.	Grants to National Automotive Testing and R&D Infrastructure Project (NATRIP)	485.89	307.01	307.00	378.88	400.00	400.00	259.23	259.23
ii.	Grants to Scheme for Faster Adoption and manufacturing of (Hybrid and) Electric Vehicle in India - FAME India	175.00	235.00	165.00	260.00	145.00	145.00	500.00	224.17
iii.	Grants to Development Council for Automobile & Allied Industries (DCAAI)	20.00	24.25	24.17	30.00	15.00	15.00	25.00	0.63
	Total- Development of Automobile Industry	**682.89**	**566.26**	**496.17**	**668.88**	**560.00**	**560.00**	**784.23**	**484.03**
3.	**Development of Capital Goods Sector**								
i.	Scheme for Enhancement of Competitiveness in Capital Goods Sector	150.00	110.00	109.72	120.00	110.00	110.46	110.00	49.81
ii	Scheme in R&D Projects Development of Advanced Ultra Super-Critical (Adv.-USC) Technology for Thermal Power Plants - AUSC	120.00	90.00	120.00	100.00	220.00	220.00	134.00	110.00
iii	Industry associations and PSU for undertaking promotional activities	0.50	0.50	0.38	0.50	0.50	0.00	0.50	0.00
	Total- Development of Capital Goods Sector	**270.50**	**200.50**	**230.10**	**220.50**	**330.50**	**330.46**	**244.50**	**159.81**
4.	**Other Central Sector Expenditure**								
	Grants to Central Manufacturing Technology Institute (CMTI)	-	-	-	10.00	15.00	15.00	19.00	2.00
5.	**Support to Central Public Sector Enterprises (CPSEs)**								
i.	Grants to Hindustan Salts Limited (HSL)	2.00	1.92	1.92	2.00	2.00	2.00	2.30	1.00
ii	Grants - in- Aid General to Swachhta Action Plan	1.00	1.00	1.00	1.00	0.10	0.10	0.01	0.00

Sl. No	Schemes/Items	BE 2017-18	RE 2017-18	Actual 2017-18	BE 2018-19	RE 2018-19	Actual 2018-19	BE 2019-20	Expenditure as on 30.09.
iii	Investment in Hindustan Paper Corporation (NPPC) -(NER)	95.00	0.00	0.00	90.00	0.00	0.00	0.00	0.00
iv	Investment in HCL	243.51	0.01	0.00	0.01	0.00	0.00	0.01	0.00
v	Investment in NEPA Ltd.	0.01	0.01	0.00	0.01	49.54	49.54	248.31	100.00
vi	Investment in Hindustan Salts Limited (HSL)	24.81	10.00	10.00	14.50	0.00	0.00	5.00	0.00
vii	Implementation of Revival Scheme of Public Sector Enterprises (Lump sum provision)	0.01	0.01	0.00	61.78	22.34	6.33	0.01	0.00
viii	Implementation of VSS/VRS and Payment of Statutory Dues (Lump sum provision)	250.00	51.73	51.73	10.00	10.00	26.00	0.01	0.00
ix	Loans to implementation of closures of sick Public Sector Enterprises	1001.46	244.01	244.01	10.00	10.00	10.00	24.41	24.39
x	Others	0.21	0.20	0.00	0.20	0.01	0.08	0.20	0.00
	Grand Total	**2600.00**	**1107.26**	**1104.62 (42.49 %)**	**1125.73**	**1036.34**	**1035.02 (91.97 %)**	**1367.00**	**789.11 (57.73 %)**

Annexure-XV

General Purpose Financial Reports of Central Public Sector Enterprises (CPSEs) Union Government (Commercial) – No.18 of 2019

This Audit Report has been prepared under Section 19-A of the Comptroller and Auditor General's (Duties, Powers and Conditions of Service) Act, 1971, as amended in 1984. This Report consists of eight chapters. The report enumerates the status of adherence by Central Public Sector Enterprises (CPSEs) to the provisions of the Companies Act, 2013; guidelines issued by Securities Exchange Board of India and Department of Public Enterprises (DPE) on Corporate Governance and Corporate Social Responsibility, Analysis of Memoranda of Understanding between Administrative Ministries and CPSEs, Impact of Implementation of Indian Accounting Standards (under Phase-II) in selected CPSEs, Expenditure on Research and Development by CPSEs, Disinvestment in CPSEs. Some of the salient features of the Report are highlighted below:

Chapter -I Financial performance of Central Public Sector Enterprises

There were 644 Central Government Public Sector Enterprises (CPSEs) under the audit jurisdiction of the Comptroller and Auditor General of India as on 31 March 2018. These included 450 Government Companies, 188 Government Controlled Other Companies and 06 Statutory Corporations. This Report deals with 420 Government Companies and Corporations (including 06 Statutory Corporations) and 165 Government Controlled Other Companies. 59 CPSEs (including 23 Government Controlled Other Companies) whose accounts were in arrears for three years or more or were defunct/under liquidation or first accounts were not received or were not due are not covered in this Report.

Investment by Government of India

The accounts of 420 Government Companies and Corporations indicated that the Government of India (GoI) had an investment of ₹3, 57,064 crore in share capital. The loans given by GoI outstanding as on 31 March 2018 amounted to 88,479 crore. Compared to the previous year, investment by the GoI in equity of CPSEs registered a net increase of ₹35,038 crore and loans outstanding increased by ₹5,978 crore during 2017-18.

Market Capitalisation

The total market value of shares of 47 listed Government Companies (including 05 subsidiary companies) the shares of which were traded during 2017-18 stood at ₹14,42,216 crore as on 31 March 2018. Market value of shares held by the GoI in 42 listed Government Companies (excluding 05 subsidiary companies) stood at ₹13,63,194 crore as on 31 March 2018.

Return on Equity

231 Government Companies and Corporations earned profit of ₹1,66,197 crore during 2017-18 of which, 71.83 *per cent* ₹1,19,379 crore) was contributed by 52 Government Companies and Corporations in

three sectors viz., Petroleum, Coal and Lignite and Power. Return on Equity (ROE) in these 231 CPSEs was 13.16 *per cent* in 2017-18 as compared to 13.82 *per cent* in 215 CPSEs in 2016-17.

Dividend payout by CPSEs

101 Government Companies and Corporations declared dividend of ₹70,562 crore during the year 2017-18. Out of this, dividend received/receivable by GoI amounted to ₹42,229 crore which represented 11.83 *per cent* return on the total investment by the GoI (₹3,57,064 crore) in all Government Companies and Corporations.

14 Government Companies under the Ministry of Petroleum and Natural Gas contributed ₹28,859 crore representing 40.90 *per cent* of the total dividend declared by all Government Companies and Corporations.

Non-compliance with directive of Government of India on declaration of dividend by 53 CPSEs resulted in a shortfall of ₹9,417.75 crore in the payment of dividend to GoI for the year 2017 18.

Losses incurred by CPSEs

There were 158 CPSEs that incurred losses during the year 2017-18. The losses incurred by these companies during the year 2017-18 amounted to ₹41,420 crore compared to ₹33,574 crore in 2016-17.

Net Worth/Accumulated Loss

There were 184 Government Companies and Corporations with accumulated losses of ₹1, 42,309.28 crore as on 31 March 2018. Of these, the net worth of 77 companies had been completely eroded by their accumulated losses. As a result, the aggregate net worth of these companies had become negative to the extent of ₹83, 122.38 crore as on 31 March 2018. Only 12 out of these 77 companies earned profit of ₹1344.45 crore during the year 2017-18.

Performance of listed CPSEs with private companies

The performance of 36 listed CPSEs was compared with private companies with similar nature of business during the last five years on the five parameters (ROE, ROCE, EPS, P/E ratio and ICR). It was observed that out of total 36 CPSEs, ROC, ROCE, EPS, P/E ratio and ICR was on the lower side in 16, 15, 26, 29 and 17 CPSEs respectively.

Return on the basis of Present Value of Investment

The present value (PV) of GoI investment was computed in respect of 25 CPSEs which are in losses for eight or more years to assess the rate of return/loss on the PV of investments of GoI as compared to historical value of investments. The PV of the investments of GoI worked out to ₹1, 12,958.30 crore as on 31 March 2018, against which the return was amounting to (-) ₹21,145.73 crore.

Chapter —II. Oversight Role of CAG

Timely submission of accounts for the year 2017-18

Out of 638 CPSEs (excluding six statutory corporations) under the audit jurisdiction of CAG, Financial Statements for the year 2017-18 were received from 540 CPSEs in time i.e. by 30 September 2018. While Financial Statements were not due from 4 CPSEs, Financial Statements of 94 CPSEs were in arrear due to different reasons.

Out of 540 CPSEs from which the Financial Statements were received in time, supplementary audit was undertaken in 386 CPSEs.

Three Phase Audit

As a result of three phase audit in 87 CPSEs, the changes in profitability and in the value of assets/liabilities was ₹5,786.43 crore and ₹9,831.24 crore, respectively.

Impact of Supplementary Audit

Three CPSEs amended their Financial Statements and statutory auditors of 35 CPSEs revised their Audit Report before laying of the Financial Statements in Annual General Meeting. In addition, various comments highlighting inaccuracies in the Financial Statements were also issued.

The financial impact of significant comments, issued on the financial statements of the selected CPSEs, on profitability and assets/liabilities was ₹2,374.62 crore and ₹51,014.59 crore respectively.

Deviations from the provisions of Accounting Standards/ IND AS in preparation of the Financial Statements were noticed in 14 CPSEs by the Statutory Auditors. CAG also pointed out such deviations in 17 CPSEs.

Irregularities and deficiencies in the financial reports or in the reporting process observed during supplementary audit which were not material, were communicated to the Management of 98 CPSEs through 'Management Letter for taking corrective action.

Chapter —III Corporate Governance

The review of Corporate Governance covered 52 listed CPSEs under the administrative control of various Ministries. Provisions of the Companies Act, 2013; DPE guidelines; Regulations of Securities and Exchange Board of India regarding Corporate Governance, though mandatory, were not being complied with by some of the CPSEs. During the year the following significant departures from the prescribed guidelines were noticed:

- In two CPSEs the non-executive directors constituted less than 50 *per cent* of the total strength of the Board of Directors. There was no woman director on the Board of MMTC Ltd.
- Representation of independent directors in 24 CPSEs was below the required number. There was no independent director on the Board of Directors of three CPSEs.
- The independent directors did not attend Board meeting/Board committee meeting in 42 CPSEs,

and the independent directors did not attend General meeting in 19 CPSEs.

- In two CPSEs separate meetings of Independent Directors were not conducted and in 13 CPSEs Independent Directors did not attend the separate meetings.
- Vacancies of independent directors were not filled in time in 13 CPSEs. Vacancies of functional directors in 15 CPSEs were not filled in time.
- While all the CPSEs under review with the exception of Scooters India Limited constituted audit committee, the number of independent directors in the audit committee was below the prescribed number in four CPSEs.
- There was no whistle blower mechanism in two CPSEs

Chapter —IV Corporate Social Responsibility

The review covered 82 CPSEs (7 Maharatna, 14 Navratna, 44 Miniratna and 17 others) under the administrative control of 10 Ministries/ Departments. The period of one year ended March 2018 was covered during the review. The following significant observations were made in the review:

- No independent Director was nominated in the committee by 7 CPSEs viz. Antrix, BLI, GGL, HSCC, IIFCL, JCI and NHDC.
- JCI did not have CSR Policy in place.
- Two CPSEs ECGC and NTPL did not prepare Annual CSR budget.
- There was under allocation of funds towards CSR by 6 CPSEs viz. CCIL, HUDCO, KPL, NCL, PFCL, UCIL.
- Forty-eight CPSEs had fully utilised the CSR funds during the year and 34 CPSEs had not fully utilised the CSR funds.
- 4 CPSEs viz. CONAIR, ITPO, KRCL and NTPVNL did not spend the carry forward amount of CSR during the year.
- BDL, BHEL and PHL have made provision for the unspent amount to the extent of ₹9.58 crore, ₹31 crore and ₹2.20 crore respectively in contravention to Guidance Note on Accounting for CSR. AAI, ECGC, HSCC and IOC have created reserves for CSR for an amount of ₹61.72 crore, ₹2.25 crore, ₹1.44 crore and ₹1.32 crore respectively.
- Total spend on CSR activities by 82 CPSEs in 2017-18 was ₹3,338.60 crore. Petroleum Sector spent the maximum amount of ₹1,416.12 crore towards CSR.
- BDL invested the surplus CSR funds (₹9.59 crore) in term deposit and interest thereon was taken as business income instead of ploughing back in CSR funds.

- Under CSR expenditure focus was on health (32.66 *per cent)* followed by education (31.98 *per cent).*

- 73 CPSES spent ₹1,019.16 crore on Swachh Bharat (SB) which is 30.52 *per cent of* total CSR Spend. As per DPE directions the CPSEs had to spend 33 *per cent* of CSR funds towards SB with a mission to clean India by October 2019. There was shortfall on SB by 2.48 *per cent.* 26 CPSEs had spent more than 33 *per cent* and 47 CPSEs spent less than 33 *per cent.*

- BPCL has contributed an amount of ₹14.83 crore towards National Oil Museum.

Chapter-V Analysis of Memoranda of Understanding between Administrative Ministries and Miniratna CPSEs

Audit has carried out analysis of MOU between 17 'Miniratna companies and their respective Administrative Ministries for the years 2016-17 and 2017-18.

The MOU guidelines mandated benchmarking of parameters with reference to national and international peers which was not carried out by 11 CPSEs.

Though the MOU guidelines mandated the CPSEs to incorporate necessary commitment from Administrative Ministry in the MOU for filling up positions of non-official Directors on their Board and for compliance of provisions of Listing Agreement and Companies Act regarding independent and woman Directors, some positions of independent and woman Directors in five CPSEs were lying vacant.

MOU guidelines for the year 2016-17 mandated with the compliance of eight additional eligibility criteria. Failure to comply with any one of the conditions would result in downgrading the CPSEs from "Excellent" to "Very Good". Audit noticed that Board of Directors of 10 CPSEs had certified incorrect compliance of DPE guidelines while furnishing the evaluation of MOUs for the year 2016-17. DPE has not deducted any score of the five CPSEs by treating these cases as compliant with the guidelines which resulted in over rating to two CPSEs as excellent instead of Very Good which consequently impacted higher payment of PRP.

Chapter -VI Impact of Implementation of Indian Accounting Standards (under Phase-II) in selected Central Public Sector Enterprises

The Ministry of Corporate Affairs had notified Indian Accounting Standards (Ind AS) which were applicable for companies in phased manner from financial year 2016-17. In Phase-I financial statements of 67 CPSEs consisting of Maharatna, Navratna, Miniratna companies, which had adopted Ind AS in preparation of their financial statements w.e.f. 01 April 2016, were selected for review of Impact of Implementation of Indian Accounting Standards on Central Public Sector Enterprises (CPSEs) and findings thereof included in Report No. 18 of 2018. The present study covers 25 CPSEs which were required to adopt Ind AS in Phase II or they voluntarily adopted Ind AS during 2017-18. The impact of implementation of Ind AS in these CPSEs on their revenues, profit after tax (PAT), net worth and total assets of the CPSEs were reviewed. The impact was assessed by comparing the values as on 31 March 2017 as per the Ind AS compared to corresponding values as per Indian Generally Accepted Accounting Principles (IGAAP) on the same date.

Impact on Profit after Tax (PAT)

Consequent to adoption of Ind AS, increase of ₹17.79 crore in PAT were noticed in 10 CPSEs. As against this, decrease in PAT of ₹240.04 crore was observed in six CPSEs. The maximum decrease of ₹236.34 crore in PAT was noticed in Maharashtra Metro Rail Corporation Limited whereas maximum increase of ₹7.56 crore in PAT was noticed in Hassan Mangalore Rail Development Company Limited.

Impact on Revenues

Nine CPSEs out of the reviewed 25 CPSEs carried out adjustment on revenues consequent to adoption of Ind AS. Out of these, six CPSEs reported an increase of ₹258.80 crore and three CPSEs reported decrease of ₹110.98 crore in revenues. The maximum increase of ₹218.86 crore was noticed in Cotton Corporation of India Limited while the maximum decrease of ₹110.71 crore was observed in India Tourism Development Corporation Limited.

Impact on Total Assets

15 CPSEs out of the 25 CPSEs reviewed carried out adjustment on value of total assets consequent to adoption of Ind AS. Out of these, nine CPSEs reported an increase in value of ₹1,209.73 crore and six CPSEs reported decrease of ₹109.48 crore in value of total assets. The maximum increase of ₹1,113.11 crore in value of total assets was noticed in the case of Hindustan Organic Chemicals Limited whereas maximum decrease of ₹69.01 crore in total value of assets was noticed in case of Braithwaite Burn and Jessop Construction Company Limited.

Impact on Net Worth

Sixteen CPSEs out of the 25 CPSEs subject to review carried out adjustment on value of net worth consequent to adoption of Ind AS. Out of these, 11 CPSEs reported a decrease of ₹462.33 crore in net worth and five CPSEs reported increase of ₹69.70 crore in net worth. The maximum increase of ₹49.75 crore in net worth was noticed in respect of Hindustan Fluorocarbons Limited whereas maximum decrease of ₹270.0 crore in net worth was noticed in respect of Hindustan Organic Chemicals limited.

Chapter —VII Expenditure on Research and Development by CPSEs

The audit covered analysis of expenditure on Research and Development activities by 21 CPSEs (7Maharatna, 8 Navratna, 3 Miniratna and 3 other CPSEs) during the period 2013-14 to 201718. During the period from 2013-14 to 2017-18 covered in audit, the following were noticed:

- The R&D expenditure as percentage of PAT was above the prescribed percentage of one *per cent* in 79 company-years during 2013-14 to 2017-18 whereas it was below one per cent in 15 company-years out of total 94 company-years.
- The R&D budget for the next three years was not indicated in case of nine selected CPSEs in contravention to the DPE Guidelines.

- Only four CPSEs could utilize 100 *per cent* of the R&D budget during all the five years covered in audit and two CPSEs utilized 100 *per cent* of the R&D budget in four years out of five years covered in audit.

- 4046 In-house R&D projects were taken up during 2013-14 to 2017-18 out of which 3595 projects were completed. 363 projects were delayed beyond the scheduled completion period out of which delay was more than one year in case of 80 projects.

- 439 R&D projects taken up in collaboration with Universities/Institutes during 2013-14 to 2017-18 out of which 178 projects were completed. 87 projects were completed within scheduled period and 91 projects were completed beyond schedule.

- BHEL was granted 198 patents during 2013-14 to 2017-18. Only 49 patents were granted during the year 2013-14 to 2017-18 out of 600 projects filed for patent registration by nine other CPSEs, whereas no patent was granted during the year 2013-14 to 2017-18 in 11CPSEs.

- Only two CPSEs could earn significant revenues from the technology developed and five CPSEs could earn meagre revenue.

Chapter —VIII Disinvestment in CPSEs

The current disinvestment policy was brought out by the Government of India (GoI) on 05 November 2009. During the audit following issues were noticed:

- Budget estimate, revised estimate and actual realization made through disinvestment process for the year 2017-18 were ₹72,500 crore, ₹1,00,000 crore and ₹1,00,057 crore respectively. GoI divested its share in 36 cases through different modes/ routes which includes income from SUUTI investment as part of disinvestment process which should not be part of disinvestment resulting in overstating the amount of disinvestment proceeds by ₹1400 crore.

- CCEA approved (13 May 2015) disinvestment of 15 *per cent* of Government shareholding each in MMTC Limited and The State Trading Corporation of India Limited (SIC) through OFS. The proposed disinvestment was to be implemented by 21 August 2017. However DIPAM could not implement the decision of CCEA for disinvestment in MMTC & STC within the time frame. Consequently, the expected realization of ₹974 crore (MMTC: ₹836.97 crore and STC: ₹137.03 crore) based on trading prices prevailing on 21 August 2017 did not materialize. It was observed that DIPAM could not use the opportunity to offload the shares at the best price.

- GoI approved Strategic disinvestment of 24 CPSEs during 2017-18, for which only one HPCL-ONGC deal was finalized during 2017-18. Strategic disinvestment in 23 CPSEs could not be conducted within the time frame specified in CCEA approval. Further four CPSEs had been divested during 2018-19 as informed by DIPAM.

Abbreviations

AAIFR	Appellate Authority of Industrial & Financial Reconstruction
ACMA	Auto Components Manufacturers Association
ARAI	Automotive Research Association of India
AYCL	Andrew Yule & Company
BBJ	Braithwaite, Burn & Jessop Construction Company Limited
BBUNL	Bharat Bhari Udyog Nigam Limited
BEML	BHEL Electrical Machines Ltd.
BHEL	Bharat Heavy Electricals Limited
BHPV	Bharat Heavy Plate & Vessels Limited
BIFR	Board of Industrial & Finance Reconstruction
BLC	Bharat Leather Corporation Limited
BOGL	Bharat Ophthalmic Glass Limited
BPCL	Bharat Pumps & Compressors Limited
BPME	Bharat Process & Mechanical Engineers Limited
BCL	Braithwaite & Company Limited
BWEL	Bharat Wagon & Engineering Company Limited
BYNL	Bharat Yantra Nigam Limited
BRPSE	Board for Reconstruction of Public Sector Enterprises
CCI	Cement Corporation of India Limited
CCIL	Cycle Corporation of India Limited
CEA	Central Electricity Authority
CCEA	Cabinet Committee on Economic Affairs
CNC	Computer Numerically Controlled
CPSE	Central Public Sector Enterprise
EFV	Environmentally Friendly Vehicle
EOT	Electrically Operated Trolley
EPC	Engineering Procurement and Construction
EPI	Engineering Projects (India) Limited
FCRI	Fluid Control Research Institute
FFP	Foundry Forge Plant
HCL	Hindustan Cables Limited
HMBP	Heavy Machine Building Plant
HMT(I)	HMT (International) Limited
HMTP	Heavy Machine Tools Plant
HPC	Hindustan Paper Corporation Limited
HNL	Hindustan Newsprint Limited
HPF	Hindustan Photo Films Manufacturing Company Limited
HSL	Hindustan Salts Limited
IL	Instrumentation Limited
ICGCC	Integrated Coal Gasification Combined Cycle

ICEMA	Indian Construction Equipment Manufacturers Asscoiation
IMTMA	India Machine Tools Manufacturers Association
JPML	Jagdishpur Paper Mills Limited
JVC	Joint Venture Company
JESSOP	Jessop Company Limited
KV	Kilo Volt
KW	Kilo Watt
LAGAN JUTE	Lagan Jute Machinery Company Limited
OA	Operating Agency
MAMC	Mining & Allied Machinery Corporation Limited
MAX	Main Automatic Exchange
MoU	Memorandum of Understanding
MoHI&PE	Minister of Heavy Industries & Public Enterprises
MT	Metric Tonne
MUL	MarutiUdyog Limited
MVA	Mega Volt Amperes
MW	Mega Watt
NBCIL	National Bicycle Corporation of India Limited
NEPA	NEPA Limited
NPCIL	Nuclear Power Corporation of India Limited
NIDC	National Industrial Development Corporation Limited
NATRIP	National Automotive Testing and Research & Development Infrastructure Project
NAB	National Automative Board
PAT	Profit After Tax
PBT	Profit Before Tax
PSE	Public Sector Enterprise
PMMAI	Plastic Moulding Machinery Association of India
PPMAI	Process Plant and Machinery Association of India
PTL	Praga Tools Limited
R&C	Richardson & Cruddas (1972) Limited
RIC	Rehabilitation Industries Corporation Limited
RTI	Right to Information Act
SIL	Scooters India Limited
SSL	Sambhar Salts Limited
TAFCO	Tannery & Footwear Corporation of India Limited
TAGMA	Tools and Gauge Manufacturers Association of India
TCIL	Tyre Corporation of India Limited
TMMA	Textile Machinery Manufacturers Association
TSL	Triveni Structural Limited
TSPL	Tungabhadra Steel Products Limited
VRDE	Vehicle Research Development Establishment
WIL	Weighbird (India) Limited

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Department of Public Enterprises

Vision

"Effective, Profitable and Globally Competitive
Central Public Sector Enterprises"

Mission

"To continuously improve management and performance of CPSEs
through Corporate Governance, Performance Evaluation, Human Resource Management,
Research & Development so as to enhance their global competitiveness"

Department of Public Enterprises (DPE)

1. In their 52nd Report, the Estimates Committee of 3rd Lok Sabha (1962-67) stressed the need for setting up a centralized coordinating unit, which could also make continuous appraisal of the performance of public enterprises. This led to the setting up of the Bureau of Public Enterprises (BPE) in 1965 in the Ministry of Finance. Subsequently, as a result of the reorganization of the Ministries/ Departments of the Union Government in September, 1985, BPE was made part of the Ministry of Industry. In May, 1990, BPE was made a full-fledged Department known as the Department of Public Enterprises (DPE). Presently, it is part of the Ministry of Heavy Industries & Public Enterprises.

2. The Department of Public Enterprises is the nodal department for all the Central Public Sector Enterprises (CPSEs) and formulates policy pertaining to CPSEs. It lays down, in particular, policy guidelines on performance improvement and evaluation, autonomy and financial delegation and personnel management in CPSEs. It furthermore collects and maintains information in the form of a Public Enterprises Survey on several areas in respect of CPSEs.

3. In fulfilling its role, the Department coordinates with other Ministries, CPSEs and concerned organisations. As per the Allocation of Business Rules of the Government, the following subjects have been allocated to the DPE:

- Residual work relating to erstwhile Bureau of Public Enterprises including Industrial Management Pool.
- Coordination of matters of general policy affecting all Public Sector Enterprises.
- Evaluation and monitoring the performance of Public Sector Enterprises, including the Memorandum of Understanding mechanism.
- Matters relating to Permanent Machinery of Arbitration for the Public Sector Enterprises.
- Counselling, training and rehabilitation of employees in Central Public Sector Undertakings under Voluntary Retirement Scheme.
- Review of capital projects and expenditure in Central Public Sector Enterprises.
- Measures aimed at improving performance of Central Public Sector Enterprises and other capacity building initiatives of Public Sector Enterprises.
- Rendering advice relating to revival, restructuring or closure of Public Sector Enterprises including the mechanisms therefor.

- Matters relating to Standing Conference of Public Enterprises.
- Matters relating to International Center for Public Enterprises.
- Categorisation of Central Public Sector Enterprises including conferring 'Ratna status.
- Survey of Public Enterprises.

4. Department of Public Enterprises is headed by Secretary to the Government of India who is assisted by an establishment with an overall sanctioned strength of 118 officers/ personnel. The organizational structure of DPE is at **Annexure-1.**

Public Enterprises Survey

1

Chapter

1.1 Public Enterprises Survey

The Department of Public Enterprises brings out the Public Enterprises Survey on the performance of Central Public Sector Enterprises (CPSEs), which is laid in the Parliament every year. The Public Enterprises survey 2018-19 (59th in series) will be laid in both the Houses of Parliament during the Budget Session of Parliament.

1.2. Performance of CPSEs, during the year 2018-19, is summarized below:

There were 348 Central Public Sector Enterprises under the administrative control of various Ministries/Departments as on 31.3.2019. Out of these 348 CPSEs, 249 are in operation, 86 CPSEs are yet to start commercial operation and 13 CPSEs (which are under closure/liquidation) have not submitted the data for year 2018-19.

Out of 249 operating CPSEs as many as 178 CPSEs showed profit during 2018-19, 70 CPSEs incurred losses during the year, 1 CPSE has shown neither profit nor loss. The 'profit' of profit making CPSEs (178) was ₹1,74,587 crore in 2018-19. The 'loss' of loss making enterprises (70) stood at ₹31,635 crore during the year. The overall net profit of the 249 operating CPSEs went up by 15.52% to 1,42,952 crore in 2018-19 from 1,23,751 crore in 2017-18. The contribution of CPSEs to the Central Exchequer increased by 4.67% to 3,68,803 crore in 2018-19 as against previous year of ₹3,52,357 crore.

The cumulative investment (paid up capital plus long terms loans), which was ₹29 crore in 5 enterprises as on 31.03.1951, has gone up to ₹16.41 lakh crore in 348 CPSEs as on 31.03.2019. The increase in 'investment' in all the CPSEs was 14.65% in 2018-19 over 2017-18, similarly 'capital employed' went up by 11.71% during the same period.

A comparison of the performance of CPSEs during 2018-19 vis-a-vis the previous year i.e. 2017-18, is at **Annexure-2**.

1.3 Scheme in respect of Research Development and Consultancies (RDC)

DPE is implementing a Plan Scheme of Research Development and Consultancies (RDC) for the executives of Central Public Sector Enterprises (CPSEs) and State Level Public Enterprises (SLPEs). Under the Scheme Management Development Programmes on various topics for increasing the knowledge & skill of executives of CPSEs and SLPEs are organized at various Centers for Excellence such as IIMs, IITs, IIPA New Delhi etc. During the year 2019-20 (until

31st December, 2019), 14 training programmes have been finalized. The detail of all the fourteen training programmes is given below:

Training conducted during 2019-20

Sl. No.	Name of Training Institute	Area of Training	Location	Period of Training
1	Indian Institute of Public Administration	Mergers & Acquisitions incl. Disinvestment - compliances under Company law and SEBI rules/regulations/guidelines	Portblair	20-24 May, 2019
2	Institute of Company Secretaries of India	Corporate Governance	Mumbai	29-31 May, 2019
3	Institute of Chartered Accountants of India	Financial Management for Decision Making	Gangtok	10-14 June, 2019
4	Indian Institute of Public Administration	Leadership and enablers of achieving business excellence	New Delhi	17-21 June, 2019
5	IIM Lucknow	Total Quality Management	Lucknow	1-5 July, 2019
6	IIT Kharagpur	Project Planning, Implementation, Monitoring & Evaluation	Kharagpur	15-19 July, 2019
7	IIM Kozhikode	Contract Management and Negotiation skills & strategies	Kozhikode	22-26 July, 2019
8	Institute of Cost Accountants of India	GST implementation-issues & challenges	New Delhi	29 - 31 July, 2019
9	National Institute of Banking Management	International Financial Reporting Standards (IFRS)/ Ind-AS	Pune	19-23 August, 2019
10	IIM Shillong	Cost Optimization in CPSEs	Shillong	16-20 September, 2019
11	Administrative Staff College of India	CSR and sustainability	Hyderabad	4-8 November, 2019
12	IIT Guwahati	Artificial Intelligence & its possible implementation in Indian Context	Guwahati	18-22 November, 2019
13	IIT Bombay	People Capability Maturity Model in PSU -Practical Approach	Mumbai	27-29 November, 2019
14	National Productivity Council	HR Audit & HR Analytics	Puri	25-29 November, 2019

1.3.1 Under the DPE's Plan Scheme of RDC, following eight workshops were organized during 2019- 20:

Workshop conducted during 2019-20

Sl. No.	Name of Training Institute	Subject matter of the workshop	Location	Period
1	IIPA	Gender Equality at work place	Delhi	07.06.2019
2	IIT Bombay	Basics of Cyber Security	Mumbai	21.6.2019
3	IICA	Internal Financial Control under Companies Act	Kolkata	28.6.2019
4	Institute of Chartered Accountants of India	Indian Accounting Standards	Puri	19.7.2019
5	NIFM	Instructions for filling PE Survey Data Sheet 2018-19	Delhi	6.9.2019
6	NPC	E-procurement	Hyderabad	17.9.2019
7	Institute of Cost Accountants of India	Returns/E- Assessments under GST	Chandigarh	27.9.2019
8	ICSI	Compliances by CPSEs with SEBI regulations/Labour laws/MSME rules/DPE guidelines	Ajmer	11.10.2019

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Chapter 2 AUTONOMY TO CPSEs

2.1 The endeavour of the Government is to make Central Public Sector Enterprises (CPSEs) autonomous board managed companies. Under Articles of Association, the Board of Directors of CPSEs enjoys autonomy in respect of recruitment, promotion and other service conditions of below board level employees. The Board of Directors of a CPSE exercises delegated powers subject to broad policy guidelines issued by Government from time to time. The Government has granted enhanced powers to the Boards of the profit-making enterprises under various schemes like Maharatna, Navratna and Miniratna in the manner stated in the following paragraphs.

2.2 MAHARATNA SCHEME

2.2.1 The main objective of the Maharatna scheme which was introduced in 2010 is to empower mega CPSEs to expand their operations and emerge as global giants. The Maharatna Scheme empowers big sized CPSEs to expand their operations and emerge as global giants.

2.2.2 The salient features of Maharatna scheme are at **Annexure-3**.

2.2.3 Presently there are ten Maharatna CPSEs, viz. (i) Bharat Heavy Electricals Limited (ii) Bharat Petroleum Corporation Limited, (iii) Coal India Limited, (iv) GAIL India Limited, (v) Hindustan Petroleum Corporation Limited, (vi) Indian Oil Corporation Limited, (vii) NTPC Limited, (viii) Oil & Natural Gas Corporation Limited, (ix) Power Grid Corporation of India Limited, and (x) Steel Authority of India Limited.

2.2.4 During the year 2019-20, 2 CPSEs, namely, Hindustan Petroleum Corporation Limited and Power Grid Corporation of India Limited were granted Maharatna status.

2.3 NAVRATNA CPSEs

2.3.1 The Government had introduced the Navratna scheme, in 1997, to identify Central Public Sector Enterprises (CPSEs) that had comparative advantages and to support them in their drive to become global giants. Under this scheme, the Boards of Navratna CPSEs have been delegated enhanced powers in the areas of (i) capital expenditure, (ii) investment in joint ventures/subsidiaries, (iii) mergers & acquisitions, (iv) human resources management, etc.

2.3.2 Presently, there are 14 Navratna CPSEs as under:

(i) Bharat Electronics Limited

(ii) Container Corporation of India Limited

(iii) Engineers India Limited

(iv) Hindustan Aeronautics Limited

(v) Mahanagar Telephone Nigam Limited

(vi) National Aluminium Company Limited

(vii) National Buildings Construction Corporation Limited

(viii) Neyveli Lignite Corporation Limited

(ix) NMDC Limited

(x) Oil India Limited

(xi) Power Finance Corporation Limited

(xii) Rashtriya Ispat Nigam Limited

(xiii) Rural Electrification Corporation Limited

(xiv) Shipping Corporation of India Limited

2.3.3 The powers delegated to the Boards of Navratna CPSEs and conditions/guidelines for exercise of delegated Navratna powers are at **Annexure-4**.

2.4 Miniratna scheme

2.4.1 In October 1997, the Government had decided to grant enhanced autonomy and delegation of financial powers to some other profit-making companies subject to certain eligibility conditions and guidelines to make them efficient and competitive. These companies, called Miniratnas, are in two categories, namely, Category- I and Category-II.

2.4.2 The salient features of Miniratna scheme are at **Annexure-5**.

2.4.3 Presently there are 73 Miniratna CPSEs (61 Category-I and 12 Category-II). The list of these 73 Miniratna CPSEs is enclosed at **Annexure-6**.

3 Chapter

Corporate Governance and Professionalization of Boards in Central Public Sector Enterprises (CPSEs)

3.1. Corporate Governance – Background

3.1.1 The term Corporate Governance includes the policies and procedures adopted by a corporate entity in achieving its objectives in relation to shareholders, employees, customers and suppliers, regulatory authority and the community at large. In general parlance, it means a code of corporate conduct in relation to all the stakeholders, whether internal or external. Corporate Governance implies transparency of management systems and encompasses the entire mechanics of the functioning of the company. It provides a system by which corporate entities are directed and controlled, besides attempting to put in place a system of checks and balances between the shareholders, directors, auditors and the management.

3.1.2 Keeping in view the importance of Corporate Governance principles in ensuring transparency and enhancing the trust of stakeholders and the fact that there was a continued need to adopt and apply the good Corporate Governance practices in respect of CPSEs where huge public funds are invested, Guidelines on Corporate Governance for all CPSEs on mandatory basis was approved by the Government in March, 2010.

3.1.3 The Guidelines cover issues like composition of Board of CPSEs, Audit Committee, Remuneration Committee, Subsidiary companies, Disclosures, Code of conduct and ethics, Risk management and reporting. They also include provisions relating to monitoring the compliance of Guidelines by the CPSEs and formation of Remuneration Committee. Since, the concept of Corporate Governance is dynamic in nature; it has also been provided that suitable modifications in these Guidelines would be carried out to bring them in line with prevailing laws, regulations, acts, etc. from time to time.

3.1.4 The salient features of these guidelines are at Annexure-7.

3.1.5 As a part of 100 days action plan, DPE held an interactive meeting with various CPSEs and administrative Ministries/Departments on 2nd September 2019 to review the exemptions to Government Companies from certain provisions of Companies Act, 2013 and thereafter a comprehensive reference has been made to Ministry of Corporate Affairs recommending withdrawal of certain exemptions to Government companies.

3.1.6 DPE graded the CPSEs on the basis of their compliance with Guidelines on Corporate Governance for the year 2018-19. The grading report of CPSEs is enclosed at Annexure-8.

3.2 Professionalization of Board of CPSEs

3.2.1 Department of Public Enterprises (DPE) formulates policy guidelines on the Board structure of CPSEs. In pursuance of the public sector policy being followed since 1991 several measures have been taken by the Department of Public Enterprises to professionalize the Boards of public enterprises. The guidelines issued in 1992 provide that outside professionals should be inducted on the Boards of CPSEs in the form of part-time non-official Directors and that the number of such Directors should be at least 1/3rd of the actual strength of the Board. In the case of listed CPSEs headed by executive Chairman, the number of non-official Directors (Independent Directors) should be at least half the strength of the Board. The guidelines also provide that the number of Government Directors on the Boards should be not more than one-sixth of the actual strength of the Board subject to a maximum of two. Apart from this, there should be some functional Directors on each Board whose number should not exceed 50% of the actual strength of the Board.

3.2.2 As regards selection and appointment of non-official Directors on the Boards of CPSE, the following eligibility criteria has been prescribed: -

Criteria of Experience

(i) Retired Government officials with a minimum of 10 years experience at Joint Secretary Level or above.

(ii) Persons who have retired as CMD/CEOs of CPSEs and Functional Directors of the Schedule 'A' CPSEs. The ex-Chief Executives and ex-Functional Directors of the CPSEs will not be considered for appointment as non-official Director on the Board of the CPSE from which they retire. Serving Chief Executives/Directors of CPSEs will not be eligible to be considered for appointment as non-official Directors on the Boards of any CPSEs.

(iii) Academicians/Directors of Institutes/ Heads of Department and Professors having more than 10 years teaching or research experience in the relevant domain e.g. management, finance, marketing, technology, human resources, or law.

(iv) Professionals of repute having more than 15 years of relevant domain experience in fields relevant to the company's area of operation.

(v) Former CEOs of private companies if the company is (a) listed on the Stock Exchanges or (b) unlisted but profit making and having an annual turnover of at least ₹250 crore.

(vi) Persons of eminence with proven track record from Industry, Business or Agriculture or Management.

(vii) Serving CEOs and Directors of private companies listed on the Stock Exchanges may also be considered for appointment as part-time non-official Directors on the Boards of CPSEs in exceptional circumstances.

Criteria of Educational Qualification

Minimum graduate degree from a recognized university.

Criteria of Age

The age band should be between 45-65 years (minimum/maximum limit).

This could, however, be relaxed for eminent professionals, for reasons to be recorded, being limited to 70 years.

3.2.3 The proposals for appointment of non-official Directors are initiated by the concerned Administrative Ministries/ Departments. The selection of non-official Directors in respect of all CPSEs is made by the Search Committee which presently consists of Secretary (DoPT) as chairperson, Secretary (DPE), Secretary of the administrative Ministry/Department of the CPSE and 2 non-official Members. The concerned Administrative Ministry/ Department appoints the non-official Directors on the basis of recommendations of Search Committee after obtaining the approval of competent authority.

3.2.4 During the year 2019-20 (till October, 2019), Search Committee held 4 meetings and recommended names for filling up 191 positions of non-official Directors on the Boards of various CPSEs.

3.2.5 The functional Directors are appointed by the administrative Ministry on the recommendations of PESB and with the approval of Competent Authority. The Government Directors are appointed in ex-officio capacity by the concerned administrative Ministries/Departments.

3.2.6 As per direction of ACC the instructions were issued to Administrative Ministries/ Department regarding assignment of additional charge of the post of functional Director of a CPSE to another functional Director of that CPSE.

3.2.7 During the year 2019-20 (till October, 2019), DPE organized three orientation programmes as per following details for capacity building of newly appointed non-official Directors and Government Directors of CPSEs. The participating Directors were sensitized about their role and responsibilities in the context of newly enacted Companies Act, 2013 and important issues related to better functioning of Boards.

(i) 9th and 10th May, 2019 at Gangtok in collaboration with IICA which was attended by 18 Government Directors of various CPSEs.

(ii) 27th and 28th May, 2019 at Shillong in collaboration with NEEPCO which was attended by 14 Government Directors of various CPSEs.

(iii) 5th and 6th September, 2019 at Puri in collaboration with IICA which was attended by 14 Government Directors of various CPSEs

3.3 **International Cooperation:** DPE hosted a five-member delegation from China Business Executives Academy, Dalian (CBEAD), China led by Mr. Dong Dahai, Executive Vice President, CBEAD on 24th July 2019. Information about the working of SOEs in their respective countries was exchanged with the visiting delegation. Dr. Madhukar

Gupta, Additional Secretary, DPE spoke in 12th Meeting of Organization of Economic Cooperation and Development (OECD) Asia Network on Corporate Governance of State-Owned Enterprises held on 4th and 5th September 2019 at Manila, Philippines.

3.4 The meeting of Committee of Secretaries (CoS) was held on 9th May, 2019 under the chairmanship of Cabinet Secretary to review the progress of action points of CPSEs Conclave 2018.

3.5 DPE in collaboration with Global Procurement Consultants Limited organized a one-day orientation programme on Procurement Procedures of Multilateral Development Banks and Government of India Lines of Credit Projects on 7th August, 2019 at New Delhi which was attended by more than 80 officers of various CPSEs.

4 MoU System in CPSEs

Chapter

4.1. Memorandum of Understanding: MoU is a negotiated agreement and contract between the Administrative Ministry/ Department/Holding CPSEs i.e. majority shareholder and the Management of the Central Public Sector Enterprises (CPSE) on selected parameters having targets decided normally before the start of a new financial year and results evaluated after the end of the year to major the performance.

4.2 Purpose of MoU: The purpose of the MoU is to measure the performance of the management of the CPSEs on key selected parameters against the targets agreed upon so as to improve the critical performance indicators of the organization.

4.3 Institutional Arrangements for Implementation of MoU Policy:

(a) **High Powered Committee (HPC) on MoU:** The High Powered Committee (HPC) on MoU is a Committee of Secretaries (COS) set up by the Government as the Apex body for Central Public Sector Enterprises (CPSEs) to assess the performance of MoU signing CPSEs with reference to the commitments made by them in the MoU. HPC is headed by the Cabinet Secretary and comprises of following members: Finance Secretary, Secretary (Expenditure), CEO (NITI Aayog), Secretary (Statistics & Programme Implementation), Chairman, Public Enterprises Selection Board; Chief Economic Advisor, Department of Economic Affairs; Chairman, Tariff Commission; and Secretary (PE).The HPC on MoU gives guidance and directions with respect to the determination of the principles and parameters for evaluating the performance of CPSEs.

(b) **Pre-negotiation Committee (PNC):** The role of the Pre-negotiation Committee is to assist IMC in determining the most appropriate and relevant parameters for measuring improvement in performance and for fixing targets. Meetings of the Pre-negotiation Committee is held in each case before the meetings of IMC to look at the trends, discuss, negotiate and recommend MoU parameters and targets. The Pre-negotiation committee comprises Joint Secretary/Adviser (MoU), DPE, concerned Joint Secretary/Adviser of Administrative Ministry, concerned Adviser (NITI Aayog), Director (MoU), DPE and representative from Ministry of Statistics and Programme Implementation (MoSPI).

(c) **Inter-Ministerial Committee (IMC):** MoU targets are decided by the IMC. Inter-Ministerial Committee on MoU consists of Secretary, DPE as Chairman, Secretary of concerned administrative Ministry/Department or his representative not below the rank of Joint Secretary (Member), Secretary, Ministry of Statistics and Programme Implementation or his senior representative (Member), Additional Secretary, NITI Aayog or his senior representative (Member). Secretary, DPE may co-opt any officer who is a finance expert in case the need is felt, Adviser (MoU), DPE for secretarial support to the Committee.

4.4 MOU DIVISION: The HPC and IMC are assisted by the MOU Division in the Department of Public Enterprises. It also acts as the permanent secretariat to this HPC and IMC. The main functions of this Division are to:-

a. Provide technical and administrative support to the IMC.

b. Assist the High Powered Committee to frame the MoU Guidelines and carry out modifications.

c. Sensitize the CPSEs on MoU by conducting of workshops and seminars.

d. Carry out MoU Evaluation and place it before IMC.

4.5 The Government of India introduced the system of MoU in the year 1986, based on recommendations given by Arjun Sen Gupta Committee report (1984). The report recommended that the CPSEs should enter into agreements with their Administrative Ministries for five years, with progress would be reviewed annually. The MoU system was given broader thrust by the Government after the announcement of the New Industrial Policy of 1991. In view of the above policy statement, the scope of MoU system has been extended to cover nearly all CPSEs over a period of time and this is given below:

Year	No. of MoU's signed
1987-88	4
1991-92	72
2001-02	104
2002-03	100
2003-04	96
2004-05	99
2005-06	102
2006-07	113
2007-08	144
2008-09	147
2009-10	197
2010-11	198
2011-12	197
2012-13	196
2013-14	197
2014-15	214
2015-16	215
2016-17	231
2017-18	196
2018-19	176

4.6 Parameters: CPSEs are working in various sectors under different conditions. The following guidelines have been laid down to evaluate their performance:-

4.6.1. There would be uniform parameters for measuring financial performance such as revenue from operations, Operating profit and return on investment (e.g. ratio of PAT/ Net-worth). This would be applicable to all CPSEs, except CPSEs which are dependent on government grant or performing functions of distribution of grants etc. e.g. Biotechnology Industry Research Assistance Council (BIRAC). Hence, 3 financial parameters have been prescribed for all CPSEs with total weightage of 50% except for CPSEs like BIRAC.

4.6.2. For the remaining 50% weightage, a menu of parameters has been suggested for selection depending on the sector in which the CPSE is operating. The parameters most appropriate and relevant for measuring performance shall be suggested by the Pre-Negotiation Committee (PNC) to the Inter-Ministerial Committee (IMC). In all the cases IMC shall take appropriate decision on the suggestions made by PNC.

4.6.3. Chairman IMC is authorized to modify the parameters or weightages of parameters in sector specific cases, if justified.

4.7 Time-lines for submission of MoU: The draft MoU with all documents/ Annexures is to be submitted to administrative Ministry/ Department in respect of all CPSEs and their subsidiaries by 21st November of each year for the forthcoming year/ the draft MoU after the approval of administrative Ministry/Department has to be sent to DPE by 15th December of each year for the forthcoming year with all documents/ Annexures. Administrative Ministry/ Department would ensure that the targets are realistic, growth oriented, aspirational and consistent with the latest Annual report, Budget and Corporate plan of the CPSEs.

4.8 MoU Signing Process: MoU based on the parameters, targets and weightage recommended by IMC without any deviation shall be signed between CMD/ MD of CPSE and Secretary of administrative Ministry/Department in case of holding/ independent CPSEs and between CEO/MD of subsidiary company and CMD/MD of holding CPSE in case of subsidiary by 31st March (i.e. before start of financial year in respect of which targets are fixed) or within 21 days from issue of IMC meeting minutes, whichever is later. In case, deviation is detected, IMC minutes would prevail.

4.9 For Evaluation of MoU: Evaluation of MoU of the CPSE is done after the end of the year on the basis of actual achievements vis-à-vis the MoU targets. CPSEs (Holding as well as Subsidiaries) are required to submit performance evaluation reports on the basis of audited accounts to Department of Public Enterprises after approval of the Board of CPSE and through the administrative Ministries/Departments on or before 30th September (in respect of immediately preceding year) or any other date communicated by DPE. Figures and information in the MoU achievement which are not verifiable from audited accounts would be relied on the basis of certification by way of resolution of the Board given separately for each parameter.

4.10 MoU Score and Rating: MoU score is an aggregate of score on all parameters with respect to performance vis-à-vis the targets. With a view to distinguish ‘excellent performance’ from ‘poor performance’, five different performance ratings have been fixed in the MoU, i.e., ‘Excellent’, ‘Very Good’, ‘Good’, ‘Fair’, and ‘Poor’.

4.10.1 The system of rating of CPSEs on the basis of MoU Aggregate Score is as follows:-

Aggregated Score	Rating
90≤Score≤100	Excellent
70≤Score<90	Very Good
50≤Score<70	Good
33≤Score<50	Fair
0≤Score<33	Poor

4.10.2 Score and rating is subject to fulfilling following criteria failing which aggregate MoU score would be reduced by 1 mark for each instance of non-compliance subject to maximum of 5 marks and the rating is modified accordingly:

i. Compliance of Provisions of The Companies Act, 2013 or the relevant Act under which they have been regulated (To the extent compliances are within the ambit of CPSEs).

ii. In case of listed CPSEs, compliance of provisions of Listing Agreement (To the extent compliances are within the ambit of CPSEs).

iii. Compliance of DPE Guidelines having financial implications.

iv. No adverse observations by CAG on Annual Accounts pointing out misappropriation of funds of any amount or Over statement of profit/surplus/assets or understatement of loss/deficit/liabilities amounting to 5% of Revenue from Operation.

v. Holding of AGM without seeking extension of time.

vi. Submission of Draft MoU/MoU evaluation through administrative ministry/department to DPE by prescribed date.

vi. Signing of MoU as prescribed without deviation from minutes of the IMC meeting.

vii. Compliance of Public Procurement Policy for Micro and Small Enterprises issued by M/o Micro Small and Medium Enterprises.

viii. Compliance of DPE guidelines issued from time to time for CSR Expenditure by CPSEs.

ix. Compliance of DPE guidelines on Digital India.

x. Compliance of DPE guidelines on any policy, issued from time to time, and prescribed specifically in this regard.

4.10.3 Complianceofeachofadditionaleligibility criteria to be confirmed/certified by Board of Directors by way of resolution.

4.11 MoU Evaluation:

4.11.1 The year wise figures for signed MoU and evaluation for CPSEs is tabulated below:

Item	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18
Total MoUs Signed	198	197	196	197	214	215	231	196
Evaluation Report Submitted	161	175	189	187	200	191	198	187

4.11.2 A comparison of the MoU ratings secured by the CPSEs during the last 10 years is as under:-

Rating	Number of Public Sector Enterprises under each rating over Years									
	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18
Excellent	47	73	67	76	75	76	73	57	49	49
V. Good	34	31	44	39	39	38	53	58	54	39
Good	25	20	24	33	37	36	41	28	40	33
Fair	17	20	24	25	36	29	26	22	31	31
Poor	01	01	02	02	02	08	7	26	24	18
Total	124	145	161	175	189	187	200	191	198	170*

* 17 CPSEs have submitted their MoU evaluation after approval of score/rating for the year 2017-18 by the High Powered Committee (HPC) on MoU.

Wage policy and ManpowerRationalization

Chapter 5

5.1 The Department of Public Enterprises (DPE) functions as the nodal Department for policy relating to pay revision of CPSE executives at Board as well as below Board level and non-unionized supervisors. DPE also issues guidelines for wage settlement negotiations in case of workmen in CPSEs. The Department renders advice to the Administrative Ministries/ Departments and CPSEs in matters relating to revision in pay scales of executives and also for the wage policy negotiations of workmen. The CPSEs are largely following the Industrial Dearness Allowance (IDA) pattern of scales of pay. However, in some CPSEs, Central Dearness Allowance (CDA) pattern of scales of pay is also followed. DPE also issues quarterly DA orders in respect of IDA employees. The DA orders for CDA employees of CPSEs are issued for six monthly periods.

5.2 Third Pay Revision Committee under IDA pattern

5.2.1 The third Pay Revision Committee (PRC) was constituted under the Chairmanship of Justice (Rtd) Shri Satish Chandra to consider and recommend pay scales for Board and Below Board level executives and non-unionized supervisors of CPSEs under IDA pattern of pay scale. Therefore, based on the recommendations of the third PRC, Government□s decisions thereon and with due approval of the Cabinet, the revised pay scale guidelines effective from 1st January, 2017 were issued vide DPE OMs dated 03.08.2017, 04.08.2017 and 07.09.2017.

5.2.2 The revised pay scales and allowances recommended by third PRC were based on the basic premise of affordability. These pay scales and allowances would be implemented subject to the condition that the additional financial impact in the year of implementing the revised pay- package for Board and Below Board level Executives and Non-Unionized Supervisors should not be more than 20% of the average Profit Before Tax (PBT) of the last three financial years preceding the year of implementation. All the expenditure on this account will be met by the CPSE implementing the revised pay scales & allowances and no budgetary support shall be provided by the government in this regard.

5.3 Wage Revision for Workmen under IDA pattern

5.3.1 DPE has issued policy guidelines for the 8th Round of Wage Negotiations with unionized workmen of CPSEs (generally effective from 01.01.2017) for a period of 10 years vide its OM dated 24.11.2017.

5.4 Pay revision of employees under CDA Pattern in CPSEs

5.4.1 Pay scales on CDA pattern are applicable to the clerical staff, unionized cadres and executives of 69 CPSEs who were on the rolls of these CPSEs as on 1.1.1986 and upto 31.12.1988 and were in receipt of the CDA pattern pay scales during that time. A High Powered Pay Committee (HPPC) was appointed by the Government in pursuance of the Hon'ble Supreme Court directions dated 12.03.1986. The HPPC submitted its Report to the Government on 24.11.1988 and its recommendations were implemented in these CPSEs. Further in pursuance of the Hon'ble Supreme Court directions dated 03.05.1990 read with subsequent directions dated 28.08.1991, IDA pattern and related scales of pay were introduced in these CPSEs with effect from 01.01.1989. Therefore, as per the directions of the Hon'ble Supreme Court., all appointments including appointment on promotion should be under the IDA pattern of pay scales. Subsequently DPE vide its O.M. dated 10.08.2009 in this regard clarified that 'appointment' includes selection, promotion and deputation too.

5.4.2 Similarly, for the employees of CPSEs following the CDA pattern, DPE vide OM dated 17.08.2017 issued guidelines for revision of pay scales and allowances w.e.f. 01.01.2016. The benefit of pay revision is allowed to the employees of those CPSEs that are not loss making and are in a position to absorb the expenditure on account of pay revision from their own resources without any budgetary support from the Government.

5.4.3 DPE vide OMs dated 21.05.2018 and 04.07.2019 conveyed the Government decision on allowances applicable to CDA employees of CPSEs.

5.5 Recently issued guidelines

(i) DPE vide OM dated 22.07.2019 has conveyed the decision of the Government regarding eligibility of pay, allowances, status, benefit, perks and perquisites of CVOs posted in CPSEs.

(ii) DPE vide OM dated 17.09.2019 updated the pay fixation examples for Board level Executives of CPSEs in view of the current 2017 revised IDA pay scales.

Categorisation of CPSEs

6

Chapter

6.1 The Public Sector Enterprises are categorized into four schedules namely ‘A’, ‘B’, ‘C’ & ‘D’. The categorization of CPSEs has implications mainly for organizational structure and salary of Board level incumbents of the concerned CPSE. It also plays a role in grant of autonomy to the Boards of CPSEs under ‘Ratna’ scheme.

6.2 The initial categorization of CPSEs in the mid-sixties was made on the basis of their importance to the economy and complexities of their problems. Over the years, the Department of Public Enterprises has evolved norms for the purpose of categorization/re-categorization of CPSEs. Categorization is based on criteria such as quantitative factors like investment, capital employed, net sales, profit before tax, number of employees and units, capacity addition, revenue per employee, sales/capital employed, capacity utilization, value added per employee and qualitative factors such as national importance, complexities of problems being faced by the company, level of technology, prospects for expansion and diversification of activities and competition from other sectors, etc. The other factors, wherever available, relate to share price, MOU ratings, Maharatna/Navratna/Miniratna status and ISO certification. In addition, the factor relating to the critical/strategic importance of the corporation is also taken into account. The present procedure involves consideration of the proposals in the administrative Ministry concerned and the Department of Public Enterprises which consults the Public Enterprises Selection Board. As on 31.10.2019 there are 65 Schedule ‘A’, 66 Schedule ‘B’, 44 Schedule ‘C’ and 5 Schedule ‘D’ CPSEs. The schedule-wise list of CPSEs is given in **Annexure-9.**

6.3 During the year 2019-20, post of Director (Business Development) was created on the Board of EdCIL (India) Limited. The post of Director (Technical) on the Board of NTPC Limited was abolished.

6.4 The guidelines for implementation of new online system (SPARROW CPSE) for recording Annual Performance Appraisal Report (APAR) of board level executives of CPSEs from the year 2018-19 onwards were issued during the year 2019-20.

Chapter 7

Revival and Restructuring of Sick/loss making CPSEs

7.1 Introduction

7.1.1 Historically, the Central Public Sector Enterprises (CPSEs) have been playing an important role in socio-economic development of the country. The number of CPSEs, their investment, turnover, profit and contribution to exchequer has been consistently growing over a period. While CPSEs, as a group, are on a growth path, some CPSEs have been incurring losses for the last several years. As the Central Public Sector Enterprises (CPSEs) operate under dynamic market conditions, it is quite natural to see ups-and-downs in their performance. In a number of cases, their accumulated losses have exceeded their net worth, making the enterprises sick. Though reasons for losses/sickness may vary from unit to unit, Government has taken many measures to improve the performance of CPSEs. CPSEs are expected to function on commercial considerations with a view to sustaining growth and viability of the companies. Government is of the view that revival/restructuring of sick/ loss making CPSEs is to be done after taking into account their strategic & national importance and addressing their business concerns. Accordingly, plans for revival/ restructuring of sick/loss making CPSEs are drawn and implemented by the concerned administrative Ministries/ Departments and the Board of CPSEs, after obtaining the approval of the competent authority.

7.2 Reasons for losses and sickness in CPSEs

7.2.1 The reasons for losses/sickness in CPSEs vary from enterprise to enterprise. However, some common problems for sickness in CPSEs include old and obsolete plant and machinery, outdated technology, low capacity utilization, low productivity, poor debt–equity structure, excess manpower, weak marketing strategies, stiff competition, lack of business plans, dependence on government orders, heavy interest burden, high input cost, resource crunch, etc. Further with privatization, liberalization and opening up of the economy, those CPSEs which did not change along with the fast-changing times lost ground to private companies and turned loss making and sick. Attempts have, therefore, been made to overcome “sickness” in these CPSEs through various measures.

7.3 Streamlining the mechanism of revival/ restructuring of Central Public Sector Enterprises (CPSEs)

7.3.1 Multiple mechanisms for restructuring/ revival of sick/loss making CPSEs have existed. Government has taken steps to make the mechanism and process for revival/ restructuring of CPSE time bound, comprehensive, performance driven and efficient. Government has decided to remove multiple layers in the decision making process to ensure timely revival/ restructuring of sick CPSEs. It has been decided that revival/restructuring of sick/ incipient sick CPSEs is to be merit based taking into account strategic, national and business concerns of the CPSE.

7.3.2 Earlier, Sick Industrial Companies were referred to Board for Industrial and Financial Reconstruction (BIFR), for suggesting a restructuring plan. BIFR has now been dissolved and this work is being done by NCLT under Companies Act, 2013 and Insolvency and Bankruptcy Code, 2016. Further, Board for Reconstruction of Public Sector Enterprises (BRPSE) was created in 2004 to advise the Government for the restructuring or revival plan of referred CPSEs. However, the same has been wound up in November, 2015. Thereafter concerned administrative Ministries/ Departments are responsible to monitor sickness of CPSEs functioning under them and take timely redressal measures with the approval of the competent authority.

7.3.3 To fill this void and to help identify weak or sick CPSEs, DPE issued guidelines for "Streamlining the mechanism for revival and restructuring of sick/incipient sick and weak Central Public Sector Enterprises; General principles and mechanism of restructuring" on 29th October, 2015. These guidelines were to be followed by the Administrative Ministries/Departments to prepare proposals for revival/restructuring or closure of CPSEs under their administrative control and also implement the approved plans. The guidelines are at **Annexure-10.**

7.3.4 These guidelines are laid down for streamlining the mechanism for restructuring/revival or closure of sick or incipient sick CPSEs and weak CPSEs and replace the multiple options available for the same purpose.

7.4 Definition of sick, incipient sick and weak CPSEs:

(i) Sick CPSEs:

As per the guidelines, a CPSE is considered sick, if it meets one of the following criteria:

a. If it is declared sick as per the provisions of the Companies Act, 2013.

b. If its net worth is negative.

(ii) Incipient sick CPSEs:

As per the guidelines, a CPSE is considered incipient sick, if it meets one of the following criteria:

a. If its net worth is less than 50% of its paid-up capital in any financial year.

b. If it had incurred losses consecutively for three years.

(iii) Weak CPSEs:

As per the guidelines, a CPSE is considered weak or sub-optimally performing, if it meets one of the following criteria:

a) If its turnover or its operational profit has declined by more than an average of 10% in the last 3 years.

b) If its profit before tax is less than income from the other sources.

c) If its trade receivable and inventories are more than 50% of net worth of the CPSE.

d) If the claims against the company, not acknowledged as debts, are more than its net worth.

e) Any other criteria as may be prescribed to quantify early signs of weakness in the performance of the CPSEs by the government.

In all the reference to net worth, it would have the same meaning as defined under Section 2 (57) of the Companies Act, 2013.

7.4.1 As per the guidelines, the administrative Ministry/Department will classify CPSEs functioning under their control into sick, incipient sick and weak CPSEs within 6 months of the closure of the financial year or within one month from finalization of Annual Accounts, whichever is earlier. The concerned administrative Ministry/ Department will formulate revival/ restructuring/ closure road map for sick CPSEs as per the principles outlined in the guidelines. This would be done within three months from the issue of these guidelines in case of existing sick CPSEs and within nine months from the end of the financial year for a CPSE becoming sick subsequently.

7.4.2 The administrative Ministry will take the following action:

(a) The administrative Ministry will put weak CPSEs under "observation and intensive review" to arrest the early signs of weakness in such CPSEs. It may include nomination of independent expert members on the board, quarterly intensive review or special reviews for taking corrective business, operational and financial measures at the board level, fixing the responsibility for declining performance or non-performance or any other corrective step as may be appropriate and necessary by the administrative Ministry or Department.

(b) The administrative Ministry will initiate the process for preparation of restructuring/ revival plan, which may include disinvestment or privatisation or closure options, for sick/incipient sick CPSEs based on the classification as given above within 6 months from the closure of the financial year or within one month from finalisation of Annual Accounts, whichever is earlier.

(c) Restructuring and revival plan for the sick and incipient sick CPSEs shall be prepared within nine months of the closure of the financial year.

(d) External expert agency which has experience and expertise of the business environment, operational issues, technology option and financial viability of the sector in which such CPSE is functioning may be engaged by the government and shall function under the supervision of the administrative ministry for preparation of the future road map.

7.5 Guidelines on Time bound Closure of Sick/Lossmaking Central Public Sector Enterprises (CPSEs) and disposal of movable and immovable assets

7.5.1 Pursuant to the approval of the Government on 06.06.2018, Department of Public Enterprises (DPE) has issued revised guidelines on 'time bound closure of sick/loss making Central Public Sector Enterprises (CPSEs) and disposal of movable and immovable assets vide its OM No. DPE/5(1)/2014-Fin(Part-I) dated 14.06.2018 to all the Ministries/Departments. These replaces the earlier guidelines issued by DPE on 07.09.2016 on this subject. The detailed guidelines are given in **Annexure-11.**

7.5.2 The guidelines are intended to expeditiously complete the procedures for closure of CPSEs and lay down responsibilities of the concerned Ministries/Departments/ CPSE etc., including the support required to be extended by nodal Departments/ Organizations like, Ministry of Finance, NITI Aayog etc. The revised guidelines prescribe a matrix of timelines for step by step process to be completed in respect of a CPSE under closure and about disposal of its assets. The guidelines on time bound closure of sick/ loss making CPSEs uniformly provide for payment of VRS/VSS at 2007 notional pay scale to employees of CPSEs under closure irrespective of the existing pay scales of the company.

7.5.3. Further, DPE has issued clarification to the administrative Ministries/Departments of CPSEs on 12.02.2019 for estimating the applicable MAT liability in case the proposals inter alia involve waiver of outstanding Government of India loans (and accrued interest thereon) and include the same in the proposed budgetary support sought for funding closure under para 4.1.8 (i) of the said guidelines, while formulating proposals seeking approval of the Cabinet/ CCEA for closure of their CPSEs.

7.6 Applicability of Time bound Closure of Sick/Loss making Central Public Sector Enterprises (CPSEs)

7.6.1 These guidelines shall apply to all sick/ loss making CPSEs, where:

(i) Approval/in principle approval for closure has been obtained by administrative Ministry/Department from the CCEA/Cabinet; or

(ii) The process for obtaining the approval of the competent authority is underway after the administrative Ministry/Department has decided for the closure of the CPSE.

Note: These guidelines shall not apply to CPSEs under liquidation where liquidator has been appointed. The Administrative Ministry/Department of such CPSE(s) may take necessary action relating to closure of the CPSE and disposal of its movable/ immovable assets in consultation with NITI Aayog and in accordance with the legal requirements of the liquidation process.

8 Chapter
Scheme of Counselling, Retraining and Redeployment (CRR)

8.1 The Scheme for Counselling, Retraining and Redeployment (CRR) of Rationalized Employees of CPSEs is being implemented by Department of Public Enterprises (DPE) since 2001-02. CRR Scheme was modified in November, 2007 in order to widen its scope and coverage. One dependent of VRS optee is also eligible in case the VRS optee himself/herself is not interested. The Scheme has been subsequently modified in February, 2016 in order to broaden the network of Training Providers and also to follow standardized methodology of training, design and delivery.

8.2 Objective of the CRR scheme:

i. Separated employees of CPSEs to be brought into the mainstream economy and thereby contribute to national income.

ii. Reorientation of VRS/VSS optees/ dependents to enable them to adjust to new environment and adopt new vocations.

iii. Skill development for VRS optees/ dependents for their redeployment.

iv. Exposure to various industry associations, which is also a component of the CRR scheme, to help the trainees in product/ service selection.

v. Awareness of various Central and State Government loan assistance/subsidized schemes.

8.3. The main elements of the CRR scheme:

Counselling: Counselling is the basic pre-requisite of the rehabilitation programme of the separated employees. The separated employee needs psychological counselling to absorb the distress of loss of assured livelihood and to face the new challenges and also needs support to plan his compensation amount prudently. He/she also needs to be made aware of the new environment of market opportunities so that he/she may, depending upon his/her aptitude and expertise, take up economic activities and continue to be in the production process.

Retraining: The objective of such training is to help the separated employees for rehabilitation. The trainees will be helped to acquire necessary skills/expertise/ orientation to start new avocations and re-enter the productive process after loss of their jobs. These training programmes will be short duration programmes according to the trade decided during counselling.

Redeployment: It will be the endeavor to redeploy such rationalized employees in the production process through the counselling and retraining efforts. At the end of the programme, VRS/VSS optees/dependents should be able to engage themselves in alternate vocations of self/wage employment. Although there cannot be any guarantee that the separated employee will be assured of alternate employment, yet possible help from the identified nodal training agencies as well as from the CPSEs concerned would be extended to them for starting new avocations.

8.4 The target group of the CRR scheme is very unique and distinct from other skill development schemes of the Government. Mostly VRS/VSS optees are below 58 years of age. The scheme provides that if the VRS optee does not want to come forward for training, the benefit of the scheme could be extended to VRS optee□s dependent. The focus of the scheme is envisaged to extend the benefit to VRS/VSS optees, or to his/her dependent (one person per family) in lieu of eligible VRS optee.

8.5 CPSEs are the key to the success of the scheme. They are expected to extend all possible support for the welfare of the separated employees by clearing their compensation/dues before release. Long association with employees puts CPSEs in a better position to identify their retraining needs.

8.6 Year wise number of persons trained under the scheme is shown as under:-

Year	Number of VRS optees trained
2001-02	8064
2002-03	12066
2003-04	12134
2004-05	28003
2005-06	32158
2006-07	34398
2007-08	9728
2008-09	9772
2009-10	7400
2010-11	9265
2011-12	9400
2012-13	7506
2013-14	3230
2014-15	2525
2015-16	3150
2016-17	1576
2017-18	2000
2018-19	2000
Total	**194375**

8.7 CRR scheme - 2018-19

8.7.1 During the year 2018-19, an allocation of ₹3.96 crore (RE) was made for the CRR scheme. The assigned target for coverage of 2000 VRS/VSS optees/dependents has been achieved and 924 redeployed (self/wage employment). Follow-up for redeployment of candidates is continuing. During the year, skill training was imparted at 15 locations by 4 empanelled Training Partners (TPs). Some of the trades of training include Domestic Data Entry Operator, Field Technician - Home Appliances, CCTV Installation Technician, Electrical Technician, Sales Associates/Executives, Assistant Catering Manager, Solar Panel Installation Technicians, Dairy Farming etc. Three Job fairs were held in Jharkhand and West Bengal. 238 candidates were offered jobs by nearly 20 companies.

8.7.2 A tripartite agreement has been signed for 2019-20 between Department of Public Enterprises (DPE), National Skill Development Fund (NSDF) under Ministry of Skill Development & Entrepreneurship (MSDE) and National Skill Development Corporation (NSDC) to provide skill training under National Skills Qualification Framework (NSQF) to employees of CPSEs who left service under voluntary retirement scheme (VRS) or their dependents; over a period of one year.

Voluntary Retirement Scheme (VRS)

Chapter 9

9.1 As a result of the restructuring in some Central Public Sector Enterprises (CPSEs), Government announced the Voluntary Retirement Scheme (VRS) in October, 1988. A comprehensive scheme was later notified by the Department of Public Enterprises (DPE) in May, 2000. From the introduction of VRS Scheme in October 1988, till March 2019, approximately 6.28 lakh employees have been released under VRS.

9.2 VRS in CPSEs that can support the scheme on their own

Enterprises, which are financially sound and can sustain VRS on their own, can frame their own schemes of VRS and make it attractive enough for employees to opt for it. They may offer as compensation upto 60 days salary (only Basic Pay +DA) for every completed year of service. Such compensation will, however, not exceed the salary for the balance period of the service left.

9.3 VRS in marginally profit or loss Making /sick /unviable CPSEs

Marginally profit/loss making CPSEs as well as sick and unviable units may adopt either of the following models:

Gujarat Model, under which the compensation is computed by allowing 35 days salary for every completed year of service and 25 days for each year of the balance service left until superannuation subject to the condition that compensation shall not exceed the sum of salary for the balance period left for superannuation.

Department of Heavy Industry (DHI) model, under which ex-gratia payment made is equivalent to 45 days emoluments (Pay + DA) for each completed year of service <u>or</u> the total emoluments for the balance period of service, whichever is less. The employees who have completed not less than 30 years of service will be eligible for a maximum of 60 (sixty) months salary/wage as compensation and this will be subject to the amount not exceeding the salary/wage for the balance period of service left.

Chapter 10 Executive Development Programmes

10.1 The Central Public Sector Enterprises (CPSEs) design their own human resource development programmes to upgrade skills and knowledge of middle and senior level executives by giving them training in various fields of management development through their own management institutes or outsourcing the services of premier management training institutions in India.

10.2 DPE is an ex-officio member of the Executive Board and Governing Council of the Standing Conference of Public Enterprises (SCOPE), New Delhi.

10.3 Secretary, DPE is member on the Board of Governors of the Institute of Public Enterprise, Hyderabad.

10.4 India is a founder Member of International Center for Promotion of Enterprises (ICPE) headquartered in Slovenia. It was established as an inter-Governmental organisation of developing countries for improving the performance of their public enterprises as strategic instrument of economic and social development. Presently, the post of Director General (Acting), ICPE is held by Slovenia. The position of President of ICPE, Council is held by India, represented through Secretary, DPE. ICPE pursues its goals by carrying out research, education, training, consultancy work and disseminating information through documentation and publishing activities directed towards bridging the gap between theory and practice on a wide range of issues pertaining to corporate governance, management and other related fields.

Corporate Social Responsibility (CSR)

11 Chapter

11.1. As per Section-135 of the Companies Act, 2013, all profit making corporates, including Central Public Sector Enterprises (CPSEs) exceeding threshold limits prescribed in the Act regarding net worth of ₹500 crore, or turnover of ₹1000 crore or net profit of ₹5 crore are mandated to spend at least 2% of the average net profits (Profit Before Tax) of the company made during the three immediately preceding years.

11.2 The CPSEs are required to follow the provisions contained in Section-135 of the Companies Act, 2013 and the Companies (CSR Policy) Rules, 2014 notified thereunder by M/o Corporate Affairs and the Schedule-VII of the Act, which lists the activities that can be undertaken under CSR. An advisory on observance of transparency and due diligence in selection and implementation of activities under CSR was issued by Department of Public Enterprises to the CPSEs in August, 2016.

11.3 Department of Public Enterprises (DPE) in collaboration with ASCI, Hyderabad has conducted a capacity building programme on "CSR and Sustainability" from 4^{th} to 8^{th} November, 2019 for CSR Executives of Central Public Sector Enterprises (CPSEs). The officers were trained on the project implementation related aspects of CSR activities like Evaluation of CSR projects, Measuring and Reporting for Sustainability, Community Engagement with CSR Projects, etc. The issues and challenges in implementation of CSR Projects were also demonstrated through case studies. The professionals were further sensitized on integrating their projects to achieve the holistic goal of removing poverty and inequality among the masses.

Chapter 12

Compliance Report by CPSEs

12.1 Department related Parliamentary Standing Committee on Industry in its 216th report had recommended that DPE should play a meaningful and effective role in getting the policies and guidelines implemented by the CPSEs. In compliance of this, the Department had made provision in MoU guidelines 2015-16 providing for one negative mark for non-compliance of DPE guidelines. From 2017-18 and onwards, provision has been made in MoU guidelines for negative marking for non-compliance of DPE guidelines having financial implications.

Official Language Policy

Chapter 13

13.1 DPE's Hindi Section is primarily responsible for implementation of the various provisions of the Official Language Act, 1963 and the Rules framed thereunder. Hindi Section is also responsible for translation of documents required to be issued under Section 3(3) of the Official Language Act, 1963. As more than 80% of the staff of this Department knows Hindi, the Department has been notified under rule 10(4) of the Official Language Rules, 1976.

13.2 Resolutions, notifications, notices, circulars, papers etc. to be laid on the Table of the both houses of Parliament have been issued bilingually during the year 2018-19. Efforts were also made to promote original correspondence in Hindi. The Official Language Implementation Committee of DPE continues to function under the Chairmanship of the Addl. Secretary.

13.3 To create awareness and expanding the use of Hindi as Official Language, Hindi Pakhwada was organized by the Department from 1st September, 2019 to 14th September, 2019. During the Hindi Pakhwada four competitions namely, Hindi Essay Writing, Hindi Shrutlekh, Hindi Grammar and Chitra Lekhan were organized for the officers and staff including officials on contract basis. Prizes and Certificates were awarded to the winners.

13.4 Annual Public Enterprises Survey on the working of Central Public Sector Enterprises is presented in the Parliament every year by this Department. This is very voluminous and comprehensive document brought out by the Department simultaneously in English and Hindi.

Chapter 14 Welfare of Women

14.1 The principle of gender equality is enshrined in the Indian Constitution in its Preamble, Fundamental Rights, Fundamental Duties and Directive Principles. The Constitution not only grants equality to women but also empowers the State to adopt measures of positive discrimination in favour of women. Within the framework of a democratic polity, our laws, development policies, plans and programmes have aimed at advancement of women in different spheres.

14.2 The Department has also set up a complaint committee under the chairmanship of a woman Officer, to ensure fair, safe and healthy environment at work place for women. The guidelines laid down by the Supreme Court relating to sexual harassment have been brought to the notice of all those working in this Department. Department of Public Enterprises vide its O.M. dated 29th May, 1998, has already issued detailed guidelines and norms to the Chief Executives of CPSEs for observance and prevention of sexual harassment of working women.

14.3 The Department has a total sanctioned strength of 117 employees of which 80 officers/staff are in position, including 8 Women employees. The Department has made all possible efforts to create a healthy and congenial atmosphere so that women employees can perform duties with honour, dignity and without fear.

Statement of Scheme wise Expenditure

15

Chapter

Department of Public Enterprises Demand No. 45 2019-20

(₹in thousand)

Scheme	BE 2019-20	RE 2019-20	Total Expenditure 2018-19 As on 31.10.2019
CRR Scheme			
Publications	0	0	0
Other Administrative Expenses	500	500	0
Professional & Special Services	33000	33000	20179
Grants-in-Aid	500	500	0
CRR Scheme NER **(Grant-in-Aid)**	1000	1000	0
RDC Scheme			
Domestic Travel Expenses	2000	2000	719
Foreign Travel Expenses	500	500	0
Publications	2000	2000	1393
Other Administrative Expenses	9000	9000	2609
Professional & Special Services	27500	27500	16333
Grants-in-Aid	500	500	0
Contribution ICPE	10000	10000	0
RDC Scheme NER **(Grant-in-Aid)**	8500	8500	1367
Total	**95000**	**95000**	**42600**

16 Chapter

Reservation in services for Scheduled Castes (SCs), Scheduled Tribes (STs), Other Backward Classes (OBCs) and others, in the CPSEs

16.1 The Personnel and Recruitment Policies in respect of appointments against below Board level posts are formulated by the management of respective CPSEs. However, on matters of general importance, policy guidelines are issued by the Government of India to the enterprises so as to enable them to frame their individual corporate policies. Furthermore, formal Presidential Directives are issued to CPSEs by the concerned administrative Ministries to ensure reservation in regard to employment for Scheduled Castes, Scheduled Tribes and Other Backward Classes (OBCs), on similar lines as applicable in the Central Government Ministries / Departments. Through DPE OM dated 25.02.2015 has stipulated that instructions as issued by Government in respect of reservations to SC/ ST/ OBC/ Disability & Ex-servicemen are to be taken as *mutatis mutandis* extended to all the CPSEs concerned unless specified otherwise by DPE.

16.2 A comprehensive Presidential Directive incorporating all important instructions on reservation for SCs and STs was issued by DPE to all the administrative Ministries / Departments concerned on 25th April, 1991 for formal issuance of the same to CPSEs. Necessary changes and modifications are also circulated to CPSEs through their administrative Ministries/Departments for information and compliance.

16.3 Subsequently, based on the recommendation of the Second Backward Classes Commission (Mandal Commission) and in accordance with the Hon□ble Supreme Court Judgment in the Indira Sawhney case, instructions were issued in providing reservation of 27% of vacancies in favour of Other Backward Classes (OBCs). The Department of Personnel & Training (DoPT) which formulates the policy in respect of reservation in services, has been issuing instructions from time to time on various aspects of reservation in favour of OBCs. Reservation for OBCs was made effective w.e.f. 8.9.1993. Department of Public Enterprises (DPE) has been extending these instructions to CPSEs through their administrative Ministries for compliance. A comprehensive Presidential Directive incorporating the instructions was forwarded by the Department of Public Enterprises to all administrative Ministries vide DPE□s OM dated 27th July, 1995 for formal issuance to the CPSEs under their control.

16.4 DoPT instructions on allocation of a sub-quota of 4.5% for minorities within the 27% reservation for OBCs have also been extended vide DPE O.M. dated 2nd January, 2012 to the administrative Ministries/ Departments (concerned with CPSEs) for implementation in CPSEs under their control.

16.5 The present quota for providing reservation for candidates belonging to Scheduled Castes, Scheduled Tribes and OBCs as well as other categories of persons entitled to reservation of vacancies is shown below:

Category	Quota for Reservation
Scheduled Castes	15%
Scheduled Tribes	7.5%
Other Backward Classes (including sub-quota of 4.5% for minorities)	27%
Physically Handicapped Persons	4%
Economically Weaker Sections (EWSs)	10%

As per policy of reservation for Ex-servicemen & Dependents of those killed in action, 14.5% posts in respect of skilled workers and 24.5% post in respect of un-skilled posts are reserved for Ex-servicemen in CPSEs.

16.6 The need to ensure timely filling up of reserved posts and the backlog has been stressed through various instructions issued from time to time. All administrative Ministries / Departments have been requested to advise the CPSEs under their administrative control to take effective steps to fill up the unfilled reserved posts in Direct Recruitment as well as in Promotion in accordance with the existing instructions. Further, the DoPT has issued instructions from time to time to launch a Special Recruitment Drive(s) to fill up backlog of reserved vacancies for SCs, STs & OBCs in CPSEs. DPE has also extended these instructions to all administrative Ministries/ Departments dealing with CPSEs to fill up these vacancies in a time bound manner.

16.7 Further in terms of DPE OM dated 25-10-2017, all executives i.e. Board & below Board level will be considered as creamy layer subject to the proviso that those executives whose annual income as per criterion given in DoPT OM dated 08-09-1993 is less than ₹8 lakhs (as amended vide DoPT OM dated 13-09-2017) will not fall under creamy layer criteria. It is for the concerned CPSE to issue the necessary orders for the posts covered under creamy layer criteria on the above mentioned principle.

16.8 DPE has also extended instructions vis-à-vis the scheme for reservation for Ex-servicemen in CPSEs through the administrative Ministries/ Departments. Instructions for streamlining the procedure for recruitment of Ex-servicemen have also been issued with a view to augment their in-take in CPSEs. Such CPSEs, which are in a position to offer agencies/dealerships, have been advised to reserve quota of such agencies/dealership for allotment to Ex-servicemen.

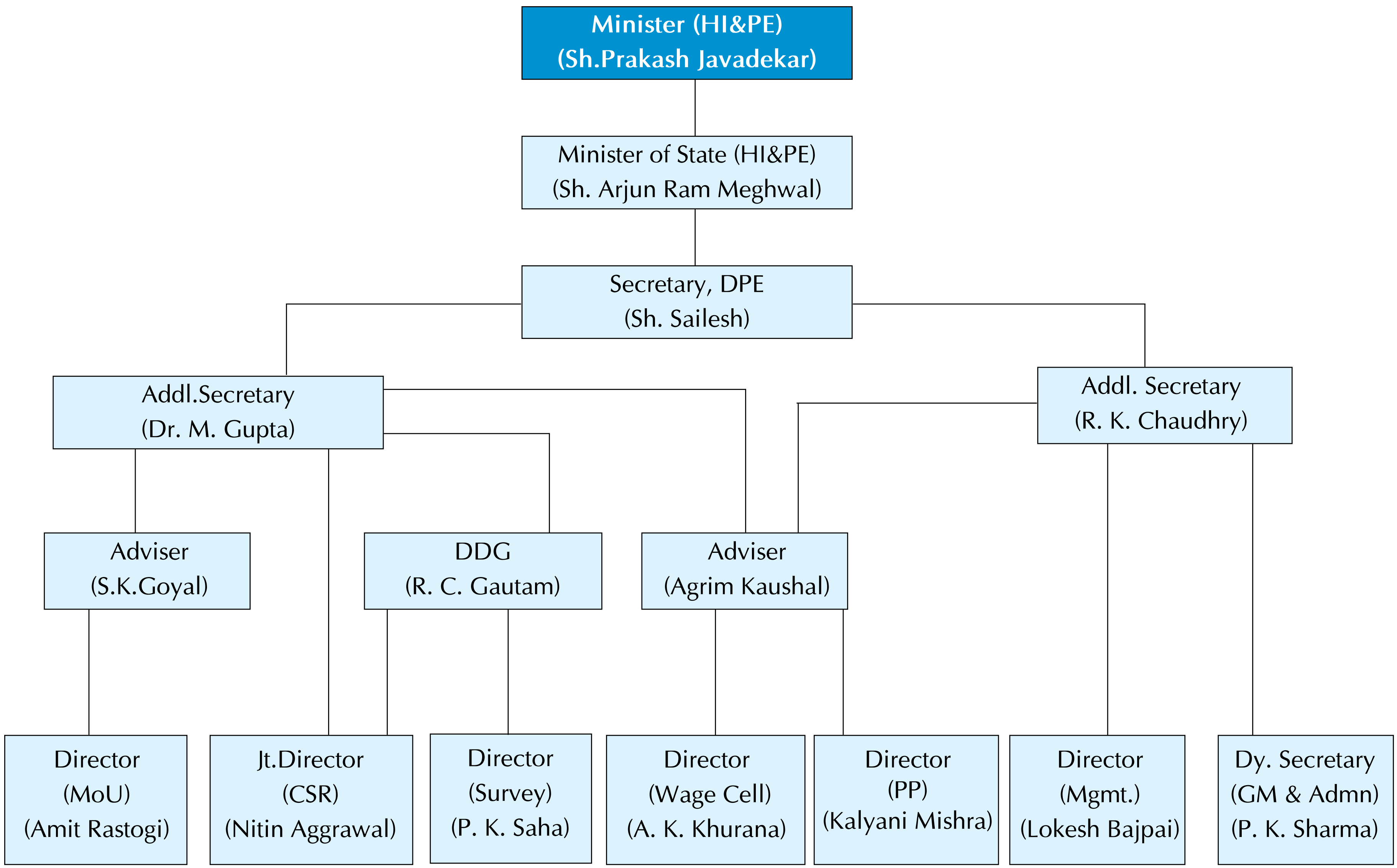
16.9 DPE has issued Presidential Directive on 11.3.1997 to all the administrative Ministries/ Departments concerned with the CPSEs in follow-up of DoPT instructions for employment of physically challenged persons in CPSEs. With the enactment of the Persons with Disabilities (Equal Opportunities, Protection of Rights and Full Participation) Act, 1995, the reservation to physically challenged persons have been extended to identified Group ‘A’ and ‘B’ posts to be filled through Direct Recruitment. As per the The Rights of Persons with Disabilities Act, 2016, not less than 4% posts shall be reserved for persons with disabilities.

16.10 The instructions issued by DoPT vide its OM dated 19.01.2019 & 31.01.2019 and DO dated 21.01.2019 in respect of 10% reservation to Economically Weaker Sections (EWSs) are also mutatis mutandis extended to all the CPSEs in terms of DPE OM dated 25.01.2019 and 01.02.2019.

Annexure-1

(Para IV)

Organogram of Department of Public Enterprises



Annexure-2

(Para 1.2)

Table 1: Performance of CPSEs during 2018-19

(₹. in crore)

Sl. No.	Item/Indicator	2017-18	2018-19	% growth
1.	Gross Revenue of (operating) CPSEs	21,54,774	25,43,370	18.03
2.	Total Income of (operating) CPSEs	20,31,815	24,40,570	20.12
3.	Total paid up capital of all CPSEs	2,53,977	2,75,697	8.55
4.	Investment (equity plus long term loans) of all CPSEs	14,31,008	16,40,628	14.65
5.	Capital employed (Paid up capital + long term loans and reserves & surplus) of all CPSEs	23,57,913	26,33,956	11.71
6.	Profit of (profit making) CPSEs	1,55,931	1,74,587	11.96
7.	Loss of (loss making) CPSEs	(-) 32,180	(-)31,635	-1.69
8.	CPSEs neither making profit nor making loss	2	1	-
9.	Overall Net Profit	1,23,751	1,42,952	15.51
10.	Reserves and Surplus of all CPSEs	9,26,906	9,93,328	7.17
11.	Net Worth of all CPSEs	11,15,552	12,08,758	8.36
12.	Contribution of all CPSEs to Central Exchequer	3,52,357	3,68,803	4.67
13.	Foreign Exchange earnings of CPSEs	98,714	1,43,377	45.24
14.	Foreign Exchange Outgo of CPSEs	5,22,306	6,64,914	27.3

Annexure-3

(Para 2.2.2)

Salient features of Maharatna scheme

Eligibility Criteria for grant of Maharatna status: The CPSEs meeting the following eligibility criteria are considered for Maharatna status:-

a) Having Navratna status

b) Listed on Indian stock exchange with minimum prescribed public shareholding under SEBI regulations

c) An average annual turnover of more than ₹25,000 crore during the last 3 years

d) An average annual net worth of more than ₹15,000 crore during the last 3 years

e) An average annual net profit after tax of more than ₹5,000 crore during the last 3 years

f) Should have significant global presence/international operations.

Procedure for grant/divestment of Maharatna status: - The procedure for grant of Maharatna status as well as their review is similar to that in vogue for the grant of Navratna status.

Powers delegated to Maharatna CPSEs: - (1) The Boards of Maharatna CPSEs in addition to exercising all powers to Navratna CPSEs, exercise enhanced powers in the area of investment in joint ventures/ subsidiaries and creation of below Board level posts. The Boards of Maharatna CPSEs have powers to (a) make equity investment to establish financial joint ventures and wholly owned subsidiaries in India or abroad and (b) undertake mergers & acquisitions, in India or abroad, subject to a ceiling of 15% of the net worth of the concerned CPSE in one project, limited to an absolute ceiling of ₹5,000 crore (₹1,000 crore for Navratna CPSEs). The overall ceiling on such equity investments and mergers and acquisitions in all projects put together will not exceed 30 % of the net worth of the concerned CPSE. In addition, the Boards of Maharatna CPSEs have powers to create below Board level posts upto E-9 level.

(2) The delegated powers to establish financial joint ventures and subsidiary entities would be exercised by the Board of Maharatna CPSEs in the following manner:-

(i) The proposal for establishing financial joint ventures and subsidiary entities will be presented to the Board of the concerned CPSE.

(ii) The concerned administrative Ministry/Department will obtain the concurrence of NITI Aayog for such proposals on a case to case basis and firm up its view on the proposals as the stakeholder for the Board□s deliberations through its representative on the Board for appropriate decision.

(3) The Government Directors will ensure that the views of the Government, being the majority shareholder, on such proposals are properly presented before the Board while a decision on such proposal is being taken. The decision for investment to set up financial joint ventures and subsidiary entities should only be taken by the Board when Government Directors are present in the board meeting.

Annexure-4

(Para 2.3.3)

Salient features of Navratna scheme

1. **Eligibility criteria for grant of Navratna Status :** The CPSEs which are Miniratna I, Schedule ‘A□ and have obtained ‘excellent□ or ‘very good□ MOU rating in three of the last five years and have a ‘Composite Score□ of performance to be 60 or above in six identified performance parameters are eligible to be considered for grant of Navratna status. The composite score is calculated on the basis of performance of the concerned CPSEs during the last three years. For calculation of composite score, 6 performance indicators have been identified based on their general applicability to the PSUs.The performance indicators have been chosen so as to capture the performance of PSUs irrespective of their belonging to manufacturing sector or services sector. The 6 identified performance indicators are: -

S. No.	Performance Indicator	(Maximum Weight)
1.	Net Profit to Networth	25
2.	Manpower Cost to total Cost of Production or Cost of Services	15
3.	PBDIT to Capital employed	15
4.	PBIT to Turnover	15
5.	Earning Per Share	10
6.	Inter Sectoral Performance	20
	Total	**100**

2. **The powers delegated to the Boards of Navratna CPSEs are as under: -**

(i) **Capital Expenditure:** - The Navratna CPSEs have the powers to incur capital expenditure on purchase of new items or for replacement, without any monetary ceiling.

(ii) **Technology Joint Ventures and Strategic Alliances:** - The Navratna CPSEs have the powers to enter into technology joint ventures or strategic alliances and obtain by purchase or other arrangements, technology and know-how.

(iii) **Organization Restructuring:**- The Navratna CPSEs have the powers to effect organizational restructuring including establishment of profit centres, opening of offices in India and abroad, creating new activity centres, etc.

(iv) Human Resources Management:- The Navratna CPSEs have been empowered to create posts upto E-6 level and wind up all posts up to non-Board level Directors and make all appointments up to this level. The Boards of these CPSEs have further been empowered to effect internal transfers and re-designation of posts. The Board of Directors of Navratna CPSEs have the power to further delegate the powers relating to Human Resource Management (appointments, transfer, posting etc.) of below Board level executives to sub-committees of the Board or to executives of the CPSE, as may be decided by the Board of the CPSE.

(v) Resource Mobilization:- These CPSEs have been empowered to raise debt from the domestic capital markets and for borrowings from international market, subject to condition that approval of RBI/Department of Economic Affairs, as may be required, should be obtained through the administrative Ministry.

(vi) Joint Ventures and Subsidiaries:- (1) The Navratna CPSEs have been delegated powers to establish financial joint ventures and wholly owned subsidiaries in India or abroad with the stipulation that the equity investment of the CPSE should be limited to the following: -

i) ₹1000 crore in any one project,

ii) 15% of the net worth of the CPSE in one project,

iii) 30% of the net worth of the CPSE in all joint ventures/ subsidiaries put together.

(2) The delegated powers to establish financial joint ventures and subsidiary entities would be exercised by the Board of Navratna CPSEs in the following manner:

(i) The proposal for establishing financial joint ventures and subsidiary entities will be presented to the Board of the concerned CPSE.

(ii) The concerned administrative Ministry/Department will obtain the concurrence of NITI Aayog for such proposals on a case to case basis and firm up its view on the proposals as the stakeholder for the Board's deliberations through its representative on the Board for appropriate decision.

(3) The Government Directors will ensure that the views of the Government, being the majority shareholder, on such proposals are properly presented before the Board while a decision on such proposal is being taken. The decision for investment to set up financial joint ventures and subsidiary entities should only be taken by the Board when Government Directors are present in the board meeting.

(vii) Mergers and acquisitions:- The Navratna CPSEs have been delegated powers for mergers and acquisitions subject to the conditions that (i) it should be as per the growth plan and in the core area of functioning of the CPSE, (ii) conditions/limits would be as in the case of establishing joint ventures/subsidiaries, and (iii) the Cabinet Committee on Economic Affairs would be kept informed in case of investments abroad. Further, the powers relating to

Mergers and Acquisitions are to be exercised in such a manner that it should not lead to any change in the public sector character of the concerned CPSEs.

(viii) Creation of/Disinvestment in subsidiaries:- The Navratna CPSEs have powers to transfer assets, float fresh equity and divest shareholding in subsidiaries subject to the condition that the delegation will be in respect of subsidiaries set up by the holding company under the powers delegated to the Navratna CPSEs and further to the proviso that the public sector character of the concerned CPSE (including subsidiary) would not be changed without prior approval of the Government and such Navratna CPSEs will be required to seek Government approval before exiting from their subsidiaries.

(ix) Tours abroad of functional Directors:- The Chief Executive of Navratna CPSEs have been delegated powers to approve business tours abroad of functional directors up to 5 days duration (other than study tours, seminars, etc.) in emergency under intimation to the Secretary of the administrative Ministry.

3. Conditions/guidelines for exercise of delegated Navratna powers:

(a) The proposals must be presented to the Board of Directors in writing and reasonably well in advance, with an analysis of relevant factors and quantification of the anticipated results and benefits. Risk factors, if any, must be clearly brought out.

(b) The Government Directors, the Financial Directors and the concerned Functional Director(s) must be present when major decisions are taken, especially when they pertain to investments, expenditure or organizational/capital restructuring.

(c) The decisions on such proposals should preferably be unanimous.

(d) In the event of any decision on important matters not being unanimous, a majority decision may be taken, but at least two thirds of the Directors should be present, including those mentioned above, when such a decision is taken. The objections, dissents, the reasons for over-ruling them and those for taking the decision should be recorded in writing and minuted.

(e) No financial support or contingent liability on the part of the Government should be involved.

(f) These CPSEs will establish transparent and effective systems of internal monitoring, including the establishment of an Audit Committee of the Board with membership of non-official Directors.

(g) All the proposals, where they pertain to capital expenditure, investment or other matters involving substantial financial or managerial commitments or where they would have a long term impact on the structure and functioning of the CPSE, should be prepared by or with the assistance of professionals and experts and should be appraised, in suitable cases, by financial institutions or reputed professional organizations with expertise in the areas. The financial appraisal should also preferably be backed by an involvement of the appraising institutions through loans or equity participation.

(h) The exercise of authority to enter into technology joint ventures and strategic alliances shall be in accordance with the Government guidelines as may be issued from time to time.

(i) The Boards of these CPSEs should be restructured by inducting at least four non-official Directors as the first step before the exercise of the enhanced delegation of authority.

(j) These public sector enterprises shall not depend upon budgetary support or Government guarantees. The resources for implementing their programmes should come from their internal resources or through other sources, including the capital markets. However, wherever Government guarantee is required under the standard stipulations of external donor agencies, the same may be obtained from the Ministry of Finance through the administrative Ministry. Such Government guarantee shall not affect the Navratna status. Further, budgetary support to implement Government sponsored projects of national interest and Government sponsored Research & Development projects will not disqualify CPSEs from retaining their Navratna status. However, for such projects, investment decisions will be taken by the Government and not by the CPSE concerned.

Annexure-5

(Para 2.4.2)

Salient features of Miniratna scheme

1. Eligibility conditions and criteria for grant of Miniratna status are as under.

   (i) **Category-I CPSEs** should have made profit in the last three years continuously, the pre-tax profit should have been ₹30 crores or more in at least one of the three years and should have a positive net worth.

   (ii) **Category-II CPSEs** should have made profit for the last three years continuously and should have a positive net worth.

   (iii) These CPSEs shall be eligible for the enhanced delegated powers provided they have not defaulted in the repayment of loans/interest payment on any loans due to the Government.

   (iv) These public sector enterprises shall not depend upon budgetary support or Government guarantees.

   (v) The Boards of these CPSEs should be restructured by inducting at least three non-official Directors as the first step before the exercise of enhanced delegation of authority.

   (vi) The administrative Ministry concerned shall decide whether a Public Sector Enterprise fulfilled the requirements of a Category-I/Category-II company before the exercise of enhanced powers.

2. The delegation of decision-making authority available at present to the Boards of these Miniratna CPSEs is as follows:-

(i) Capital Expenditure

(a) For CPSEs in category I: The power to incur capital expenditure on new projects, modernization, purchase of equipment etc., without Government approval upto ₹500 crore or equal to net worth, whichever is less.

(b) For CPSEs in category II: The power to incur capital expenditure on new projects, modernization, purchase of equipment etc., without Government approval upto ₹250 crore or equal to 50% of the Net worth, whichever is less.

(ii) Joint ventures and subsidiaries:

(1) (a) Category I CPSEs: To establish joint ventures and subsidiaries in India with the stipulation that the equity investment of the CPSE in any one project should be limited to15% of the networth of the CPSE or ₹500 crore, whichever is less.The overall ceiling on such investment in all projects put together is 30% of the networth of the CPSE.

(b) **Category II CPSEs:** To establish joint ventures and subsidiaries in India with the stipulationthat the equity investment of the CPSE in any one project should be 15% of the networth of the CPSE or ₹250 crore, whichever is less. The overall ceiling on such investment in all projects put together is 30% of the networth of the CPSE.

(2) **The delegated powers to establish financial joint ventures and subsidiary entities would be exercised by the Board of Miniratna CPSEs in the following manner:-**

(i) The proposal for establishing financial joint ventures and subsidiary entities will be presented to the Board of the concerned CPSE.

(ii) The concerned administrative Ministry/Department will obtain the concurrence of NITI Aayog for such proposals on a case to case basis and firm up its view on the proposals as the stakeholder for the Board's deliberations through its representative on the Board for appropriate decision.

(3) The Government Directors will ensure that the views of the Government, being the majority shareholder, on such proposals are properly presented before the Board while a decision on such proposal is being taken. The decision for investment to set up financial joint ventures and subsidiary entities should only be taken by the Board when Government Directors are present in the Board Meeting.

(iii) **Mergers and acquisitions:-** The Board of Directors of these CPSEs have the powers for mergers and acquisitions, subject to the conditions that (a) it should be as per the growth plan and in the core area of functioning of the CPSE, (b) conditions/limits would be as in the case of establishing joint ventures/subsidiaries, and (c) the Cabinet Committee on Economic Affairs would be kept informed in case of investments abroad. Further, the powers relating to Mergers and Acquisitions are to be exercised in such a manner that it should not lead to any change in the public sector character of the concerned CPSEs.

(iv) **Scheme for HRD:-** To structure and implement schemes relating to personnel and human resource management, training, voluntary or compulsory retirement schemes, etc. The Board of Directors of these CPSEs have the power to further delegate the powers relating to Human Resource Management (appointments, transfer, posting, etc.) of below Board level executives to sub-committees of the Board or to executives of the CPSE, as may be decided by the Board of the CPSE.

(v) **Tour abroad of functional Directors:-** The Chief Executive of these CPSEs have the power to approve business tours abroad of functional directors up to 5 days' duration (other than study tours, seminars, etc.) in emergency, under intimation to the Secretary of the administrative Ministry.

(vi) **Technology Joint Ventures and Strategic Alliances:-** To enter into technology joint ventures, strategic alliances and to obtain technology and know-how by purchase or other arrangements, subject to Government guidelines as may be issued from time to time.

(vii) **Creation/Disinvestment in subsidiaries :-** To transfer assets, float fresh equity and divest shareholding in subsidiaries subject to the condition that the delegation will be in respect of subsidiaries set up by the holding company under the powers delegated to the Miniratna CPSEs and further to the proviso that the public sector character of the concerned CPSE (including subsidiary) would not be changed without prior approval of the Government, and such Miniratna CPSEs will be required to seek Government approval before exiting from their subsidiaries.

The above delegation of powers is subject to similar conditions as are applicable to Navratna CPSEs.

Annexure-6

(Para 2.4.3)

List of Miniratna CPSEs (as on 31st October 2019)

Category - I CPSEs

1. Airports Authority of India
2. Antrix Corporation Limited
3. Balmer Lawrie & Co. Limited
4. Bharat Coking Coal Limited
5. Bharat Dynamics Limited
6. BEML Limited
7. Bharat Sanchar Nigam Limited
8. Bridge & Roof Company (India) Limited
9. Central Warehousing Corporation
10. Central Coalfields Limited
11. Central Mine Planning & Design Institute Limited
12. Chennai Petroleum Corporation Limited
13. Cochin Shipyard Limited
14. EdCIL (India) Limited
15. Kamarajar Port Limited
16. Garden Reach Shipbuilders & Engineers Limited
17. Goa Shipyard Limited
18. Hindustan Copper Limited
19. HLL Lifecare Limited
20. Hindustan Newsprint Limited
21. Hindustan Paper Corporation Limited
22. Housing & Urban Development Corporation Limited

23. HSCC (India) Limited
24. India Tourism Development Corporation Limited
25. Indian Rare Earths Limited
26. Indian Railway Catering & Tourism Corporation Limited
27. Indian Railway Finance Corporation Limited
28. Indian Renewable Energy Development Agency Limited
29. India Trade Promotion Organization
30. IRCON International Limited
31. KIOCL Limited
32. Mazagaon Dock Shipbuilders Limited
33. Mahanadi Coalfields Limited
34. MOIL Limited
35. Mangalore Refinery & Petrochemical Limited
36. Mineral Exploration Corporation Limited
37. Mishra Dhatu Nigam Limited
38. MMTC Limited
39. MSTC Limited
40. National Fertilizers Limited
41. National Projects Construction Corporation Limited
42. National Small Industries Corporation Limited
43. National Seeds Corporation
44. NHPC Limited
45. Northern Coalfields Limited
46. North Eastern Electric Power Corporation Limited
47. Numaligarh Refinery Limited
48. ONGC Videsh Limited

49. Pawan Hans Helicopters Limited
50. Projects & Development India Limited
51. Railtel Corporation of India Limited
52. Rail Vikas Nigam Limited
53. Rashtriya Chemicals & Fertilizers Limited
54. RITES Limited
55. SJVN Limited
56. Security Printing and Minting Corporation of India Limited
57. South Eastern Coalfields Limited
58. Telecommunications Consultants India Limited
59. THDC India Limited
60. Western Coalfields Limited
61. WAPCOS Limited

Category-II CPSEs

62. Artificial Limbs Manufacturing Corporation of India
63. Bharat Pumps & Compressors Limited
64. Broadcast Engineering Consultants India Limited
65. Central Railside Warehouse Company Limited
66. Engineering Projects (India) Limited
67. FCI Aravali Gypsum & Minerals India Limited
68. Ferro Scrap Nigam Limited
69. HMT (International) Limited
70. Indian Medicines & Pharmaceuticals Corporation Limited
71. MECON Limited
72. National Film Development Corporation Limited
73. Rajasthan Electronics & Instruments Limited

Annexure-7

(Para 3.1.4)

Salient features of the Guidelines on Corporate Governance for CPSEs

Composition of Board

1. In respect of the Board composition, these Guidelines provide that the number of functional Directors should not exceed 50% of the actual strength of the Board; and the number of Government nominee Directors shall be restricted to maximum of two. In case of listed CPSEs with executive chairmen, the number of non-official Directors shall be at least 50% of Board members. In case of unlisted and listed CPSEs with non-executive chairmen, at least one-third of the Board Members shall be non-official Directors. The Government has also laid down pre-defined criteria in terms of educational qualifications, age and experience in respect of persons to be considered for appointment as non-official Directors. Relevant clauses have been incorporated in these guidelines to ensure 'independence of non-official Directors and avoid potential conflict of interest. It has also been provided that the Directors nominated by any institution other than public financial institution will not be treated as non-official Directors.

2. It has been further mandated that the Board meetings are to be held at least once in every 3 months and at least 4 such meetings held in a year and all relevant information is to be given to the Board. Further, the Board should lay down code of conduct for all members and senior management. In this regard, a model Code has been incorporated in the Guidelines to assist the CPSEs. The Guidelines inter alia provide that the Board should ensure integration and alignment of risk management system and the company should undertake suitable training programmes for its new Board members.

Audit Committee

3. The provisions relating to Audit Committee require a qualified and independent Audit Committee to be set up by CPSEs with minimum three Directors as members. Further, two-thirds of the members of this Committee should be independent Directors with an independent Director as Chairman. The Audit Committee has been given extensive powers with regard to financial matters of company and is required to meet at least 4 times in a year.

Subsidiary Companies

4. With regard to subsidiary companies, it has been provided that at least one independent Director of holding company will be Director on the Board of subsidiary company and the Audit Committee of holding company will review financial statements of subsidiary. All significant transactions and arrangements of subsidiary companies are required to be brought to the attention of Board of Directors of the holding company.

Disclosures

5. The provisions regarding disclosures require all transactions to be placed before the Audit Committee. The Guidelines mandate that while preparing financial statements, treatment should be as per prescribed Accounting Standard and if there are any deviations, the same are to be explicitly mentioned. Further, the Board is to be informed about risk assessment and minimization procedures and senior management is to make disclosures to Board relating to all financial and commercial transactions where they have personal interest or may have a potential conflict.

Compliance

6. It has also been mandated in the Guidelines that Annual report of companies should contain a separate section on Corporate Governance with details of compliance. The CPSEs will have to obtain a certificate from auditors/company secretary regarding compliance with these Guidelines. Chairman's speech in AGM will also carry a section on compliance with Corporate Governance Guidelines and will form part of the company's Annual Report. The CPSEs are required to submit quarterly compliance/grading report in the prescribed format to their administrative Ministries who will furnish consolidated annual report to DPE.

Annexure-8

Para 3.1.6

Corporate Governance Report for the year of 2018-19

S. No.	Name of the CPSEs/Ministry	Letter Received From	Grade for the year 2018-19
	MINISTRY OF AGRICULTURE AND FARMERS WELFARE		-
	D/O AGRICULTURE COOPERATION AND FARMERS WELFARE		-
1	NATIONAL SEEDS CORPN. LTD.	Ministry (No. 6-16/2015-SD-I Dated 29th July, 2019)	Excellent
	MINISTRY OF AGRICULTURE AND FARMERS WELFARE		-
	D/O AGRICULTURE RESEARCH AND EDUCATION		-
2	AGRINNOVATE INDIA LTD.	Ministry (No. E-18/9/2019-IC-II Dated 26th July, 2019)	Fair
	MINISTRY OF AYUSH		-
3	INDIAN MEDICINES & PHARMACEUTICAL CORPN. LTD.		Poor (Not Received)
	MINISTRY OF CHEMICALS & FERTILIZERS		-
	D/O CHEMICALS & PETROCHEMICALS		-
4	BRAHAMPUTRA CRACKERS & POLYMER LTD.	Ministry (No. 45012/21/2010-PC-I (Vol.III)(FTS:1564) Dated 26 April, 2019)	Excellent
5	HIL (INDIA) LTD.	Ministry (No. P.53013/2/2019-Ch. III Dated 06/05/2019)	Excellent
6	HINDUSTAN FLUOROCARBONS LIMITED	Ministry (No. P.53013/2/2019-Ch. III Dated 06/05/2019)	Excellent
7	HINDUSTAN ORGANIC CHEMICALS LTD.	Ministry (No. P.53013/2/2019-Ch. III Dated 06/05/2019)	Excellent
	MINISTRY OF CHEMICALS & FERTILIZERS		-
	D/O FERTILIZER		-
8	BRAHMAPUTRA VALLEY FERTILIZER CORPN. LTD.	Ministry (No. 80/02/2013-HR-I Dated 21 May, 2019)	Excellent
9	FCI ARAVALI GYPSUM & MINERALS (INDIA) LTD.	Ministry (No. 80/02/2013-HR-I Dated 21 May, 2019)	Excellent
10	FERTILIZER CORPN. OF INDIA LTD.	Ministry (No. 80/02/2013-HR-I Dated 21 May, 2019)	Exempted (No Business Operations)
11	FERTILIZERS & CHEMICALS (TRAVANCORE) LTD.	Ministry (No. 80/02/2013-HR-I Dated 21 May, 2019)	Excellent
12	HINDUSTAN FERTILIZER CORPN. LTD.		Exempted (No Business Operations)

S. No.	Name of the CPSEs/Ministry	Letter Received From	Grade for the year 2018-19
13	MADRAS FERTILIZERS LTD.	Ministry (No. 80/02/2013-HR-I Dated 21 May, 2019)	Excellent
14	NATIONAL FERTILIZERS LTD.	Ministry (No. 80/02/2013-HR-I Dated 21 May, 2019)	Excellent
15	PROJECTS & DEVELOPMENT INDIA LTD.	Ministry (No. 80/02/2013-HR-I Dated 21 May, 2019)	Excellent
16	RASHTRIYA CHEMICALS AND FERTILIZERS LTD.	Ministry (No. 80/02/2013-HR-I Dated 21 May, 2019)	Excellent
	MINISTRY OF CHEMICALS & FERTILIZERS		-
	D/O PHARMACEUTICALS		-
17	BENGAL CHEMICALS & PHARMACEUTICALS LTD.	Ministry (No. 51015/01/2019-PSU Dated 23rd April, 2019)	Excellent
18	HINDUSTAN ANTIBIOTICS LTD.		Poor (Not Received)
19	IDPL (TAMILNADU) LTD.		Poor (Not Received)
20	INDIAN DRUGS & PHARMACEUTICALS LTD.		Poor (Not Received)
21	KARNATAKA ANTIBIOTICS & PHARMACEUTICALS LTD.	Ministry (No. 51015/01/2019-PSU Dated 25th July, 2019)	Excellent
22	ORISSA DRUGS & CHEMICALS LTD.		Poor (Not Received)
23	RAJASTHAN DRUGS & PHARMACEUTICALS LTD.		Poor (Not Received)
	MINISTRY OF CIVIL AVIATION		-
24	AAI CARGO LOGISTICS & ALLIED SERVICES COMPANY LTD.		Poor (Not Received)
25	AIR INDIA AIR TRANSPORT SERVICES LTD.	CPSE (No. HQ/AIATSL Dated 26.4.2019)	Good
26	AIR INDIA ENGINEERING SERVICES LTD.		Poor (Not Received)
27	AIR INDIA EXPRESS LTD.	CPSE (No. HQ/6/317 Dated 10.5.2019)	Very Good
28	AIR INDIA LTD.	CPSE (No. HQ/28/37 Dated 8.5.2019)	Excellent
29	AIRLINE ALLIED SERVICES LTD.	CPSE (No. HQ/AASL/18-19 Dated 10.5.2019)	Very Good
30	AIRPORTS AUTHORITY OF INDIA	Ministry (No. AV-31017/9/2016-C&W/115568 Dated 30.7.2019)	Exempted
31	CHANDIGARH INTERNATIONAL AIRPORT LTD.	CPSE (Dated 2.8.2019)	Excellent
32	HOTEL CORPN. OF INDIA LTD.	CPSE (No. HA/CS/167 Dated 13.5.2019)	Very Good
33	PAWAN HANS LTD.	CPSE (No. PHL:CO:S&L Dated 30.7.2019)	Excellent
	MINISTRY OF COAL		-
34	BHARAT COKING COAL LTD.	Ministry (No. PCA-38022/1/2019-PCA Dated 20th June, 2019)	Excellent

S. No.	Name of the CPSEs/Ministry	Letter Received From	Grade for the year 2018-19
35	CENTRAL COALFIELDS LTD.	Ministry (No. PCA-38022/1/2019-PCA Dated 20th June, 2019)	Excellent
36	CENTRAL MINE PLANNING & DESIGN INSTITUTE LTD.	Ministry (No. PCA-38022/1/2019-PCA Dated 20th June, 2019)	Excellent
37	CHHATTISGARH EAST RAILWAYS LTD.		Under Construction
38	CHHATTISGARH EAST-WEST RAILWAYS LTD.		Under Construction
39	COAL INDIA LTD.	Ministry (No. PCA-38022/1/2019-PCA Dated 20th June, 2019)	Excellent
40	EASTERN COALFIELDS LTD.	Ministry (No. PCA-38022/1/2019-PCA Dated 20th June, 2019)	Excellent
41	JHARKHAND CENTRAL RAILWAY LTD.		Under Construction
42	MAHANADI BASIN POWER LTD.	Ministry (No. PCA-38022/1/2019-PCA Dated 20th June, 2019)	Very Good
43	MAHANADI COAL RAILWAY LTD.		Under Construction
44	MAHANADI COALFIELDLS LTD.	Ministry (No. PCA-38022/1/2019-PCA Dated 20th June, 2019)	Excellent
45	MJSJ COAL LTD.		Under Construction
46	MNH SHAKTI LTD.		Under Construction
47	NEYVELI UTTAR PRADESH POWER LTD	Ministry (No. PCA-38022/1/2019-PCA Dated 20th June, 2019)	Very Good
48	NLC INDIA LTD.	Ministry (No. PCA-38022/1/2019-PCA Dated 20th June, 2019)	Excellent
49	NLC TAMIL NADU POWER LTD.	Ministry (No. PCA-38022/1/2019-PCA Dated 20th June, 2019)	Good
50	NORTHERN COALFIELDS LTD.	Ministry (No. PCA-38022/1/2019-PCA Dated 20th June, 2019)	Excellent
51	SOUTH EASTERN COALFIELDS LTD.	Ministry (No. PCA-38022/1/2019-PCA Dated 20th June, 2019)	Excellent
52	WESTERN COALFIELDS LTD.	Ministry (No. PCA-38022/1/2019-PCA Dated 20th June, 2019)	Very Good

S. No.	Name of the CPSEs/Ministry	Letter Received From	Grade for the year 2018-19
	MINISTRY OF COMMERCE & INDUSTRY		-
	D/O COMMERCE		-
53	E. C. G. C. LTD.	Ministry (No. 11015/7/2017-E&MDA Dated 29th April, 2019	Excellent
54	INDIA TRADE PROMOTION ORGANISATION	Ministry (No. K-45011/5/2019-TP-DoC Dated 18th July, 2019)	Excellent
55	KARNATAKA TRADE PROMOTION ORGANISATION	CPSE (No.KTPO/ITPO/2018-19/34 Dated 10.4.2019)	Excellent
56	M M T C LTD.	Ministry (No. 17/13/2015-FT(ST) Dated 21 May, 2019)	Excellent
57	P E C LTD.	Ministry (No. 17/13/2015-FT(ST) Dated 21 May, 2019)	Excellent
58	STATE TRADING CORPN. OF INDIA LTD.	Ministry (No. 17/13/2015-FT(ST) Dated 21 May, 2019)	Excellent
59	STCL LTD.		Exempted (Under Closure)
60	TAMILNADU TRADE PROMOTION ORGANISATION		Poor (Not Received)
	MINISTRY OF COMMERCE & INDUSTRY		-
	D/O INDUSTRIAL POLICY & PROMOTION		-
61	JAMMU & KASHMIR DEVELOPMENT FINANCE CORPORATION LTD		Poor (Not Received)
	MINISTRY OF COMMUNICATION		-
	D/O TELECOMMUNICATIONS		-
62	BHARAT BROADBAND NETWORK LTD.	Ministry (No. 20-1/2019-SU.II Dated 19.7.2019)	Excellent
63	BHARAT SANCHAR NIGAM LTD.		Poor (Not Received)
64	HEMISPHERE PROPERTIES INDIA LTD.		Under Construction
65	I T I LTD.	Ministry (No. 28/2014-FAC-II Dated 24 July, 2019)	Excellent
66	MAHANAGAR TELEPHONE NIGAM LTD.	CPSE (No. MTNL/SECTT/DPE/2019 Dated 25.4.2019)	Excellent
67	MILLENNIUM TELECOM LTD.		Poor (Not Received)
68	TCIL BINA TOLL ROAD LTD.		Exempted (SPV)
69	TCIL LAKHNADONE TOLL ROAD LTD.	CPSE Dated 31.7.2019	Exempted (SPV)
70	TELECOMMUNICATIONS CONSULTANTS (INDIA) LTD.	Ministry (No. 29-36/2017-SU Dated 30th May, 2019)	Excellent
	MINISTRY OF COMSUMER AFFAIRS, FOOD & PUBLIC DISTRIBUTION		
	D/O FOOD & PUBLIC DISTRIBUTION		-
71	CENTRAL RAILSIDE WAREHOUSE CO. LTD.	Ministry (No. 9-36/2017-SG-I Dated 22 May, 2018)	Very Good

S. No.	Name of the CPSEs/Ministry	Letter Received From	Grade for the year 2018-19
72	CENTRAL WAREHOUSING CORPN.	Ministry (No. 9-36/2017-SG-I Dated 22 May, 2018)	Excellent
73	FOOD CORPN. OF INDIA	Ministry (No. 18-24/2016-FC-I Dated 30.7.2019)	Excellent
	MINISTRY OF DEFENCE		-
	D/O DEFENCE PRODUCTION		-
74	BEL OPTRONICS DEVICES LTD.		Poor (Not Received)
75	BEL-THALES SYSTEMS LTD.		Poor (Not Received)
76	BEML LTD.	Ministry (14(8)/2016-D(BEML) Dated 5.8.2019)	Excellent
77	BHARAT DYNAMICS LTD.	Ministry (No. M0001(15)/91/ 2018-19-D(BDL) Dated 27th May, 2019)	Excellent
78	BHARAT ELECTRONICS LTD.	CPSE (No. 17545/3/GOV/ MOD-CGRPT/SEC Dated 3.4.2019)	Excellent
79	GARDEN REACH SHIPBUILDERS & ENGINEERS LTD.	Ministry (No. 11(11)/2019-Misc./ D(NS) Dated 31st May, 2019)	Excellent
80	GOA SHIPYARD LTD.	Ministry (No. 11(11)/2019-Misc./ D(NS) Dated 31st May, 2019)	Excellent
81	HINDUSTAN AERONAUTICS LTD.	Ministry (No. 38011/1/2017-D (HAL-II) Dated 6th June, 2019)	Excellent
82	HINDUSTAN SHIPYARD LTD.	Ministry (No. 11(11)/2019-Misc./ D(NS) Dated 12th June, 2019)	Excellent
83	INDO RUSSIAN HELICOPTERS LTD.		Under Construction
84	MAMC INDUSTRIES LTD.		Under Construction
85	MAZAGON DOCK SHIPBUILDERS LTD.	Ministry (No. 11(11)/2019-Misc./ D(NS) Dated 31st May, 2019)	Excellent
86	MISHRA DHATU NIGAM LTD.	Ministry (No. 11(11)/2019-Misc./ D(NS) Dated 31st May, 2019)	Excellent
87	NAINI AEROSPACE LTD.		Poor (Not Received)
88	VIGNYAN INDUSTRIES LTD.	Ministry (14(8)/2016-D(BEML) Dated 5.8.2019)	Excellent
	MINISTRY OF DEVELOPMENT OF NORTH EASTERN REGION		
89	NORTH EASTERN HANDICRAFTS & HANDLOOM DEV.CORPN. LTD.	CPSE (No. HHDC/CO/ CS/01/2016-17/ Dated 13.8.2019)	Very Good

S. No.	Name of the CPSEs/Ministry	Letter Received From	Grade for the year 2018-19
90	NORTH EASTERN REGIONAL AGRI. MARKETING CORP.LTD.		Poor (Not Received)
	MINISTRY OF ELECTRONIC & INFORMATION TECHNOLOGY		-
91	NATIONAL INFORMATICS CENTRE SERVICES INCORPORATED	CPSE (No. NICSI-CS/DPE/10-11/224/Volume-VII Dated 24.05.2019)	Excellent
	MINISTRY OF ENVIRONMENT, FORESTS CLIMATE CHANGE		-
92	ANDAMAN & NICOBAR ISL. FOREST & PLANT. DEV.CORP.LTD		Exempted (Under Closure)
	MINISTRY OF FINANCE		-
	D/O ECONOMIC AFFAIRS		-
93	SECURITY PRINTING & MINTING CORPN. INDIA LTD.	Ministry (3/8/2010-SPMC Dated 28th May, 2019)	Excellent
	MINISTRY OF FINANCE		-
	D/O FINANCIAL SERVICES		-
94	IIFCL ASSET MANAGEMENT COMPANY LTD.	Ministry (No. 18/18/2009-IF-I Dated 1.8.2019)	Exempted (SPV)
95	IIFCL PROJECTS LTD.	Ministry (No. 18/18/2009-IF-I Dated 1.8.2019)	Exempted (SPV)
96	INDIA INFRASTRUCTURE FINANCE CO. LTD.	Ministry (No. 18/18/2009-IF-I Dated 1.8.2019)	Exempted (SPV)
	MINISTRY OF HEALTH & FAMILY WELFARE		-
	DEPARTMENT OF HEALTH AND FAMILY WELFARE		
97	GOA ANTIBIOTICS & PHARMACEUTICALS LTD.	Ministry (No. A45013/32/ 2017-HPE Dated 21/05/2019)	Good
98	HLL BIOTECH LTD.	Ministry (No. A-45013/32/ 2017-HPE Dated 21/05/2019)	Good
99	HLL INFRA TECH SERVICES LTD.	Ministry (No. A-45013/32/ 2017-HPE Dated 21/05/2019)	Good
100	HLL LIFECARE LTD.	Ministry (No. A-45013/32/ 2017-HPE Dated 21/05/2019)	Good
101	HLL MEDIPARK LTD		Under Construction
102	HLL MOTHER & CHILD CARE HOSPITALS LTD.		Under Construction
	MINISTRY OF HEAVY INDUSTRIES & PUBLIC ENTERPRISES		
	D/O HEAVY INDUSTRIES		-
103	ANDREW YULE & COMPANY LTD.	Ministry (No.2(5)/2019-Corporate Cell Dated 31.7.2019)	Excellent
104	BHARAT HEAVY ELECTRICALS LTD.	Ministry (No. 12(11)/2015-PE-XI Dated 22.04.2019)	Excellent

S. No.	Name of the CPSEs/Ministry	Letter Received From	Grade for the year 2018-19
105	BHARAT PUMPS & COMPRESSORS LTD.	Ministry (No. 2(5)/2019-Corporate Cell Dated 31.7.2019)	Very Good
106	BHEL ELECTRICAL MACHINES LTD.	Ministry (No. 2(5)/2019-Corporate Cell Dated 31.7.2019)	Good
107	BRAITHWAITE BURN & JESSOP CONSTRUCTION COMPANY LTD.	Ministry (No. 07(1)/2018-PE.III Dated 22.04.2019)	Excellent
108	BRIDGE & ROOF CO.(INDIA) LTD.	Ministry (No. 2(5)/2019-Corporate Cell Dated 31.7.2019)	Excellent
109	CEMENT CORPN. OF INDIA LTD.	Ministry (No. 2(5)/2019-Corporate Cell Dated 31.7.2019)	Excellent
110	ENGINEERING PROJECTS (INDIA) LTD.	Ministry (No. 12-12/3/2017-TSW Dated 31.05.2019)	Excellent
111	HEAVY ENGINEERING CORPN. LTD.	Ministry (No. 2(5)/2019-Corporate Cell Dated 31.7.2019)	Excellent
112	HINDUSTAN CABLES LTD.		Exempted (Under Closure)
113	HINDUSTAN NEWSPRINT LTD.	Ministry (No. 2(5)/2019-Corporate Cell Dated 31.7.2019)	Good
114	HINDUSTAN PAPER CORPORATION LTD.		Exempted (Under Liquidation)
115	HINDUSTAN PHOTO FILMS MANUFACTURING CO. LTD.		Exempted (Under Liquidation)
116	HINDUSTAN SALTS LTD.	Ministry (No. 2(5)/2019-Corporate Cell Dated 31.7.2019)	Very Good
117	HMT (INTERNATIONAL) LTD.	Ministry (No. 2(5)/2019-Corporate Cell Dated 31.7.2019)	Excellent
118	HMT BEARINGS LTD.		Exempted (Under Closure)
119	HMT CHINAR WATCHES LTD.		Exempted (Under Closure)
120	HMT LTD.	Ministry (No. 2(5)/2019-Corporate Cell Dated 31.7.2019)	Very Good
121	HMT MACHINE TOOLS LTD.	Ministry (No. 2(5)/2019-Corporate Cell Dated 31.7.2019)	Good

S. No.	Name of the CPSEs/Ministry	Letter Received From	Grade for the year 2018-19
122	HMT WATCHES LTD.		Exempted (Under Closure)
123	HOOGHLY PRINTING COMPANY LTD.	Ministry (No. 2(5)/2019-Corporate Cell Dated 31.7.2019)	Company Merged
124	INSTRUMENTATION LTD.		Poor (Not Received)
125	JAGDISHPUR PAPER MILLS LTD.		Under Construction
126	NAGALAND PULP & PAPER COMPANY LTD.		Exempted (No Business Operations)
127	NEPA LTD.	Ministry (No. 2(5)/2019-Corporate Cell Dated 31.7.2019)	Good
128	RAJASTHAN ELECTRONICS AND INSTRUMENTS LTD.	Ministry (17(7)/2018-PE-VIII(15339) Dated 31st May, 2019)	Excellent
129	RICHARDSON & CRUDDAS(1972) LTD.	Ministry (No. 2(5)/2019-Corporate Cell Dated 31.7.2019)	Good
130	SAMBHAR SALTS LTD.	Ministry (No. 2(5)/2019-Corporate Cell Dated 31.7.2019)	Very Good
131	SCOOTERS INDIA LTD.	Ministy (No. 8(9)/2018-PE-VI Dated 24th April, 2019)	Fair
132	TUNGABHADRA STEEL PRODUCTS LTD.		Exempted (Under Closure)
133	YULE ELECTRICAL LTD.		Under Construction
134	YULE ENGINEERING COMPANY LTD.		Under Construction
	MINISTRY OF HOME AFFAIRS		-
135	DELHI POLICE HOUSING CORPORATION LTD.	Ministry (No. 14014/01/ 2012-UTP Dated 24.7.2019)	Fair
	MINISTRY OF HOUSING & URBAN AFFAIRS		-
136	HINDUSTAN PREFAB LTD.	Ministry (No. A-42013/168/ 2017-AA/E-9026460 Dated 13th June, 2019)	Excellent
137	HINDUSTAN STEELWORKS COSTN. LTD.	Ministry (No. O-17034/41/ 2019-PS Dated July, 2019)	Excellent
138	HOUSING & URBAN DEV. CORPN. LTD.	Ministry (A-42012(11)/1/ 2017-AA-UD (E-9032168) Dated 14th April, 2019)	Excellent
139	NBCC (INDIA) LTD.	Ministry (No.O-17034/41/ 2019-PS Dated July, 2019)	Excellent

S. No.	Name of the CPSEs/Ministry	Letter Received From	Grade for the year 2018-19
140	NBCC ENGINEERING AND CONSULTANCY LTD.	Ministry (No. O-17034/41/ 2019-PS Dated July, 2019)	Excellent
141	NBCC ENVIRONMENT ENGINEERING LTD.		Under Construction
142	NBCC INTERNATIONAL LTD.		Under Construction
143	NBCC SERVICES LTD.	Ministry (No.O-17034/41/ 2019-PS Dated July, 2019)	Excellent
144	HSCC (INDIA) LTD.	CPSE (No.HSCC/Min/CGR/ 2019-20 Dated 15.4.2019)	Excellent
	MINISTRY OF HUMAN RESOURCE DEVELOPMENT		
	D/O HIGHER EDUCATION		-
145	EdCIL(India) Ltd.	Ministry (No. 18-23/2019-TC Dated 16 April, 2019)	Excellent
	MINISTRY OF INFORMATION & BROADCASTING		
146	BROADCAST ENGG. CONSULTANTS INDIA LTD.	Ministry (No. N-37024/6/ 2018-B(D) Dated 5.7.2019)	Excellent
147	NATIONAL FILM DEV. CORPN. LTD.	Ministry (No. 202/2/2015-F(PSU) Dated 21 May, 2019)	Excellent
	MINISTRY OF MICRO SMALL & MEDIUM ENTERPRISES		
148	NATIONAL SMALL INDUSTRIES CORPN. LTD.	Ministry (No. A-53/2/2014-SME Dated 26 April, 2019)	Excellent
	MINISTRY OF MINES		-
149	HINDUSTAN COPPER LTD.	Ministry (No. 2/7/2018-Coord. Dated 30.7.2019)	Excellent
150	MINERAL EXPLORATION CORPN. LTD.	Ministry (No. 2/7/2018-Coord. Dated 30.7.2019)	Excellent
151	NATIONAL ALUMINIUM COMPANY LTD.	Ministry (No. 2/7/2018-Coord. Dated 30.7.2019)	Excellent
	MINISTRY OF MINORITIES AFFAIRS		-
152	NATIONAL MINORITIES DEVP. & FINANCE CORPORATION		Poor (Not Received)
	MINISTRY OF NEW AND RENEWABLE ENERGY		
153	INDIAN RENEWABLE ENERGY DEVT.AGENCY LTD.	Ministry (No.340-17/2/2018-IREDA Dated 19th July, 2019)	Excellent
154	SOLAR ENERGY CORPORATION OF INDIA	Ministry (No. 123/23/2017-NSM Dated 8th May, 2019)	Excellent
	MINISTRY OF PETROLEUM & NATURAL GAS		-
155	BALMER LAWRIE & CO. LTD.	Ministry (No. CA-31037/3 /2018-PNG (25877) Dated 05.07.2019)	Excellent
156	BALMER LAWRIE INVESTMENTS LTD.	Ministry (No. CA-31037/3/2018-PNG (25877) Dated 05.07.2019)	Excellent

S. No.	Name of the CPSEs/Ministry	Letter Received From	Grade for the year 2018-19
157	BHARAT PETRO RESOURCES JPDA	Ministry (No. CA-31037/3/2018-PNG (25877) Dated 05.07.2019)	Excellent
158	BHARAT PETRO RESOURCES LTD.	Ministry (No. CA-31037/3/2018-PNG (25877) Dated 05.07.2019)	Excellent
159	BHARAT PETROLEUM CORPN. LTD.	Ministry (No. CA-31037/3/2018-PNG (25877) Dated 05.07.2019)	Excellent
160	BPCL-KIAL FUEL PVT. LTD.		Under Construction
161	CERTIFICATION ENGINEERS INTERNATIONAL LTD.	Ministry (No. CA-31037/3/2018-PNG (25877) Dated 05.07.2019)	Excellent
162	CHENNAI PETROLEUM CORPORATION LTD.	Ministry (No. CA-31037/3/2018-PNG (25877) Dated 05.07.2019)	Excellent
163	ENGINEERS INDIA LTD.	Ministry (No. CA-31037/3/2018-PNG (25877) Dated 05.07.2019)	Excellent
164	GAIL (INDIA) LTD.	Ministry (No. CA-31037/3/2018-PNG (25877) Dated 05.07.2019)	Excellent
165	GAIL GAS LTD.	Ministry (No. CA-31037/3/2018-PNG (25877) Dated 05.07.2019)	Excellent
166	HINDUSTAN PETROLEUM CORPN. LTD.	Ministry (No. CA-31037/3/2018-PNG (25877) Dated 05.07.2019)	Excellent
167	HPCL BIOFUELS LTD.	CPSE (No. Co. Secy./HBL/ 2019 Dated 30.4.2019)	Excellent
168	HPCL RAJASTHAN REFINERY LTD.		Under Construction
169	INDIAN CATALYST PVT. LTD.		Under Construction
170	INDIAN OIL CORPORATION LTD.	Ministry (No. CA-31037/3/2018-PNG (25877) Dated 05.07.2019)	Excellent
171	MANGALORE REFINERY & PETROCHEMICALS LTD.	Ministry (No. CA-31037/3/2018-PNG (25877) Dated 05.07.2019)	Excellent
172	NUMALIGARH REFINERY LTD.	Ministry (No. CA-31037/3/2018-PNG (25877) Dated 05.07.2019)	Excellent
173	OIL & NATURAL GAS CORPORATION LTD.	Ministry (No. CA-31037/3/2018-PNG (25877) Dated 05.07.2019)	Excellent

S. No.	Name of the CPSEs/Ministry	Letter Received From	Grade for the year 2018-19
174	OIL INDIA INTERNATIONAL LTD.		Under Construction
175	OIL INDIA LTD.	Ministry (No. CA-31037/3/2018-PNG (25877) Dated 05.07.2019)	Excellent
176	ONGC MANGALORE PETROCHEMICALS LTD.	Ministry (No. CA-31037/3/2018-PNG (25877) Dated 05.07.2019)	Excellent
177	ONGC VIDESH LTD.	Ministry (No. CA-31037/3/2018-PNG (25877) Dated 05.07.2019)	Excellent
178	PETRONET CCK LTD.	Ministry (No. CA-31037/3/2018-PNG (25877) Dated 05.07.2019)	Poor (Not Received)
179	PRIZE PETROLEUM COMPANY LTD.		Excellent
180	VISAKHAPATANAM PORT LOGISTICS PARK LTD.		Under Construction
	MINISTRY OF POWER		-
181	BALLABGARH - GN TRANSMISSION CO. LTD.		Under Construction
182	BHARTIYA RAIL BIJLEE CO. LTD.	Ministry (No. 5/18/2018-Coord dated 21 May, 2019)	Excellent
183	BIHAR INFRAPOWER LTD.		Under Construction
184	BIHAR MEGA POWER LTD.		Under Construction
185	BIJAWAR-VIDARBHA TRANSMISSION LTD		Under Construction
186	BUNDELKHAND SAUR URJA LTD.	Ministry (No. 5/18/2018-Coord dated 21 May, 2019)	Excellent
187	CHANDIL TRANSMISSION LTD.		Under Construction
188	CHEYYUR INFRA LTD.		Under Construction
189	CHHATTISHGARH SURGUJA POWER LTD.		Under Construction
190	COASTAL KARNATAKA POWER LTD.		Under Construction
191	COASTAL MAHARASHTRA MEGA POWER LTD.		Under Construction
192	COASTAL TAMIL NADU POWER LTD.		Under Construction
193	DEOGHAR INFRA LTD.		Under Construction
194	DEOGHAR MEGA POWER LTD.		Under Construction
195	DINGCHANG TRANSMISSION LTD.		Under Construction
196	DUMKA TRANSMISSION LTD.		Under Construction
197	GHATAMPUR TRANSMISSION LTD.		Under Construction
198	GHOGARPALLI INTEGRATED POWER COMPANY LTD.		Under Construction
199	GRID CONDUCTOR LTD.		Under Construction
200	JHARKHAND INFRAPOWER LTD.		Under Construction
201	KANTI BIJLEE UTPADAN NIGAM LTD.	Ministry (No. 5/18/2018-Coord dated 21 May, 2019)	Excellent
202	KODERMA TRANSMISSION LTD.		Under Construction

S. No.	Name of the CPSEs/Ministry	Letter Received From	Grade for the year 2018-19
203	LOKTAK DOWNSTREAM HYDROELECTRIC CORPORATION LTD.	Ministry (No. 5/18/2018-Coord dated 21 May, 2019)	Excellent
204	MANDAR TRANSMISSION LTD.		Under Construction
205	MEDINIPUR-JEERAT TRANSMISSION LTD.		Under Construction
206	MOHINDER GARH-BHIWANI TRANSMISSION LTD.		Under Construction
207	NHDC LTD.	Ministry (No. 5/18/2018-Coord dated 21 May, 2019)	Excellent
208	NHPC LTD.	Ministry (No. 5/18/2018-Coord dated 21 May, 2019)	Excellent
209	NORTH EASTERN ELECTRIC POWER CORPORATION LTD.	Ministry (No. 5/18/2018-Coord dated 21 May, 2019)	Excellent
210	NTPC ELECTRIC SUPPLY COMPANY LTD.	Ministry (No. 5/18/2018-Coord dated 21 May, 2019)	Excellent
211	NTPC LTD.	Ministry (No. 5/18/2018-Coord dated 21 May, 2019)	Excellent
212	NTPC VIDYUT VYAPAR NIGAM LTD.	Ministry (No. 5/18/2018-Coord dated 21 May, 2019)	Excellent
213	ODISHA INFRAPOWER LTD.		Under Construction
214	ORISSA INTEGRATED POWER LTD.		Under Construction
215	PATRATU VIDYUT UTPADAN NIGAM LTD.	Ministry (No. 5/18/2018-Coord dated 21 May, 2019)	Excellent
216	PFC CAPITAL ADVISORY SERVICE LTD.		Exempted (Not a CPSE)
217	PFC CONSULTING LTD.		Poor (Not Received)
218	PFC GREEN ENERGY LTD.	Ministry (No. 5/18/2018-Coord dated 21 May, 2019)	Excellent
219	POWER GRID MITHILANCHAL TRANSMISSION LTD.		Under Construction
220	POWER EQUITY CAPITAL ADVISORS PVT. LTD.		Under Construction
221	POWER FINANCE CORPORATION LTD.	Ministry (No. 5/18/2018-Coord dated 21 May, 2019)	Excellent
222	POWER GRID CORPORATION OF INDIA LTD.	Ministry (No. 5/18/2018-Coord dated 21 May, 2019)	Excellent
223	POWER GRID JABALPUR TRANSMISSION LTD.		Under Construction
224	POWER GRID PARLI TRANSMISSION LTD.		Under Construction
225	POWER GRID SOUTHERN INTERCONNECTOR TRANSMISSION SYSTEM LTD.		Under Construction
226	POWER GRID VEMAGIRI TRANSMISSION LTD.		Under Construction
227	POWER GRID WARORA TRANSMISSION LTD.		Exempted (SPV)
228	POWER SYSTEM OPERATION CORPORATION LTD.	Ministry (No. 5/18/2018-Coord dated 21 May, 2019)	Excellent
229	POWERGRID KALA AMB TRANSMISSION LTD.		Exempted (SPV)

S. No.	Name of the CPSEs/Ministry	Letter Received From	Grade for the year 2018-19
230	POWERGRID NM TRANSMISSION LTD.		Exempted (SPV)
231	POWERGRID UNCHAHAR TRANSMISSION LTD.		Exempted (SPV)
232	POWERGRID VIZAG TRANSMISSION LTD.		Exempted (SPV)
233	REC POWER DISTRIBUTION CO. LTD.	Ministry (No. 5/18/2018-Coord dated 21 May, 2019)	Excellent
234	REC TRANSMISSION PROJECTS CO. LTD.	Ministry (No. 5/18/2018-Coord dated 21 May, 2019)	Excellent
235	RURAL ELECTRIFICATION CORPN. LTD.	Ministry (No. 5/18/2018-Coord dated 21 May, 2019)	Excellent
236	SAKHIGOPAL INTEGRATED POWER COMPANY LTD.		Under Construction
237	SHONGTONG KARCHAM WANGTOO TRANSMISSION LTD		Under Construction
238	SJVN LTD.	Ministry (No. 5/18/2018-Coord dated 21 May, 2019)	Excellent
239	SJVN THERMAL PVT. LTD.		Under Construction
240	SOUTH-CENTRAL EAST DELHI POWER TRANSMISSION LTD.		Under Construction
241	TANDA TRANSMISSION COMPANY LTD.		Under Construction
242	TATIYA ANDHRA MEGA POWER LTD.		Under Construction
243	THDC INDIA LTD.	Ministry (No. 5/18/2018-Coord dated 21 May, 2019)	Excellent
244	WR-NR POWER TRANSMISSION LTD		Under Construction
	MINISTRY OF RAILWAYS		-
245	BHARAT WAGON & ENGG. CO. LTD.	Ministry (No. 2017/PL/57/ 07(Pt.) Dated 30.05.2019)	Exempted (Under Closure)
246	BRAITHWAITE & CO. LTD.	Ministry (No. 2017/PL/57/ 07(Pt.) Dated 30.05.2019)	Excellent
247	BURN STANDARD COMPANY LTD.	Ministry (No. 2017/PL/57/ 07(Pt.) Dated 30.05.2019)	Exempted (Under Closure)
248	CONCOR AIR LTD.	Ministry (No. 2017/PL/57/ 07(Pt.) Dated 31.05.2019)	Excellent
249	CONTAINER CORPORATION OF INDIA LTD.	Ministry (No. 2017/PL/57/ 07(Pt.) Dated 30.05.2019)	Excellent
250	DEDICATED FRIGHT CORRIDOR CORP. OF INDIA LTD.	Ministry (No. 2017/PL/57/ 07(Pt.) Dated 30.05.2019)	Excellent
251	FRESH & HEALTHY ENTERPRISES LTD.	Ministry (No. 2017/PL/57/ 07(Pt.) Dated 31.05.2019)	Excellent
252	HIGH SPEED RAIL CORPORATION OF INDIA LTD.	Ministry (No. 2019/PL/57/13 Dated 22.07.2019)	Exempted (No Business Operations)

S. No.	Name of the CPSEs/Ministry	Letter Received From	Grade for the year 2018-19
253	INDIAN RAILWAY CATERING AND TOURISM CORPN. LTD.	Ministry (No. 2017/PL/57/ 07(Pt.) Dated 30.05.2019)	Excellent
254	INDIAN RAILWAY FINANCE CORPORATION LTD.	Ministry (No. 2017/PL/57/ 07(Pt.) Dated 30.05.2019)	Excellent
255	IRCON DAVANAGERE HAVERI HIGHWAY LTD.		Under Construction
256	IRCON INFRASTRUCTURE & SERVICES LTD.	Ministry (No. 2017/PL/57/ 07(Pt.) Dated 31.05.2019)	Excellent
257	IRCON INTERNATIONAL LTD.	Ministry (No. 2017/PL/57/ 07(Pt.) Dated 30.05.2019)	Excellent
258	IRCON PB TOLLWAY LTD.	Ministry (No. 2017/PL/57/ 07(Pt.) Dated 31.05.2019)	Under Construction
259	IRCON SHIVPURI GUNA TOLLWAY LTD.	Ministry (No. 2017/PL/57/ 07(Pt.) Dated 31.05.2019)	Under Construction
260	KOLKATA METRO RAIL CORPORATION LTD.	Ministry (No. 2017/PL/57/ 07(Pt.) Dated 30.05.2019)	Very Good
261	KONKAN RAILWAY CORPORATION LTD.	Ministry (No. 2017/PL/57/ 07(Pt.) Dated 30.05.2019)	Excellent
262	MUMBAI RAILWAY VIKAS CORPORATION LTD.	Ministry (No. 2017/PL/57/ 07(Pt.) Dated 30.05.2019)	Excellent
263	PUNJAB LOGISTIC INFRASTRUCTURE LTD.	Ministry (No. 2017/PL/57/07(Pt.) Dated 31.05.2019)	Very Good
264	RAIL VIKAS NIGAM LTD.	Ministry (No. 2017/PL/57/07(Pt.) Dated 30.05.2019)	Excellent
265	RAILTEL CORPORATION INDIA LTD.	Ministry (No. 2017/PL/57/07(Pt.) Dated 30.05.2019)	Excellent
266	RAILTEL ENTERPRISES LTD.	Ministry (No. 2017/PL/57/07(Pt.) Dated 31.05.2019)	Fair
267	RAILWAY ENERGY MANAGEMENT COMPANY LTD.	Ministry (No. 2017/PL/57/ 07(Pt.) Dated 31.05.2019)	Excellent
268	RITES INFRASTRUCTURE SERVICES LTD.	Ministry (No. 2019/PL/57/13 Dated 22.07.2019)	Exempted (Under Liquidation)
269	RITES LTD.	Ministry (No. 2017/PL/57/07(Pt.) Dated 30.05.2019)	Excellent
270	SIDCUL CONCOR INFRA COMPANY LTD.	Ministry (No. 2017/PL/57/07(Pt.) Dated 31.05.2019)	Very Good
	MINISTRY OF ROAD TRANSPORT AND HIGHWAYS		
271	NATIONAL HIGHWAYS & INFRASTRUCTURE DEVELOPMENT CORPN. LTD.	Ministry (A-12025/1/2018-NHIDCL-Cell Dated 6.8.2019)	Poor
	MINISTRY OF SCIENCE & TECHNOLOGY		-
	DEPT. OF BIOTECHNOLOGY		-

S. No.	Name of the CPSEs/Ministry	Letter Received From	Grade for the year 2018-19
272	BHARAT IMMUNOLOGICALS & BIOLOGICALS CORP. LTD.	Ministry (No. BT/AI/1403/2/ 2012 Dated 31.05.2019)	Good
273	BIOTECHNOLOGY INDUSTRY RESEARCH ASSISTANCE COUNCIL	Ministry (No. BT/AI/1403/2/ 2012 Dated 31.05.2019)	Excellent
274	INDIAN VACCINE CORP. LTD.	Ministry (No. BT/PB/13020/3/ 2016 Dated 19.06.2019)	Poor
	MINISTRY OF SCIENCE & TECHNOLOGY		-
	DEPT.OF SCIENTIFIC & INDUSTRIAL RESEARCH		
275	CENTRAL ELECTRONICS LTD.	Ministry (DSIR/PSU/5/2019-20 Dated 6.5.2019)	Excellent
276	NATIONAL RESEARCH DEVELOPMENT CORPN.	Ministry (DSIR/PSU/5/2019-20 Dated 6.5.2019)	Very Good
	MINISTRY OF SHIPPING		-
277	CENTRAL INLAND WATER TRANSPORT CORPN. LTD.		Exempted (Under Closure)
278	COCHIN SHIPYARD LTD.	Ministry (No. SY-11020/1/ 2016-CSL Dated 25th April, 2019)	Excellent
279	DREDGING CORPN. OF INDIA LTD.	Ministry (No. SS-28036/8/ 2019-SU Dated 30th July, 20190	Excellent
280	HOOGHLY DOCK AND PORT ENGINEERS LTD.		Exempted (Under Liquidation)
281	HOOGLY COCHIN SHIPYARD LTD.		Under Construction
282	INLAND & COASTAL SHIPPING LTD.		Under Construction
283	KAMARAJAR PORT LTD.		Poor (Not Received)
284	SAGARMALA DEVELOPMENT COMPANY LTD.		Under Construction
285	SETHUSAMUDRAM CORPN. LTD.		Under Construction
286	SHIPPING CORPORATION OF INDIA LTD.	Ministry (No. SY-11020/1/ 2016-CSL Dated 25th April, 2019)	Excellent
	MINISTRY OF SOCIAL JUSTICE & EMPOWERMENT		
	DEPT. OF EMPOWERMENT OF PERSONS WITH DISABILITY		
287	ARTIFICIAL LIMBS MFG. CORPN. OF INDIA	Ministry (No. 15(14)/2016/ DDI Dated 21 May, 2019)	Excellent
288	NATIONAL HANDICAPPED FINANCE & DEVPT. CORPN.	Ministry (No. 9-13/2019-Sch Dated 30 May, 2019)	Very Good
	MINISTRY OF SOCIAL JUSTICE & EMPOWERMENT		-
	DEPT. OF SOCIAL JUSTICE & EMPOWERMENT		-
289	NATIONAL BACKWARD CLASSES FINANCE & DEVP. CO.	CPSE (No. CS/CG/QTY/ 2018-19/173 Dated 11.4.2019)	Excellent
290	NATIONAL SAFAI KARAMCHARIS FINANCE & DEVPT. CORPN	Ministry (No. 12011/04/2017-SCD-IV Dated 30.5.2019)	Excellent

S. No.	Name of the CPSEs/Ministry	Letter Received From	Grade for the year 2018-19
291	NATIONAL SCHEDULED CASTES FINANCE & DEVP. CORPN.	CPSE (No. NHFDC/SECY/ 190 (part IV/) Dated 6.6.2019)	Excellent
	MINISTRY OF STEEL		-
292	CHHATTISGARH MEGA STEEL CO. LTD.		Under Construction
293	EASTERN INVESTMENT LTD.	Ministry (13(13)/2019 Dated 18.7.2019)	Fair
294	FERRO SCRAP NIGAM LTD.	CPSE (No. FC/2191/2019 Dated 4.4.2019)	Excellent
295	J & K MINERAL DEVELOPMENT CORPN. LTD.		Exempted (Under Closure)
296	JHARKHAND KOLHAN STEEL LTD.		Under Construction
297	JHARKHAND NATIONAL MINERAL DEVPT. CORPORATION LTD.		Under Construction
298	KARNATAKA VIJAY NAGAR STEEL LTD.		Under Construction
299	KIOCL LTD.	CPSE (No. S/BC/1(18-11)/ 2019/348 Dated 10.4.2019)	Excellent
300	MST C LTD.	Ministry (13(13)/2019 Dated 18.7.2019)	Excellent
301	MECON LTD.	Ministry (13(13)/2019 Dated 18.7.2019)	Excellent
302	MOIL LTD.	Ministry (13(13)/2019 Dated 18.7.2019)	Excellent
303	NMDC Ltd.	Ministry (13(13)/2019 Dated 18.7.2019)	Excellent
304	NMDC POWER LTD.		Under Construction
305	NMDC STEEL LTD.		Under Construction
306	NMDC-CMDC LTD.		Under Construction
307	ORISSA MINERAL DEVELOPMENT COMPANY LTD.	Ministry (13(13)/2019 Dated 18.7.2019)	Good
308	RASHTRIYA ISPAT NIGAM LTD.	CPSE (No. CA-CG/18-19/ Dated 10.4.2019)	Excellent
309	SAIL REFRACTORY COMPANY LTD.		Poor (Not Received)
310	STEEL AUTHORITY OF INDIA LTD.	Ministry (13(13)/2019 Dated 18.7.2019)	Excellent
311	THE BISRA STONE LIME COMPANY LTD.	Ministry (13(13)/2019 Dated 18.7.2019)	Poor
	MINISTRY OF TEXTILES		-
312	BIRDS JUTE & EXPORTS LTD.		Exempted (Under Closure)
313	BRITISH INDIA CORPORATION LTD.		Exempted (No Business Operations)
314	CENTRAL COTTAGE INDUSTRIES CORPN. OF INDIA LTD.	Ministry (No. 1/11/2018-CCIC dated 30th April, 2019)	Very Good

S. No.	Name of the CPSEs/Ministry	Letter Received From	Grade for the year 2018-19
315	COTTON CORPN. OF INDIA LTD.		Poor (Not Received)
316	HANDICRAFTS & HANDLOOM EXPORTS CORP. OF INDIA LTD.		Poor (Not Received)
317	NATIONAL HANDLOOM DEVELOPMENT CORPORATION LTD.	Ministry (No. 40/2(2)2015-DCH/ NHDC/CSR Datd 25th April, 2019)	Excellent
318	NATIONAL JUTE MANUFACTURES CORPORATION LTD.		Exempted (Under Closure)
319	NATIONAL TEXTILE CORPN. LTD.	Ministry (No. 16/12/2016-NTC Dated 28th May, 2019)	Excellent
320	THE JUTE CORPN. OF INDIA LTD.	CPSE (No. JCI/SectCG/ 2018-19/19 Dated 3.4.2019)	Excellent
	MINISTRY OF TOURISM		-
321	DONYI POLO ASHOK HOTEL LTD.	Ministry (No. 1/1/2018-PSU(T) Dated 31.7.2019)	Exempted (Not a CPSE)
322	INDIA TOURISM DEV. CORPN. LTD.	Ministry (No. EON. PSU-1/28/2018-PSU Dated 11.4.2019)	Excellent
323	KUMARAKRUPPA FRONTIER HOTELS LTD.	Ministry (No. 1/1/2018-PSU(T) Dated 31.7.2019)	Exempted (No Business Operations)
324	PONDICHERRY ASHOK HOTEL CORPN. LTD.	Ministry (No. EON. PSU-1/28/2018-PSU Dated 11.4.2019)	Good
325	PUNJAB ASHOK HOTEL COMPANY LTD.	Ministry (No. 1/1/2018-PSU(T) Dated 31.7.2019)	Exempted (No Business Operations)
326	RANCHI ASHOK BIHAR HOTEL CORPN. LTD.	Ministry (No. 1/1/2018-PSU(T) Dated 31.7.2019)	Exempted (No Business Operations)
327	UTKAL ASHOK HOTEL CORPN. LTD.	Ministry (No. 1/1/2018-PSU(T) Dated 31.7.2019)	Exempted (No Business Operations)
	MINISTRY OF TRIBAL AFFAIRS		-
328	NATIONAL SCHEDULED TRIBES FINANCE & DEVP. CORPN.	Ministry (No. 20025/07/2019-Livelihood Dated 13.06.2019)	Excellent
	MINISTRY OF WATER RESOURCES, RIVER DEVELOPMENT & GANGA REJUVENATION		
329	NATIONAL PROJECTS CONSTRUCTION CORPN. LTD.	Ministry (No. U.13012/2/ 2019-PSU/25 Dated 27/5/2019)	Excellent
330	WAPCOS LTD.	Ministry (No. U.13012/2/ 2019-PSU/25 Dated 27/5/2019)	Excellent
	DEPT. OF ATOMIC ENERGY		-
331	ANUSHAKTI VIDHYUT NIGAM LTD.		Under Construction

S. No.	Name of the CPSEs/Ministry	Letter Received From	Grade for the year 2018-19
332	BHARATIYA NABHIKIYA VIDYUT NIGAM LTD.	Ministry (No. 4/2(37)/2018-PSU/ Dated 24/06/2019)	Very Good
333	ELECTRONICS CORPN. OF INDIA LTD.	Ministry (No. 4/2(37)/2018-PSU/ Dated 24/06/2019)	Very Good
334	INDIAN RARE EARTHS LTD.	Ministry (No. 4/2(37)/2018-PSU/ Dated 24/06/2019)	Excellent
335	NPCIL - INDIAN OIL NUCLEAR ENERGY CORPORATION LTD.		Under Construction
336	NPCIL - NALCO POWER COMPANY LTD.		Under Construction
337	NUCLEAR POWER CORPN. OF INDIA LTD.	Ministry (4/2(37)/2018-PSU/8/08 Dated 4.7.2019)	Excellent
338	URANIUM CORPORATION OF INDIA LTD.	Ministry (No. 4/2(37)/2018-PSU/ Dated 24/06/2019)	Excellent
	DEPT. OF SPACE		-
339	ANTRIX CORPORATION LTD.	Ministry (No. DS_6AB-3104/18/2018-SEC_6-DOC Dated 8 May, 2019)	Excellent

Annexure-9

(Para-6.2)

SCHEDULE-WISE LIST OF CENTRAL PUBLIC SECTOR ENTERPRISES

(as on 31.10.2019)

Schedule - A

1. Airports Authority of India
2. Air India Limited
3. BEML Limited
4. Bharat Electronics Limited
5. Bharat Heavy Electricals Limited
6. Bharat Petroleum Corporation Limited
7. Bharat Sanchar Nigam Limited
8. Central Warehousing Corporation
9. Coal India Limited
10. Container Corporation of India Limited
11. Dedicated Freight Corridor Corporation of India Limited
12. Electronics Corporation of India Limited
13. Engineers India Limited
14. Fertilizers & Chemicals (Travancore) Limited
15. Food Corporation of India
16. GAIL (India) Limited
17. Heavy Engineering Corporation Limited
18. Hindustan Aeronautics Limited
19. Hindustan Copper Limited
20. Hindustan Paper Corporation Limited
21. Hindustan Petroleum Corporation Limited

22. HMT Limited
23. Housing & Urban Development Corporation Limited
24. I T I Limited
25. Indian Oil Corporation Limited
26. IRCON International Limited
27. Indian Railway Finance Corporation Limited
28. Konkan Railway Corporation Limited
29. KIOCL Limited
30. MMTC Limited
31. Mahanagar Telephone Nigam Limited
32. Mangalore Refinery & Petrochemicals Limited
33. Mazagon Dock Shipbuilders Limited
34. MECON Limited
35. MOIL Limited
36. Mumbai Railway Vikas Corporation Limited
37. National Aluminium Company Limited
38. NBCC (India) Limited
39. National Fertilizers Limited
40. NHPC Limited
41. NMDC Limited
42. National Textiles Corporation Limited
43. NTPC Limited
44. NLC India Limited
45. North Eastern Electric Power Corporation Limited
46. Oil & Natural Gas Corporation Limited
47. Oil India Limited

48. ONGC Videsh Limited
49. Power Finance Corporation Limited
50. Power Grid Corporation of India Limited
51. Power System Operation Corporation Limited
52. RITES Limited
53. RailTel Corporation of India Limited
54. Rail Vikas Nigam Limited
55. Rashtriya Chemicals and Fertilizers Limited
56. Rashtriya Ispat Nigam Limited
57. Rural Electrification Corporation Limited
58. SJVN Limited
59. Security Printing & Minting Corporation of India Limited
60. Shipping Corporation of India Limited
61. Solar Energy Corporation of India Limited
62. State Trading Corporation of India Limited
63. Steel Authority of India Limited
64. Telecommunications Consultants (India) Limited
65. THDC India Limited

Schedule - B

1. Andrew Yule & Company Limited
2. Balmer Lawrie & Company Limited
3. Bharat Coking Coal Limited
4. Bharat Dynamics Limited
5. Bharat Petro Resources Limited
6. Bharat Pumps & Compressors Limited
7. Brahmaputa Crackers & Polymers Limited

8. Brahmaputra Valley Fertilizer Corporation Limited
9. Biotechnology Industry Research Assistance Council
10. Braithwaite & Company Limited
11. Bridge & Roof Company (India) Limited
12. British India Corporation Limited
13. Burn Standard Company Limited
14. Cement Corporation of India Limited
15. Central Coalfields Limited
16. Central Electronics Limited
17. Central Mine Planning & Design Institute Limited
18. Chennai Petroleum Corporation Limited
19. Cochin Shipyard Limited
20. Cotton Corporation of India Limited
21. Dredging Corporation of India Limited
22. Eastern Coalfields Limited
23. Engineering Projects (India) Limited
24. Kamrajar Port Limited
25. Fertilizer Corporation of India Limited
26. Garden Reach Shipbuilders & Engineers Limited
27. Goa Shipyard Limited
28. Handicrafts & Handlooms Export Corporation Limited
29. Hindustan Cables Limited
30. Hindustan Fertilizer Corporation Limited
31. HLL Lifecare Limited
32. Hindustan Newsprints Limited
33. Hindustan Organic Chemicals Limited

34. Hindustan Shipyard Limited
35. Hindustan Steelworks Construction Company Limited
36. HMT (International) Limited
37. HMT Machine Tools Limited
38. HMT Watches Limited
39. India Tourism Development Corporation Limited
40. India Trade Promotion Organization
41. Indian Drugs & Pharmaceuticals Limited
42. Indian Railway Catering & Tourism Corporation Limited
43. Indian Rare Earths Limited
44. Indian Renewable Energy Development Agency Limited
45. Instrumentation Limited
46. M S T C Limited .
47. Madras Fertilizers Limited
48. Mahanadi Coalfields Limited
49. Mineral Exploration Corporation Limited
50. Mishra Dhatu Nigam Limited
51. National Handloom Development Corporation Limited
52. National Jute Manufacturers Corporation Limited
53. National Projects Construction Corporation Limited
54. National Seeds Corporation Limited
55. National Small Industries Corporation Limited
56. Northern Coalfields Limited
57. Numaligarh Refinery Limited
58. Orissa Mineral Development Company Limited
59. PEC Limited

60. Pawan Hans Limited

61. Projects & Development India Limited

62. Scooters India Limited

63. South Eastern Coalfields Limited

64. Uranium Corporation of India Limited

65. W A P C O S Limited

66. Western Coalfields Limited

Schedule - C

1. Andaman & Nicobar Islands Forest & Plantation Development Corporation Limited

2. Artificial Limbs Mfg. Corporation of India

3. Brithwaite Burn & Jessop Construction Company Limited

4. Bengal Chemicals & Pharmaceuticals Limited

5. BHEL Electric Machines Limited

6. Bharat Wagon & Engineering Company Limited

7. The Bisra Stone Lime Company Limited

8. Broadcast Engineering Consultants India Limited

9. Central Cottage Industries Corporation of India Limited

10. Central Inland Water Transport Corporation Limited

11. Central Railside Warehouse Company Limited

12. Certification Engineers International Limited

13. Delhi Police Housing Corporation

14. EdCIL (India) Limited

15. FCI Aravali Gypsum & Minerals (India) Limited

16. Ferro Scrap Nigam Limited

17. Hindustan Antibiotics Limited

18. HIL (India) Limited

19. Hindustan Photo Films Manufacturing Company Limited
20. Hindustan Prefab Limited
21. Hindustan Salts Limited
22. HMT Bearings Limited
23. HMT Chinar Watches Limited
24. Hooghly Dock and Port Engineers Limited
25. HSCC (India) Limited
26. Hotel Corporation of India Limited
27. The Jute Corporation of India Limited
28. Karnataka Antibiotics & Pharmaceuticals Ltd
29. Nagaland Pulp & Paper Company Limited
30. National Backward Classes Finance & Development Corporation.
31. National Film Development Corporation Limited
32. National Handicapped Finance & Development Corporation.
33. National Minorities Development & Finance Corporation
34. National Research Development Corporation of India.
35. National Safai Karamcharis Finance & Development Corporation.
36. National Scheduled Castes Finance & Development Corporation
37. National Scheduled Tribes Finance & Development Corporation
38. NEPA Limited
39. North Eastern Handicrafts & Handloom Development Corporation Limited
40. North Eastern Regional Agricultural Marketing Corporation Limited
41. Rajasthan Electronics & Instruments Limited
42. Richardson & Cruddas (1972) Limited
43. STCL Limited
44. Tungabhadra Steel Products Limited

Schedule - D

1. Birds Jute & Exports Limited
2. Hindustan Fluorocarbons Limited
3. Indian Medicines Pharmaceutical Corporation Limited
4. Orissa Drugs & Chemicals Limited
5. Rajasthan Drugs & Pharmaceuticals Limited

Annexure-10

(Para: 7.3.3)

Guidelines for "Streamlining the mechanism for revival and restructuring of sick/ incipient sick and weak Central Public Sector Enterprises: General principles and mechanism of restructuring"

1. These guidelines are laid down for streamlining the mechanism for restructuring/revival or closure of sick or incipient sick CPSEs and replace the multiple process options available for the same purpose.

2. Multiple mechanisms for restructuring/revival of sick and incipient sick CPSEs exist. Sick industrial companies as defined in Sick Industrial Companies Act 1985 are referred to Board for Industrial Financial Reconstruction (BIFR), which suggest a restructuring plan and seek sacrifices & commitments from promoters and stake holders. Board for Reconstruction of Public Sector Enterprises (BRPSE) has been created to advise the government through the resolution No.16(25)2004-Fin. dated 6th December, 2004 to consider the restructuring or revival plan of CPSEs prepared by a CPSE itself under the guidance of its administrative ministry. The administrative ministry may, in the public interest, prepare a revival or restructuring plan for a CPSE which may involve comprehensive restructuring, disinvestment, closure etc of the sick and incipient sick CPSE and take it directly to the competent authority for appropriate decision.

3. Primary responsibility for supervision of a CPSE for its efficient functioning lies in the administrative ministry and final view for restructuring and revival of sick and incipient sick CPSEs or taking appropriate measures for CPSEs showing early indications of weakness has to be taken by them with approval of the competent authority after inter - ministerial consultation and concurrence of the Ministry of Finance through PIB/EFC mechanism as may be required. It is in the public interest to make this process, time bound, comprehensive, performance driven and efficient so that such decisions are taken and implemented in a time bound manner to minimise further losses. Hence there is a need to lay down broad principles and guidelines to be followed in such cases.

4. Guidelines:

4.1 The Companies Act, 2013 Chapter XIX refers to Revival and Rehabilitation of Sick Companies and Chapter XX to Winding up of the Companies. The decision whether a company has become a sick company would be taken by the Tribunal (National Company Law Tribunal). The Administrative Ministries/Departments have to keep a track of the debts of CPSEs and take advance action to avoid a situation where the CPSEs may be considered fit to be declared sick entity as per provisions of the Companies Act, 2013.

4.2 The administrative ministry shall, at the end of the each financial year, analyse the performance of its CPSEs to classify them by a specific order in the following categories within 6 months of the closure of the financial year or within one month from finalisation of Annual Accounts, whichever is earlier.

4.2.1 **Sick CPSEs:** A CPSE shall be considered sick if it meets one of the following criteria:

a. If it is declared sick as per the provisions of the Companies Act, 2013.

b. If its net worth is negative.

4.2.2 **Incipient sick CPSEs**: A CPSE would be considered incipient sick if it meets one of the following criteria:

a. If its net worth is less than 50% of its paid-up capital in any financial year.

b. If it had incurred losses consecutively for three years.

4.2.3 Weak CPSEs: A CPSE would be considered weak or sub optimally performing if it meets one of the following criteria:

a. If its turnover or its operational profit has declined by more than an average of 10% in the last 3 years.

b. If its profit before tax is less than income from the other sources.

c. If its trade receivable and inventories are more than 50% of net worth of the CPSE.

d. If the claims against the company, not acknowledged as debts, are more than its net worth.

e. Any other criteria as may be prescribed to quantify early signs of weakness in the performance of the CPSEs by the government.

4.3 In all the reference to Net worth, it would have the same meaning as defined under Section 2 (57) of the Companies Act, 2013.

4.4 The administrative ministry will take the following action:

(a) The administrative ministry will put weak CPSEs under "observation and intensive review" to arrest the early signs of weakness in such CPSEs. It may include nomination of independent expert members on the board, quarterly intensive review or special reviews for taking corrective business, operational and financial measures at the board level, fixing the responsibility for declining performance or non-performance or any other corrective step as may be appropriate and necessary by the administrative ministry or department.

(B) The administrative ministry shall initiate the process for preparation of restructuring/revival plan, which may include disinvestment or privatisation or closure options, for sick/incipient sick CPSEs based on the classification as given above within 6 months from the closure of the financial year or within one month from finalisation of Annual Accounts, whichever is earlier.

(c) Restructuring and revival plan for the sick and incipient sick CPSEs shall be prepared within nine months of the closure of the financial year.

(d) External expert agency which has experience and expertise of the business environment, operational issues, technology option and financial viability of the sector in which such CPSE is functioning may be engaged by the government and shall function under the supervision of the administrative ministry for preparation of the future road map.

4.5 Restructuring and revival plan with the help of the agency and other experts, as may be required, shall be prepared by the administrative ministry/department and shall specifically include:

4.5.1 Perspective of Relevance and Functioning:

a) Background and purpose of the formation of the CPSE.

b) Economic and regulatory environment along with their impact on the growth of the company.

c) Liberalisation and its impact on its business operation.

d) Ability of the CPSE in adapting new business strategies, technology to regain and sustain its economic viability.

e) Efforts and special interventions made for its revival or avert early sickness and its impact on the health of the CPSE.

4.5.2 Strategic Plan for Restructuring/Revival:

(a) The concerned administrative ministry/department should clearly bring out the national and strategic interest served by the CPSEs in the light of the sectoral business environment, domestic as well as global.

(b) Prevailing market need to be analysed for supply of goods or services through other providers in the private sector, domestic or from other countries, to bring out if there is a specific role of the CPSE in this segment to serve the national strategic or defence interests.

(c) Keeping the business environment other relevant facts in mind, a CPSE may be categorised as a high priority or priority CPSE to meet the strategic interest of the country. For this purpose, a report of the 14th Finance Commission may also be referred to.

(d) All other sick CPSEs which are not required to serve the strategic national/ defence interests should be categorised as non-priority CPSEs.

4.5.3 Business Plan for Restructuring/ Revival Plan:

A. High Priority or Priority CPSE.

a) For high priority CPSEs, the business plan has to be made keeping in mind the strategic national interest and economically viable business opportunities.

b) For strategic business model, requirement for Government policy convergence should be clearly spelt out to meet the economic viability of such enterprises. Also, viability gap funding, if required for such strategic operations have to be brought out.

c) For high priority sector, the business plan may be drawn seeking specific financial and non-financial support from the Government. It may include strategic disinvestments or joint ventures etc.

B. Non-priority CPSE.

a) For CPSEs in the non-priority category, the business plan is to be made on business and economic viability model to attain self-sufficiency in short or medium term.

b) Business plan should be based on performance efficiency bench marks, viable scale of economic operation and road map for technology adoption/ upgradation to support business strategy for viability and sustainability over period of time.

c) Business reorganisation through merger, demerger or closure of various business activities.

d) It should support desirable market share to be sustainable in the medium and long term.

e) All the presumptions underlying the business plan with respect to their business environment, economic viability and mechanism of funding should be market validated and credibly established.

4.5.4 Operational Restructuring:

a) Keeping in mind the business plan, the required human resource needs are to be assessed and rationalised.

b) It may be seen whether sectoral efficiency benchmarks as are existing globally/domestically can be achieved by the CPSE in short or medium term through implementation of this plan in shortest period of time.

c) Options for adopting requisite technology and up-gradation of the same as per requirement through various management options including JV, disinvestment or privatisation to be factored into the operational restructuring plan.

d) The options of merger or de-merger of various operations in line with the proposed business plan to ensure continuous procurement of new technology and its up-gradation.

4.5.5 Financial Restructuring Plan:

a) For high priority and priority CPSEs, a comprehensive financial restructuring plan should be drawn comprising various methods of financing with minimum and unavoidable viability gap funding in the strategic national defence interest. Limited private investment through disinvestment within permissible limits may also be considered under financial plan.

b) In case of other (non priority) CPSEs financing plan should be based on economic viability of operations. Various options of leveraging private and/or institutional funding may be explored.

c) Details of projected profitability/cash flow for the next five years. These presumptions should be pragmatic and market validated.

4.6 Mechanism and Methodology to be followed for restructuring/ revival/closing of sick CPSEs

(a) The concerned administrative ministry/department would classify the CPSE as sick CPSE, incipient sick or with early indications of weakness as per para 4.2 above. The concerned Administrative Ministry/Department will also inform DPE about the status of CPSE accordingly.

(b) The concerned administrative ministry/department will be responsible for formulating revival/restructuring/closure road map for sick CPSEs as per the principles outlined above. This would be done within three months from the issue of these guidelines in case of existing sick CPSEs and within nine months from the end of the financial year for a CPSE becoming sick subsequently.

(c) Administrative Ministry/Department may engage credible expert organisation for drawing of business, operational and financial restructuring plans. Such expert entity, if appointed, should function under the direct control of administrative ministry/department so as to draw a professionally credible, implementable and realistic restructuring plan. Suitable mechanism for market validation should be incorporated during the Request for Proposal (RFP) stage of engagement of expert(s)/expert organization(s) and the market validation should be cross checked and confirmed by the administrative ministry/department as well.

(d) Implementation plan with specified time line for various stages should be objective, quantifiable and supported with the monitoring mechanism.

Annexure-11

(Para 7.5.1)

Guidelines for time bound closure of Sick/Loss Making Central Public Sector Enterprises (CPSEs) and disposal of Movable and Immovable assets.

To expeditiously complete the procedures for closure of CPSEs and lay down responsibilities of the concerned ministries/departments/CPSE, etc., guidelines for time bound closure of Sick/Loss Making CPSEs and disposal of movable and immovable assets are laid down hereunder:

1. APPLICABILITY:

These guidelines shall apply to all sick/loss making CPSEs, where –

(i) Approval/in principle approval for closure has been obtained by administrative Ministry/Department from the CCEA/Cabinet; or

(ii) The process for obtaining the approval of the competent authority is underway after the administrative Ministry/Department has decided for the closure of the CPSE.

Note: These guidelines shall not apply to CPSEs under liquidation where liquidator has been appointed. The Administrative Ministry/Department of such CPSE(s) may take necessary action relating to closure of the CPSE and disposal of its movable/immovable assets in consultation with NITI Aayog and in accordance with the legal requirements of the liquidation process.

2. DEFINITIONS

(i) **Preparatory Date (P_0)** shall be the date on which administrative Ministry takes the decision for closure of the CPSE.

(ii) **Zero Date (T_0)** shall be the date of issue of minutes conveying the decision of Cabinet/CCEA for closure. In respect of those CPSEs where approval for closure has already been obtained, the process of closure shall be fast tracked as per these guidelines.

(iii) **CPSE:** Certain statutory corporations and all Government Companies in which more than 50% equity is held by the Central Government are classified as CPSEs. The Subsidiaries of these Companies in which any CPSE has more than 50% equity are also categorised as CPSEs, if registered in India.

(iv) **Land Management Agency (LMA)** is the CPSE, such as NBCC/EPIL which has the experience of activities as mentioned in para 5 of the guidelines. It shall be nominated by the administrative Ministry/Department/the Board of the CPSE under closure to manage, maintain and assist in disposal of land. If instead of a CPSE, a public agency is to be nominated as the LMA, it shall be done by Ministry of Housing and Urban Affairs (MoHUA).

(v) **Auctioning Agency (AA)** is the CPSE, such as MSTC, which is nominated by the administrative Ministry/Department/the Board of the CPSE under closure to dispose of movable and immovable assets through e-auction in a transparent manner.

(vi) **Reserve Price:** Reserve price for disposal of land may be worked out based on the prevalent circle rate in the said location for similar use and the average price at which land assets of similar size in the nearby areas have been sold in the last 3 years, whichever is higher.

(vii) **Single Bid:** In cases of sale of land by auction, while dealing with single bid situations, the guidelines/provisions of Ministry of Finance and CVC guidelines in this regard shall apply.

3. ROLE OF CONCERNED ORGANISATIONS/ BODIES

3.1 Role of the Board of Directors of CPSEs for Closure

In respect of CPSEs where decision for closure has been taken or in-principle approval for closure has been given by Cabinet/CCEA, the Directors of the CPSE should provide all support and material required in formulating the closure proposal and its implementation, failing which the administrative Ministry/Department shall take a view on removing the Functional Directors including the CMD and give additional charge of the CMD to the Joint Secretary concerned and charge of other functional Directors to other senior officers in the administrative Ministry/Department as per extant guidelines in this regard. This fact of removal of the Functional Directors including the CMD will be communicated to the PESB.

3.2 Role of the administrative Ministry/ Department

3.2.1 **Preparatory activities:** The Administrative Ministry/Department of CPSEs in respect of whom in-principle approval for closure has been given and those mentioned in para 1 (ii) of the guidelines shall take advance preparatory action for such CPSEs which shall include the following:

(a) Negotiate with the secured creditors to settle their dues at the minimum value as One Time Settlement (OTS). Administrative Ministry/Department may critically examine the best possible settlement including schedule of payment, waiver of interest and penalties with secured creditors so that it requires minimum budgetary support.

(b) Modalities of the settlement of liabilities covered by the Government guarantees will be settled in consultation with the Ministry of Finance.

(c) **Estimation of other liabilities:** Administrative Ministry/Department will get the estimates of all other liabilities required to be paid including unsecured creditors.

3.2.2 The CPSEs in respect of whom in-principle approval for closure has been given and those for which the administrative Ministry/Department has decided for closure as mentioned in para 1 (ii) of the guidelines, the concerned administrative Ministry/Department will be responsible for formulating the detailed proposal for closure of the CPSE and placing the same before the Cabinet/ CCEA within a period of three months from the Preparatory date. It shall be ensured by the administrative Ministry/Department that all relevant details along with their financial implications including details of liabilities, movable and immovable assets to be offered for sale are covered in the approval para of the proposal for closure of the CPSE. After obtaining decision of the competent authority on closure of the CPSE, the administrative Ministry/Department shall take up request for budgetary support and shall oversee the settlement of liabilities and disposal of assets including negotiations with the State Governments on land related issues as outlined below:

(a) Request for Budgetary Support: Request budgetary support from the Department of Expenditure, Ministry of Finance, within 15 days from the Zero date.

(b) Settlement of Liabilities:

(i) Instruct the CPSE for payment of statutory dues/ liabilities towards revenues, taxes, cesses and rates due to Central Government or State Government or to the local authorities within two months from the Zero Date.

(ii) Instruct the CPSE to give a general notice to employees and other stakeholders intimating about intended closure and intimate/ apply to the Ministry of Labour and Employment in respect of closure, as may be applicable under Industrial Disputes Act, 1947 within 05 days from the Zero Date. Implement VRS package with a timeframe/ final cut-off date and settle wages/salaries of employees and statutory dues within 3 months from the Zero Date or within such extended time required due to the need to seek Parliamentary approval for additional funds.

(iii) Take action for completing the legal formalities for retrenchment of employees not opting for VRS within the four months from the Zero Date by payment of compensation as per law.

(iv) Settlement of secured creditors. The settlement should be completed within 3 months from the Zero Date unless there are financing constraints beyond the control of the administrative Ministry/ Department.

(v) Settlement of other liabilities should be the next priority.

(c) Disposal of Assets

In case the CPSE is a subsidiary of another CPSE and if the assets are required by such holding company, the same may be transferred to the holding company at book value, in consultation with the State Government, wherever so required within 30 days from zero date (T_0). Similarly, if assets are required by the administrative Ministry/Department for its own use, the same may be transferred to it at book value within 30 days from zero date (T_0). In respect of remaining assets, guidelines as mentioned in subsequent paras, i.e., 4.2 and 4.3 shall apply.

(d) Negotiations with the State Government

The Secretary of the Department/Ministry concerned shall lead the interactions with the State Government regarding the utilisation/alternative utilisation of land, return of land to the State Government and conclude these deliberations within a period of two months from Zero Date.

3.3 Role of NITI Aayog

For all cases of closure, NITI Aayog shall monitor the implementation of the decision along the prescribed timelines. There shall be an Oversight Committee in NITI Aayog to carry out the work of monitoring the implementation of decisions of the Government in this regard. The administrative Ministry/Department may approach NITI Aayog for resolution of any problem/dispute arising out of sale of immovable assets of CPSE(s) approved for closure. NITI Aayog will develop a framework in place for resolution of such issues.

3.4 Role of Ministry of Finance

Ministry of Finance may examine, either through professional help or otherwise, the request for budgetary support at the stage of seeking in-principle or final approval of the competent authority for closure of CPSE. Once closure proposal is approved Ministry of Finance would release funds as per the prescribed time-lines. For this, a mechanism for timebound release of funds required to implement all aspects of closure of CPSEs may be put in place by the Department of Expenditure, Ministry of Finance so that funds are released within one month of receiving the request, except where Parliamentary approval for Supplementary Demand for Grants is required.

3.5 Role of Ministry of Housing and Urban Affairs (MoH&UA)

MoH&UA shall nominate LMA, in cases where a public agency with necessary expertise and resources needs to be identified as the LMA as per para 2(iv) of the guidelines. MoH&UA shall inform the LMA about the requirement for land parcels for affordable housing. Such land shall undergo the process of disposal as per the guidelines of MoH&UA in this regard. A mechanism shall be put in place in MoH&UA for enabling proper co-ordination with the CPSE under closure/ the concerned administrative Ministry/LMA with regard to process of disposal of land for affordable housing.

4. Role/Activities of CPSEs under closure

4.1 Preparatory Activities: The CPSEs in respect of whom in-principle approval for closure has been given and those for which the administrative Ministry/ Department has decided for closure as mentioned in para 1 (ii) of the guidelines shall take advance preparatory action within three months from the Preparatory Date which shall include the following:

4.1.1 Estimation of Statutory dues: The CPSE will estimate the statutory dues/ liabilities towards revenues, taxes, cesses and rates due to Central Government or State Government or to local authorities under the supervision of its administrative Ministry/Department.

4.1.2 Estimation of dues of employees:

(i) Preparation of VRS/VSS package at 2007 notional pay scale, irrespective of the pay scale in which the CPSE is operating for release of the employees. Estimation of financial implications for such a package.

(ii) Estimation of funds required for payment of wages/salaries and statutory dues in respect of the employees till the time the employees are released by way of opting for VRS/VSS/ retrenched or settled.

(iii) Total Estimated budgetary support for (i) and (ii) above with the phasing of requirement of funds and time lines

4.1.3 Estimation of liabilities towards Secured Creditors etc.

(i) Secured creditors are those in whose favour a charge has been created on the assets of the Company and filed/registered with the Registrar of Companies.

(ii) Processing of offers from secured creditors and statutory dues for settling them at minimum value and estimation of the total amount so determined to be paid back to the secured creditors.

4.1.4 Estimation of dues payable to the Central Government: The dues payable to the Central Government availed in the form of loans extended from time to time, segregated into the principal outstanding amount and the interest thereon shall be worked out.

4.1.5 Estimation of other liabilities: Make estimate of all other liabilities required to be paid including unsecured creditors.

4.1.6 Estimation of movable assets:

(i) Updating details of movable assets including plant(s) & machineries. The inventory of all moveable assets should be got verified/certified from an independent third party e.g. a firm of Chartered Accountants.

(ii) Book Value of the movable assets as well as the current estimated market value and estimation of realisable value from their sale by the CPSE/ administrative Ministry Department.

(iii) Where movable assets are on lease negotiation with the lessor whether he would take it back at market price or would like it to be auctioned.

(iv) Ascertaining whether movable assets are to be utilised by holding CPSE, if any or by the administrative Ministry/Department.

(v) Ascertaining whether factory/office building (superstructure) is required to be disposed of along with movable assets or along with land.

(vi) Ascertaining of market value of brand name, goodwill, trademarks, etc. of the CPSE under closure.

4.17 Estimation of receivables including trade receivables, securities, loans and advances, etc.

4.1.8 Estimation of Budgetary Support required for closure

(i) Total Estimated funds required for financing the closure of the Company which would include liabilities at para 4.1.1 to 4.1.5 above, along with time-lines/phasing of release of funds from the Central Government.

(ii) CPSE□s own resources, including amount to be realised from sale of assets, which may be available for settlement of liabilities during the course of closure shall be taken into account for working out the requirement for budgetary support, with phasing of funds and time lines.

4.1.9 Immovable assets including buildings:

(i) Updating of land records with geo-mapping and details such as title deed, lease hold land, freehold land, conditions of lease, remaining period of lease, current land use, FAR and other rights relating to use of land, whether land compensation (partly/fully) has been paid by the CPSEs/Central Government at the time of acquisition, amount of compensation paid, status of possession of land, encroachments, if any, etc.

(ii) Obtaining the concurrence/agreement of the State Government in respect of utilisation/ settlement of lease hold land of the CPSE intended to be closed for further use for similar or identical activities as per local laws governing land use by other Central Government/State Government/Departments or PSEs/organisations for public purpose/expansion of economic activities, etc., if options possible.

(iii) Ascertaining whether immovable assets are to be utilised by holding CPSE, if any or by the administrative Ministry/Department failing which appointment of Land Management Agency (LMA) and sharing information with it.

4.2 Disposal of Movable Assets

(i) The CPSE shall carry out the processes of disposal of movable assets including plant & machinery in a transparent manner immediately after 'Preparatory Date□ under the supervision of Administrative Ministry/ Department.

(ii) The leasehold assets may be transferred to the lessor at his option.

(iii) The CPSE in consultation with the administrative ministry/department, if necessarily required, may dispose of factory building structure along with disposal of movable assets.

(iv) If there is a need for auction of movable assets including brand name, goodwill, trademarks, etc., Auctioning Agency shall be nominated by the Administrative Ministry/Department/ CPSE for completing the job within three months from the zero date.

(v) If the CPSE is not able to dispose of movable assets within the stipulated time-frame, it should be brought to notice of the Administrative Ministry/Department and NITI Aayog by the CPSE. Thereafter, the Administrative Ministry/Department shall redress the matter within 15 days and shall take a decision on settlement of the disposal of movable assets.

4.3. DISPOSAL OF IMMOVABLE ASSETS: LAND & BUILDING

Considering that land of the CPSE may be leasehold or freehold or a conditional Land Grant with restricted rights of occupation and use, the CPSE shall carry out the following activities after examining issues mentioned in para 4.1.9 above, under close supervision and guidance of the administrative Ministry/Department and in consultation with State Government(s)/lessor, wherever required.

4.3.1. Disposal of Leasehold Land

(i) Leasehold land with conditions: Leasehold land with specific condition that it will be given back to the State in case the CPSE ceases to exist or non-utilisation of land for the purpose for which it had been allotted etc. or where there is no provision of sale in the lease agreement, such land may be returned to the State Government on receipt of financial compensation determined as per the terms and conditions of the Lease or Land Grant Agreement within three months from the Zero Date. In such a case, financial compensation, if any, paid by the CPSE/Central government at the time of acquisition or the higher amount shall be re-paid/ paid by the State government while taking back the land.

(ii) Other Leasehold land: In case the terms and conditions of the Lease do not contain any restrictive conditions regarding the use/disposal of such land, and/or do not confer any pre-emptive rights in favour of the State/lesser in the event of closure of the CPSE, the subject land may be treated akin to freehold land and dealt with in the same manner as prescribed for the freehold land, subject to any specific terms and conditions of the Lease.

4.3.2 Disposal of Freehold Land*:* Important steps for disposal of free hold land:

a) Freehold land is generally allotted to the CPSE by the State Government after acquisition or purchased by CPSE directly. There may or may not be conditions of land use attached to such land. In case of freehold land with conditions of land use attached, best possible use of such land may be worked out in the light of the original land-use of the land or the current land-use of the area as per the master plan of the locality, whichever is better.

b) The following process shall be followed for settlement of the freehold land of the CPSEs:

(i) The LMA shall first ascertain from MoH&UA about the requirement of land for Affordable Housing. Such land shall undergo the process of disposal as per the guidelines of MoH&UA in this regard. After identification of land for Affordable Housing, the remaining land shall be disposed of as below.

(ii) CPSE/administrative Ministry/Department through the LMA shall invite offers for purchase of land from Central/State Government Departments/Agencies. Land shall be allotted to the Government entities, subject to the approval of the Cabinet/CCEA as required.

(iii) Land shall be allotted to the Central/State Government Departments at reserve price in the following order of priority:

(a) Central Government Department(s)

(b) State Government Department(s)

(iv) Then land shall be offered for sale to Central or State PSEs/Bodies/Authorities. In case of sale of land to such bodies, a limited bidding process may be adopted in a physical format or on e-platform. This process can be conducted with the help of an Auctioning Agency.

(v) In case any of the above government entities is willing to take the entire land (without any division thereof), the same shall be given priority over others. In case, above category of organisations are interested in taking part of the land, it would require preparation of a Development Plan of the area of land, plotting and provision of internal infrastructure works/ facilities, which shall be prepared by LMA and presented to the CPSE/administrative Ministry/ Department. The administrative Ministry/Department will consider the land development plan, approve it including the scheme of financing and may entrust LMA or any other suitable agency(ies) to execute it to ensure allotment/settlement of such divided land parcels as per the priority given in the guidelines.

(vi) In case, no offer is received in respect of (i) to (v) above, the disposal of immovable assets is to be done in a transparent process through the auctioning agency to any entity with the approval of competent authority. However, before the last date of submission of bid, if any offer is received from Central Government Departments as mentioned at para 4.3.2 b)(iii) (a) above, the same will be given overriding priority. The process mentioned above at (i) to (vi) will be completed within 8 months of Zero Date. The timelines prescribed may apply separately to each tranche if LMA decides to dispose of land in more than one tranche for maximizing value.

(vii) Land would be sold as per the permissible land use and restrictions, if any, FAR and other applicable conditions and subject to the approval of the Cabinet/CCEA as required.

(viii) In case of non-feasibility of monetisation of land assets by way of the above options, land/ property may be utilised for public purposes like public parks, utilities, etc. as may be permissible in consultation with NITI Aayog and approval of the Cabinet/CCEA, as required within 11 months of Zero Date.

(ix) Wherever the Administrative Ministry/Department faces any difficulty in disposal of land, it shall consult the NITI Aayog and take action as per the advice tendered in this behalf.

5. FUNCTIONS OF LAND MANAGEMENT AGENCY

The administrative Ministry/Department and the Board of the CPSE under closure may entrust the immovable assets as per para 4.1.9 to the nominated Land Management Agency (LMA), which shall:

(i) Identify, manage, maintain and, if required, engage security agency for the watch and ward of the assets on contract basis for the CPSE against payment. The LMA shall ensure that the land is not encroached, movable assets are not stolen and premises are secured. The LMA may engage a few key employees dealing with assets of the CPSE on contract basis to obtain, manage, maintain and update the records of lands and other immovable assets of the CPSEs on behalf of the CPSE.

(ii) Collect and validate the information regarding the land, e.g. title deed, lease hold or freehold, conditions of lease, remaining period of lease, whether land compensation was paid by the CPSE/Central Government at the time of acquisition, status of possession of land, encroachment, if any, and its verification on the ground.

(iii) Examine the current land use, FAR and the land use as per the local laws applicable in that area to determine the suitability of the land for industrial, manufacturing or some other purposes.

(iv) Shall ascertain from MoH&UA about requirement of land for Affordable Housing so that such land can be transferred as per the guidelines of MoH&UA in this regard.

(v) Carry out valuation of land on the basis of applicable circle rates and any other information necessary for use/valuation of land/building including limitations arising out of nature of title, master plan and state government restrictions, if any. Further, the LMA shall try to maximize the land value by parcelling the land into marketable units.

(vi) Work out the reserve price of the land as per para 2(vi).

(vii) The Land Management Agency shall compile all such information and publish the same on Land Management Portal website at the earliest, but not later than three months from preparatory date, in the public domain for the information of all parties that may be interested in taking such land.

(viii) If the LMA comes to the conclusion from the EoIs received that disposal of immovable assets as per priorities set out in the Guidelines would require division of land into parcels and development of such land parcels to facilitate their monetisation, it should bring the matter to the notice of the Administrative Ministry/Department. The LMA shall prepare and place before the Administrative Ministry/Department a Land Development Plan along with its scheme of financing for consideration and further approval.

(ix) The LMA shall submit monthly report updating the status of disposal of immovable property to the administrative Ministry/Department as per their approvals, with a copy to the NITI Aayog.

(x) The LMA will be entitled to land management fee which would be 0.5% of the value realized from disposal of land for affordable housing and to Government Departments/Agencies/ private entities subject to a maximum of Rupees One crore.

(xi) In cases where the LMA is required to support watch and ward of the asset under disposal and engage employees as mentioned at para 5(i) above, such expenditure shall be reimbursed by the administrative Ministry/Department on the basis of actuals every month. LMA would obtain prior approval of the administrative Ministry/Department before incurring any expenditure which require reimbursement.

(xii) LMA may be required to engage the State Government/Public Sector Enterprises on appropriate terms and conditions for discharge of some of its responsibilities.

6. FUNCTIONS OF AUCTIONING AGENCY

The auctioning agency shall dispose the assets of the Company by e-auction through a transparent process. The Auctioning Agency would be paid 1% of amount realized from auction subject to maximum of ₹25.00 lakh per auction.

7. Proceeds from sale of assets after making payment for all liabilities would be deposited in Consolidated Fund of India.

8. APPLICATION TO THE ROC FOR REMOVAL OF THE NAME OF THE COMPANY FROM THE REGISTER OF COMPANIES

Immediately upon settlement and discharge of all the liabilities, the Board of Directors of the CPSE shall take necessary steps to apply to the Registrar of Companies (RoC) for removal of the name of the Company from the Register of Companies under Section 248 of the Companies Act, 2013. The Board of Directors may also pass a resolution at this stage to transfer all the residual assets of the Company to another entity or the Central Government as considered necessary. This step shall be completed within 2 months from the date of disposal/transfer of all assets, but not later than 13 months from the Zero Date.

9. TIME-LINES

For ease of use, a matrix of timelines of various steps for closure of the CPSE as per these Guidelines is at **Annex**.

In respect of those CPSEs where approval for closure has already been obtained, the process of closure shall be fast tracked as per these guidelines.

Annex

Revised Time-lines of activities for closure of CPSEs

Sr. No.	Milestones/ Activities	Time-Lines	Para No. of Guidelines
A.	**Preparatory date:** Preparatory Date (P_0) shall be the date on which administrative Ministry takes the decision for closure of the CPSE.		
1.	Estimation of Statutory dues	P_0 + 3 months	4.1.1
	Estimation of dues of employees		4.1.2
	Estimation of liabilities towards Secured Creditors etc.		4.1.3 & 3.2 1(a)
	Estimation of dues payable to Central Government		4.1.4
	Estimation of other liabilities		4.1.5 & 3.2.1 (c)
	Estimation of Movable assets		4.1.6
	Estimation of receivables		4.1.7
	Estimation of Budgetary Support Required		4.1.8
	All preparatory actions in respect of immovable assets, e.g. updating of land records with geo-mapping and other formalities, Obtaining State Governments commitments, Valuation etc.		4.1.9
	Detailed Proposal for closure to be placed before the Cabinet/ CCEA		3.2.2
	Placing of information relating to immovable assets/ land on the 'Land Management Portal web site		5 (vii)
B.	**Zero date:** Date of issue of minutes of approval for closure of sick/ loss-making CPSE by the Cabinet/ CCEA. This is shown as T_0.		
2.	General notice to employees and other stakeholders intimating about intended closure	T_0 + 5 days	3.2.2 (b) (ii)
	Intimate/ apply to the Ministry of Labour and Employment in respect of closure		

Sr. No.	Milestones/ Activities	Time-Lines	Para No. of Guidelines
3.	Request for budgetary support from Department of Expenditure.	T_0 + 15 days	3.2.2(a)
4.	Transfer of assets to Holding company/ administrative Ministry/ Department	T_0 + 1 month	3.2.2(c)
5.	Settlement of statutory dues/ liabilities towards revenues, taxes etc.	T_0 + 2 months	3.2.2 (b) (i)
	Negotiation with State Government		3.2.2 (d)
6.	Payment of secured creditors as one time settlement	T_0 + 3 months	3.2.2 (b) (iv)
	Settlement of wages/salaries of employees and statutory dues		3.2.2 (b) (ii)
	Disposal of movable assets		4.2
	Return of leasehold land to State Government with conditions of non-sale		4.3.1(i)
7.	Retrenchment of employees not opting for VRS	T_0 + 4 months	3.2.2(b)(iii)
8.	Identification of land for affordable Housing, Sale/ transfer to Central Government departments, State Government departments, Central Government bodies/ CPSEs and State Government bodies/ PSEs	T_0 + 8 months	4.3.2 b) (i), (ii), (iii), (iv) & (v)
9.	Auction of land to any entity after exhausting option at sl. no. 8		4.3.2 b) (vi)
10.	Utilisation of land for public purposes like public parks, utilities, etc.	T_0 + 11 months	4.3.2 b)(viii)
11.	Application to Registrar of Companies for removal of name of CPSE	T_0 + 13 months	8

Note: The above timelines would be suitably modified in individual cases requiring Parliamentary approval.

Government of India

Ministry of Heavy Industries and Public Enterprises