



SUPREME AUDIT INSTITUTION OF INDIA  
लोकहितार्थं सत्यनिष्ठा  
Dedicated to Truth in Public Interest

**Report of the  
Comptroller and Auditor General of India  
- General Purpose Financial Reports of  
Central Public Sector Enterprises  
for the period ended March 2022**

**Union Government (Commercial)  
Report No. 6 of 2025  
(Compliance Audit)**

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## PREFACE

1. The accounts of Government Companies and Government controlled other Companies, set up under the provisions of the Companies Act, are audited by the Comptroller and Auditor General of India (CAG) under the provisions of Section 143 of the Companies Act, 2013. The accounts certified by the Statutory Auditors (Chartered Accountants) appointed by the CAG under the Companies Act are subject to supplementary audit by officers of the CAG and the CAG gives his comments or supplements the reports of the Statutory Auditors under section 143(6) of the Companies Act, 2013. In addition, these Companies are also subject to test audit by CAG under the provisions of Section 143(7) of the Companies Act, 2013.
2. The statutes governing some Corporations and Authorities require their accounts to be audited by CAG. In respect of five such Corporations viz., Airports Authority of India, National Highways Authority of India, Inland Waterways Authority of India, Food Corporation of India and Damodar Valley Corporation, the relevant statutes designate CAG as their sole auditor. In respect of one Corporation viz., Central Warehousing Corporation, auditor is appointed by the Government, on the advice of the CAG, for audit of the accounts of the Central Warehousing Corporation. CAG has the right to conduct the audit as he may consider necessary.
3. Reports in relation to the accounts of a Government Company or Corporation are submitted to the Government by CAG for laying before the Parliament under the provisions of Section 19-A of the Comptroller and Auditor General's (Duties, Powers and Conditions of Service) Act, 1971.
4. This General Purpose Financial Reports of Central Public Sector Enterprises for the year ended 31 March, 2022 contains six Chapters namely, Summary of Financial Performance of Central Public Sector Enterprises, Oversight Role of CAG, Corporate Governance, Disinvestment Process, Corporate Social Responsibility and Review of selected Loss making Central Public Sector Enterprises. In respect of CPSEs where any particular year's accounts were not received before 29 February, 2024, the figures from the accounts last audited have been adopted. In respect of some CPSEs of Chapter-I, figures for the previous year might not agree with the corresponding figures shown in the Audit Report No.27 of 2022 owing to replacement of provisional figures by audited/revised figures.
6. All references to 'Companies/Corporations or CPSEs' in this Report may be construed to refer to 'Central Government Companies/Corporations' unless the context suggests otherwise.
7. The audit has been conducted in conformity with the Auditing Standards issued by the Comptroller and Auditor General of India.
8. Audit wishes to acknowledge the cooperation received from the Managements of CPSEs and their respective Administrative Ministries/Departments at each stage of audit process.



# Executive Summary

## I. Summary of financial performance of Central Public Sector Enterprises

### Introduction

There were 698 Central Government Public Sector Enterprises (CPSEs) under the audit jurisdiction of the Comptroller and Auditor General of India as on 31 March, 2022. These included 490 Government companies, 202 Government controlled other companies and six Statutory Corporations. This Report deals with 454 Government companies and Corporations (including six Statutory Corporations) and 188 Government controlled other companies. 56 CPSEs (including 14 Government controlled other companies), whose accounts were in arrears for three years or more or were under liquidation or first accounts were not due, are not covered in this Report.

*(Para 1.1.3)*

### Investment of Central Government

The accounts of 454 Government companies and Corporations indicated that the Central Government had an equity holding of ₹6,36,730 crore in share capital as on 31 March, 2022. The long term loans given by Central Government to these CPSEs outstanding as on 31 March 2022 amounted to ₹1,47,563 crore. Compared to the previous year, holding of the Central Government in equity of CPSEs registered a net increase of ₹1,83,682 crore and long term loans outstanding increased by ₹1,61,961 crore during 2021-22.

*(Para 1.2, 1.2.1 and 1.2.2.1)*

### Market Capitalisation

The total market value of shares of 65 listed Government companies (including seven subsidiary companies), the shares of which were traded during 2021-22, stood at ₹15,88,664 crore as on 31 March, 2022. Market value of shares held by the Central Government in 58 listed Government companies (excluding seven subsidiary companies) stood at ₹9,17,248 crore as on 31 March, 2022.

*(Para 1.2.4)*

### Returns from Government companies and Corporations

258 Government companies and Corporations earned profit of ₹2,69,307 crore during 2021-22 of which, 69.18 per cent (₹1,86,317 crore) was contributed by 90 CPSEs in three sectors viz., Petroleum & Natural Gas, Power and Financial Services. Return on Equity (ROE) of

these 258 CPSEs was 15.50 *per cent* in 2021-22 as compared to 13.11 *per cent* of 239 CPSEs in 2020-21.

***(Para 1.3.1)***

121 Government companies and Corporations declared a dividend of ₹1,11,061 crore for the year 2021-22. Out of this, the dividend received/receivable by Central Government amounted to ₹54,381 crore which represented 8.54 *per cent* return on the total investment by the Central Government (₹6,36,730 crore) in equity capital of all the 454 Government companies and Corporations.

Nine Government companies under the Ministry of Petroleum and Natural Gas contributed ₹37,833 crore representing 34.07 *per cent* of the total dividend declared by all the Government companies and Corporations. Non-compliance with directive of Government of India on declaration of dividend by 45 CPSEs, which were having sufficient fund (retained earnings and General Reserves), resulted in a shortfall of ₹5,811 crore in declaration of dividend for the year 2021-22.

***(Para 1.3.4)***

### **Losses/Accumulated Losses**

170 Government companies incurred losses amounting to ₹31,347 crore during the year 2021-22. There were 192 Government companies with accumulated losses of ₹1,83,356 crore as on 31 March, 2022. Of these, the net worth of 79 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 ₹75,186 crore as on 31 March 2022. Only 15 out of these 79 companies earned profit of ₹1,111 crore during the year 2021-22.

***(Para 1.3.2 and 1.3.3)***

### **Sales and Marketing**

Total sales by 454 Government companies and Corporations was ₹31,18,281 crore. Out of these CPSEs, 142 CPSEs sold goods/ rendered services worth ₹3,92,660 crore to Government sector which was 25.22 *per cent* of their total sales.

***(Para 1.4.3)***

## **II. Oversight Role of CAG**

Out of 692 CPSEs (excluding six statutory corporations) under the audit jurisdiction of CAG, Financial Statements for the year 2021-2022 were received from 592 CPSEs by 30 September, 2022. While Financial Statements were not due from eight CPSEs, Financial Statements of 92 CPSEs were pending due to different reasons as on 30 September, 2022.

***(Para 2.3.2)***

Out of 592 CPSEs from which the Financial Statements were received by 30 September, 2022, supplementary audit was undertaken in 379 CPSEs.

**(Para 2.5.1)**

Seven CPSEs amended their Financial Statements and statutory auditors of 88 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 in respect of 92 CPSEs.

The financial impact of significant comments, issued on the financial statements of the selected CPSEs, on profitability and assets/liabilities was ₹4,498 crore and ₹2,88,460 crore, respectively.

A few companies viz. the Orissa Minerals Development Company Limited, IFCI Limited, Dedicated Freight Corridor Corporation of India Limited, Eastern Coalfields Limited and Northern Coalfields Limited did not take corrective action on the comments issued on financial statements in the past.

**(Para 2.5.1.1, 2.5.1.2 and 2.5.1.3)**

Deviations from the provisions of Accounting Standards/Ind AS in preparation of the Financial Statements were noticed in 19 CPSEs by the Statutory Auditors. CAG also pointed out such deviations in 12 CPSEs.

**(Para 2.6)**

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 240 CPSEs through 'Management Letter' for taking corrective action.

**(Para 2.7)**

### **III. Corporate Governance**

The review of Corporate Governance covered 71 listed CPSEs, whose shares were listed on stock exchanges (including 18 CPSEs whose both shares and bonds/debentures were listed) and 35 CPSEs including three Statutory Corporations (National Highways Authority of India, Inland Waterways Authority of India and Food Corporation of India), whose only bonds/debentures were listed on stock exchanges during the period from 01 April, 2021 to 31 March, 2022 under the administrative control of various Ministries. It was observed that the provisions of the Companies Act, 2013, Guidelines of Department of Public Enterprises (DPE) and Regulations of Securities and Exchange Board of India (SEBI) regarding Corporate Governance were not being complied with by some of the CPSEs/ Statutory Corporations. The cases of non-compliance noticed are summarized below:

Non-Executive Directors were less than 50 *per cent* of the Board strength in 26 CPSEs (37 *per cent*); the required number of Independent Directors were not on the Board in 55 CPSEs (77 *per cent*).

***(Para 3.2.1 and 3.2.2.1)***

20 CPSEs (28 *per cent*), did not have Women Director on the Board. Further, 41 listed CPSEs (part of top 1000 listed entities) did not have Women Independent Director on the Board during whole/ part period of 2021-22.

***(Para 3.2.3)***

The criteria of minimum six Directors was not met in seven CPSEs (part of top 1000 listed entities).

***(Para 3.2.4)***

Independent Directors of seven CPSEs (10 *per cent*) did not attend at least 80 *per cent* meetings of the Board and Committees.

***(Para 3.4.1)***

In eight CPSEs (11 *per cent*), vacancy of whole time key managerial personnel was not filled within a period of six months.

***(Para 3.6)***

Audit Committee was not constituted in 11 CPSEs (15 *per cent*); two-thirds of the Audit Committee members were not Independent Directors in 28 CPSEs (39 *per cent*); Audit Committee chairman did not attend AGM in eight CPSEs (11 *per cent*). In eight CPSEs (11 *per cent*), at least four meetings of Audit Committee were not conducted and Audit Committee quorum was insufficient in 27 CPSEs (38 *per cent*).

***(Para 3.8.1.1, 3.8.1.2, 3.9, 3.8.3, and 3.8.4)***

Nomination and Remuneration Committee was not constituted in 12 CPSEs (17 *per cent*) and its composition was inadequate in 18 CPSEs (25 *per cent*).

***(Para 3.12)***

Stakeholders Relationship Committee was not constituted in seven CPSEs (10 *per cent*) and its composition was inadequate in eight CPSEs (11 *per cent*).

***(Para 3.13)***

Out of 71 CPSEs, Risk Management Committee was not constituted in six CPSEs (8 *per cent*); Risk Management Committee did not meet twice during the year in nine CPSEs (13 *per cent*) and gap of more than 180 days between two meetings of Risk Management Committee was observed in six CPSEs (8 *per cent*).

***(Para 3.15)***

**Recommendation:**

*The Administrative Ministries/Departments may ensure submission of quarterly compliance report by listed CPSEs/Statutory Corporation as prescribed in DPE guidelines /SEBI regulations. Audit recommends that Board of Directors of the listed CPSEs/Statutory Corporation should also ensure compliance with these guidelines/regulations so as to bring better transparency and accountability in the functioning of CPSEs/ Statutory Corporation.*

(Para 3.32)

**IV. Disinvestment Process**

The Department of Investment and Public Asset Management (DIPAM) realized an amount of ₹13,534 crore during the year 2021-22 through disinvestment (Strategic Disinvestment, Offer for Sale, Buyback of Shares, Residual Stock Sale, Enemy Share Sale and Specified Undertaking of Unit Trust of India). During Audit, the following issues were noticed:

**Target and achievement for disinvestment of CPSEs**

Budget Estimates for receipts through disinvestments showed an increasing trend every year except for the year 2021-22 where it decreased by 16.67 per cent to ₹1,75,000 crore from the Budget Estimates of ₹2,10,000 crore for 2020-21.

The Budget Estimates of ₹1,75,000 crore was further downsized to ₹78,000 crore at Revised Estimates stage. However, the actual realization was merely 17 per cent of the Revised Estimates.

(Para 4.4)

**Projected receipts vis-à-vis realization from disinvestment through Initial Public Offer**

Life Insurance Corporation of India and Telecommunications Consultants India Limited were identified for disinvestment through Initial Public Offer at Budget Estimates stage but could not materialise during the year 2021-22. However, an amount of ₹20,516.12 crore was realised in LIC during 2022-23 which was less than projected estimate of ₹50,000 crore.

(Para 4.6.1)

**Projected receipts vis-à-vis realization from disinvestment through Offer for Sale**

16 CPSEs were identified for disinvestment through Offer for Sale at Budget Estimates/ Revised Estimates stage. The Offer for Sale in only three CPSEs namely, National Mineral Development Corporation Limited, Housing & Urban Development Corporation Limited and Hindustan Copper Limited could be completed during 2021-22 with net proceeds being ₹5,116 crore which was 34.05 per cent of the projected amount at the RE stage.

(Para 4.6.2.1)

### **Achievement of retail and employees Offer for Sale targets**

In the Offer for Sale transaction carried out for retail investors and for employees in the three CPSEs (Hindustan Copper Limited, Housing and Urban Development Corporation Limited and National Mineral Development Corporation Limited), the subscription received from retail investors ranged between 18.39 and 75.56 *per cent* and subscription from employees ranged between 0.05 *per cent* and 1.66 *per cent*.

*(Para 4.6.2.2)*

### **Buy back of shares in MOIL Limited**

One transaction of Buyback of Shares (MOIL Limited) was identified at RE stage of the year 2021-22 with estimated proceeds of ₹400 crore. The Government received proceeds amounting to ₹393.77 crore after the buyback process by MOIL Limited.

*(Para 4.7)*

### **Overstatement of disinvestment receipts by ₹1,107 crore**

Inclusion of Interest and dividend income amounting to ₹1,107 crore remitted by Specified Undertaking of Unit Trust of India to DIPAM under disinvestment receipts resulted in overstatement of disinvestment receipts by ₹1,107 crore during the year 2021-22.

*(Para 4.9)*

### **Strategic Disinvestment along with transfer of management control of Air India**

Strategic Disinvestment of Air India Limited was completed during 2021-22 at ₹18,000 crore with transfer of 100 *per cent* of Government of India equity in Air India Limited along with management control to M/s. Talace Private Limited. The 'in principle' approval was given by the Cabinet Committee on Economic Affairs in the year 2017. The transaction included cash consideration of ₹2,700 crore and debts of ₹15,300 crore of the Air India Limited taken over by M/s. Talace Private Limited. Government of India had to bear net financial burden of ₹88,036.17 crore during the process of disinvestment.

*{Para 4.10.1, 4.10.2 (ii)}*

## **V. Corporate Social Responsibility**

The review covered 63 CPSEs (11 Maharatna, 09 Navratna, 29 Miniratna and 14 others) under the administrative control of various Ministries/ Departments. The period of one year ended March 2022 was covered during the review in respect of 63 CPSEs.

The following significant observations were made in the review:

CSR Committee of three CPSEs (Antrix Corporation Limited, NLC India Limited and SJVN Limited) did not fulfil the minimum requirement of three Directors in the committee in accordance with Section 135(1) of the Companies Act, 2013 during the year 2021-22.

**(Para 5.5.1.1)**

Total spend on CSR activities by 63 CPSEs in 2021-22 was ₹4,005.30 crore. The Petroleum and Power sector spend accounted for 68.03 *per cent* of the total spend. There was shortfall in expenditure vis-à-vis minimum 2 *per cent* requirement as per CSR activities in Defence, Railway, Shipping, Fertilizers and other sectors. Under allocation of CSR fund, Audit observed that 14 CPSEs allocated less than 2 *per cent*. Three CPSEs (Dedicated Freight Corridor Corporation of India Limited, Hindustan Copper Limited and MSTC Limited) did not allocate funds on accounts of negative profit.

**(Para 5.5.2.1 and 5.5.2.2)**

Six CPSEs (Bharat Petroleum Corporation Limited, Hindustan Aeronautics Limited, Hindustan Petroleum Corporation Limited, Mahanadi Coalfields Limited, Oil and Natural Gas Corporation Limited and Power Finance Corporation Limited) had generated surplus from CSR activities during 2021-22.

**(Para 5.5.2.7)**

As per CSR, the CPSEs were required to spend at least 60 *per cent* on the themes relating to Health & Nutrition with special focus on COVID related measures with preference to aspirational districts during the period. Audit observed that only 39 out of 60 CPSEs, could achieve the target of 60 *per cent* to be spent on common theme during 2021-22.

**(Para 5.6.2)**

Five CPSEs (NLC Tamil Nadu Power Limited, NBCC (India) Limited, Bharat Electronics Limited, RITES Limited and Power Finance Corporation Limited) exceeded the overhead expenses limit of 5 *per cent* during the year 2021-22. 25 out of 63 CPSEs did not conduct baseline survey/need assessment studies for identifying the CSR project/activity. Non fulfilment/achievement of milestone as envisaged in MOU between Central Coalfields Limited and Government of Jharkhand.

**(Para 5.7 and 5.8.1)**

Oil and Natural Gas Corporation Limited contributed ₹27.84 crore to ineligible funds as prescribed under Schedule VII of the Companies Act, 2013.

**(Para 5.9)**

Eight CPSEs had not fully adhered to the statutory disclosure requirement in compliance to Rule 8 and Rule 9 of CSR Amendment Rules, 2021. Two CPSEs (Artificial Limbs Manufacturing Corporation of India Limited and SAIL Refractory Company Limited) did not comply with the disclosure format while reporting on CSR activities in their annual report. Three CPSEs (Chandigarh International Airport Limited, Power Grid Southern Interconnector Transmission System Limited and National Informatics Centre Services Incorporated) had not disclosed composition of the CSR Committee, CSR policy and Projects approved by the Board on their website.

**(Para 5.12)**

## **VI. Review of selected Loss-making CPSEs**

A review of loss making CPSEs indicated that number of loss making CPSEs were ranging from 143 to 177 and losses incurred by them were ranging from ₹31,347 crore to ₹56,294 crore during 2017-18 to 2021-22. Thus, CPSEs racked up losses totalling ₹2,03,709 crore during 2017-22.

*(Para No. 6.1)*

Sethusamudram Corporation Limited (SCL) could not commence its commercial operations even after 19 years (September 2024) of its coming into existence. The Ministry directed (June 2021) to draw timeline for completion of activities for closure of the company. However, the winding up of SCL was yet to be completed (September 2024) due to various litigations pending at Supreme Court.

### ***Recommendation No. 1:***

***Ministry of Ports, Shipping and Waterways may take necessary steps to facilitate process of winding up of SCL.***

*(Para No. 6.4.4)*

In case of Heavy Engineering Corporation Limited (HEC), there was shortfall in production and low capacity utilisation due to shortage of working capital and liquidity problem, acute fund constraints because of inadequacy in regular cash flow, old plant and machinery working with reduced efficiency and frequent breakdowns, lack of technology upgradation and low manpower productivity etc. Due to poor financial position, the Company was unable to pay some of its statutory and employees dues on time. Company had submitted a Modernisation Plan which was yet (July 2024) to be approved by Ministry.

*(Para No. 6.5)*

### ***Recommendation No. 2:***

***Ministry of Heavy Industries may review the sustainability of continuance of HEC expeditiously in the light of its operational and financial performance.***

*(Para No. 6.5.2.8)*

Audit observed that even after a lapse of around three years from the decision taken for closure of PEC Limited, the approval from the Cabinet Committee on Economic Affairs was yet to be obtained (June 2022). Consequently, on the one hand, the Company was not earning any revenue due to discontinuance of its operations, while on the other hand, it had to incur expenditure towards administrative and establishment costs, apart from huge interest burden on outstanding loans.

**Recommendation No. 3:**

***The Department of Commerce, in co-ordination with the Department of Public Enterprises, should expedite the process of closure of PEC Limited as delays are only adding to the interest burden and administrative costs of the Company.***

***(Para No. 6.6.3)***

National Textile Corporation Limited (NTC) incurred avoidable expenditure of ₹38.48 crore during April 2015 to March 2022 on procurement of costlier cotton from Cotton Corporation of India *vis-à-vis* open market.

**Recommendation No. 4:**

***NTC may procure raw materials at reasonable/competitive rates which would reduce the cost of production.***

***{Para 6.7.4.1(i)}***

NTC paid ₹112.75 crore from May 2020 to March 2022 towards idle wages to 6,140 workers at the rate of 50 *per cent* due to non-operation of mills.

**Recommendation No. 5:**

***NTC needs to assess the requirement of redeployment of the surplus/idle workers of the mills for their gainful employment.***

***{Para 6.7.4.1(ii)}***

Delay in deciding on the modalities for installation of Rooftop solar plants by NTC resulted in avoidable loss of opportunity to achieve savings in energy costs.

**Recommendation No. 6:**

***NTC may take steps to reduce power cost and expedite action towards installation of Rooftop solar system.***

***{Para 6.7.4.1(iii)}***

During the years 2006-07 to 2008-09, Government of India granted loans of ₹270 crore to NTC for wage support. NTC did not submit to the Ministry any plan for restructuring of the loan. As a result, the principal loan of ₹270 crore and accrued interest thereon amounting to ₹631.19 crore was outstanding as on 31 March, 2022.

**Recommendation No. 7:**

***NTC may submit restructuring plan to Ministry at the earliest to avoid accumulation of interest on loan.***

***{Para 6.7.4.2(i)}***

NTC released bridge loans to British India Corporation without obtaining any security. As on 31 March, 2022, funds amounting to the tune of ₹191.45 crore comprising principal

amount of ₹66.10 crore and interest of ₹125.35 crore remained blocked with British India Corporation on account of loans granted to it by NTC.

***Recommendation No. 8:***

***NTC may safeguard its interest by taking adequate collateral security before release of any loan and by giving due consideration to the credibility of the borrower while granting loans.***

***{Para 6.7.4.2(ii)}***

As on 31 March, 2022, NTC was having inventory of yarn and fabric valuing ₹8.28 crore and ₹32.29 crore respectively lying from more than one year. With the passage of time, reduction in its realisable value cannot be ruled out.

***Recommendation No. 9:***

***NTC may devise a system to dispose of the inventory (raw material and finished goods) as soon as possible to avoid blocking of funds and ensure availability of working capital for smooth functioning of the mills.***

***{Para 6.7.4.3(i)}***

Disposal of obsolete machineries in NTC mills was yet to be completed even after a lapse of more than 15 years since the process of disposal was initiated in the year 2009.

***Recommendation No. 10:***

***NTC may frame a comprehensive policy for disposal of obsolete items so that such items could be disposed of timely and optimum values of the same could be realised***

***{Para 6.7.4.3(ii)}***

The entire Assets disposal process of assets at Rasayani unit of Hindustan Organic Chemicals Limited was to be completed by May 2018, the process faced major obstacles due to encroachment of the land area by local villagers. Consequently, only 40 *per cent* of the land could be monetized to date and even the land sold to BPCL has not been taken over by them.

***Recommendation No. 11:***

***The land monetisation process needs to be expedited so as to reduce Company's financial liabilities and thus bring down its finance cost.***

***(Para 6.8.4.2)***

The sale proceeds from land sale were utilised for implementing VRS, clearing salary, statutory /creditors' dues and for repayment of part of loans. This substantially improved the operational performance of Kochi unit and of the Company. However, due to continued delay in completing the land monetization process, the interest commitments on remaining Government loans were adversely affecting its financial health. As compared to benchmark

lending rates, the rate of Government loans was high, which may be reviewed by the Government.

**Recommendation No. 12:**

***The Government may review the rates charged on the Bridge Loans.***

***(Para 6.8.4.3)***

Kochi unit was facing stiff competition from a private manufacturer, whose operational and financial performance far exceeded that of the Company. Low scale of operations and consequent high fixed costs, technological obsolescence and lack of product diversification continued to be the main impediments affecting its operational performance.

**Recommendation No. 13:**

***The Government may review the sustainability of operations of the company in the light of techno commercial study and market analysis and may implement its present policy to divest PSEs in the non-strategic sector so that further losses by operating the Company can be minimized.***

***(Para no.6.8.7)***

HMT Machine Tools Limited (HMT MT) has been incurring losses since inception (April 2000) and despite receipt of financial support of ₹1,377.47 crore (during 2007 to 2022) from the Government of India and Holding Company, the Company could not improve its financial performance. As on 31 March, 2022, the Company had accumulated losses of ₹1,932.26 crore and the Net Worth eroded to (-) ₹1,684.74 crore.

***(Para 6.9.2.1)***

The Company did not have a Board approved Corporate/ Strategic Plan to achieve long term vision and goals. Though the Risk Management Policy was approved (May 2019), the Risk Management Committee had not been constituted for early identification of risks which included risks associated with the diversification in the field of technology, market dynamics, competition, etc. and their proper mitigation.

**Recommendation No. 14:**

***The Company may formulate a Corporate Strategic Plan for long term vision and goals and get the approval of the Board of Directors. The Company should also constitute a Risk Management Committee as per the Risk Management Policy and make it operational.***

***(Para 6.9.2.2)***

The Company failed to upgrade the products with latest technology due to diversion of funds and subsequent non-receipt of further funds from Government of India resulting in loss of business opportunities and closure of CNC System Division at Bengaluru complex.

***Recommendation No. 15:***

***The Company may speed up the process to upgrade/ acquire the latest technologies so as to increase the market share of the Company and make operations of the Company viable, in case the Ministry intends to continue the operations of HMT MT.***

***(Para 6.9.2.3)***

Ineffective marketing system and non-review of pricing mechanism with the latest market rates coupled with lengthier delivery schedules resulted in losing business opportunities to the tune of ₹2,020.90 crore during the last six years ended 31 March, 2022. Belated supply, erection and commissioning of machines coupled with lack of effective pursuance and follow up resulted in accumulation of Trade Receivables of ₹215.54 crore of which ₹73.86 crore was doubtful.

***Recommendation No. 16:***

***The Company should strengthen its Marketing Division and conduct industry analysis and periodic surveys to know the market demand and customer specifications so as to adapt to the latest pricing/ product mix/ product design and take effective steps for improving market share. The Company may also vigorously follow-up with the suppliers and realise the trade receivables in a timely manner.***

***(Para 6.9.2.5)***

Despite holding huge non-moving inventory worth ₹15.74 crore lying for more than five years and severe shortage of working capital, the Company had not formed any Technical Committee to review the non-moving inventory to assess its usability or disposal.

***Recommendation No. 17:***

***The Company may periodically constitute technical committees to review and liquidate the non-moving inventory.***

***(Para 6.9.2.6)***

Failure to safeguard land resulted in encroachment of 28.05 acres of land at Praga Tools, Hyderabad. Laxity on the part of HMT MT to take timely action resulted in failure to obtain clear title for land held by Hyderabad Unit. Land admeasuring 23.450 acres could not be reconciled with the actual holding as of 31 March, 2022 and the land allocated as per the Scheme of Arrangement in March 2001. Non-monetization of vacant land and unutilized infrastructure resulted in failure to raise funds to clear long standing debts and fulfil working capital requirement apart from payment of statutory dues.

***Recommendation No. 18:***

***The Company may follow up vigorously with the State Government authorities to get the title deeds transferred in its favour and may take up necessary steps to clear the encroachments. The Company may intensify its efforts to identify the non-operational***

***assets and monetise them at the earliest to generate funds for working capital and for payment of statutory dues. The Company may also address the discrepancy in land holdings at its Ajmer, Kalamassery and Bengaluru units.***

***(Para 6.9.2.7)***

Lapses in monitoring on the part of the Board of the Company, Holding Company and by Department of Heavy Industries were noticed. There were vacancies in Senior Management (no full time Managing Director since March 2014 and absence of full time Functional Director since November 2017) which seriously affected the decision making of the Company. Delays on the part of decision making and approval were also noticed on behalf of Department of Heavy Industries.

***Recommendation No. 19:***

***Department of Heavy Industries may take timely decision to restructure/revive or close/merge loss making units so that the Company is not burdened with further losses.***

***(Para 6.9.2.9)***



# CHAPTER I

## Summary of Financial Performance of Central Public Sector Enterprises

### 1.1 Introduction

A Government company is defined in Section 2(45) of the Companies Act, 2013 as a company in which not less than 51 *per cent* of the paid-up share capital is held by Central Government, or by any State Government or Governments, or partly by the Central Government and partly by one or more State Governments, and includes a company which is a subsidiary of a Government company.

#### Government Company

Any company in which not less than 51 *per cent* of paid-up share capital is held by Central Government or by one or more State Governments or partly by Central Government and partly by State Government(s) and includes subsidiary of a Government company.

Besides, any other company<sup>1</sup> owned or controlled, directly or indirectly, by the Central Government, or by any State Government or Governments, or partly by the Central Government and partly by one or more State Governments are referred to in this Report as Government controlled other companies.

This chapter of the Report presents the summary of financial performance of Government companies, Statutory Corporations and Government controlled other companies. In the Report, the term Central Public Sector Enterprises (CPSEs) encompasses those Government companies in which the direct holding of the Central Government is 50 *per cent* or more and subsidiary of such Government companies. The Statutory Corporations set up under Statutes enacted by the Parliament and other companies owned or controlled, directly or indirectly by the Central Government have also been categorized as CPSEs.

Department of Public Enterprises (DPE) stated (December 2022) in its Public Enterprises Survey 2021-22 that CPSEs meant those Government companies, besides Statutory Corporations, wherein more than 50 *per cent* equity is held by the Central Government. The subsidiaries of these companies, if registered in India, are also categorized as CPSEs. It does not cover departmentally run public enterprises, banking institutions and insurance companies. In view of difference in definition adopted by the Comptroller & Auditor General of India (CAG) and DPE, there was difference in number of companies considered

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<sup>1</sup> *Companies (Removal of Difficulties) Seventh Order, 2014 issued by Ministry of Corporate Affairs vide Gazette Notification dated 04 September, 2014.*

as CPSEs by CAG and by DPE. As a result, the number of CPSEs as per DPE's Public Enterprises Survey 2021-22 was 389 whereas the number of CPSEs as per this Report was 698 (496 Government company and Statutory Corporations and 202 Government controlled other companies).

### **1.1.1 Mandate**

Audit of Government companies and Government controlled other companies is conducted by the CAG under the provisions of Section 143(5) to 143(7) of the Companies Act, 2013 read with Section 19 of the CAG's (Duties, Powers and Conditions of Service) Act, 1971 and the Regulations made thereunder. Under the Companies Act, 2013, the CAG appoints the Chartered Accountants as Statutory Auditors for Government companies and Government controlled other companies and gives directions on the manner in which the accounts of such companies are to be audited. In addition, CAG has the right to conduct a supplementary audit. The statutes governing some Statutory Corporations require their accounts to be audited only by the CAG.

The Acts governing Reserve Bank of India, Export-Import Bank of India, National Bank for Agricultural and Rural Development and National Housing Bank contain provisions whereby the Central Government can appoint the CAG, at any time, as the auditor to examine and report upon the accounts of these institutions. No such appointment was made till 2021-22.

### **1.1.2 What this Report contains**

This Report gives an overall picture of the financial performance of the CPSEs as revealed from their accounts.

Impact of revision of financial statements as well as significant comments issued as a result of supplementary audit of the financial statements of the CPSEs conducted by the CAG for the year 2021-22 (and of earlier years which were finalised during the current year) is given in this Report. This Report also contains the impact of comments issued by the CAG on the financial statements of the Statutory Corporations where CAG is the sole auditor.

This Report also gives an overall picture of the status of the adherence of CPSEs to the guidelines issued by the Securities and Exchange Board of India (SEBI), DPE and compliance with provisions of the Companies Act, 2013 on Corporate Governance, Disinvestment process in CPSEs, Corporate Social Responsibility and Review of selected loss making CPSEs.

### 1.1.3 Number of CPSEs

As on 31 March, 2022, there were 698 CPSEs (*Annexure-I*) under the audit jurisdiction of the CAG. These include 490 Government companies<sup>2</sup>, six Statutory Corporations<sup>3</sup> and 202 Government controlled other companies. Of these, summary of financial performance of 642 CPSEs is covered in this report and the nature of these CPSEs is indicated in Table 1.1 below:

<b>Government Companies</b>	<b>490</b>
<b>Statutory Corporations</b>	<b>6</b>
<b>Government Controlled other Companies</b>	<b>202</b>
<b>Total CPSEs</b>	<b>698</b>

**Table 1.1: Coverage and nature of CPSEs covered in this report**

Nature of CPSE	Total number of CPSEs	Number of CPSEs covered in the Report				Number of CPSEs not covered in the Report
		Accounts up to			Total	
		2021-22	2020-21	2019-20		
Government Companies	490	431	14	3	448*	42
Statutory Corporations	6	6	0	0	6	0
Total Companies/ Corporations (A)	496	437	14	3	454	42
Government Controlled other Companies (B)	202	184	3	1	188	14
<b>Total (A+B)</b>	<b>698</b>	<b>621</b>	<b>17</b>	<b>4</b>	<b>642<sup>4</sup></b>	<b>56</b>

\*Out of 448 Government companies, Central Government has direct holding in 209 CPSEs. The remaining 239 Government companies are either subsidiaries/ Joint Ventures (JVs) of Government companies or the companies<sup>5</sup> limited by guarantee not having share capital incorporated under Section 8 of the Companies Act, 2013.

The details of Government companies/ Government controlled other companies which came under/ went out from the purview of CAG's Audit during 2021-22 are given in *Annexure-II*.

This Report does not include 56 CPSEs (including 14 Government controlled other companies) whose financial statements were in arrears for three years or more or were under liquidation or first accounts were not due. These CPSEs are identified by two asterisks (\*\*) in *Annexure-III A and Annexure-III B*.

<sup>2</sup> 490 Government companies include 233 standalone/ holding Government companies and 257 subsidiaries/ Joint Ventures of Government companies.

<sup>3</sup> Airports Authority of India, Central Warehousing Corporation, Damodar Valley Corporation, Food Corporation of India, Inland Waterways Authority of India, National Highways Authority of India.

<sup>4</sup> The figures of 21 CPSEs (17 Government companies and 4 Government controlled other companies) have been included in this Audit Report as per their last finalised accounts as the accounts for relevant year were not received before the cut-off date (29 February, 2024).

<sup>5</sup> Creative Museum Designers, Digital India Corporation.

**Summary of financial performance of Government companies and Statutory Corporations considered in this Report**

Number of CPSEs	496
CPSEs covered	454
Paid up capital (454 CPSEs)	₹8,30,531 crore
Long term loans (187 CPSEs)	₹25,33,850 crore
Market capitalisation as on 31 March, 2022 (65 traded listed Government companies)	₹15,88,664 crore
Net profit (258 CPSEs)	₹2,69,307 crore
Net loss (170 CPSEs)	₹31,347 crore
Zero profit/ loss	26 CPSEs <sup>6</sup>
Dividend declared (121 CPSEs)	₹1,11,061 crore
Net worth (454 CPSEs)	₹21,79,355 crore

**1.2 Investment in Government companies and corporations**

The amount of paid-up capital and loans in 454 Government companies and corporations<sup>7</sup> as at the end of 31 March, 2022 is given in Table 1.2:

<sup>6</sup> National Highways Authority of India and Inland Waterways Authority of India have also been considered as zero profit/loss CPSEs as the loss of National Highways Authority of India was transferred to its fixed assets as net establishment expenses and loss of Inland Waterways Authority of India was adjusted with its IWAI Fund.

<sup>7</sup> 496 CPSEs – 42 CPSEs whose accounts were in arrears for three years or more or were under liquidation or first accounts were not due.

**Table 1.2: Paid-up capital and loans in Government companies and corporations***(₹ in crore)*

Sources of investment	As on 31.03.2022			As on 31.03.2021		
	Paid-up <sup>8</sup> Capital	Long-term loans	Total	Paid-up Capital	Long-term loans	Total <sup>9</sup>
Central Government	6,36,730	1,47,563	7,84,293	4,75,000	1,41,000	6,16,000
Central Government Companies/ Corporations	1,15,594	51,418	1,67,012	99,494	54,990	1,54,484
State Governments/ State Government Companies/ Corporations	41,652	32,442	74,094	35,114	29,048	64,162
Financial Institutions and Others	36,555	23,02,427	23,38,982	37,241	21,46,851	21,84,092
<b>Total</b>	<b>8,30,531</b>	<b>25,33,850</b>	<b>33,64,381</b>	<b>6,46,849</b>	<b>23,71,889</b>	<b>30,18,738</b>
Percentage of investment of Central Government to total investment	76.67	5.82	23.31	73.43	5.94	20.41

Source: Audited financial statements of CPSEs for the years 2020-21 and 2021-22.

It was observed that the total funds invested in the Government companies and corporations increased by ₹3,45,643 crore (11.45 per cent) during 2021-22 as compared to 2020-21, which included increase of ₹1,83,682 crore in paid-up capital and increase of ₹1,61,961 crore in long term loans.

### 1.2.1 Equity holding

During 2021-22, the paid-up capital in 454 CPSEs covered in this report registered net increase of ₹1,83,682 crore. The equity holding of Central Government in CPSEs has increased by ₹1,61,730 crore<sup>10</sup> during 2021-22. Increase of ₹1,61,730 crore was the net result of issue of shares of ₹1,62,059 crore in 37 CPSEs and disinvestment/buy back etc. of shares of ₹329 crore in six CPSEs<sup>11</sup>.

Out of new equity holding of ₹1,62,059 crore by Central Government during the year 2021-22, equity holding of ₹1,59,323 crore was in the form of fresh equity in 34 CPSEs

<sup>8</sup> Out of 42 Government companies not covered in the Report, the information of 15 CPSEs was available which had paid-up capital of ₹1,423 crore.

<sup>9</sup> In respect of 25 CPSEs, previous years' provisional figures have been updated during 2021-22 as accounts of that year received.

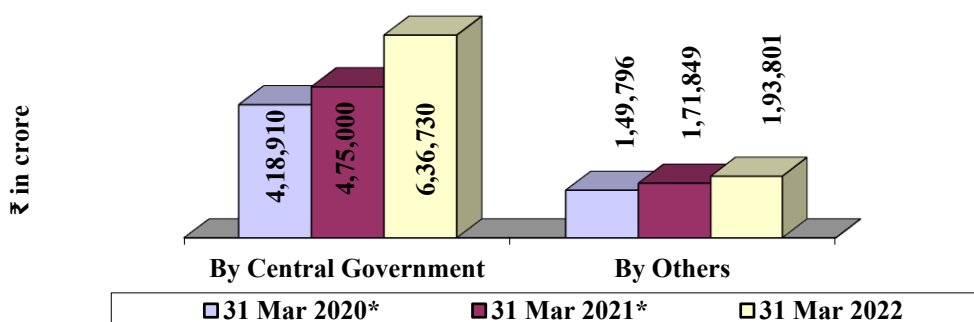
<sup>10</sup> The provisional figures of 17 Government companies have been included in this Audit Report on the basis of figures from their last audited accounts as the accounts for the year 2021-22 were not received before the cut-off date (29.02.2024) for preparation of the Report.

<sup>11</sup> The figures of Air India Limited having paid-up capital of ₹32,665.22 crore fully disinvested in January 2022 was not included in the Report as it was no longer a Government company as on 31 March, 2022.

leading to cash inflow to the concerned CPSEs and ₹2,736 crore was in the form of issue of bonus shares/ conversion of loan into equity in four CPSEs<sup>12</sup>.

Holding in equity by Central Government and others<sup>13</sup> during the last three years from 2019-20 to 2021-22 in Government companies and corporations is depicted in Chart 1.1.

**Chart 1.1: Holding in equity in Government companies and corporations**



\* Previous years' provisional figures updated during 2021-22 as accounts of that year were received.

Details of investments of more than ₹2,000 crore of the Central Government during 2021-22 in the paid-up capital of the CPSEs is given in Table 1.3 below:

**Table 1.3: More than ₹2,000 crore investment of the Central Government during 2021-22**

(₹ in crore)		
Name of CPSE	Name of Ministry	Amount
<b>Statutory Corporation</b>		
National Highways Authority of India	Road Transport and Highways	75,482 <sup>14</sup>
Food Corporation of India	Consumer Affairs, Food and Public Distribution	2,505
<b>Government Company</b>		
AI Assets Holding Limited	Civil Aviation	62,365 <sup>15</sup>

<sup>12</sup> Power Grid Corporation of India Limited, IRCON International Limited, Kolkata Metro Rail Corporation Limited, North Eastern Regional Agricultural Marketing Corporation Limited.

<sup>13</sup> Others include Central Government companies/corporations, State Governments, State Government companies/corporations and financial institutions etc.

<sup>14</sup> Includes Cess Fund, budgetary support (National Highways Development Project and others), proceeds from InvIT projects, plough back of toll remittance, etc.

<sup>15</sup> Central Government, to facilitate strategic disinvestment of Air India Limited, infused equity capital of ₹62,365.40 crore in AI Assets Holding Limited to settle guaranteed/other past dues/overdues of Air India Limited.

Name of CPSE	Name of Ministry	Amount
National Insurance Company Limited	Finance	3,700
The Oriental Insurance Company Limited	Finance	2,800

## 1.2.2 Loans given to Government companies and corporations

### 1.2.2.1 Computation of long term loans outstanding as on 31 March 2022

The total long term loans outstanding in 187 CPSEs out of 454 Government companies and corporations from all sources as on 31 March, 2022 was ₹25,33,850 crore. During 2021-22, the long term loans of Government companies and corporations registered an increase of ₹1,61,961 crore. Out of the total long term loans of 187 CPSEs as on 31 March 2022, loans from Central Government was ₹1,47,563 crore<sup>16</sup> in 45 CPSEs. Out of these 45 CPSEs, loans of ₹12,773 crore pertained to 2021-22 in 21 CPSEs whereas eight CPSEs<sup>17</sup> repaid loan during 2021-22.

Out of 21 CPSEs, 12 CPSEs<sup>18</sup> were given loan for funding the implementation of ongoing projects/operations and in case of remaining nine CPSEs, the increase in loan was either due to interest outstanding on earlier loans or loan given for meeting employees dues.

Year wise details of outstanding long term loans of Government companies and corporations (by Central Government and others<sup>19</sup>) during the last three years from 2019-20 to 2021-22<sup>20</sup> is depicted in Chart 1.2.

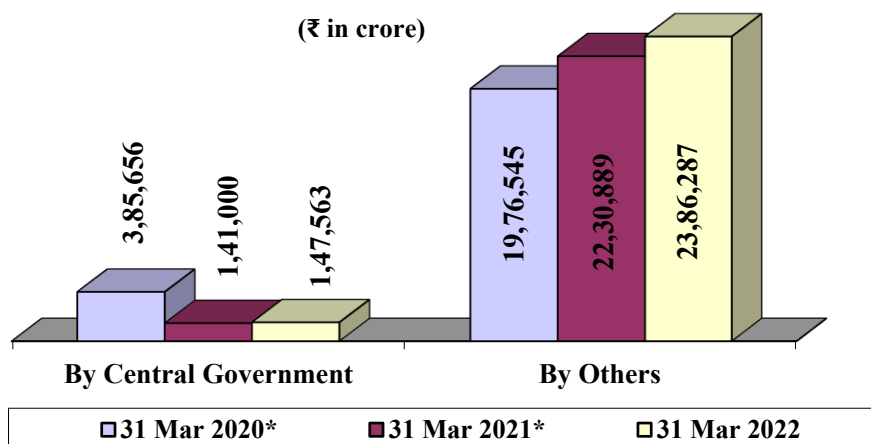
<sup>16</sup> Including loan from external agencies like World Bank, Japan International Cooperation Agency (JICA) etc.

<sup>17</sup> Bangalore Metro Rail Corporation Limited, Kolkata Metro Rail Corporation Limited, Instrumentation Limited, Hindustan Organic Chemicals Limited, Indian Renewable Energy Development Agency Limited, Damodar Valley Corporation, North Eastern Regional Agricultural Marketing Corporation Limited, Chennai Metro Rail Limited.

<sup>18</sup> Dedicated Freight Corridor Corporation Limited, National Capital Region Transport Corporation Limited, Bharatiya Nabhikiya Vidyut Nigam Limited, Konkan Railway Corporation Limited, Delhi Metro Rail Corporation Limited, Hindustan Urvarak and Rasayan Limited, Maharashtra Metro Rail Corporation Limited, Chennai Metro Rail Limited, Hemisphere Properties India Limited, Mumbai Metro Rail Corporation Limited, Kochi Metro Rail Limited, Rajasthan Drugs and Pharmaceuticals Limited.

<sup>19</sup> Others include Central Government companies/corporations, State Governments, State Government companies/corporations and financial institutions, etc.

<sup>20</sup> Food Corporation of India repaid long term loans amounting to ₹1,86,200 crore during 2020-21.

**Chart 1.2: Long term loans outstanding in Government companies and corporations**

\*Previous years' provisional figures updated during 2021-22 as accounts of that year were received.

It can be seen that the long term loans to Government companies and corporations by others has increased by ₹1,55,398 crore whereas the same by the Central Government increased by ₹6,563 crore during 2021-22.

Out of 454 Government companies and corporations, 267 CPSEs (including one Statutory Corporation i.e., Central Warehousing Corporation) did not have any long term loan as on 31 March, 2022.

#### 1.2.2.2 Adequacy of assets to meet loan liabilities

Ratio of total debt to total assets is one of the methods used to determine whether a company can stay solvent. To be considered solvent, the value of an entity's assets must be greater than the sum of its loans/ debts. The coverage of long term loans by value of total assets in 187 CPSEs which had outstanding loans as on 31 March, 2022 is given in Table 1.4 below:

**Table 1.4: Coverage of long term loans with total assets**

	Positive Coverage				Negative Coverage			
	No. of CPSEs	Long term loans	Assets	Percent age of assets to loans	No. of CPSEs	Long term loans	Assets	Percent age of assets to loans
		(₹ in crore)				(₹ in crore)		
Statutory Corporations	5	4,06,734	9,40,259	231.17				
Listed Companies	38	16,04,734	35,03,126	218.30	2	16,803	9,884	58.82
Unlisted Companies	116	4,75,782	11,98,719	251.95	26	29,797	12,246	41.10
<b>Total</b>	<b>159</b>	<b>24,87,250</b>	<b>56,42,104</b>		<b>28</b>	<b>46,600</b>	<b>22,130</b>	

Out of the 187 CPSEs, in respect of 28 CPSEs, the value of total assets was less than the long term loans outstanding (*Annexure-IV*).

### 1.2.2.3 Interest Coverage Ratio

Interest coverage ratio (ICR) is used to determine the ability of a company to pay interest on outstanding debt and is calculated by dividing a company's Earnings Before Interest and Taxes (EBIT) by interest expenses of the same period. The lower the ratio, the lesser is the ability of the company to pay interest on debt. An ICR below one indicated that the company was not generating sufficient revenues to meet its expenses on interest. The details of positive and negative interest coverage ratio of CPSEs, which had outstanding loans, during the last three years from 2019-20 to 2021-22 are given in Table 1.5 below:

**Table 1.5: Interest Coverage Ratio**

Year	Interest (₹ in crore)	Earnings before interest & tax (₹ in crore)	No. of CPSEs	No. of CPSEs with zero interest	No. of CPSEs having ICR $\geq$ 1	No. of CPSEs having ICR $<$ 1
<b>Statutory Corporations</b>						
2019-20	22,529.70	26,039.63	5	1	3	1
2020-21	31,704.04	28,623.17	5	1	2	2
2021-22	5,773.05	5,697.95	5	1	3	1
<b>Listed Government Companies</b>						
2019-20	98,815.03	1,87,716.51	42	5	24	13
2020-21	97,493.68	2,69,547.97	42	4	30	8
2021-22	89,229.12	3,15,693.72	40	2	32	6
<b>Unlisted Government Companies</b>						
2019-20	20,659.37	3,642.45	138	49	37	52
2020-21	21,237.12	23,578.14	137	46	49	42
2021-22	23,703.25	39,636.78	142	42	51	49

In case of statutory corporations, decrease in interest and EBIT during 2021-22 in comparison to previous year was mainly on account of decrease in interest on loan in FCI from ₹29,068 crore in 2020-21 to ₹3,715 crore in 2021-22. It was observed that the number of CPSEs with ICR equal to or more than one increased in all the categories of CPSEs in 2021-22 in comparison to previous year. Further, in totality, the number of CPSEs with ICR equal to or more than one has increased to 86 (3+32+51) in 2021-22 from 81 (2+30+49) in 2020-21. Similarly, CPSEs with ICR less than one has also increased to 56 (1+6+49) in 2021-22 from 52 (2+8+42) in 2020-21.

In respect of nine CPSEs<sup>21</sup>, the interest payable on loans/debt was higher than the value of their total assets as on 31 March, 2022, which indicated high risk of insolvency in these companies.

<sup>21</sup> *PEC Limited, Maharashtra Antibiotics and Pharmaceuticals Limited, Bharat Gold Mines Limited, National Bicycle Corporation of India Limited, TCIL Bina Toll Road Limited, Andaman Fisheries Limited, TCIL LTR Limited, IRCON Shiv Puri Guna Limited, Manipur State Drugs and Pharmaceuticals Limited.*

**1.2.2.4 Age Wise Analysis of interest outstanding on Central Government loans**

As on 31 March, 2022, interest amounting to ₹4,184.16 crore was outstanding on long term loans of 25 CPSEs provided by Central Government. The age wise analysis of interest outstanding on Central Government loans in CPSEs is depicted in Table 1.6.

**Table 1.6: Interest outstanding on Central Government loans***(₹ in crore)*

Sl. No.	Name of CPSE	Outstanding interest on Central Government loans	Interest on Central Government loans outstanding for less than 1 year	Interest on Central Government loans outstanding for 1 – 3 years	Interest on Central Government loans outstanding for more than 3 years
1.	Andaman Fisheries Limited	7.19	2.31	1.42	3.46
2.	Bharat Pumps and Compressors Limited	52.70	0.00	48.77	3.93
3.	Birds Jute and Exports Limited	70.78	3.89	11.52	55.37
4.	Cement Corporation of India Limited	123.85	0.00	0.00	123.85
5.	Central Cottage Industries Corporation Limited	0.56	0.41	0.15	0.00
6.	Central Electronics Ltd	15.10	1.44	2.37	11.29
7.	Delhi Metro Rail Corporation Limited	400.19	400.19	0.00	0.00
8.	Heavy Engineering Corporation Limited	69.66	10.77	31.27	27.62
9.	Hemisphere Properties India Limited	1.64	0.34	1.10	0.20
10.	Hindustan Antibiotics Limited	55.00	11.00	44.00	0.00
11.	Hindustan Insecticides Limited	43.72	4.70	9.39	29.63
12.	Hindustan Organic Chemicals Limited	348.61	50.98	101.39	196.24
13.	Hindustan Salts Limited	26.95	2.71	6.64	17.60
14.	Hindustan Shipyard Limited	16.90	16.90	0.00	0.00
15.	I T I Limited	22.56	3.00	19.56	0.00
16.	Madras Fertilizers Limited	766.40	54.58	163.74	548.08
17.	National Bicycle Corporation of India Limited	604.33	0.00	62.78	541.55
18.	NEPA Limited	198.66	1.29	18.41	178.96
19.	NHPC Limited	70.73	70.73	0.00	0.00
20.	North Eastern Handicrafts and Handlooms	24.61	24.61	0.00	0.00

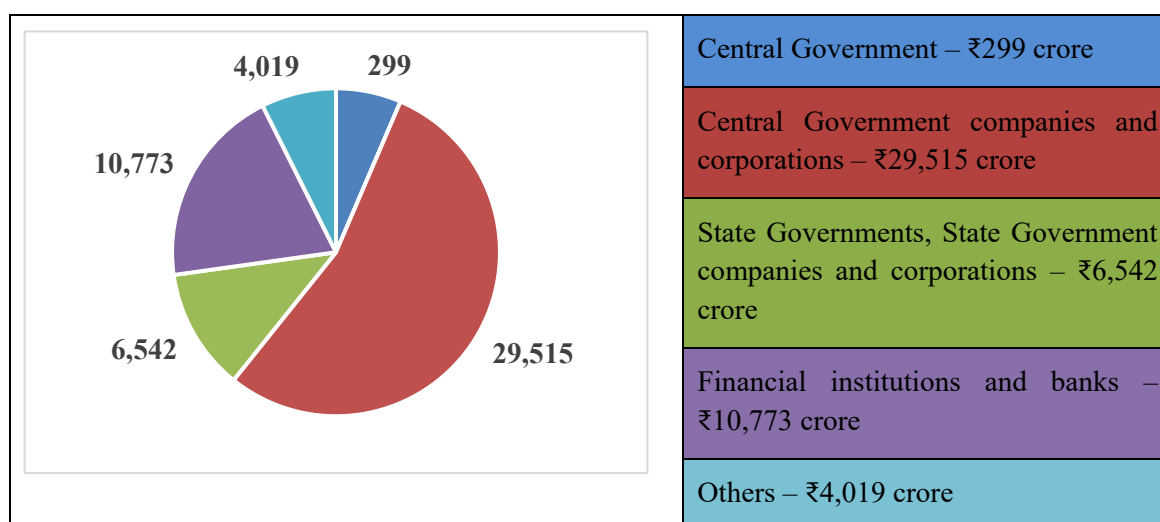
Sl. No.	Name of CPSE	Outstanding interest on Central Government loans	Interest on Central Government loans outstanding for less than 1 year	Interest on Central Government loans outstanding for 1 – 3 years	Interest on Central Government loans outstanding for more than 3 years
	Development Corporation Limited				
21.	North Eastern Regional Agricultural Marketing Corporation Limited	1.77	0.00	1.77	0.00
22.	REC Limited	3.25	3.25	0.00	0.00
23.	Scooters India Limited	5.58	5.58	0.00	0.00
24.	The British India Corporation Limited	58.34	58.34	0.00	0.00
25.	The Fertilizer and Chemicals Travancore Limited	1,195.08	239.02	717.05	239.01
	<b>Total</b>	<b>4,184.16</b>	<b>966.04</b>	<b>1,241.33</b>	<b>1,976.79</b>

It was noticed that the outstanding interest on Central Government loans decreased to ₹4,184.16 crore (25 CPSEs) in 2021-22 from ₹5,805.34 crore (17 CPSEs) in 2020-21. Further, it was observed that 47.24 *per cent* interest was outstanding for more than three years.

### 1.2.3 Investment in Government controlled other companies

The capital invested by the Central Government, State Governments and Central/ State Government companies/corporations in 188 Government controlled other companies<sup>22</sup> during the year 2021-22 is depicted in Chart 1.3.

**Chart 1.3: Composition of share capital in Government controlled other companies**



<sup>22</sup> 188 = 202– 14 Government controlled other companies whose accounts were in arrears for three years or more or were under liquidation.

As on 31 March, 2022, the paid-up capital in 188 Government controlled other companies was ₹51,148 crore. The paid-up capital in Government controlled other companies increased by ₹5,861 crore in 2021-22 as compared to previous year.

#### 1.2.4 Market capitalisation of equity investment in Government companies

Market capitalisation represents market value of the shares of companies whose shares are listed. As on 31 March, 2022, shares of 76 CPSEs consisting of 59 Government companies, nine subsidiaries<sup>23</sup> of Government companies and eight Government controlled other companies<sup>24</sup> were listed on various stock exchanges in India.

In respect of 59 listed Government companies, shares of 58 companies were traded and shares of one company<sup>25</sup> were not traded during 2021-22. In respect of nine subsidiaries of Government companies, shares of seven subsidiaries were traded and shares of two subsidiaries<sup>26</sup> were not traded.

The total market value of shares of 65 traded listed Government companies (including seven subsidiary companies) stood at ₹15,88,664 crore (equity investment being ₹1,06,053 crore) as on 31 March, 2022 as compared to ₹12,86,882 crore as on 31 March, 2021. Thus, the total market value of shares of traded listed CPSEs increased by ₹3,01,782 crore (23.45 per cent) as on 31 March, 2022.

Keeping in view the definition<sup>27</sup> of Large Cap, Mid Cap and Small Cap as prescribed by SEBI and the market capitalization value of top 500 listed companies as per BSE, the traded listed CPSEs have been categorised into Large Cap, Mid Cap and Small Cap as given in Table 1.7

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<sup>23</sup> *Balmer Lawrie and Company Limited, Chennai Petroleum Corporation Limited, Hindustan Fluorocarbons Limited, Hindustan Petroleum Corporation Limited, Mangalore Refinery and Petrochemicals Limited, REC Limited, Eastern Investments Limited, The Orissa Minerals Development Company Limited, The Bisra Stone Lime Company Limited.*

<sup>24</sup> *Dredging Corporation of India Limited, Indbank Merchant Banking Services Limited, Tamil Nadu Telecommunication Limited, Indbank Housing Limited, PNB Gilts Limited, SBI Life Insurance Company Limited, SBI Cards & Payments Services Limited, Indraprastha Gas Limited.*

<sup>25</sup> *Hindustan Photo Films (Manufacturing) Company Limited.*

<sup>26</sup> *Eastern Investments Limited, The Bisra Stone Lime Company Limited.*

<sup>27</sup> *As per SEBI's Circular dated 06 October, 2017, Large Cap, Mid Cap and Small Cap companies have been defined as under:*

*Large Cap: 1st – 100th company in terms of full market capitalization*

*Mid Cap: 101st – 250th company in terms of full market capitalization*

*Small Cap: 251st company onwards in terms of full market capitalization*

**Table 1.7: Categorisation of 65 listed CPSEs**

Particulars	2021-22	2020-21	Common CPSEs
Large Cap CPSEs	10	08	7
Mid Cap CPSEs	13	14	11
Small Cap CPSEs	42	38	38
<b>Total</b>	<b>65</b>	<b>60</b>	

It was noticed that out of 38 Small Cap CPSEs in 2020-21, one company<sup>28</sup> became Mid Cap company in 2021-22. Out of 14 Mid Cap CPSEs in 2020-21, three companies<sup>29</sup> became Large Cap companies in 2021-22. Out of eight Large Cap CPSEs in 2020-21, one company<sup>30</sup> became Mid Cap company in 2021-22. This resulted in 13 (14+1-3+1) Mid Cap CPSEs and 10 (8+3-1) Large Cap CPSEs in 2021-22.

The top three sectors with maximum market capitalization were Petroleum and Natural Gas (₹5,43,973 crore-34.24%), Power (₹3,74,811 crore-23.59%) and Railways (₹1,50,540 crore-9.48%). Highest increase in market value of shares was observed in Petroleum and Natural Gas sector (₹1,13,748 crore-26.44%) followed by Power sector (₹68,048 crore-22.18%) and Defence sector (₹44,422 crore-52.39%) whereas highest decrease in market value of shares was observed in Finance sector (₹22,237 crore-34.87%) followed by Housing and Urban Affairs sector (₹2,242 crore-25.51%) and Communications sector (₹2,133 crore-13.47%). The market value of shares of 58 listed Government companies (excluding seven subsidiary companies) stood at ₹15,13,333 crore as on 31 March, 2022, out of which, the market value of shares held by the Central Government amounted to ₹9,17,248 crore (60.61%).

During this period, S&P BSE Sensex<sup>31</sup> increased by 18.30 *per cent* from 49,509.15 as on 31 March, 2021 to 58,568.51 as on 31 March, 2022. In comparison, S&P BSE-CPSE Index<sup>32</sup> increased by 27.17 *per cent* from 1,248.71 as on 31 March 2021 to 1,587.95 as on 31 March, 2022. Trend of market capitalisation of the traded listed Government companies for the last five years vis-à-vis S&P BSE Sensex and S&P BSE-CPSE Index is depicted in Chart 1.4:

<sup>28</sup> *National Aluminium Company Limited.*

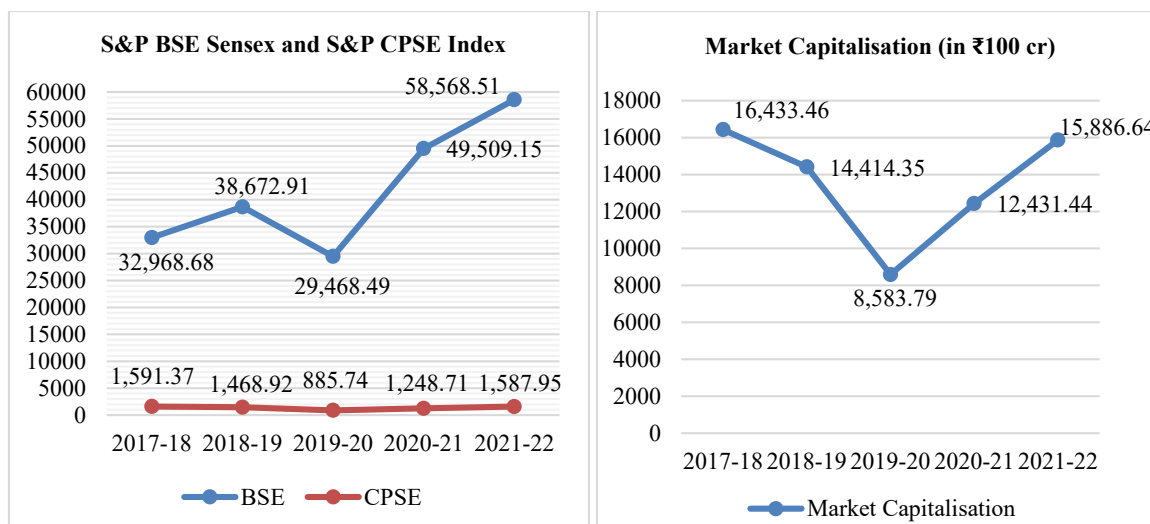
<sup>29</sup> *Indian Railway Catering and Tourism Corporation Limited, Bharat Electronics Limited, Hindustan Aeronautics Limited.*

<sup>30</sup> *NMDC Limited.*

<sup>31</sup> *S&P BSE SENSEX is a benchmark index which is a basket of 30 constituent stocks representing a sample of large, liquid and representative companies.*

<sup>32</sup> *S&P BSE CPSE Index measures the performance of CPSEs listed at BSE.*

**Chart 1.4: Trend of market capitalization of traded listed Government companies vis-à-vis S&P BSE Sensex and CPSE Index**



It was observed that the trend of market capitalisation of the traded listed CPSEs during 2018-19 to 2021-22 was same when compared to S&P BSE Sensex and S&P BSE CPSE Index. From 2017-18 to 2018-19, the market value of shares of these CPSEs decreased by 12.29 per cent (from ₹16,43,346 crore to ₹14,41,435 crore) when there was an increase in S&P BSE Sensex by 17.30 per cent (from 32,968.68 to 38,672.91) although S&P BSE-CPSE Index decreased by 7.69 per cent (from 1,591.37 to 1,468.92) during the same period. Since 2019-20, an increasing trend was observed in market capitalisation as well as in S&P BSE Sensex and CPSE index.

The market value of shares of seven subsidiaries of Government companies, the shares of which were traded during 2021-22, stood at ₹75,332 crore as on 31 March, 2022. The total market value of shares in these seven subsidiary Government companies increased by ₹3,276 crore as on 31 March, 2022 as compared to 31 March, 2021.

The top 10 traded listed Government companies with highest market capitalisation as on 31 March, 2022 is given in Table 1.8.

**Table 1.8: Government companies with highest market capitalisation**

(₹ in crore)

Sl. No.	Name of CPSE	Market Capitalisation	
		As on 31 March, 2022	As on 31 March, 2021
1.	Oil and Natural Gas Corporation Limited	2,06,191	1,28,508
2.	Power Grid Corporation of India Limited	1,51,263	1,12,819
3.	NTPC Limited	1,30,857	1,03,221
4.	Coal India Limited	1,12,778	80,362
5.	Indian Oil Corporation Limited	1,11,981	86,422
6.	Bharat Petroleum Corporation Limited	77,920	92,833
7.	GAIL (India) Limited	69,137	60,189

Sl. No.	Name of CPSE	Market Capitalisation	
		As on 31 March, 2022	As on 31 March, 2021
8.	Indian Railway Catering and Tourism Corporation Limited	61,968	28,099
9.	Bharat Electronics Limited	51,376	30,482
10.	Hindustan Aeronautics Limited	49,727	33,267

Out of 65 traded listed Government companies, there was an increase in the market capitalisation in respect of 41 CPSEs while there was a decrease in the market capitalisation in respect of 24 CPSEs (*Annexure-V*).

### 1.3 Returns from the CPSEs

#### 1.3.1 Profit earned by CPSEs

The number of Government companies and corporations that earned profit was 258 in 2021-22 as compared to 239 in 2020-21 (45 CPSEs added and 26 CPSEs excluded). Out of these 45 CPSEs (*Annexure-VI*), six CPSEs were new and reported profit in first year of their operation, 36 CPSEs reported profit after incurring loss in the previous year and three CPSEs had zero profit/loss in the previous year. 21 out of 36 CPSEs reported profit due to operational profit<sup>33</sup>. In case of 26 CPSEs (*Annexure-VII*) that suffered losses after earning profit in the previous year, 16 CPSEs suffered loss mainly on account of operational loss.

Categorisation of profit earning CPSEs for last two years i.e., 2020-21 and 2021-22 adopting the following criteria is given in Table 1.9:

- CPSEs with profit more than ₹10,000 crore have been considered as high profit earning CPSEs.
- CPSEs with profit in the range of ₹1,000 crore to ₹10,000 crore have been considered as medium profit earning CPSEs.
- CPSEs with profit less than ₹1,000 crore have been considered as low profit earning CPSEs.

**Table 1.9: Categorisation of profit earning CPSEs**

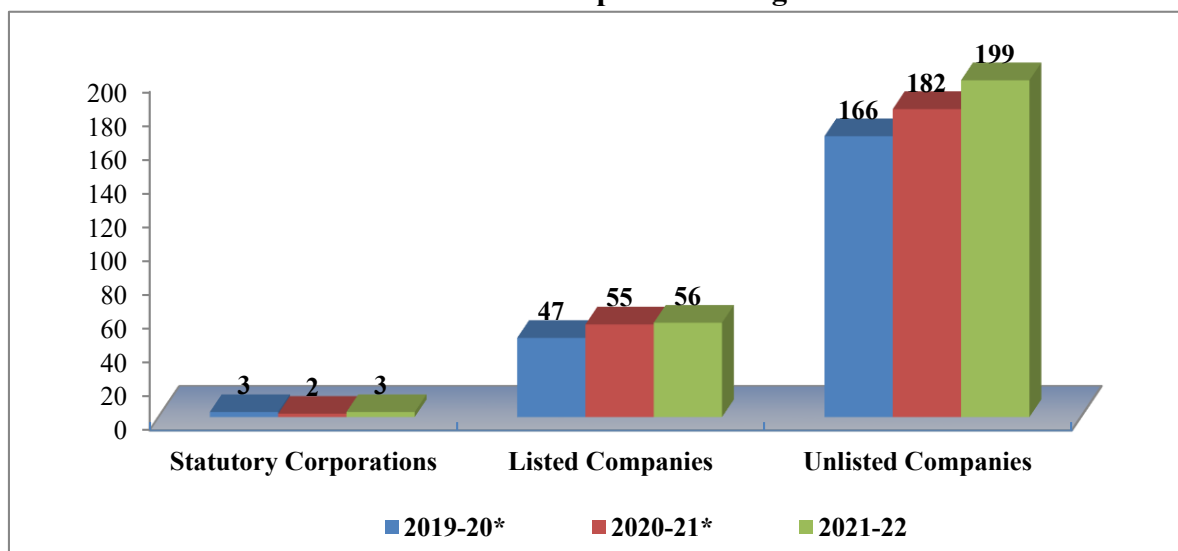
Category of CPSE	2021-22	2020-21	Common CPSEs
Profit more than ₹10,000 crore	9	6	4
Profit in the range of ₹1,000 crore to ₹10,000 crore	23	25	17
Profit less than ₹1,000 crore	226	208	179
<b>Total</b>	<b>258</b>	<b>239</b>	<b>200</b>

The profit earned by Government companies increased by ₹75,215 crore (38.75 per cent) during 2021-22 from ₹1,94,092 crore in 2020-21 to ₹2,69,307 crore in 2021-22.

<sup>33</sup> Total operational income less expenses.

Accordingly, the Return on Equity<sup>34</sup> (ROE) of 258 CPSEs was 15.50 *per cent* in 2021-22 as compared to 13.11 *per cent* of 239 CPSEs in 2020-21. ROE in all the 452 Government companies and corporations<sup>35</sup> i.e., including 170 loss making and 24 zero profit/ loss companies was 13.04 *per cent* in 2021-22. Number of CPSEs that earned profit during the period from 2019-20 to 2021-22 is depicted in Chart 1.5. It could be seen that the profit making CPSEs in totality were increasing during this period.

**Chart 1.5: Number of profit earning CPSEs**



\*Previous years' figures updated during 2021-22 when accounts of that year were received

The details of top three sectors, which contributed maximum profit during 2021-22 are summarised in Table 1.10.

**Table 1.10: Top 3 sectors which contributed maximum profit during 2021-22**

Sector	No. of profit earning CPSEs	Net profit earned (₹ in crore)	Percentage of profit to total profit
<b>Petroleum &amp; Natural Gas</b>			
Listed Government Companies	8	98,210	36.47
Unlisted Government Companies	7	8,139	3.02
<b>Sub-total (A)</b>	<b>15</b>	<b>1,06,349</b>	<b>39.49</b>
<b>Power</b>			
Listed Government Companies	4	37,720	14.01
Unlisted Government Companies	38	10,023	3.72
Statutory Corporation	1	635	0.24
<b>Sub-total (B)</b>	<b>43</b>	<b>48,378</b>	<b>17.96</b>
<b>Financial Services</b>			
Listed Government Companies	5	27,941	10.38

<sup>34</sup> Return on Equity = (Net Profit after Tax and preference Dividend/ Equity)\*100 where Equity = Paid up Capital + Free Reserves – Accumulated Loss – Deferred Revenue Expenditure.

<sup>35</sup> Excluding National Highways Authority of India and Inland Waterways Authority of India which have been considered as zero profit/ loss CPSEs as their losses are adjusted as given in footnote 6.

Sector	No. of profit earning CPSEs	Net profit earned (₹ in crore)	Percentage of profit to total profit
Unlisted Government Companies	27	3,649	1.36
<b>Sub-total (C)</b>	<b>32</b>	<b>31,590</b>	<b>11.73</b>
<b>Total (A+B+C)</b>	<b>90</b>	<b>1,86,317</b>	<b>69.18</b>

Net profit of ₹1,86,317 crore constituting 69.18 *per cent* of total profit of Government companies and corporations was contributed by 90 CPSEs in 2021-22 as compared to 71.40 *per cent* by 89 CPSEs in 2020-21 in these sectors.

The list of Government companies which earned net profit of more than ₹10,000 crore during the year 2021-22 is given in Table 1.11.

**Table 1.11: List of CPSEs which earned net profit of more than ₹10,000 crore**

Sl. No.	Name of CPSE	Net Profit (₹ in crore)	ROE (in <i>per cent</i> )
1	Oil and Natural Gas Corporation Limited	40,305	17.00
2	Indian Oil Corporation Limited	24,184	18.70
3	Power Grid Corporation of India Limited	17,093	22.45
4	NTPC Limited	16,111	12.59
5	Steel Authority of India Limited	12,015	23.34
6	Coal India Limited	11,201	68.48
7	GAIL (India) Limited	10,363	18.64
8	REC Limited	10,045	19.92
9	Power Finance Corporation Limited	10,021	16.89
<b>Total</b>		<b>1,51,338</b>	

It may be seen that these nine Government companies contributed 56.20 *per cent* of the total profit earned by 258 Government companies and corporations during 2021-22. The ROE of these nine Government Companies was 18.83 *per cent* and ROE for the remaining 249 Government Companies was 12.63 *per cent*.

Of the 188 Government controlled other companies<sup>36</sup>, 129 CPSEs earned profit of ₹15,011 crore during the year ended 31 March 2022, which was an increase of ₹2,948 crore (24.44 *per cent*) as compared to profit of ₹12,062 crore earned by such 120 CPSEs in 2020-21. Further, ROE of 129 CPSEs was 4.11 *per cent* in 2021-22 as compared to 3.89 *per cent* of 120 CPSEs in 2020-21. ROE in all the 188 Government controlled other companies was 3.01 *per cent* in 2021-22 as compared to 3.02 *per cent* in 2020-21 in such 182 companies.

<sup>36</sup> One Government controlled other company viz National Highways Invit Project Managers Private Limited earned no profit or incurred no loss as operations yet to commence.

### 1.3.2 Loss incurred by CPSEs

There were 170 Government companies<sup>37</sup> that incurred losses during the year 2021-22. Out of these 170 loss making CPSEs, 84 have incurred losses for two to four years in last five years whereas 66 CPSEs have incurred losses continuously for last five years. The losses incurred by Government companies and corporations decreased to ₹31,347 crore in 2021-22 from ₹34,555 crore in 2020-21 as given in Table 1.12.

**Table 1.12: Number of CPSEs which incurred losses during 2019-20 to 2021-22**

Listed/ Unlisted Year	No of CPSEs incurred loss	Net loss for the year (₹ in crore)	Accumulated loss (₹ in crore)	Net worth <sup>38</sup> (₹ in crore)
<b>Statutory Corporations</b>				
2019-20	0	0	0	0
2020-21	1	1,962	0	12,850
2021-22	0	0	0	0
<b>Listed Government Companies</b>				
2019-20	21	12,042	39,483	1,17,699
2020-21	13	8,364	40,980	-2,686
2021-22	12	5,001	45,260	-41,108
<b>Unlisted Government Companies</b>				
2019-20	156	44,252	39,779	1,19,590
2020-21	154	24,229	45,429	1,00,370
2021-22	158	26,346	1,15,952	1,20,228
<b>Total</b>				
<b>2019-20</b>	<b>177</b>	<b>56,294</b>	<b>79,262</b>	<b>2,37,288</b>
<b>2020-21</b>	<b>168</b>	<b>34,555</b>	<b>86,408</b>	<b>1,10,534</b>
<b>2021-22</b>	<b>170</b>	<b>31,347</b>	<b>1,61,211</b>	<b>79,121</b>

CPSEs listed in Table 1.13 incurred a loss of more than ₹1,000 crore during the year 2021-22.

**Table 1.13: CPSEs which incurred losses of more than ₹1,000 crore during 2021-22**  
(₹ in crore)

Sl. No.	Name of CPSE	Net Loss
1	Bharat Sanchar Nigam Limited	6,982
2	Delhi Metro Rail Corporation Limited	3,815
3	The Oriental Insurance Company Limited	3,115
4	Mahanagar Telephone Nigam Limited	2,603
5	United India Insurance Company Limited	2,136
6	IFCI Limited	1,991

<sup>37</sup> Excluding National Highways Authority of India and Inland Waterways Authority of India which have been considered as zero profit/ loss CPSEs as their losses are adjusted as given in footnote 6.

<sup>38</sup> Net worth means the sum total of the paid-up share capital and free reserves and surplus less accumulated loss and deferred revenue expenditure. Free reserves mean all reserves created out of profits and share premium account but do not include reserves created out of revaluation of assets and write back of depreciation provision.

Sl. No.	Name of CPSE	Net Loss
7	National Insurance Company Limited	1,675
8	Eastern Coalfields Limited	1,061
9	AI Assets Holding limited	1,057
<b>Total</b>		<b>24,435</b>

It may be seen that these nine CPSEs contributed 77.95 per cent of the total loss incurred by 170 CPSEs during 2021-22.

Further, out of 188 Government controlled other companies, 56 companies incurred loss of ₹3,626 crore during the year 2021-22 as compared to loss of ₹2,452 crore incurred by 59 CPSEs out of 182 such companies in 2020-21, which showed an increase of ₹1,173 crore (47.85 per cent).

### 1.3.3 Erosion of capital in Government companies

As on 31 March, 2022 there were 192 Government companies<sup>39</sup> with accumulated losses of ₹1,83,356 crore. Of the 192 CPSEs, 131 CPSEs incurred loss in the year 2021-22 amounting to ₹14,031 crore and 61 CPSEs had not incurred loss (including zero profit/loss companies) in the year 2021-22, even though they had accumulated losses of ₹22,144 crore. 15 out of 192 CPSEs were under closure/ liquidation as on 31 March, 2022 with accumulated losses of ₹38,009 crore.

Overall, net worth of all the 454 Government companies and corporations was ₹21,79,355 crore against their paid-up capital of ₹8,30,531 crore. Net worth of 79 out of 192 CPSEs had been completely eroded by accumulated losses and their net worth was either zero or negative. The net worth of these 79 CPSEs was (-) ₹75,186 crore against equity investment of ₹66,682 crore in these CPSEs as on 31 March, 2022 (*Annexure-VIII*). This included six listed companies whose net worth was (-) ₹43,318 crore against equity investment of ₹1,166 crore. Out of 79 CPSEs whose capital had been eroded (being zero or negative net worth), 15 CPSEs had earned profit of ₹1,111 crore during 2021-22. Further, 32 out of 79 CPSEs had incurred losses continuously during last five years and the accumulated loss and negative net worth as on 31 March, 2022 amounted to ₹55,974 crore and ₹53,976 crore respectively.

In 17 out of 79 CPSEs whose capital had eroded, Government loans outstanding as on 31 March, 2022 amounted to ₹8,637 crore. This included one listed company (Madras Fertilizers Limited) with outstanding Government loans of ₹554 crore.

Net worth was less than half of their paid-up capital in respect of 33 out of 372 CPSEs whose net worth was positive at the end of 31 March, 2022. Out of 33 CPSEs, 14 CPSEs with net worth of ₹8,695 crore were incurring continuous losses during last five years and

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<sup>39</sup> Excluding National Highways Authority of India and Inland Waterways Authority of India, which have been considered as zero profit/ loss CPSE as their losses are adjusted as given in footnote 6.

12 CPSEs with net worth of ₹3,687 crore were incurring losses for two to four years in the last five years indicating their potential financial sickness.

### 1.3.4 Dividend payout by CPSEs

The details of profit earned and dividend declared by Government companies and corporations is given in Table 1.14.

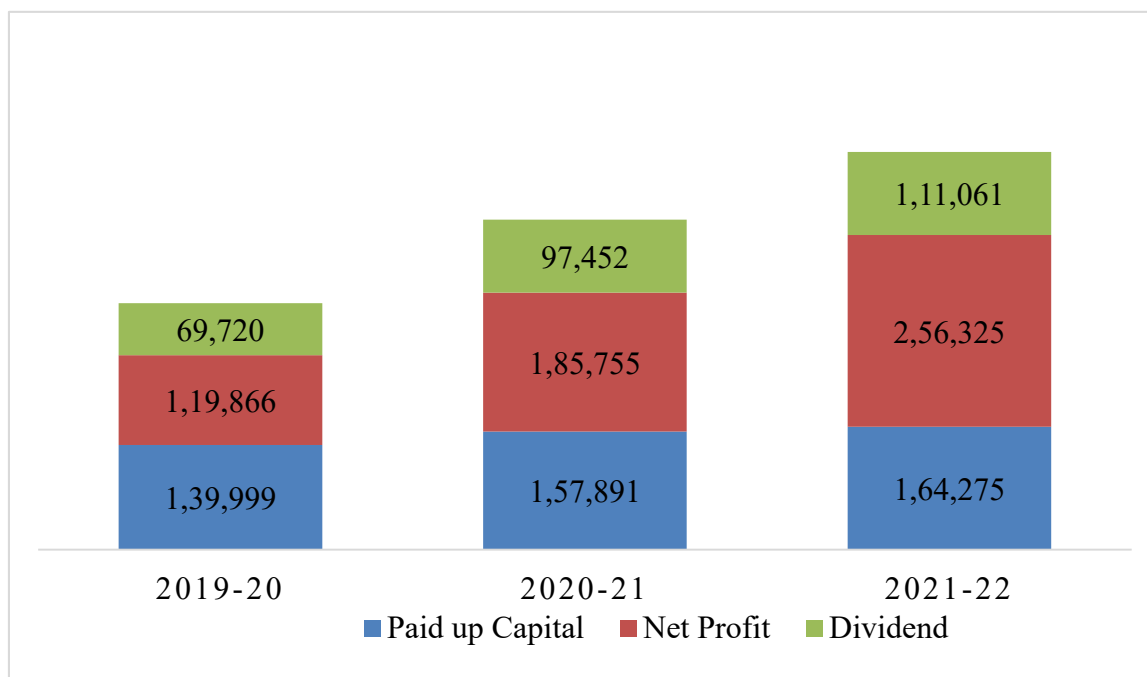
**Table 1.14: Profit earned and dividend declared**

Category	No. of CPSEs	Paid up capital (₹ in crore)	Net profit (₹ in crore)	Dividend declared (₹ in crore)
Statutory Corporations	1	68	451	141
Listed Companies	47	98,089	2,17,385	91,648
Unlisted Companies	73	66,118	38,489	19,272
<b>Total</b>	<b>121</b>	<b>1,64,275</b>	<b>2,56,325</b>	<b>1,11,061</b>

Out of 454 government companies and corporations, 121 CPSEs declared dividend for the year 2021-22. The dividend declared as a percentage of net profit of these 121 profit earning CPSEs decreased to 43.33 *per cent* in 2021-22 from 52.46 *per cent* in 2020-21. However, in absolute terms, the dividend declared by the CPSEs in 2021-22 increased by ₹13,609 crore compared to previous year. Chart 1.6 depicts the dividend declared vis-à-vis net profit earned and paid-up capital of CPSEs which declared dividend during the last three years from 2019-20 to 2021-22.

**Chart 1.6: Dividend declared vis-à-vis net profit earned and paid-up capital**

(₹ in crore)



Out of total dividend of ₹1,11,061 crore declared by 121 CPSEs (6.98 *per cent* of their net worth) for the year 2021-22, dividend received/ receivable by Central Government was

₹54,381 crore (60.18 per cent of their total declared dividend of ₹90,362 crore) in 78 CPSEs<sup>40</sup> having equity investment of ₹84,133 crore by Central Government. The return in the form of dividend received/receivable by Central Government on aggregate investment of ₹6,36,730 crore made by the Central Government in equity capital of 454 CPSEs was 8.54 per cent as compared to 9.68 per cent during 2020-21. In case of 54 CPSEs, dividend received/receivable by these CPSEs on their equity holding of ₹46,297 crore in other CPSEs was ₹23,461 crore in 2021-22. Nine CPSEs, under the Petroleum and Natural Gas sector, declared dividend amounting to ₹37,833 crore which was 34.07 per cent of the total dividend of ₹1,11,061 crore declared by 121 CPSEs in 2021-22. The total dividend amounting to ₹91,648 crore declared by 47 listed CPSEs in 2021-22 was 5.96 per cent of the market capitalisation (₹15,36,588 crore) of these CPSEs.

The guidelines issued by Department of Investment & Public Asset Management (DIPAM) in May 2016 envisaged that every CPSE would pay a minimum annual dividend of 30 per cent of profit after tax or 5 per cent of the net worth, whichever is higher, subject to the maximum dividend permitted under the extant legal provisions. However, 45 Government companies (including seven listed CPSEs), which were having sufficient fund (retained earnings and General Reserves), had not declared dividend prescribed by the Government as given in *Annexure-IX*. As against the minimum dividend of ₹10,945 crore to be declared by these 45 Government companies, the dividend paid was ₹5,134 crore which resulted in total shortfall of dividend by ₹5,811 crore in 2021-22 (shortfall of ₹11,532 crore during 2020-21 by 54 Government companies).

Section 8 of the Companies Act, 2013/ Section 25 of the erstwhile Companies Act, 1956 provides that a company may prohibit the payment of any dividend to its members if it has as its objects the promotion of art, science, sports, education, research, social welfare, religion, charity, protection of environment or any such other object. As on 31 March 2022, there were 21 such CPSEs of which 18 CPSEs earned profit of ₹942 crore, one CPSE suffered loss of ₹53 crore, one CPSE's first accounts were not due and one CPSE had zero profit/loss during 2021-22 as detailed in *Annexure-X*.

Of the 129 Government controlled other companies which earned profit of ₹15,011 crore during the year ended 31 March 2022, 52 companies declared dividend amounting to ₹4,567 crore which represented 27.71 per cent of their paid-up capital of ₹16,486 crore. Sector wise classification of these 52 Government controlled other companies which declared dividend during 2021-22 is given in Table 1.15.

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<sup>40</sup> 78 CPSEs are those Government companies and Statutory Corporations where Central Government has direct holding.

**Table 1.15: Dividend declared by Government controlled other companies**

Sector	No. of companies	Paid up capital (₹ in crore)	Net profit (₹ in crore)	Dividend declared (₹ in crore)
Agro based Industries	1	20	14	3
Financial services	28	5,147	4,665	1,052
Industrial Development and Technical Consultancy	4	4	7	3
Insurance	2	1,259	1,529	201
Petroleum	6	954	1,956	606
Power	6	7,709	2,173	2,296
Tele communication services	1	58	141	3
Trading and Marketing	1	41	32	18
Transportation Services	3	1,294	581	385
<b>Total</b>	<b>52</b>	<b>16,486</b>	<b>11,098</b>	<b>4,567</b>

## 1.4 Operating efficiency of Government companies and corporations

### 1.4.1 Return on Capital Employed (ROCE)

Return on Capital Employed (ROCE) is a ratio that measures a company's profitability and efficiency with which its capital is employed. ROCE is calculated by dividing a company's earnings before interest and taxes (EBIT) by the capital employed<sup>41</sup>. The CPSE wise details of ROCE are given in *Annexure-XI*. The consolidated ROCE of all the CPSEs<sup>42</sup> during last three years from 2019-20 to 2021-22 is given in Table 1.16.

**Table 1.16: Return on Capital Employed**

Year	No. of CPSEs	EBIT (₹ in crore)	Capital employed (₹ in crore)	ROCE (in per cent)
2019-20	410	2,70,219	35,35,016	7.64
2020-21	432	3,63,927	36,62,024	9.94
2021-22	452	4,19,294	40,09,376	10.46

It was observed that ROCE of CPSEs increased significantly in 2020-21 (9.94 per cent) and in 2021-22 (10.46 per cent) as compared to 2019-20 (7.64 per cent) mainly due to increase in EBIT.

### 1.4.2 Return on Equity (ROE) of CPSEs

Return on Equity (ROE)<sup>43</sup> is a measure of financial performance of companies calculated

<sup>41</sup> *Capital Employed = Paid up Share capital + Free Reserves and Surplus + Long term loans – Accumulated losses – Deferred Revenue Expenditure.*

<sup>42</sup> *Excluding National Highways Authority of India and Inland Waterways Authority of India which have been considered as zero profit/ loss CPSEs as their losses are adjusted as given in footnote 6.*

<sup>43</sup> *Return on Equity = (Net Profit after Tax and preference Dividend/ Equity)\*100 where Equity = Paid up Capital + Free Reserves – Accumulated Loss – Deferred Revenue Expenditure.*

by dividing net income by shareholders' equity. The CPSE wise details of ROE are given in *Annexure-XIII*. The consolidated ROE of all the CPSEs<sup>44</sup> during the last three years from 2019-20 to 2021-22 is given in Table 1.17.

**Table 1.17: Return on Equity**

Year	No. of CPSEs	Net profit after tax & preference dividend (₹ in crore)	Equity (₹ in crore)	ROE (in per cent)
2019-20	410	82,747	14,22,646	5.82
2020-21	432	1,59,538	15,98,295	9.98
2021-22	452	2,37,961	18,25,434	13.04

It was observed that ROE of CPSEs increased significantly in the year 2020-21 and 2021-22 mainly due to increase in net profit.

Sector wise ROE of Government companies and corporations where total equity of the sector was more than ₹10,000 crore during 2019-20 to 2021-22 is depicted in Table 1.18.

**Table 1.18: ROE of sectors with total equity of ₹10,000 crore and more**

Sl. No.	Sector	(in per cent)		
		2021-22	2020-21	2019-20
1.	Coal & Lignite	41.31	33.81	50.86
2.	Contract & Construction Services	14.85	12.40	11.87
3.	Financial services	13.23	11.76	9.95
4.	Heavy Industry	0.85	-10.85	-6.24
5.	Industrial Development	7.80	17.63	21.45
6.	Insurance	-2.48	0.26	-4.37
7.	Minerals and Metals	25.66	18.60	9.34
8.	Petroleum	17.00	13.53	3.62
9.	Power	13.48	11.31	10.10
10.	Steel	23.13	6.91	-3.91
11.	Transport Equipment	23.96	18.30	19.90
12.	Transportation services	-2.60	-5.24	0.54

It can be seen that there was increase in ROE of all the sectors with total equity of ₹10,000 crore or more in 2021-22 in comparison to 2020-21 except Industrial Development and Insurance sectors.

### 1.4.3 Sales and Marketing

During 2021-22, the total sales of 454 Government Companies and Corporations was ₹31,18,281 crore. Out of these 454 CPSEs, 142 CPSEs sold goods/ rendered services worth ₹3,92,660 crore to Government sector out of their total sales of ₹15,56,969 crore. The overall percentage of sales of these 142 CPSEs to the Government sector with reference to their total sales worked out to 25.22 per cent. Out of 454 CPSEs, 60 CPSEs had exported

<sup>44</sup> Excluding National Highways Authority of India and Inland Waterways Authority of India which have been considered as zero profit/loss CPSEs as their losses are adjusted as given in footnote 6.

goods/ services worth ₹1,35,658 crore (7.26 per cent of their total sales amounting to ₹18,69,326 crore) whereas 50 CPSEs had imported goods/ services worth ₹5,54,167 crore resulting in net import of ₹4,18,509 crore by the CPSEs.

The details of total sales, sales to Government sector and exports thereon in respect of monopoly and non-monopoly CPSEs are given in Table 1.19.

**Table 1.19: Sales details of Monopoly vis-à-vis Non-monopoly CPSEs**

Type/ Year	No. of CPSEs	Total Sales (₹ in crore)	Sales to Government sector (₹ in crore)	Export Sales (₹ in crore)
<b>Monopoly CPSEs<sup>45</sup></b>				
2019-20	50	13,64,847	47,919	21,960
2020-21	52	12,20,963	47,539	29,827
2021-22	61	17,43,531	65,886	48,348
<b>Non-monopoly CPSEs</b>				
2019-20	362	10,50,645	2,18,797	61,971
2020-21	382	10,94,054	2,63,458	58,168
2021-22	393	13,74,750	3,26,774	87,310
<b>Total</b>				
<b>2019-20</b>	<b>412</b>	<b>24,15,492</b>	<b>2,66,716</b>	<b>83,931</b>
<b>2020-21</b>	<b>434</b>	<b>23,15,017</b>	<b>3,10,997</b>	<b>87,995</b>
<b>2021-22</b>	<b>454</b>	<b>31,18,281</b>	<b>3,92,660</b>	<b>1,35,658</b>

Against the total sales of ₹31,18,281 crore by 454 CPSEs, the export sales by 60 CPSEs was 4.35 per cent (₹1,35,658 crore) during 2021-22. The CPSEs with export sales of more than ₹5,000 crore during 2021-22 is given in Table 1.20.

**Table 1.20: CPSEs with export sales of more than ₹5,000 crore during 2021-22**

(₹ in crore)

Sl. No.	Name of CPSE	Export Sales
1.	Indian Oil Corporation Limited	33,219
2.	Mangalore Refinery and Petrochemicals Limited	31,351
3.	ONGC Videsh Limited	13,100
4.	GAIL (India) Limited	8,960
5.	Oil and Natural Gas Corporation Limited	7,662
6.	Hindustan Petroleum Corporation Limited	7,245
7.	Steel Authority of India Limited	6,924
8.	National Aluminium Company Limited	6,364
9.	Rashtriya Ispat Nigam Limited	5,388
	<b>Total</b>	<b>1,20,213</b>

<sup>45</sup> Monopoly means a market structure characterized by a single seller, selling a unique product in the market. In a monopoly market, the seller faces no competition, as he is the sole seller of goods with no close substitute. A CPSE is classified as monopoly if there is no competition in the geographical area in which it operates. CPSEs under Petroleum Sector have been included under Monopoly category since the pricing mechanism of petroleum products is effectively under Government control, Government owned and controlled petroleum products companies function as virtual monopolies.

The export sales of these nine CPSEs accounted for 88.61 *per cent* of the total export by all the 60 CPSEs.

#### 1.4.4 Research & Development

Patent of technology, product or invention enables the right of a company to exclude others from making, using or selling it. This also helps in recovering the development costs and to obtain a return on investment in the development of the patented technology. Registration of patent helps in limiting the risk that the technology, product or invention developed on the same idea will be obtained by some other company. Table 1.21 indicates Research & Development expenditure vis-à-vis patents registered during the last three years.

**Table 1.21: Research & Development Expenditure and Patents Registered**

2019-20		2020-21		2021-22	
R&D expenditure (₹ in crore)	No. of patents registered	R&D expenditure (₹ in crore)	No. of patents registered	R&D expenditure (₹ in crore)	No. of patents registered
4,932	1,385	5,319	1,457	6,802	1,605

It was observed that Research & Development expenditure increased by ₹1,483 crore during 2021-22 from ₹5,319 crore in 2020-21 to ₹6,802 crore in 2021-22 and the number of patents also increased to 1,605 in 2021-22 from 1,457 in 2020-21.

Out of 1,605 patents registered during 2021-22, 149 patents were commercialised by nine CPSEs and revenue of ₹42.05 crore was earned during 2021-22 as mentioned in Table 1.22.

**Table 1.22: Number of patents commercialised and revenue earned**

Sl. No.	Name of CPSE	Total expenditure on R&D (₹ in crore)	No. of Patents registered	No. of Patents commercialised	Revenue earned on commercialisation of patents (₹ in crore)
1	Bharat Electronics Limited	1,069.38	11	3	34.91
2	Indian Oil Corporation Limited	576.55	225	4	0
3	Oil and Natural Gas Corporation Limited	513.31	13	4	0
4	Hindustan Petroleum Corporation Limited	363.66	34	2	0
5	Electronics Corporation of India Limited	51.34	8	2	0
6	NLC India Limited	23.26	6	1	0.45
7	Engineers India Limited	20.94	33	18	1.3
8	Mangalore Refinery and Petrochemicals Limited	1.01	15	1	0.06
9	Agriinnovative India Limited	0	582	114	5.33
	<b>Total</b>	<b>2,619.45</b>	<b>927</b>	<b>149</b>	<b>42.05</b>

Further, the CPSEs that had incurred Research & Development expenditure of more than ₹500 crore during the year 2021-22 is given in Table 1.23.

**Table 1.23: CPSEs with R&D Expenditure of more than ₹500 crore**

Sl. No.	Name of CPSE	Total R&D expenditure (₹ in crore)	Net profit (₹ in crore)	No. of Patents Registered	Percentage of R&D expenditure to net profit
1	Hindustan Aeronautics Limited	1,967	5,087	41	38.67
2	Bharat Electronics Limited	1,069	2,349	11	45.51
3	Steel Authority of India Limited	815	12,015	14	6.78
4	Indian Oil Corporation Limited	577	24,184	225	2.39
5	Oil and Natural Gas Corporation Limited	513	40,306	13	1.27

It was observed that Hindustan Aeronautics Limited had incurred highest amount of ₹1,967 crore on Research & Development expenditure during 2021-22 and the number of patents registered by the company was 41. Similarly, Bharat Electronics Limited and Steel Authority of India Limited had incurred ₹1,069 crore and ₹815 crore respectively on Research & Development expenditure during 2021-22 with patents registered being only 11 and 14 respectively.

DPE in its reply (May 2024) stated that they have nil comments on this chapter.

## CHAPTER II

# Oversight Role of CAG

### 2.1 Audit of Public Sector Enterprises

The Comptroller & Auditor General of India (CAG) appoints the statutory auditors of a Government company and Government controlled other company under Section 139 (5) and (7) of the Companies Act, 2013. CAG has a right to conduct a supplementary audit and issue comments upon or supplement the Audit Report of the statutory auditor. Statutes governing some corporations require that their financial statements be audited by the CAG and a report be submitted to the Parliament.

### 2.2. Appointment of statutory auditors of Public Sector Enterprises by CAG

Section 139 (5) of the Companies Act, 2013 provides that the statutory auditors in case of a Government company or Government controlled other company are to be appointed by the CAG within a period of 180 days from the commencement of the financial year. The statutory auditors of these Public Sector Enterprises for the year 2021-2022 were appointed by the CAG in August 2021.

**Statutory auditors of Public Sector Enterprises for the year 2021-2022 were appointed in August 2021.**

### 2.3 Submission of financial statements by CPSEs

#### 2.3.1 Need for timely submission

According to Section 394 of the Companies Act, 2013, Annual Report on the working and affairs of a Government company is to be prepared within three months of its Annual General Meeting (AGM). As soon as possible, after such preparation, the Annual Report must be laid before both the Houses of Parliament, together with a copy of the Audit Report and comments of the CAG upon or as supplement to the Audit Report. Almost similar provisions exist in the respective Acts regulating Statutory Corporations. This mechanism provides the necessary parliamentary control over the utilisation of public funds invested in the companies from the Consolidated Fund of India.

Section 96 of the Companies Act, 2013 requires every company to hold AGM of the shareholders once in every calendar year. It is also stated that not more than 15 months shall elapse between the date of one AGM and that of the next. The section further provides that in case of the first annual general meeting, it shall be held within a period of nine months from the date of closing of the first financial year of the company and in any other case, within a period of six months, from the date of closing of the financial year. The section also stipulates that the Registrar may, for any special reason, extend the time within which

any annual general meeting, other than the first annual general meeting, shall be held, by a period not exceeding three months.

Further, Section 129 of the Companies Act, 2013 stipulates that the audited Financial Statement for the financial year has to be placed in the said AGM for their consideration. The section also provides for levy of penalty like fine and imprisonment on the persons including Directors of the company responsible for non-compliance with the provisions of Section 129 of the Companies Act, 2013.

In view of the above and after considering the time frame of 60 days given to CAG under Companies Act, to conduct the supplementary audit of the financial statement of a company and 21 days' notice period for AGM, ideally the Public Sector Enterprises needed to submit their financial statements for the year 2021-22 to CAG by 11 July, 2022. However, a significant number of Government companies and Government controlled other companies (CPSEs) did not submit their annual financial statements for supplementary audit by 11 July, 2022. Few CPSEs did not submit their financial statements to CAG by 30 September, 2022, which was the last date for holding the AGM. Details in this regard are given in the following paragraphs.

### **2.3.2 Timeliness in preparation of financial statements by Government Companies and Government Controlled Other Companies (CPSEs)**

As of 31 March, 2022, there were 490 Government companies and 202 Government controlled other companies (CPSEs) under the purview of CAG's audit. Of these, financial statements were not due from eight Government companies which were new.

**Out of 692 CPSEs, financial statements of 69 CPSEs were in arrears as on 29 February, 2024.**

Financial Statements for the year 2021-22 were due from 482 Government companies and 202 Government controlled other companies. Out of these, only 255 Government companies (52.90 *per cent*) and 110 Government controlled other companies (54.45 *per cent*) submitted their account for supplementary audit to CAG by 11 July, 2022. Further, upto 30 September, 2022, financial statements were received from only 418 Government companies (86.72 *per cent*) and 174 Government controlled other companies (86.14 *per cent*). Financial statements for the year 2021-22 were received from 431 Government companies (89.42 *per cent*) and 184 Government controlled other companies (91.10 *per cent*) by 29 February, 2024. As such, financial statements of 51 Government companies (10.58 *per cent*) and 18 Government controlled other companies (8.90 *per cent*) were pending, as on 29 February, 2024, for various reasons. Details of pendency in submission of financial statements of Government companies and Government controlled other companies are given in Table 2.1.

Table 2.1: Details of arrears of financial statements

Particulars	Government companies/ Government controlled other companies						
	Government companies		Government controlled other companies		Total		
Total number of CPSEs under the purview of CAG's audit as on 31 March, 2022	490		202		692		
	Listed	Unlisted	Listed	Unlisted	Listed	Unlisted	
Listed/ Unlisted	68	422	8	194	76	616	
Less: New CPSEs from which financial statements for 2021-22 were not due	0	8	0	0	0	8	
Number of CPSEs from which financial statements for 2021-22 were due	68	414	8	194	76	608	
Number of CPSEs which presented the financial statements for CAG's audit by 11 July, 2022	59	196	7	103	66	299	
Number of CPSEs which presented the financial statements for CAG's audit by 30 September, 2022	68	350	8	166	76	516	
Number of CPSEs which presented the financial statements for CAG's audit by 29 February, 2024	68	363	8	176	76	539	
Number of financial statements in arrears as on 29 February, 2024	0	51	0	18	0	69	
Break-up of Arrears	(i) Under Liquidation		0	26	0	11	37
	(ii) Defunct		0	0	0	0	0
	(iii) Others		0	25	0	7	32
Age-wise analysis of arrears against Others category	One year (2021-22)		0	14	0	3	17
	Two years (2020-21 and 2021-22)		0	3	0	1	4
	Three years and more		0	8	0	3	11

The names of these CPSEs are indicated in *Annexure-III A* and *Annexure-III B*.

### 2.3.3 Timeliness in preparation of financial statements by Statutory Corporations

Audit of six Statutory Corporations is conducted by CAG. Of the five Statutory Corporations where CAG is the sole auditor, financial statements of Airports Authority of India, Damodar Valley Corporation, Food Corporation of India and National Highways Authority of India for the year 2021-22, were presented for audit before 30 September,

2022. The financial statements of Inland Waterways Authority of India for the year 2021-22 were awaited as on 30 September, 2022. In case of Central Warehousing Corporation, CAG conducts supplementary audit and the financial statements were received before 30 September, 2022.

## **2.4 CAG's oversight - Audit of financial statements and supplementary audit**

### **2.4.1 Financial reporting framework**

Companies are required to prepare the financial statements in the format laid down in Schedule III to the Companies Act, 2013 and in adherence to the mandatory Accounting Standards prescribed by the Central Government, in consultation with National Financial Reporting Authority. The Statutory Corporations are required to prepare their financial statements in the format prescribed under the rules, framed in consultation with the CAG and any other specific provision relating to accounts in the Act governing such corporations.

### **2.4.2 Audit of financial statements of Public Sector Enterprises by Statutory Auditors**

The statutory auditors appointed by the CAG under Section 139 of the Companies Act, 2013, conduct audit of financial statements of the Government companies and submit their report thereon in accordance with the provisions of Section 143 of the Companies Act, 2013.

The CAG plays an oversight role by monitoring the performance of the statutory auditors in audit of public sector undertakings with the overall objective that the statutory auditors discharge the functions assigned to them properly and effectively. This function is discharged by exercising the power to:

- issue directions to the statutory auditors under Section 143 (5) of the Companies Act, 2013 and
- supplement or comment upon the Statutory Auditors' report under Section 143 (6) of the Companies Act, 2013.

### **2.4.3 Supplementary audit of financial statements of Public Sector Enterprises**

The prime responsibility for preparation of financial statements in accordance with the financial reporting framework prescribed under the Companies Act, 2013 or other relevant Act is of the management of an entity.

The statutory auditors appointed by the CAG under section 139 of the Companies Act, 2013 are responsible for expressing an opinion on the financial statements under section 143 of the Companies Act, 2013 based on an independent audit in accordance with the Standard Auditing Practices of Institute of Chartered Accountants of India (ICAI) and directions given by the CAG. The statutory auditors are required to submit the Audit Report to CAG under Section 143 of the Companies Act, 2013.

The certified financial statements of selected Public Sector Enterprises along with the report of the statutory auditors are reviewed by CAG by carrying out a supplementary audit. Based

on such review, significant audit observations, if any, are reported under Section 143 (6) of the Companies Act, 2013 to be placed before the AGM.

## **2.5 Result of CAG's oversight role**

### **2.5.1 Audit of the financial statements of CPSEs under Section 143 of the Companies Act, 2013**

Financial statements for the year 2021-22 were received from 418 Government companies (including 68 listed companies), 174 Government controlled other companies (including eight listed companies) and five Statutory Corporations by 30 September, 2022. Of these, financial statements of 283 Government companies and 96 Government controlled other companies and five Statutory Corporations were reviewed in audit by the CAG.

In total, CAG reviewed financial statements of 67.70 *per cent* of the Government companies and 55.17 *per cent* of Government controlled other companies out of the financial statements received up to 30 September, 2022. The results of the review are detailed below:

**CAG reviewed financial statements of 379 CPSEs and five Statutory Corporations for the year 2021-22.**

#### **2.5.1.1 Amendment of Financial Statements**

As a result of supplementary audit of the financial statements conducted by the CAG, five Government companies and two Government controlled companies as detailed in *Annexure-XIII* amended their Financial Statements before laying the same in the AGM.

#### **2.5.1.2 Revision of Statutory Auditors' Report**

As a result of supplementary audit of the financial statements for the year ended 31 March, 2022 conducted by the CAG, the Statutory Auditors' of 66 Government companies and 22 Government controlled other companies as detailed in *Annexure-XIV* revised their audit report before laying of the financial statements of these companies in their AGM.

#### **2.5.1.3 Significant comments of the CAG issued as supplement to the Statutory Auditors' reports on CPSEs**

Subsequent to the audit of the financial statements for the year 2021-22 by statutory auditors, the CAG conducted supplementary audit of the financial statements of the selected CPSEs. The list of 92 CPSEs in respect of whom comments were issued is given in *Annexure-XV*. Some of the significant comments issued on financial statements of CPSEs, the financial impact of which on the profitability was ₹4,498.04 crore and on assets/liabilities was ₹2,88,460.13 crore, have been given below. Despite being pointed out in the past, a few CPSEs viz., the Orissa Minerals Development Company Limited (a.ii.6), IFCI Limited (a.i.3), Dedicated Freight Corridor Corporation of India Limited (b.ii.6), Eastern Coalfields Limited (b.ii.8), Northern Coalfields Limited (b.ii.13) did not take corrective action, which has also been indicated below.

**a. Listed Government companies**

**a.i. Comments on Profitability**

Sl. No.	Name of CPSE	Comment
1.	Balmer Lawrie & Company Limited	<ul style="list-style-type: none"> <li>• Provisions under Non-current Liabilities was understated by an amount of ₹12.02 crore due to non inclusion of liability towards Balmer Lawrie Staff Provident Fund in respect of doubtful investments of ₹11.65 crore in M/s DHFL, M/s IL&amp;FS, and M/s Reliance Capital along with interest. In respect of all these entities, National Company Law Tribunal (NCLT) ordered Corporate Insolvency Resolution Process, as a result of which chances of recovery of principal as well as interest amount seems to be remote. Thus, non- provisioning for the same resulted in understatement of Provisions and overstatement of profit by ₹12.02 crore.</li> <li>• Non-provisioning for the rent and compensation charges payable to Syama Prasad Mookerjee Port, Kolkata towards expired leasehold land resulted in understatement of Provisions under Current Liabilities by ₹1.93 crore, understatement of Provisions under Non-current Liabilities by ₹11.36 crore and overstatement of Profit by ₹13.29 crore.</li> </ul>
2.	Container Corporation of India Limited	The Company did not conduct impairment testing of its investment in CONCOR Air Limited (a wholly owned subsidiary) in accordance with Para 9 of Ind AS 36 and did not impair its investment, as CONCOR Air Limited has decided to sell its Concessional Rights and Fixed Assets to Mumbai International Airport Limited. This has resulted in overstatement of Investment and Profit before Tax by ₹12.41 crore.
3.	IFCI Limited	<p>Loans were overstated and loss for the year was understated by ₹344.60 crore due to:</p> <ul style="list-style-type: none"> <li>• As per the NCLT decision and Resolution plan, the Company's claim from Videocon Industries Limited (VIL) was restricted to the maximum of ₹70.31 crore against the outstanding dues of ₹383.50 crore. Maximum recoverable amount from VIL worked out to ₹74.71 crore only. Non-writing off the balance amount of ₹308.79 crore has resulted in understatement of loss by ₹101.56</li> </ul>

Sl. No.	Name of CPSE	Comment
		<p>crore (after adjustment of impairment loss allowance of ₹207.23 crore) and overstatement of loan by same amount. Despite being pointed out during previous year, no corrective action was taken by the Company.</p> <ul style="list-style-type: none"> <li>• Non-writing off the balance amount of ₹135.81 crore in respect of a loan given to Gran Electronics Private Limited which is under liquidation, as per the orders of National Company Law Tribunal (NCLT), resulted in understatement of loss by ₹44.67 crore (after adjustment of impairment loss allowance of ₹91.14 crore) and overstatement of loan to the same extent. Despite being pointed out during previous year, no corrective action was taken by the Company.</li> <li>• The Company did not write-off the balance amount of ₹128.18 crore in respect of loan given to M/s Coastal Energen Pvt. Ltd (CEPL) which was declared Non Performing Assets on 30 June 2018 and liquidation process was initiated as per the orders of NCLT. The Company submitted its claim of ₹584.17 crore (inclusive of outstanding interest of ₹285.45 crore), however, share of the Company in the assets of CEPL works out to ₹170.54 crore only (approx) against the outstanding principal loan amount of ₹298.72 crore. Thus, the balance amount of ₹128.18 crore (₹298.72 crore <i>minus</i> ₹170.54 crore) should have been written off. Non-writing off the balance amount of ₹128.18 crore has resulted in understatement of loss by ₹42.16 crore (after adjustment of impairment loss allowance of ₹86.02 crore) and overstatement of loan by the same amount.</li> <li>• Corporate Insolvency Resolution Process was initiated (15 January 2020) for recovery of outstanding dues of ₹147 crore from Reliance Naval and Engineering Limited (RNVL). Committee of Creditors (CoC) received two resolution plans (RP) from two bidders. As per RPs, maximum recovery to the Company was ₹31.93 crore, if the Company assent for the plan and if dissent, an amount of ₹28.14 crore will be received by Company. As the Company dissented (14 March 2022) for RP, maximum possible recovery is ₹28.14 crore against the outstanding</li> </ul>

Sl. No.	Name of CPSE	Comment
		<p>amount of ₹147 crore. Non-writing off the balance amount of ₹118.86 crore has resulted in understatement of loss by ₹39.09 crore (after adjustment of impairment loss allowance of ₹79.77 crore) and overstatement of loan by the same amount.</p> <ul style="list-style-type: none"> <li>• Loans included outstanding principal of ₹151.50 crore against Madhucon Infrastructure Limited (MIL) as on 31 March 2022. The Company worked out the maximum recoverable amount as ₹31.43 crore only based on securities available with it and accordingly agreed (January 2020) for One Time Settlement (OTS) of ₹70 crore which was not honoured by MIL. Therefore, the Company revoked (December 2020) the OTS. Fresh OTS proposal of ₹50 crore has been offered by MIL on 6 June 2022. Accordingly, maximum possible recovery is of only ₹50 crore against the total outstanding of ₹151.50 crore. Non-writing off the balance amount of ₹101.50 crore has resulted in understatement of loss by ₹33.38 crore (after adjustment of impairment loss allowance of ₹68.12 crore) and overstatement of loan by same amount. Despite being pointed out during previous year, no corrective action was taken by the Company.</li> <li>• The Company did not write-off the balance amount of ₹75.73 crore in respect of a loan amount of ₹75.90 crore given to M/s C &amp; C Projects Limited against which the resolution plan lapsed and matter went into liquidation. The liquidation value worked out to ₹234 crore and the Company's share, in case of liquidation, worked out to ₹0.17 crore only. Thus, non-writing off the balance amount, resulted in understatement of loss by ₹24.91 crore (after adjustment of impairment loss allowance of ₹50.82 crore) and overstatement of loan by same amount. Despite being pointed out during previous year, no corrective action was taken by the Company.</li> <li>• Loans included outstanding principal of ₹91.40 crore against Liz Traders and Agents Private Limited (LTAPL). Due to default by LTAPL, a case was filed before Resolution Professional (RP). RP informed that there are no assets other than security and financial assets in the</li> </ul>

Sl. No.	Name of CPSE	Comment
		<p>corporate debtor and no business has been conducted during last 3-4 years. The Company only has exclusive charge of a property at Kollum, Kerala which is having a fair value of ₹32.69 crore only. As no other security is available with the Company, the balance amount of ₹58.71 crore should have been written off. Non-writing off the balance amount of ₹58.71 crore has resulted in understatement of loss by ₹19.31 crore (after adjustment of impairment loss allowance of ₹39.40 crore) and overstatement of loan by the same amount.</p> <ul style="list-style-type: none"> <li>Loans included outstanding principal of ₹78.21 crore as on 31 March 2022, against Khed Sinnar Expressway Ltd. (KSEL), an SPV constituted under the IL&amp;FS group to implement the National Highway Authority of India (NHAI) project. The project was terminated by NHAI. IL&amp;FS Group filed resolution plan in NCLT which was approved in March 2020. As per the approved resolution plan, the Company's share worked out to ₹63 crore. As maximum expected recovery is ₹63 crore, the balance amount of ₹15.21 crore should have been written off. Non-writing off the balance amount of ₹15.21 crore has resulted in understatement of loss by ₹5 crore (after adjustment of impairment loss allowance of ₹10.21 crore) and overstatement of loan by same amount. Despite being pointed out during previous year, no corrective action was taken by the Company.</li> <li>Loans included outstanding principal of ₹100 crore against IL&amp;FS Development Co. Ltd. (IDCL). As the borrower defaulted in payment since November 2019, the account was declared as NPA by the Company. Further pursuant to default made by the IL&amp;FS group, IDCL was classified as a "Red Company". Based on the forensic audit report most of the lender banks declared the account as fraud during December 2020 to February 2022. However, the Company shown the loan as stage 3 and provided impairment allowance @ 67.11 per cent instead of treating the loan account as fraud and making 100 per cent provision. This has resulted in understatement of loss by ₹32.89 crore</li> </ul>

Sl. No.	Name of CPSE	Comment
		<p>(after adjustment of impairment allowance of ₹67.11 crore) and overstatement of loan by same amount.</p> <ul style="list-style-type: none"> <li>Loans included outstanding principal of ₹4.96 crore against Coastal Projects Limited (CPL). KPMG in its forensic report (06 January, 2020) observed CPL's loan account as fraud and on the basis of that lender banks viz., State Bank of India, Bank of Maharashtra, Punjab National Bank and Bank of Baroda declared CPL's loan account as fraud. However, the Company shown the CPL loan account as stage 3 and provided impairment allowance @ 67.11 per cent instead of treating the same as fraud and making 100 per cent provision. This has resulted in understatement of loss by ₹1.63 crore (after adjustment of impairment allowance ₹3.33 crore) and overstatement of loan by same amount.</li> </ul>
4.	ITI Limited	<p>Other Expenses is understated by an amount of ₹16.48 crore due to non-provisioning of Property tax payable to Bruhat Bengaluru Mahanagara Palike (BBMP) for the period from 2016-17 to 2021-22, even after the court's orders. This has also resulted in overstatement of profit to the same extent. Also, the liability on account of interest and penalty payable thereon was not disclosed.</p>
5.	Oil and Natural Gas Corporation Limited	<p>Provisions did not include ₹552.66 crore on account of the following liabilities:</p> <p>(i) ₹64.52 crore demanded by Director General of Hydrocarbons towards liquidated damages on account of non-completion of Minimum Work Program within fixed time frame for Shale Gas &amp; Oil exploration &amp; exploitation.</p> <p>(ii) ₹488.14 crore on account of unpaid/short payment of Royalty (for blocks KG-OSN-2001/3 and CB-OS/2) to Government of India (GoI) which has been demanded by Director General of Hydrocarbons.</p> <p>Non-provisioning of the above liabilities resulted in understatement of provisions and overstatement of profit by ₹552.66 crore.</p>
6.	Oil India Limited	<p>Non-provisioning for the liability in respect of unfinished Minimum Work Program amounting to ₹144 crore payable to Government, subsequent to the expiry of the Block (NELP VI block MZ-ONN-2004/1) in February 2022</p>

Sl. No.	Name of CPSE	Comment
		resulted in understatement of Provision for Liability in respect of unfinished Minimum Work Programme and overstatement of Profit by ₹144 crore.
7.	RailTel Corporation of India Limited	<ul style="list-style-type: none"> <li>Property, Plant and Equipment (assets of NE Project) was overstated by an amount of ₹33.24 crore as the value of the assets was worked out considering replacement cost method instead of value of 'asset in use' in violation of Para 6 of Ind AS 36. This has also resulted in understatement of impairment loss of NE project by ₹33.24 crore and overstatement of profit before tax by the same amount.</li> <li>Other Income included ₹50.18 crore being the excess provision written back during the year 2021-22. However, the Company has not disclosed this item of provision written back as 'Exceptional Item' in the Statement of Profit &amp; Loss in violation of Schedule III to the Companies Act, 2013 and Para 96 of Ind AS – 1. This has resulted in overstatement of other income by ₹50.18 crore and understatement of exceptional item to the same extent.</li> </ul>
8.	Steel Authority of India Limited	<ul style="list-style-type: none"> <li>Non-provisioning towards enhanced cost of fuel and power charges payable to Damodar Valley Corporation, as per the tariff orders of West Bengal Electricity Regulatory Commission dated 05 May, 2022, resulted in understatement of Power &amp; Fuel charges and overstatement of Profit by ₹70.17 crore.</li> <li>Non-provisioning of interest payable on outstanding advance from Indian Railways based on the rate of interest, decided by Chief Advisor (Cost), Ministry of Finance, for the year 2019-20, resulted in understatement of provisions and overstatement of profit by ₹30.79 crore.</li> </ul>

#### a.ii. Comments on financial position

Sl. No.	Name of CPSE	Comment
1.	Coal India Limited	Salary and wages of Non-executives of CIL is finalised in every five years after finalisation of National Coal Wage Agreement (NCWA). The pay revision was due from 1 July 2021 as per NCWA-XI. The Company made a provision for expected pay revision in the books of

Sl. No.	Name of CPSE	Comment
		<p>accounts. Despite making provision for expected pay revision, Actuary assessed the liability with same assumption which was considered in the previous year 2020-21 without considering the expected salary revision due from 01 July, 2021. This resulted in defective depiction of provisions in respect of retirement benefits and profit for the year (amount not quantified).</p>
2.	Indian Railway Finance Corporation Limited	<ul style="list-style-type: none"> <li>• ‘Lease Receivables’ represents the amount receivable from Ministry of Railways towards financing of Rolling Stock and Other Railways Projects. Disclosure of the above as ‘Receivables’ instead of ‘Loans’ was in violation of Schedule III (Division III) of the Companies Act, 2013. This has resulted in overstatement of ‘Receivables’ by ₹2,00,692.50 crore and also understatement of ‘Loans’ by the same amount.</li> <li>• Receivables included an amount of ₹20,898.72 crore being the amount depicted as ‘Lease Receivables’ from Ministry of Railways (MoR) for the railway projects funded for creating infrastructure projects. (₹15,161.20 crore for EBR-IF and ₹5,737.52 crore for National Projects).</li> </ul> <p>As per Para 9 of Ind AS 116, ‘a contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for a consideration’.</p> <p>The Company entered (March 2022) into lease agreement for the above ‘Lease Receivables’ with MoR. However, specific railway asset(s) created with the funds provided by the Company cannot be identified from the list of projects given in the agreement. As such, the same cannot be classified as ‘lease’ in terms of the Para 9 of Ind AS 116.</p> <p>Further, the Company can only finance Railway Assets through lease finance as per its Memorandum of Association. As such, the above cannot be termed as ‘Loan’. This had resulted into overstatement of Lease Receivables by ₹20,898.72 crore.</p>

Sl. No.	Name of CPSE	Comment
3.	Madras Fertilizers Limited	Deferred Tax Liability was understated by an amount of ₹24.52 crore being the deferred tax liability on account of tax effect due to fair market value change of investment with reference to cost of acquisition of the investment. This has also resulted in overstatement of Other Comprehensive Income by ₹24.52 crore.
4.	NLC India Limited	Trade Receivable included an amount of ₹1,063.47 crore outstanding from DISCOMs towards Water & Security expenses and Power surrender cost which was billed in Bills of Supply of Electrical Energy for the period from April 2019 to December 2020. These expenses were billed on the basis Company's internal guidelines which was neither in line with Ministry of Coal's guidelines (January 2015) nor approved by Central Electricity and Regulatory Commission in its Regulation (March 2019). Further, these expenses were neither acknowledged nor paid by the DISCOMs as these were billed without any consent from DISCOMs. This has resulted in overstatement of Trade Receivables as well as Retained Earnings by ₹1,063.47 crore.
5.	The Fertilizer and Chemicals Travancore Limited	Provisions did not include an amount of ₹47.90 crore on account of pay revision for company's employees in pursuance of Office Memorandum dated 03 August, 2017 of Department of Public Enterprises. Considering the approval of Board of Directors to the pay revision and in pursuance of Para 10 of Ind AS 37, Company has a constructive obligation for the pay revision and thus should have made provision for the same in the financial statements in accordance with Para 14 of Ind AS 37. Non-provisioning for the same resulted in understatement of Provision for Pay Revision and overstatement of Profit by ₹47.90 crore.
6.	The Orissa Minerals Development Company Limited	(a) Provision for an amount of ₹27.15 crore, deposited with Government of Odisha in December 2017 and November 2018 towards compensation payable under Mines and Minerals Development Regulation Act, 1957, was not created even though the same was appropriated by the Government of Odisha as part payment. This resulted in overstatement of Other Current Assets and

Sl. No.	Name of CPSE	Comment
		<p>understatement of Loss for the year by ₹27.15 crore. The issue was raised during the audit of financial statements of 2019-20 and 2020-21 as well. However, no corrective action was taken.</p> <p>(b) The Company did not create provision towards stamp duty and registration charges amounting to ₹79.48 crore payable for execution of supplementary lease deeds of two mining leases namely Belkundi and Bhadrasahi renewed by Government of Odisha in February 2020. This has resulted in understatement of Current Liabilities by ₹79.48 crore. Though the Company provided for liability of ₹6.10 crore towards stamp duty and registration charges for Bagiaburu mine and created corresponding intangible assets but without amortising the same. Considering the life of the respective leases, non-accountal of amortisation expenses resulted in understatement of Loss by ₹50.32 crore, current year's amortisation expense by ₹4.13 crore and Intangible assets (net of amortisation expenses) by ₹31.13 crore. The issue was raised by Audit during previous years as well. However, no corrective action was taken.</p>

**a.iii. Comments on Cash Flow Statement**

Sl. No.	Name of CPSE	Comment
1.	RailTel Corporation of India Limited	The Company has disclosed interest income received as ₹19.98 crore instead of ₹33.07 crore under Cash Flow from Investing Activities. This has resulted in understatement of Cash Flow from Investing Activities and overstatement of Cash Flow from Operating activities by ₹13.09 crore.

**a.iv. Comments on Disclosure**

Sl. No.	Name of CPSE	Comment
1.	Mahanagar Telephone Nigam Limited	<p>Contingent Liabilities was understated by an amount of ₹245.89 crore due to non-inclusion of the following-</p> <p>i. demand raised by Pr. CCA Mumbai consequent to the judgment of Hon'ble Supreme Court dated October 24, 2019 amounting to ₹144.66 crore</p>

Sl. No.	Name of CPSE	Comment
		ii. demand raised by South Delhi Municipal Corporation towards outstanding property tax amounting to ₹101.23 crore.
2.	NLC India Limited	During the financial year 2021-22, the Company changed its accounting policy on Depreciation/Amortization in respect of freehold Mining Land and Amortization of Mine Development Cost. However, necessary disclosures for the changes were not made as per the requirements of Ind AS 8.
3.	RailTel Corporation of India Limited (Consolidated Financial Statements)	<ul style="list-style-type: none"> <li>• The Company did not disclose the following information as required under Schedule III to the Companies Act, 2013:               <ol style="list-style-type: none"> <li>a. amount of net assets and net assets as a percentage of consolidated net assets.</li> <li>b. amount of share in profit or loss and the percentage share in profit or loss as a percentage of consolidated profit or loss;</li> <li>c. amount of other comprehensive income (OCI) and the percentage of OCI as a percentage of consolidated OCI.</li> </ol> </li> <li>• The Company did not disclose the Inventory Turnover Ratio and no explanation was provided in respect of four Ratios (Return on Equity Ratio, Net Profit Ratio, Return on Capital Employed and Return on Investment) where deviation was more than 25 per cent, as per the requirements of Ministry of Corporate Affairs' notification dated 24 March, 2021 and Schedule III to the Companies Act, 2013.</li> </ul>
4.	Steel Authority of India Limited	<ul style="list-style-type: none"> <li>• The Company calculated Return on Equity, Net Profit Ratio, Return on Capital Employed and Return on Investment as difference between the figure of 31 March, 2021 and 31 March, 2022 instead of calculating the variation percentage comparing to the preceding year. Further, since the changes in the ratio as compared to preceding year was more than 25 per cent in respect of three ratios (Return on Equity, Net Profit Ratio and Return on Capital Employed), explanation for the same was required to be disclosed in the accounts which was not done. This resulted in deficiencies in</li> </ul>

Sl. No.	Name of CPSE	Comment
		<p>compliance to the amendments in Schedule III of the Companies Act, 2013.</p> <ul style="list-style-type: none"> <li>Contingent liability did not include an amount of ₹31.06 crore for differential interest on Excise duty.</li> <li>Contingent liability did not include ₹23.63 crore being the differential claims of sales tax for the period from 2009-10 to 2013-14 not acknowledged as debt up to 31 March, 2022.</li> <li>Contingent liability was overstated by an amount of ₹21.52 crore towards claim of M/s G S. Atwal (Engg) Pvt Ltd for which Arbitrator has given its decision against the Company and ₹4.69 crore was paid by the Company to the party in February 2022.</li> </ul>

#### a.v. Comments on Independent Auditors' Report

Sl. No.	Name of CPSE	Comment
1.	IFCI Limited (Consolidated Financial Statements)	Statutory auditor did not provide its comments on clause (xxi) of paragraph 3 of Companies (Auditor's Report) Order, 2020. Auditors' Report was deficient to that extent.

#### b. Unlisted Government companies

##### b.i. Comments on profitability

Sl. No.	Name of CPSE	Comment
1.	Bharat Coking Coal Limited	Short booking of extraction of overburden and coal against the actual extraction resulted in overstatement of profit and understatement of liability to the tune of ₹21.39 crore.
2.	Bharat Sanchar Nigam Limited	<ul style="list-style-type: none"> <li>Contribution towards Pension (Expenses-Employees benefit expenses) was understated by an amount of ₹105.35 crore due to non-provisioning for pension contribution at maximum pay scale for the period from 01 December, 2011 to 30 September, 2014. This has also resulted in understatement of loss to the same extent.</li> <li>Depreciation and Amortisation Expenses were understated by an amount of ₹1,398.40 crore due to non-inclusion of amortisation of leasehold lands which were shown as freehold lands by the Company. This has also</li> </ul>

Sl. No.	Name of CPSE	Comment
		<p>resulted in understatement of loss and overstatement of Property, Plant and Equipment to the same extent.</p> <ul style="list-style-type: none"> <li>Other expenses were understated by an amount of ₹201.45 crore due to non-inclusion of penalty imposed by the TERM Cell of Department of Telecommunication on account of Customer Application Form penalty and EMF penalty. This has also resulted in understatement of loss by the same amount.</li> </ul>
3.	Eastern Coalfields Limited	<p>Cost Accounting Standard-23 stipulates the principles, methods of determining and assigning Overburden Removal (OBR) Cost with reasonable accuracy. As per Guidance Note (J N Bose Committee on OBR Accounting), in computation of Stripping Activity Adjustment, the quantity and working hours for Re-handling OBR shall not be considered.</p> <p>However, contrary to the above, the Company considered both quantity and working hours for Re-handling OBR in Rajmahal project, working hours for Re-handling in Sonapur Bazari Open Cast Project (OCP) and incorrectly apportioned overhead expenses in Mohanpur OCP. This has resulted in overstatement of expenses (Striping Activity Adjustment) by ₹51.73 crore. Loss for the year is also understated to the same extent.</p>
4.	India Infrastructure Finance Company Limited	<ul style="list-style-type: none"> <li>A reference is invited to Modified Independent Auditor's Report for the Financial Year 2020-21 wherein it was pointed out that Profit before Tax was understated by ₹459.15 crore and Sundry Liabilities were overstated by the same amount due to reversal of interest income which accrued during the moratorium period on term loans.</li> </ul> <p>The Company received ₹60.46 crore out of the above interest income during Financial year 2021-22 which has been recognised as income on cash basis and did not recognize the balance interest income of ₹398.69 crore during the current year which resulted in non-compliance of accrual basis of accounting. This has resulted in understatement of prior period income by ₹60.46 crore, interest income by ₹398.69 crore and overstatement of Sundry Liabilities Account (Interest</p>

Sl. No.	Name of CPSE	Comment
		<p>Capitalization) by ₹398.69 crore. Consequently, profit for the year are also understated by ₹398.69 crore.</p> <ul style="list-style-type: none"> <li>• Loan account of Raebareilly Allahabad Highway Pvt. Ltd. (RAHPL) was overdue since September 2016 and was declared NPA on 31 March, 2017. Principal outstanding from RAHPL was ₹49.08 crore as on 31 March, 2022 against which provision of ₹24.54 crore has been made. Though there was no substantive offer available for realization of loan asset, the same has not been derecognized. This has resulted in overstatement of loans and understatement of impairment on financial instruments by ₹24.54 crore (₹49.08 crore minus ₹24.54 crore). Consequently, profit for the year is also overstated to the same extent.</li> </ul>
5.	National Insurance Company Limited	<ul style="list-style-type: none"> <li>• Claim Outstanding (including IBNR/IBNER) did not include claims amounting to ₹40.98 crore which were intimated to the operating offices prior to 31 March, 2022 but were not accounted for during the financial year 2021-22 resulted in short provisioning of ₹40.98 crore. This has also resulted in understatement of Claims Incurred (Net) and Loss for the year to the same extent.</li> <li>• With regard to a fire claim policy issued to M/s. Bhilosa Industries Pvt. Ltd., twice accounting of facultative/reinsurance recovery of ₹105.06 crore resulted in excess booking of recovery from the reinsurers. This has resulted in understatement of claim outstanding at the end of the year - Fire with corresponding understatement Current Liability and loss for the year by ₹105.06 crore.</li> <li>• Creation of Unearned Premium Reserve on the policies which had already been expired, resulted in overstatement of Unearned Premium Reserve under Provisions and Loss for the year by ₹32.95 crore.</li> <li>• While booking of reinsurance recovery under claim outstanding (Marine), the Company wrongly considered the booking pattern percentage, which resulted in short booking towards reinsurance recovery of ₹16.07 crore. This resulted in overstatement of Liability for Claim Outstanding at the end of year-Marine with</li> </ul>

Sl. No.	Name of CPSE	Comment
		corresponding overstatement Current Liability and overstatement of Loss after Tax by ₹16.07 crore.
6.	Oriental Insurance Company Limited	<ul style="list-style-type: none"> <li>• Creation of Unearned Premium Reserve on the policies which had already been expired, resulted in overstatement of Unearned Premium Reserve by ₹809.28 crore, understatement of Premium Deficiency Reserve by ₹670.51 crore with resultant impact of overstatement of Provisions and loss for the year 2021-22 by ₹138.77 crore.</li> <li>• Contrary to IRDA regulations and to its own policy, the Company did not provide for the claims amounting to ₹95.08 crore which were intimated to the operating offices prior to 31 March, 2022. Non-provisioning for the same resulted in understatement of Current Liabilities, Claims Incurred and Loss by ₹95.08 crore.</li> <li>• As per the accounting policy No. 6 (d) of the Company, net IBNR/ IBNER is arrived at as a percentage of Gross IBNR/IBNER to the gross claim reserves. However, <ul style="list-style-type: none"> <li>i. the Company booked gross IBNR/IBNER in Motor TP (non-pool) line of business of ₹7,117.97 crore in line with actuarial certification and converted the same into cession IBNR/IBNER and net IBNR/IBNER amounting to ₹498.26 crore and ₹6,619.71 crore respectively considering net IBNR/IBNER at the rate of 93% instead of ₹709.90 crore and ₹6,408.07 crore respectively worked out in terms of Accounting Policy No. 6 (d) of the company.</li> <li>ii. the Company booked gross IBNR/IBNER in crop line of business amounting to ₹32.45 crore in line with actuarial certification and converted the same into cession IBNR/IBNER and net IBNR/IBNER amounting to ₹1.62 crore and ₹30.83 crore instead of ₹19.94 crore and ₹12.51 crore respectively worked out in terms of Accounting Policy No. 6 (d) of the company.</li> </ul> </li> </ul>

Sl. No.	Name of CPSE	Comment
		<p>Above resulted in overstatement of Current Liabilities, claims incurred (net) as well as loss for the year by ₹229.96 crore (₹211.64 crore<sup>46</sup> plus ₹18.32 crore<sup>47</sup>).</p> <ul style="list-style-type: none"> <li>• Outstanding Claims did not include ₹112.52 crore being the outstanding liability on account of co-insurance share for Rabi-2021-22 season in the states of Madhya Pradesh and Maharashtra under Pradhan Mantri Fasal Bima Yojna, in violation of the Accounting Policy No.6. This has resulted in understatement of current liabilities and loss for the year by ₹112.52 crore.</li> <li>• Non-provisioning for the claims paid under inward treaty and inward facultative by the respective reinsured Companies along with reinsurance commission (₹76.69 crore) and liability (₹35.51 crore) for incoming co-insurance policies intimated by the respective reinsured companies &amp; leader insurers well before the finalisation of accounts of the Company in contravention to its own Accounting policy No.6, resulted in understatement of current liabilities and loss for the year by ₹112.20 crore.</li> <li>• United India Insurance Company Limited intimated (February 2022) the liability of ₹28.90 crore towards co-insurance share of the Company as on 31 December, 2021. Out of this, the company paid ₹9.44 crore but did not book the balance liability of ₹19.46 crore. This has resulted in understatement of current liabilities, claims incurred under Miscellaneous Revenue account and loss for the year by ₹19.46 crore.</li> </ul>
7.	Rashtriya Ispat Nigam Limited (Standalone Financial Statements)	Non-provisioning for the Risk and Hardship Allowance payable to Central Industrial Security Force staff along with interest for delayed payment, resulted in understatement of Other Expenses and Other Financial Liabilities by ₹48.87 crore and consequent overstatement of Profit to the same extent.
8.	South Eastern Coalfields Limited	• Other Income included an amount of ₹64.15 crore receivable from M/s Zypher-VEPL-KCL (JV) on

<sup>46</sup> ₹6,619.71 crore minus ₹6,408.07 crore.

<sup>47</sup> ₹30.83 crore minus ₹12.51 crore.

Sl. No.	Name of CPSE	Comment
		<p>account of penalty levied upon termination of contract by the Company. The notice for termination was issued by the Company in August 2021 against which the contractor has filed a Writ Petition in the Hon'ble Bilaspur High Court on 03 September, 2021. The matter is still pending. Despite matter being sub-judice, the Company booked the amount as "other income". This has resulted in overstatement of Other Income and Profit to the extent of ₹64.15 crore.</p> <ul style="list-style-type: none"> <li>• Depreciation/ Amortization/ Impairment included excess provision of depreciation amounting to ₹50.76 crore due to incorrect consideration of useful life of 240 tonne dumpers as seven years instead of 15 years. This has also resulted in understatement of non-current assets and Profit by ₹50.76 crore.</li> </ul>
9.	TUSCO Limited	Basic Earning Per Share and Diluted Earning Per Share for the year ended 2021-22 were ₹(-)89.89 which were wrongly depicted as ₹(-)89.91 and ₹(-)84.55 respectively.

#### b.ii. Comments on financial position

Sl. No.	Name of CPSE	Comment
1.	Bangalore Metro Rail Corporation Limited	Change in the accounting policy to treat reimbursement of taxes and duties as monetary grant, from the year 2019-20, was in contravention to the terms of original Memorandum of Understanding. This has resulted in overstatement of liabilities and Capital Work in Progress by ₹507.17 crore.
2.	Bharat Coking Coal Limited	Salary and wages of Non-executives of the Company is finalised in every five years after finalisation of National Coal Wage Agreement (NCWA). The pay revision was due from 01 July, 2021 as per NCWA-XI. The Company made a provision for expected pay revision in the books of accounts. Despite making provision for expected pay revision, Actuary assessed the liability with same assumption which was considered in the previous year 2020-21 without considering the expected salary revision due from 01 July, 2021. This resulted in defective depiction of provisions in respect of retirement benefits and profit for the year (amount not quantified).

Sl. No.	Name of CPSE	Comment																				
3.	Bharat Sanchar Nigam Limited	<ul style="list-style-type: none"> <li>Trade receivables was overstated and loss was understated by an amount of ₹738.69 crore due to non-provisioning of the following: <table border="1"> <thead> <tr> <th colspan="2" style="text-align: right;"><i>(₹ in crore)</i></th> </tr> <tr> <th>Particulars</th> <th>Amount</th> </tr> </thead> <tbody> <tr> <td>Old receivables on account of lease circuits which were outstanding from more than 3 years</td> <td style="text-align: right;">131.05</td> </tr> <tr> <td>Old receivables on account of Interconnect Usage Charges which were outstanding from more than 3 years</td> <td style="text-align: right;">607.64</td> </tr> <tr> <td style="text-align: center;"><b>Total</b></td> <td style="text-align: right;"><b>738.69</b></td> </tr> </tbody> </table> </li> <li>Property, Plant and Equipment is overstated by an amount of ₹2,046.98 crore due to inclusion of the following: <table border="1"> <thead> <tr> <th colspan="2" style="text-align: right;"><i>(₹ in crore)</i></th> </tr> <tr> <th>Particulars</th> <th>Amount</th> </tr> </thead> <tbody> <tr> <td>Assets held for sale. This has also resulted in understatement of the 'Assets Held for Sale' by the same amount.</td> <td style="text-align: right;">2,046.57</td> </tr> <tr> <td>Assets transferred/taken over by the Land and Development Office, Department of Telecommunication and Govt. of India. This has also resulted in the understatement of Loss to the same extent.</td> <td style="text-align: right;">0.41</td> </tr> <tr> <td style="text-align: center;"><b>Total</b></td> <td style="text-align: right;"><b>2,046.98</b></td> </tr> </tbody> </table> </li> <li>Trade receivables is overstated by an amount of ₹183.82 crore due to inclusion of claims on account of services pertaining to telephone, Broad band, Private Data Network and late fee in respect of Core Network TX-North circle, the chances of realisation of which are remote. These claims are outstanding for more than five years. This has also resulted in understatement of Loss by the same amount.</li> <li>Other recoverable (Other Current financial assets) is overstated by an amount of ₹97.94 crore due to showing higher amount recoverable from Department of Telecommunication on account of USOF-LWE projects. This has also resulted in understatement of loss by the same amount.</li> </ul>	<i>(₹ in crore)</i>		Particulars	Amount	Old receivables on account of lease circuits which were outstanding from more than 3 years	131.05	Old receivables on account of Interconnect Usage Charges which were outstanding from more than 3 years	607.64	<b>Total</b>	<b>738.69</b>	<i>(₹ in crore)</i>		Particulars	Amount	Assets held for sale. This has also resulted in understatement of the 'Assets Held for Sale' by the same amount.	2,046.57	Assets transferred/taken over by the Land and Development Office, Department of Telecommunication and Govt. of India. This has also resulted in the understatement of Loss to the same extent.	0.41	<b>Total</b>	<b>2,046.98</b>
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		<ul style="list-style-type: none"> <li>Other current liabilities and loss is understated by an amount of ₹11.44 crore due to non-provisioning of the following: (₹ in crore)</li> </ul> <table border="1"> <thead> <tr> <th>Particulars</th> <th>Amount</th> </tr> </thead> <tbody> <tr> <td>Interest/penalty on undisputed outstanding statutory dues payable</td> <td>2.64</td> </tr> <tr> <td>Liability on account of AMC charges payable to M/s TCIL &amp; M/s Quadgen for the period from 01.10.2021 to 31.03.2022 for maintenance of Wi-Fi Hotspots</td> <td>3.42</td> </tr> <tr> <td>Liability on account of AMC charges payable for maintenance of NFS OFC link to M/s Sterlite and M/s Vindhya Telelinks Limited</td> <td>5.38</td> </tr> <tr> <td><b>Total</b></td> <td><b>11.44</b></td> </tr> </tbody> </table>	Particulars	Amount	Interest/penalty on undisputed outstanding statutory dues payable	2.64	Liability on account of AMC charges payable to M/s TCIL & M/s Quadgen for the period from 01.10.2021 to 31.03.2022 for maintenance of Wi-Fi Hotspots	3.42	Liability on account of AMC charges payable for maintenance of NFS OFC link to M/s Sterlite and M/s Vindhya Telelinks Limited	5.38	<b>Total</b>	<b>11.44</b>
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<b>Total</b>	<b>11.44</b>											
4.	Central Coalfields Limited	<ul style="list-style-type: none"> <li>Other Current Liabilities did not include provision for liability for Environmental Compensation levied by Jharkhand State Pollution Control Board (JSPCB) in respect of five mines of the Company. JSPCB levied compensation of ₹32.45 crore against which the Company paid ₹1.35 crore in respect of one mine. Despite non-payment of balance amount of ₹31.10 crore, no provision has been made in the books of accounts. This has resulted in understatement of other Current Liabilities and overstatement of Profit by ₹31.10 crore.</li> <li>Salary and wages of Non-executives of the Company is finalised in every five years after finalisation of National Coal Wage Agreement (NCWA). The pay revision was due from 01 July, 2021 as per NCWA-XI. The Company made a provision for expected pay revision in the books of accounts. Despite making provision for expected pay revision, Actuary assessed the liability with same assumption which was considered in the previous year 2020-21 without considering the expected salary revision due from 01 July, 2021. This resulted in defective depiction of provisions in respect of retirement benefits and profit for the year (amount not quantified).</li> </ul>										
5.	Central Mine Planning & Design Institute Limited	Salary and wages of Non-executives of the Company is finalised in every five years after finalisation of National Coal Wage Agreement (NCWA). The pay revision was due from 01 July, 2021 as per NCWA-XI. The Company made a										

Sl. No.	Name of CPSE	Comment
		<p>provision for expected pay revision in the books of accounts. Despite making provision for expected pay revision, Actuary assessed the liability with same assumption which was considered in the previous year 2020-21 without considering the expected salary revision due from 01 July, 2021. This resulted in defective depiction of provisions in respect of retirement benefits and profit for the year (amount not quantified).</p>
6.	Dedicated Freight Corridor Corporation of India Limited	<p>The Company entered into a Concession agreement with Ministry of Railways to implement a project and to operate &amp; maintain the new Railway corridor for a concession period of 30 years. As per the agreement, Ministry of Railways will utilise the network and pay Track Access Charges to the Company.</p> <p>As per Para 11 of Ind AS 115 such infrastructure created under service concession agreement cannot be recognized as Property Plant and Equipment. However, the Company has recognised infrastructure created under the Concession agreement as 'Property Plant and Equipment/Capital Work in Progress' in violation of Ind AS 115.</p> <p>This has resulted in overstatement of 'Property Plant and Equipment' and 'Capital work in Progress' by ₹22,759.57 crore and ₹41,676.68 crore respectively and understatement of 'Intangible Assets/Financial Assets (under development)' by ₹64,436.25 crore.</p> <p>The issue was raised during the audit of financial statements of 2020-21 as well. However, no corrective action was taken.</p>
7.	DME Development Limited (2020-21)	<p>Capital Work in Progress-Intangible Assets was overstated by an amount of ₹9,890.74 crore in respect of Delhi-Mumbai Expressway. Since the Company did not have the right to charge users for toll fee and will receive only periodic annuity payments from National Highways Authority of India, as per the provisions of Ind AS 115 and Ind AS 38, categorizing the expenditure as Capital Work in Progress-Intangible Assets is incorrect. This has also resulted understatement of Financial Assets by ₹9,890.74 crore.</p>
8.	Eastern Coalfields Limited	<ul style="list-style-type: none"> <li>Trade Receivables included an amount of ₹132.30 crore receivable from NTPC Limited for the period from September 2017 to August 2020 on account of Surface</li> </ul>

Sl. No.	Name of CPSE	Comment
		<p>Transportation Charges (STC) for supply of Coal for a lead distance of 0–3 km. In the absence of any agreement, for charging of STC for supply of Coal for a lead distance of 0–3 km, chances of recovery of ₹132.30 crore are very remote and suitable provision should have been created. Non-creation of provision resulted in overstatement of trade receivables (net of allowances for bad and doubtful debts) and understatement of loss. The issue was raised during the audit of financial statements of 2020-21 as well. However, no corrective action was taken.</p> <ul style="list-style-type: none"> <li>• Salary and wages of Non-executives of the Company is finalised in every five years after finalisation of National Coal Wage Agreement (NCWA). The pay revision was due from 01 July, 2021 as per NCWA-XI. The Company made a provision for expected pay revision in the books of accounts. Despite making provision for expected pay revision, Actuary assessed the liability with same assumption which was considered in the previous year 2020-21 without considering the expected salary revision due from 01 July, 2021. This resulted in defective depiction of provisions in respect of retirement benefits and profit for the year (amount not quantified).</li> </ul>
9.	Kolkata Metro Rail Corporation Limited	<ul style="list-style-type: none"> <li>• Capital Work In Progress – Pre-operative expenditure pending allocation included a reduction of ₹219.46 crore on account of exchange fluctuation gain for the year and capitalised under Capital Work in Progress through pre-operative expenditure. Non-recognition of exchange difference in the statement of profit and loss resulted in non-compliance of Ind AS-21.</li> <li>• Other Financial Assets included ₹160.91 crore receivable from Government of West Bengal (GoWB) on account of SGST pending processing of the claim by GoWB as per clause 10.4 of the Memorandum of Understanding (MoU) signed in 2008. As GoWB stepped out of the project in 2012 and thereafter no new/revised MoU have been signed in this regard, there was uncertainty in reimbursement of SGST by GoWB. Therefore, disclosing the above in other financial assets instead of CWIP was not proper. This has resulted in</li> </ul>

Sl. No.	Name of CPSE	Comment
		<p>overstatement of Other Financial Assets by ₹160.91 crore and understatement of CWIP by the same amount.</p> <ul style="list-style-type: none"> <li>• Capital Work in Progress – Pre-operative expenditure – Expenditure included an amount of ₹89.47 crore being exchange fluctuation cost which was classified under borrowing cost instead of exchange fluctuation cost in the financial statement. This resulted in overstatement of borrowing cost and understatement of exchange fluctuation cost to an extent of ₹89.47 crore.</li> <li>• Capital Work in Progress did not include an amount of ₹10.11 crore being expenditure on underground tunnelling works for the month of March 2022 claimed by the contractor after reporting date but prior to date of preparation of financial statements. This has resulted in understatement of Capital Work in Progress as well as understatement of Contractors Liability by ₹10.11 crore.</li> </ul>
10.	Mahanadi Coalfields Limited	<p>Salary and wages of Non-executives of the Company is finalised in every five years after finalisation of National Coal Wage Agreement (NCWA). The pay revision was due from 01 July, 2021 as per NCWA-XI. The Company made a provision for expected pay revision in the books of accounts. Despite making provision for expected pay revision, Actuary assessed the liability with same assumption which was considered in the previous year 2020-21 without considering the expected salary revision due from 01 July, 2021. This resulted in defective depiction of provisions in respect of retirement benefits and profit for the year (amount not quantified).</p>
11.	Nabinagar Power Generating Company Limited	<p>Transmission charges of ₹85.35 crore paid by the Company to Power Grid Corporation of India Limited, during the years 2018-19 to 2021-22, due to non-completion its project, within the scheduled time, were booked as Capital Work-in-Progress. Since the Company could not complete its project within the scheduled time, these transmission charges should have been directly charged to Statement of Profit and Loss instead of considering as Capital Work-in-Progress. This has resulted in overstatement of Capital Work-in-Progress and Profit by ₹85.35 crore.</p>

Sl. No.	Name of CPSE	Comment
12.	National Highways Infra Projects Private Limited (2020-21)	Other Intangible Assets included an amount of ₹7,350.40 crore pertaining to toll collection rights to be received by the Company in terms of five Concession Agreements entered into with National Highways Authority of India, without fulfilling the Conditions Precedent. Since the Conditions Precedent was not fulfilled, booking of the same resulted in overstatement of Intangible assets and Other financial liability.
13.	Northern Coalfields Limited	<ul style="list-style-type: none"> <li>• Trade Receivables included an amount of ₹221.79 crore receivable from NTPC Limited for the period from September 2017 to August 2020 on account of Surface Transportation Charges (STC) for supply of Coal for a lead distance of 0–3 km. In the absence of any agreement, for charging of STC for supply of Coal for a lead distance of 0–3 km, chances of recovery of ₹221.79 crore are very remote and suitable provision should have been created. Thus, non-creation of provisions resulted in overstatement of trade receivables (net of allowances for bad and doubtful debts) and profits for the year to that extent. The Statutory Auditors' Report is also deficient to that extent. The issue was raised during the audit of financial statements of 2020-21 as well. However, no corrective action was taken.</li> <li>• Property, plant &amp; equipment was overstated and depreciation was understated by an amount of ₹118.81 crore due to considering the useful life of Coal Handling Plant (CHP) of Amlohri as 15 years instead of 7.5 years. Profit was also overstated to the above extent.</li> <li>• Salary and wages of Non-executives of the Company is finalised in every five years after finalisation of National Coal Wage Agreement (NCWA). The pay revision was due from 01 July, 2021 as per NCWA-XI. The Company made a provision for expected pay revision in the books of accounts. Despite making provision for expected pay revision, Actuary assessed the liability with same assumption which was considered in the previous year 2020-21 without considering the expected salary revision due from 01 July, 2021. This resulted in defective depiction of provisions in respect of retirement benefits and profit for the year (amount not quantified).</li> </ul>

Sl. No.	Name of CPSE	Comment
14.	NSIC Venture Capital Fund Limited  (Comment was also issued on the Consolidated financial statements of National Small Industries Corporation Limited)	NSIC Venture Capital Fund Limited with 100 <i>per cent</i> equity from National Small Industries Corporation Limited (NSIC) was incorporated on 28 August, 2020 to anchor the Self-Reliant India Fund (SRI Fund). GoI released ₹180.34 crore (₹155.34 crore till 31 March, 2022 and ₹25 crore on 2 April 2022) to the Company towards contribution to SRI Fund. NSIC, being the sponsor to SRI fund also contributed ₹0.02 crore during the year. The Company issued units to the GoI and NSIC towards the contributions made by them. The Company is maintaining separate bank account for SRI fund. The Company is also maintaining another bank account for transactions other than SRI fund and balance of ₹3.28 crore was available as on 31 March, 2022. While disclosing the Cash and Cash Equivalents in the Balance Sheet, bank balance in both the accounts should have been shown whereas the Company adjusted the funds received from GoI/ NSIC from the total bank balance and the balance in Bank account meant for transactions other than SRI fund has only been shown. Incorrect adjustment of funds released by GoI and NSIC has resulted in understatement of bank balance by ₹152.34 crore <sup>48</sup> , remittance in transit by ₹25 crore and understatement of Liabilities -Unit Capital for SRI Fund by ₹177.34 crore. Consequently, this has also resulted in understatement of net cash generated from Financing activities by ₹152.34 crore and Cash and Cash Equivalents to the same extent in Cash Flow Statement.
15.	South Eastern Coalfields Limited	<ul style="list-style-type: none"> <li>Trade Receivables included an amount of ₹63.33 crore receivable from NTPC Limited for the period from September 2017 to July 2020 on account of Surface Transportation Charges (STC) for supply of coal for a lead distance of 0–3 km. In the absence of any agreement, for charging of STC for supply of coal for a lead distance of 0–3 km, chances of recovery of ₹63.33 crore are very remote and suitable provision should have been created. Thus, non-creation of provisions resulted in overstatement of trade receivables (net of allowances for bad and doubtful debts) and profits for the year to that extent. The Statutory Auditors'</li> </ul>

<sup>48</sup> After deducting the expenses incurred in respect of SRI Fund.

Sl. No.	Name of CPSE	Comment
		<p>Report is also deficient to that extent. The issue was also commented on the Financial Statement of the company for the year 2020-21. However, against the total recoverable amount of ₹117.89 crore, SECL created provision of ₹54.56 crore only, resulting in inadequate provisioning.</p> <ul style="list-style-type: none"> <li>• Salary and wages of Non-executives of the Company is finalised in every five years after finalisation of National Coal Wage Agreement (NCWA). The pay revision was due from 01 July, 2021 as per NCWA-XI. The Company made a provision for expected pay revision in the books of accounts. Despite making provision for expected pay revision, Actuary assessed the liability with same assumption which was considered in the previous year 2020-21 without considering the expected salary revision due from 01 July, 2021. This resulted in defective depiction of provisions in respect of retirement benefits and profit for the year (amount not quantified).</li> </ul>
16.	THDC India Limited	Non-recognition of liability of ₹19.53 crore as upfront amount, which the Company was required to deposit within 15 business days from the date of grant of mine opening permission from the Ministry of Coal, which was given to the Company on 15 February, 2022, resulted in understatement of Other Current Liabilities and Capital work-in-progress by ₹19.53 crore.
17.	United India Insurance Company Limited	Creation of Unearned Premium Reserve on the policies which had already been expired, resulted in overstatement of Unearned Premium Reserve under Provisions and Loss for the year by ₹80.52 crore.
18.	Western Coalfields Limited	Salary and wages of Non-executives of the Company is finalised in every five years after finalisation of National Coal Wage Agreement (NCWA). The pay revision was due from 01 July, 2021 as per NCWA-XI. The Company made a provision for the proposed pay revision in the books of accounts. Despite making provision for expected pay revision, Actuary assessed the liability with same assumption which was considered in the previous year 2020-21 without considering the expected salary revision due from 01 July, 2021. This resulted in defective depiction of provisions in

Sl. No.	Name of CPSE	Comment
		respect of retirement benefits and profit for the year (amount not quantified).

**b.iii. Comments on Cash Flow Statement**

Sl. No.	Name of CPSE	Comment
1.	Bharat Sanchar Nigam Limited	Inclusion of change in Non-Current Financial Assets and Liabilities in calculation of Working Capital Changes instead of Cash Flow from Investing Activities was not in line with the provisions of Ind AS 7.
2.	NRTU Foundation	Increase in fixed deposits amounting to ₹6.12 crore have been shown under 'Cash Flow from Operating Activities' instead of 'Cash Flow from Investing Activities' in violation of Para 5.5 of AS – 3 on Cash Flow Statements.

**b.iv. Comments on disclosure**

Sl. No.	Name of CPSE	Comment
1.	Bharat Sanchar Nigam Limited	<ul style="list-style-type: none"> <li>Contingent liabilities were understated by an amount of ₹600 crore due to non-inclusion of demand in the form of legal notice served by M/s Vihaan Networks Limited on account of withdrawal of Advance Purchase Order by the Company.</li> <li>Assets held for sale included Telecom factory Gopalpur (West Bengal) having a value of ₹223.86 crore which was illegally under encroachment and was not readily available for sale. This fact was neither disclosed by Company in the Notes to accounts nor by the Statutory Auditors in its report.</li> </ul>
2.	FACT RCF Building Products Limited	<ul style="list-style-type: none"> <li>Contrary to the provisions of Schedule III of the Companies Act, 2013 'Trade Payables' due to micro enterprises and small enterprises and other than micro enterprises and small enterprises were not disclosed by the Company.</li> <li>'Contingent Liabilities not provided for' was understated by an amount of ₹20.06 crore being a demand raised by Income Tax Department for assessment year 2018-19. Company has appealed against the demand which was pending.</li> <li>GoI had accorded approval (16 November, 2018) to Fertilisers and Chemicals Travancore Limited (FACT) for additional investment of ₹29.25 crore to the equity share capital of the Company. Against the approval, the Company issued equity shares amounting to ₹15.18 crore towards</li> </ul>

Sl. No.	Name of CPSE	Comment
		gypsum supplied and other services provided by FACT during the period from 2010 to 2013. Equity shares amounting to ₹11.68 crore against which Gypsum/other services provided by FACT during 2014 to 2020 were pending allotment by the Company. Further, supply of gypsum from FACT amounting to ₹2.39 crore was still pending to complete the additional investment. These material facts were not disclosed in the Notes to Financial Statements.
3.	National High Speed Railway Company Limited	The Company has a policy for post-retirement Medical Benefit Scheme and Pension Scheme. However, the Company has neither defined post-retirement Medical Benefit Scheme nor framed the accounting policy on this, in violation of Para 135 of Ind AS 19. Note 2.13 (c) (i) is also deficient to the extent that disclosure has not been given regarding Pension Scheme under Defined Contribution Plan.
4.	National Informatics Centre Services Inc	Capital Commitments were understated by an amount of ₹23.16 crore due to non-inclusion of amount towards increased cost for setting up mini data centre at Shastri Park, Delhi.
5.	Oriental Insurance Company Limited	The Company recognized the Premium income in respect of Indian Reinsurers based on returns received up to finalisation of accounts till 2020-21. The Company changed its accounting policy during 2021-22 and as per the revised policy; Premium income in respect of Indian Reinsurers is recognized based on returns received up to 30 April of next financial year. The Company did not disclose the impact of change in accounting policy i.e. decrease in premium by ₹90.10 crore on the financial statements as required under Para no 22 read with Para 26 of Accounting Standard-1.
6.	Punjab Logistics Infrastructure Limited	A reference is invited to Note 24, wherein it has been mentioned that the Company has acquired 12,056.46 sqm of land from Northern Railways on an annual license fee basis. The Company has accounted the above as short-term lease applying Para 6 of Ind AS 116. However, the Company did not disclose this fact as required in terms of para 60 of Ind AS-116.
7.	RailTel Enterprises Limited	The Company did not provide explanation in respect of four Ratios (Return on Equity Ratio, Net Profit Ratio, Return on Capital Employed and Return on Investment) where deviation was more than 25 per cent, as required in terms of Ministry of

Sl. No.	Name of CPSE	Comment
		Corporate Affairs notification dated 24 March, 2021 and Schedule III to the Companies Act, 2013.

**b.v. Comments on Auditors' Report**

Sl. No.	Name of CPSE	Comment
1.	Dhalbhumgarh Airport Limited (2020-21)	The statutory auditor in its revised Audit Report did not express opinion on the 'Notes to the financial statement' in accordance with SA- 700 (Revised).
2.	National Informatics Centre Services Inc	Statutory Auditor's response to the direction issued by CAG under Section 143 (5) of the Companies Act, 2013 with regard to point no. 3 (funds received/receivables for specific schemes) is factually incorrect. The Company received funds of ₹556.04 crore during the year 2021-22 from different ministries/departments for specific schemes whereas as per the Report of Statutory Auditor, no such funds were either received or receivable by the Company from any Central/State agencies.
3.	Pondicherry Ashok Hotel Corporation Limited	<ul style="list-style-type: none"> <li>• Statutory Auditor omitted to report upon the matters listed as per the Companies (Audit and Auditors) Amendments Rules, 2021 in the original report and incorporated the same in the revised Independent Auditors' Report dated 30 July, 2022. However, the reasons of modifications as well as impact on the opinion of Auditor due to such revision and the fact that it will supersede the earlier Independent Auditors' Report dated 18 May, 2022 was not disclosed in the revised Audit Report dated 30 July, 2022.</li> <li>• The revised Independent Auditors' Report failed to comment on the regularity of the conduct of Physical Verification of the Fixed Assets and Inventory and discrepancies, if any, found in the verification report as required by Companies (Auditor's Report) Order, 2020.</li> <li>• Statutory Auditors failed to completely incorporate the Directions issued by CAG under Section 143(5) of the Companies Act, 2013.</li> </ul>

**b.vi. Other Comments**

Sl. No.	Name of CPSE	Comment
1.	Deogarh Airport Limited (2020-21)	The financial statements of the company for the years ended 31 March, 2020 and 31 March, 2021 had been adopted in the respective Annual General Meeting without obtaining and placing the audit certificates of the CAG. This was not in consonance with the provisions of the Companies Act, 2013 and Regulations on Audit and Accounts, 2020.
2.	Higher Education Financing Agency	The Company adopted its Financial Statements for the year 2020-21 in the Annual General Meeting held on 21 September, 2021 without comments of the CAG, which tantamount to non-compliance with the provisions of Section 134 (3) and proviso to Section 143(6)(b) of the Companies Act, 2013.

**c. Listed Government controlled other companies****c.i. Comments on disclosure**

Sl. No.	Name of CPSE	Comment
1.	PNB Gilts Limited	The Company did not disclose the balance contractual commitments of ₹15.45 crore towards work awarded for Supply, Integration, Implementation, Maintenance and Management of Integrated Treasury Management Solution to M/s TCS Consultancy Services Limited. This has resulted in deficient Notes to Accounts to that extent apart from non-compliance with para 122 (e) of Ind-AS 38.

**d. Unlisted Government controlled other companies****d.i. Comments on financial position**

Sl. No.	Name of CPSE	Comment
1.	Cross Border Power Transmission Company Limited	Accumulated MAT credit entitlement of ₹22.53 crore as on 31 March, 2022 was accounted for under Loan and Advances in Current Financial Assets instead of Non-Current Assets as a separate line item. This has resulted in overstatement of Current Assets - Financial Assets (Loan and Advances) and understatement of Non-Current Assets - Deferred Tax Assets by ₹22.53 crore.
2.	Kanniyakumari Port Limited	Non-accounting of the expenditure incurred by V O Chidambaranar Port Authority, one of the promoter of Company, and reimbursement made by Ministry of Ports,

		Shipping and Waterways, resulted in understatement of prior period expenditure by ₹5.08 crore, understatement of capital work in progress by ₹25.11 crore and understatement of current liabilities by ₹30.19 crore.
3.	North East Transmission Company Limited	‘Cash and Cash Equivalents’ included term deposit accounts of ₹18.40 crore which had maturity beyond 3 months from date of acquisition, this has resulted in overstatement of ‘Cash and Cash Equivalents’ and understatement of ‘Other Bank Balances’ to that extent. Significant accounting Policy No. 2.8 was also incorrect to the extent of making ‘Other Bank Balances’ a part of ‘Cash and Cash Equivalents’.

#### d.ii. Comments on disclosure

Sl. No.	Name of CPSE	Comment
1.	Kanniyakumari Port Limited	An Expression of Interest issued for development of transshipment hub port at Kanniyakumari through Public Private Partnership mode was cancelled as per the instructions of Ministry of Ports, Shipping and Waterways during March 2021. Even though this event has significant bearing on the existence of the Company, neither the Company disclosed the same in the financial statements, nor the Statutory Auditor included the same under Key Audit Matters in its Audit Report.
2.	Krishnapatnam Railway Company Limited	With regard to Note-19(i), the Company did not disclose the fact that it has filed total claims of ₹3,227.74 crore against the Ministry of Railways (MoR) and MoR has filed counter claims of ₹5,556.53 crore.

#### 2.5.2 Statutory Corporations where CAG is the sole auditor

The significant comments issued by the CAG on the financial statements of Statutory Corporations where CAG is the sole auditor are detailed below:

##### **Airports Authority of India (AAI) (comments on the financial statements for the year 2020-21)**

- Capital Work-in-Progress was understated by an amount of ₹17.97 crore payable by AAI on an arbitration award pronounced (February 2021) in respect of Construction work at Pakyong Airport, Sikkim. This has also resulted in understatement Other Liabilities.
- Capital Work-in-Progress was understated by an amount of ₹19.88 crore related to construction of combined operational office at Safdarjung Airport, New Delhi. This has also resulted in overstatement of Deposit work to the same extent.

- Capital Work-in-Progress was overstated by an amount of ₹20.15 crore due to non-capitalisation of the following works. Consequently, Fixed Assets were understated by ₹20.15 crore, Depreciation by ₹3.10 crore and Loss for the year by ₹3.10 crore.

(₹ in crore)

Sl. No.	Particulars	Amount	Depreciation
1	Construction of CISF barrack, dog kennel, kote and other development works at Maharaja Bir Bikram Airport, Agartala	15.08	2.41
2	Widening of vehicular lane and miscellaneous civil works at air side of Jorhat Airport.	0.46	0.02
3	FFM part (no. 72559) of ILS Indra	0.16	0.10
4	16 Nos. of DVR system at Lucknow Airport	0.53	0.01
5	Non capitalisation of various assets of Northern region Airports	3.60	0.53
6	Non-capitalisation of SCCTV at Amritsar Airport	0.32	0.03
<b>Total</b>		<b>20.15</b>	<b>3.10</b>

- An amount of ₹42.81 crore being recoverable from various agencies with respect to work relating to construction of combined operational office at Safdarjung Airport, New Delhi. However, the same amount has been shown under Deposit Work in books of account. This has resulted in overstatement of Deposit work and understatement of Recoverable.
- Trade Receivable was understated by an amount of ₹40.40 crore being amount recoverable from M/s Adani Lucknow International Airports Limited in line with Article 6.4.5 of the Concession Agreement. However, this recoverable amount has been shown under long term loans and advances which resulted in overstatement of that head.

**Damodar Valley Corporation (DVC) (comments on the financial statements for the year 2021-22)**

- Cash and Cash Equivalents was understated by ₹36.28 crore due to non-accountal of energy charges received from the consumers during February 2020 to March 2022 directly through the Enterprise Business Application (EBA) Bank account of DVC. This has also resulted in overstatement of Trade Receivables to the same extent.
- Cash and Cash Equivalents was overstated by ₹49.67 crore due to non-accountal of payments made through Letter of Credit (LC) towards supply of FGD equipment for power plants. However, in absence of details of invoices/bills and SRINs, its impact on assets and liabilities could not be verified in Audit.
- Supply of Power (Revenue from Operations) included a sum of ₹24.63 crore being the amount booked as “unbilled revenue” against the cost of power purchased from Maithon Power Limited during the period from April 2012 to December 2021

(₹21.72 crore) and from January to March 2022 (₹2.91 crore). Recognition of the entire amount as revenue in absence of any tariff order of Regulatory Commissions has resulted in overstatement of Revenue from Operation, Profit and Other Current Assets (Unbilled Revenues) by ₹24.63 crore each.

- Delay Payment Surcharge (DPS) included a sum of ₹66.39 crore being bills raised by DVC during January 2021 to June 2021 on 10 Industrial Consumers for the period 2006-2013 based on the tariff order passed (March/June 2020) by WBERC. Recognition of DPS, despite revocation orders issued (January 2022) by Hon'ble High Court of Calcutta, resulted in overstatement of DPS (Other Income) with corresponding overstatement of Current Assets (Trade Receivable) by ₹66.39 crore.
- Purchase of power through Exchange (Cost of power purchase) was understated by an amount of ₹23.24 crore due to non-accountal of cost of power purchased from Power Exchange-IEX during the month of August 2021 for which payment was made online through IEX Settlement Account in the same month. This has also resulted in overstatement of Cash and Cash Equivalents to the same extent.
- Ash evacuation and Utilisation expenses was understated by ₹20 crore due to non-provision of liability towards damage of crops and agricultural land at Mejia Thermal Power Station on account of breach of Ash Dyke in September 2021. The amount was provisionally assessed at ₹36.88 crore as per the order of National Green Tribunal (NGT). Pending final assessment of the claim, DVC deposited ₹20 crore with DM, Bankura as interim compensation as per the orders of NGT. Hence, the liability to the extent of deposit should have been provided for in the accounts. This has also resulted in overstatement of Profit by ₹20 crore.

**Inland Waterways Authority of India (IWAI) (comments on the financial statements for the year 2020-21)**

IWAI is acting as the Project Development Consultant (PDC) for Kaladan Project. The PDC fee received as well as expenses incurred therefrom pertained to IWAI and hence needed to be included in the accounts of IWAI. However, as per the disclosure made in point No.14 of Notes to Accounts, the authority has received, upto 31 March, 2020, ₹33.87 crore from Ministry of External Affairs including PDC fees of ₹29.05 crore, Service Tax of ₹2.11 crore, GST of ₹1.72 crore and reimbursement of Hydrographic survey expenditure of ₹0.99 crore. Internal receipts of ₹2.72 crore including bank interest generated has also been generated in the project till 31 March, 2021. Out of the above, an expenditure of ₹31.28 crore has been incurred. The facts and figures of the above note cannot be vouched safe by Audit as IWAI had prepared separate books of accounts of the Kaladan Project for the year 2020-21 and no impact of transactions of above project had been included in the financial statements of the IWAI for the year 2020-21.

This issue was also raised by Audit in earlier years, but no corrective action had been taken by IWAI.

**National Highways Authority of India (NHAI) (comments on the financial statements for the year 2020-21)**

- Due to adjustment of maintenance grant and expenditure incurred on maintenance of highways against the Capital Account instead of Profit and Loss Account, loss for the year as well as shareholder's fund-capital were understated by ₹3,320.34 crore. This issue was also raised earlier by Audit; however, no corrective action has been taken by NHAI.
- As on 31 March 2021, an amount of ₹3,07,162.61 crore was payable by NHAI towards various loans. However, contrary to its own rules, NHAI did not create a reserve fund for repayment of these loans despite raising of similar comment on the accounts of NHAI in previous years.
- 'Assets held on behalf of GoI' was overstated by an amount of ₹136.60 crore on account of inclusion of expenditure incurred on second office building, which were the assets of NHAI and should have been capitalised. This has also resulted in understatement of Fixed Assets (Net Block) by ₹129.77 crore and understatement of Loss by ₹6.83 crore.
- An amount of ₹3,469.89 crore being the Capital Reserve was transferred and adjusted/subtracted against 'Fixed assets and assets held on behalf of GoI'. This has resulted in understatement of 'Reserves and Surplus' and 'Fixed assets and assets held on behalf of GoI'.
- NHAI earned interest on unutilised capital of ₹1,976.38 crore during the financial year 2020-21. However, interest earned on Grants in aid or advances (other than reimbursement) released to NHAI, had not been remitted to Consolidated Fund of India (CFI) which was in contravention of GFR 2017. This had resulted in understatement of Current liability (Payable to GoI - Consolidated Fund of India) and understatement in Fixed Assets to the extent of interest earned on grant received during the year.
- 'Current Assets, Loans and Advance' was overstated by an amount of ₹11,207.86 crore booked as recoverable from Ministry of Road Transport and Highways (MoRTH) on account of payment made by NHAI, as per directions of MoRTH, for various National Highways Projects. MoRTH categorically denied (June 2018) to make good these recoverable and clarified that no separate funds would be released to NHAI for such recoverable and the same has to be met by NHAI from its overall resources but still these recoverable are appearing in books of NHAI in spite of no further assurances received from MoRTH. This issue was raised earlier also by Audit, however, no corrective action has been taken by NHAI.
- 'Current assets loans and advances' was overstated by an amount of ₹312.40 crore, being the loan amount disbursed to three Special Purpose Vehicles (SPVs) which,

in principle, have been decided to be wound up. NHAI has already made provision for diminution in value of entire investment of ₹403.11 crore in these three SPVs, as such, the loan of ₹312.40 crore should also have been provided for in the books of NHAI. Non-provisioning for the same resulted in overstatement of Current Assets, Loans and Advance and understatement of Loss by ₹312.40 crore. This issue was raised earlier also by Audit, however, no corrective action has been taken by NHAI.

- Current Liabilities and Provisions were understated by an amount of ₹40.54 crore due to non-provisioning for the amount payable to Indian Highways Management Company Limited (IHMCL) for various services provided by IHMCL to NHAI. This has also resulted in understatement of Expenditure of Toll Collection Activities to the same extent.
- Non-adjustment of ₹353.22 crore, being the amount spent on Kalewa Yargi Road Project, from the amount of ₹401.25 crore received from Ministry of External Affairs, resulted in overstatement of Current Liabilities and Provisions and overstatement of Current Assets, Loans & Advances by ₹353.22 crore.
- Following heads of accounts were understated by an amount of ₹1,198.83 crore due to non/short provisioning of liabilities towards:

<i>(₹ in crore)</i>		
Sl. No.	Particulars	Amount
1	Compensation payable for acquisition of land despite issue of 3D Notification / 3G award by CALA award	622.34
2	Amount payable to GoI in respect of short remittance of toll/ interest thereon by contractor/concessionaire	29.25
3	Amount payable to Contractor/Concessionaire in respect of Construction work done	330.55
4	Amounts payable to the Contractor/Concessionaire/utility department for utility shifting	68.84
5	Amounts payable to the Contractor/Concessionaire for maintenance of work done	9.62
6	Amounts payable to the Contractor / Concessionaire on account of Bonus / Annuity payment	104.30
7	Amounts payable to consultants for supervision work and DPR preparation	9.03
8	Other Liabilities	24.90
<b>Total</b>		<b>1,198.83</b>

This has resulted in understatement of Assets by ₹1,189.21 crore and Expenditure on Maintenance of Highways by ₹9.62 crore.

- Non accounting of the agency charges in the books of accounts resulted in understatement of Income, overstatement of Loss and understatement of Current Assets, Loans and Advances by ₹1,136.06 crore.
- Prior Period Items did not include an amount of ₹3,741.57 crore being the agency charges for which invoices were not raised by NHAI on MoRTH and not accounted

for in the books of accounts for the period prior to 31 March 2020. This had resulted in understatement of Prior Period Items, overstatement of accumulated losses and understatement of Current Assets, Loans and Advances by ₹3,741.57 crore.

- Contingent Liability was understated by ₹1,705.10 crore on account of claims of land compensation and claims relating to various projects. Thus, Note No.26 pertaining to disclosure of Contingent Liability was deficient to that extent.
- No disclosure was made, in line with the requirement of Para 66 of AS-29 in the Notes forming part of the Financial Statements, with regard to provisions made for taxes, gratuity, leave salary and others.
- During the financial year 2020-21, NHAI suffered an estimated loss of toll revenue of ₹3,512.62 crore and ₹814.13 crore due to COVID-19 pandemic and farmer agitation respectively. However, no disclosure on this was given in the notes to accounts.
- In respect of 12 Project Implementation Units (test checked) against acquisition of 14,006.9738 hectares of land, for implementing the Roads and Bridges Projects, on behalf of GoI, only 7,349.9628 hectares of land (i.e. 52.48 per cent) was mutated in the name of GoI/NHAI, upto 31 March, 2021. These facts along with the data of land acquisition and mutation thereof by NHAI have not been disclosed in the Notes to Financial Statement.
- Capital-net off Toll collection, Negative Grant etc., upto 31 March, 2010, amounting to ₹6,183.56 crore has been transferred to NHAI's Capital Account without obtaining approval of the Ministry of Finance. Suitable disclosure of the above fact was to be made in Notes to financial statements.

## 2.6 Non-compliance with provisions of Accounting Standards/ Ind AS

In exercise of the powers conferred by Section 469 of the Companies Act, 2013, read with Section 129 (1), Section 132 and Section 133 of the said Act, the Central Government prescribed Accounting Standards 1 to 5, 7 and 9 to 29. Besides these, the Central Government notified 39 Indian Accounting Standards (Ind AS) through Companies (Indian Accounting Standards) Rules which are being amended from time to time.

The statutory auditors reported that 19 CPSEs as detailed in *Annexure-XVI* did not comply with mandatory Accounting Standards/ Ind AS.

During the course of supplementary audit, the CAG also observed that some CPSEs had not complied with the Accounting Standards/ Ind AS which were not reported by their statutory auditors as given in Table 2.2.

**Table 2.2: Non-compliance of Accounting Standards/ Ind AS**

Accounting Standard/ Ind AS		Name of CPSE	Deviation
AS - 3	Cash Flow Statement	Government E-marketplace	Cash & Cash Equivalents included caution money of ₹144.96 crore deposited by the sellers for doing business on GeM portal. The same would be refunded to them at the time of discontinuance of business with GeM. Hence, this amount was not available for use by the Company. However, this fact has not been disclosed by the Company in its Cash Flow Statement in non-compliance to Para 45 of AS-3.
		NRTU Foundation	The Company did not disclose the components of cash and cash equivalents and reconciliation of the amounts in its cash flow statement with the equivalent items reported in the balance sheet.
AS - 5	Net Profit or Loss for the Period, Prior Period Items and Changes in Accounting Policies	Canbank Computer Services Limited	Incorrect prior period adjustment on account of depreciation.
Ind AS - 1	Presentation of Financial Statements	Western Coalfields Limited	The Company did not disclose the contractual commitment for ₹380.09 crore to be executed on Capital Account.
Ind AS -7	Statement of Cash Flows	North East Transmission Company Limited	In violation of Para 7 of Ind AS-7, 'Cash and Cash Equivalents at the end of the year' included an amount of ₹18.40 crore, which, being term deposit accounts having maturity over 3 months from date of acquisition, should have been classified as 'Other Bank Balances' and adjustment thereof should have been made as 'Increase/decrease in current and non-current assets' under 'Cash from Operating Activities'.

Accounting Standard/ Ind AS	Name of CPSE	Deviation
	RailTel Corporation of India Limited	The Company incorrectly disclosed the term deposits amounting to ₹11.79 crore under 'Other Bank Balance' instead of 'Other Current Financial Assets'.
	RailTel Enterprises Limited	The Company incorrectly disclosed the term deposits amounting to ₹11.79 crore under 'Other Bank Balance' instead of 'Other Current Financial Assets'.
Ind AS – 16	Property, Plant and Equipment	<p>Bangalore Metro Rail Corporation Limited</p> <ul style="list-style-type: none"> <li>• Depreciation calculated on unidentical group of assets rather than individual assets.</li> <li>• Residual value assessed more than 5% of asset cost.</li> </ul> <p>Bhagyanagar Gas Limited</p> <p>Different economic life of asset not supported by technical assessment.</p> <p>KIOCL Limited</p> <p>Incorrect accounting policy on componentization.</p>
Ind AS - 36	Impairment of Assets	<p>Bhagyanagar Gas Limited</p> <p>Non-assessment of impairment in carrying value of assets even in the presence of external source of information.</p> <p>NMDC Limited</p> <ul style="list-style-type: none"> <li>• Non-recognition of impairment loss on coking coal.</li> <li>• Valuation of non-moving items aged more than 5 years was not done.</li> </ul>
Ind AS – 105	Non-current Assets Held for Sale and Discontinued Operations	<p>CONCOR Air Limited</p> <p>Property Plant and Equipment was overstated by ₹15.62 crore due to inclusion of 'Non-current Assets' which are expected to be sold within a period of 12 months. The same should have been shown as 'Held for Sale' under 'Current Assets' in accordance with Para 6 of Ind AS 105.</p>

## 2.7 Management Letters

One of the objectives of financial audit is to establish communication on audit matters arising from the audit of financial statements between the auditor and those charged with the responsibility of governance of the corporate entity.

The material observations on the financial statements of CPSEs were reported as comments by the CAG under Section 143 (6) of the Companies Act, 2013. Besides these comments, irregularities or deficiencies observed by CAG in the financial reports or in the reporting process, were also communicated to the management through a 'Management Letter' for taking corrective action. These deficiencies generally related to

- application and interpretation of accounting policies and practices;
- adjustments arising out of audit that could have a significant effect on the financial statements and
- inadequate or non-disclosure of certain information on which management of the concerned PSE gave assurances that corrective action would be taken in the subsequent year.

Based on the Management Letters issued for the year 2020-21, significant improvements made by the Management of the CPSEs are highlighted in *Annexure-XVII*.

During the year, CAG issued 'Management Letters' to 240 CPSEs (*Annexure-XVIII*).

## CHAPTER III

# Corporate Governance

### 3.1 Introduction

Corporate Governance is the application of best management practices, compliance of Laws in true letter and spirit, adherence to ethical standards for effective management and distribution of wealth and discharge of social responsibility for sustainable development of all stakeholders.

There are several CPSEs and Statutory Corporations under the audit jurisdiction of the CAG, whose shares and/or Bonds/Debentures are listed on the Stock Exchanges. In the context of the policy of the Government to grant more autonomy to the CPSEs, Corporate Governance has gained importance. Under the Maharatna Scheme, CPSEs are expected to expand their operations and become global giants, for which effective Corporate Governance has become imperative.

#### 3.1.1 Provisions governing the Corporate Governance

The Ministry of Corporate Affairs (MCA) and the Securities and Exchange Board of India (SEBI) are the major regulatory institutions for Corporate Governance initiatives in India. SEBI monitors and regulates Corporate Governance of listed Companies/Statutory Corporations in India. The regulatory provisions with respect to Corporate Governance are mainly covered under the Companies Act, 2013, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Regulation on SEBI (Issue and Listing of Non-Convertible Securities) 2021 and Guidelines issued by Department of Public Enterprises (DPE) which are explained below:

##### 3.1.1.1 Provisions contained in the Companies Act, 2013

The Companies Act, 2013 was enacted on 29 August, 2013 replacing the Companies Act, 1956. In addition, the MCA has also notified (31 March, 2014) the Companies Rules on Management and Administration, Appointment and Qualifications of Directors and Meetings of Board and its Powers. The Companies Act, 2013 together with the Companies Rules provide a robust framework for corporate governance. The requirements, *inter alia* provide for:

- Qualifications for Independent Directors along with the duties and guidelines for professional conduct (Sections 149 (6) & (8) and Schedule IV of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Qualifications of Directors) Rules, 2014).

- Mandatory appointment of one woman Director on the board of listed companies {Section 149(1) of the Companies Act, 2013}.
- Mandatory establishment of certain committees like Audit Committee {Section 177(1) of the Companies Act, 2013}, Nomination and Remuneration Committee {Section 178(1) of the Companies Act, 2013} and Stakeholders Relationship Committee {Section 178(5) of the Companies Act, 2013}.
- Holding of a minimum of four meetings of Board of Directors every year in such a manner that not more than 120 days shall intervene between two consecutive meetings of the Board {Section 173(1) of the Companies Act, 2013}.

### **3.1.1.2 SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015**

SEBI notified (02 September, 2015) the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, which came into effect from 01 December, 2015. Upto March 2022, SEBI (Listing Obligations and Disclosure Requirements) (Fifth Amendment) Regulations, 2021 was notified (07 September, 2021), which has been considered in this report.

SEBI guidelines help to institutionalise good practices of Corporate Governance in CPSEs as per provisions specified in Regulations 16 to 27 for both Shares and Non-Convertible Securities<sup>49</sup> and other relevant & amended provisions specified in Regulations 50 to 62 applicable for Non-Convertible Securities only.

### **3.1.1.3 SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021**

These regulations have been effective from 16 August, 2021 and enables an institution to establish the good practices of Corporate Governance in CPSEs as per provisions specified for Non-Convertible Securities.

### **3.1.1.4 DPE Guidelines on Corporate Governance**

DPE issued guidelines on inclusion of non-official Directors on the Board of Directors of CPSEs in November 1992 followed by the guidelines on the Independent Directors of the Board of Directors of CPSEs in November 2001. To bring in more transparency and accountability in the functioning of CPSEs, the DPE in June 2007 introduced the Guidelines on Corporate Governance for CPSEs. Initially, these guidelines were voluntary in nature and were implemented for an experimental period of one year. On the basis of the experience gained during this period, these guidelines were modified and reissued in May 2010 which have been made mandatory and applicable to all CPSEs. The guidelines issued

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<sup>49</sup> *Non-convertible securities mean debt securities, non-convertible redeemable preference shares, perpetual non-cumulative preference shares, perpetual debt instruments and any other securities as specified by the Board. Further, Regulations 16 to 27 are on a 'comply or explain' basis until March 31, 2023 and on a mandatory basis thereafter for high value debt listed entity. Thus, as Regulations 16 to 27 are not mandatory for high value debt listed entity, the compliance of Regulations 16 to 27 have not been considered for non-convertible debt securities.*

by DPE covered areas like composition of Board of Directors, composition and functions of Board Committees like Audit Committee, Remuneration Committee, details on subsidiary companies, disclosures, reports and the schedules for implementation. DPE has also incorporated 'Corporate Governance' as a performance parameter in the Memorandum of Understanding (MoU) of all CPSEs.

Thus, the Companies Act, 2013 together with the SEBI Regulations and DPE Guidelines 2010 provide an enabling framework for Corporate Governance.

### **3.1.2 Review of compliance of the Corporate Governance provisions by Listed CPSEs and Statutory Corporations whose shares, bonds and debentures are listed on stock exchange**

As on 31 March, 2022, there were 698 CPSEs (including six Statutory corporations) under the administrative control of various Ministries which were under the audit jurisdiction of the CAG of India, of which, 71 CPSEs<sup>50</sup>, whose shares/bonds were listed on stock exchanges and 35 CPSEs/ Statutory Corporations<sup>51</sup> whose bonds/ debentures were listed on stock exchanges during the period from 01 April, 2021 to 31 March, 2022 were examined by Audit. List of 71 listed CPSEs, whose shares/bonds were listed, is given in *Annexure-XIX* and list of 35 CPSEs/Statutory Corporations, whose bonds/debentures were listed, is given in *Annexure-XX*.

Further, out of the above, there were 18 CPSEs whose both shares and bonds / debentures were listed on stock exchange as given in *Annexure-XXI*.

Issues observed in the compliance of the Corporate Governance provisions by CPSEs, whose shares / both shares and bonds were listed in various stock exchanges during the year 2021-22, are reflected in Part A of the chapter and CPSEs/Statutory Corporations, whose bonds /debentures are listed in various stock exchanges during the year 2021-22, were reflected in Part B of the chapter.

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<sup>50</sup> *Out of total 76 listed CPSEs, five companies viz., Scooter India Limited, Shipping Corporation of India Limited, Orissa Mineral Development Company Limited, Hindustan Fluorocarbons Limited (under liquidation) and Hindustan Photofilms (Manufacturing) Company Limited (under winding up process) have been excluded.*

<sup>51</sup> *Includes three Statutory Corporations namely, National Highways Authority of India, Inland Waterways Authority of India and Food Corporation of India whose bonds were listed on Stock Exchange as on 31 March, 2022.*

## PART – A

**CPSEs whose shares/ both shares and bonds were listed on stock exchanges as on 31 March, 2022**

### 3.2 Board of Directors

#### 3.2.1 Non-Executive Directors on the Board

The Board is the most significant instrument of corporate governance. Regulation 17 (1) (a) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 stipulates that the Board of Directors of the listed entity shall have an optimum combination of Executive and Non-Executive Directors with not less than 50 *per cent* of the Board of Directors comprising Non-Executive Directors. The review of composition of the Board of Directors revealed that the CPSEs listed in Table 3.1 did not have the required number (at least 50 *per cent* of the total Board strength) of Non-Executive Directors.

**Table 3.1: CPSEs not having required number of Non-Executive Directors**

Sl. No.	Name of CPSE	Number of Directors on the Board	Number of Executive Directors on the Board	Number of Non-Executive Directors required	Actual number of Non-Executive Directors	Shortfall (in <i>Per cent</i> )	Period of non-compliance during the year 2021-22
1.	Mishra Dhatu Nigam Limited	4	2	2	1	1(50)	April to November
2.	Mazagon Dock Shipbuilders Limited	8	4	4	1	3(75)	April to November
3.	Garden Reach Shipbuilders and Engineers Limited	6	3	3	2	1(33)	April to August
		6	3	3	1	2 (67)	September to March
4.	Hindustan Petroleum Corporation Limited	8	4	4	2	2(50)	April to June
5.	RITES Limited	8	4	4	1	3(75)	April to June
		6	3	3	1	2(67)	July to September
		8	4	4	0	4(100)	October
6.	Indian Railway Catering and Tourism Corporation Limited	4	2	2	1	1(50)	September to October
7.	Housing and Urban Development	6	3	3	2	1(33)	April to November

Sl. No.	Name of CPSE	Number of Directors on the Board	Number of Executive Directors on the Board	Number of Non-Executive Directors required	Actual number of Non-Executive Directors	Shortfall (in Per cent)	Period of non-compliance during the year 2021-22
	Corporation Limited						
8.	Oil and Natural Gas Corporation Limited	14	7	7	3	4 (57)	April to October
9.	GAIL (India) Limited	8	4	4	3	1 (25)	April to May
		8	4	4	2	2 (50)	June to August
		8	4	4	1	3 (75)	September to October
10.	Indian Oil Corporation Limited	10	5	5	4	1(20)	April to June
		10	5	5	3	2 (40)	July to August
		8	4	4	3	1 (25)	September
		8	4	4	2	2 (50)	October
		10	5	5	2	3 (60)	November
11.	NHPC Limited	8	4	4	1	3 (75)	April to October
12.	Satluj Jal Vidyut Nigam Limited	10	5	5	4	1 (20)	April to May and July to October
13.	NLC India Limited	12	6	6	5	1 (17)	April to May
14.	Engineers India Limited	10	5	5	3	2 (40)	April to June
		8	4	4	3	1 (25)	July to October
15.	Mahanagar Telephone Nigam Limited	6	3	3	1	2 (67)	April to July
		6	3	3	2	1 (33)	August to October
16.	Bharat Dynamics Limited	8	4	4	2	2 (50)	April to November
17.	Steel Authority of India Limited	10	5	5	4	1 (20)	April to October

Sl. No.	Name of CPSE	Number of Directors on the Board	Number of Executive Directors on the Board	Number of Non-Executive Directors required	Actual number of Non-Executive Directors	Shortfall (in Per cent)	Period of non-compliance during the year 2021-22
18.	Bharat Electronics Limited	12	6	6	3	3(50)	April to June
		10	5	5	3	2 (40)	July to August
		8	4	4	3	1 (25)	September to November
19.	National Aluminium Company Limited	8	4	4	2	2 (50)	April to October
20.	State Trading Corporation of India Limited	6	3	3	2	1 (33)	April to November
21.	Cochin Shipyard Limited	8	4	4	2	2 (50)	April
		6	3	3	2	1 (33)	May to October
22.	RailTel Corporation of India Limited	8	4	4	3	1 (25)	August to October
23.	Hindustan Aeronautics Limited	10	5	5	4	1 (20)	April to July
		10	5	5	2	3 (60)	August to November
		10	5	5	3	2 (40)	December to March
24.	Coal India Limited	8	4	4	3	1 (25)	April to June
		10	5	5	2	3 (60)	July to October
25.	REC Limited	6	3	3	1	2 (67)	April to August
		6	3	3	2	1 (33)	September to October
26.	Fertilizers and Chemicals of Travancore Limited	8	4	4	3	1 (25)	April to March

As seen in the table above, in 26 out of 71 listed CPSEs (37 per cent), the required number of Non-Executive Directors were not on the Board during whole/part period of the year 2021-22. The percentage of shortfall ranged between 17 and 100 per cent.

### 3.2.2 Independent Directors

**3.2.2.1** The presence of independent representatives on the Board, competent of taking an independent view of the decision of the management is considered as a means of protecting the interest of shareholders and other stakeholders. In terms of Section 149(4) of the Companies Act, 2013, Regulation 17 (1)(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Para 3.1.4 of the DPE Guidelines 2010, where the Chairman of the Board is a Non-Executive Director, at least one-third of the Board should comprise of Independent Directors and, in case the Chairman is an Executive Director, at least half of the Board should comprise of Independent Directors. As per Regulation 16(1)(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, 'Independent Director' shall mean a Non-Executive Director, other than a nominee Director of the listed entity. The review of composition of the Board of Directors revealed that the CPSEs listed in Table 3.2 did not have the required number of Independent Directors on their Board.

**Table 3.2: CPSEs not having required number of Independent Directors**

Sl. No.	Name of CPSE <sup>52</sup>	Number of Directors on the Board other than Independent Directors	Status of Chairman	Number of Independent Directors Required	Actual no. of Independent Directors	Shortfall (in Per cent)	Period of shortfall during the year 2021-22
1.	Bharat Petroleum Corporation Limited	4	Executive	4	1	3 (75)	April to July
		3		3	0	3 (100)	
		5		5	0	5 (100)	
2	Housing and Urban Development Corporation Limited	5	Executive	5	0	5 (100)	April to November
		5		5	4	1 (20)	
3	Oil and Natural Gas Corporation Limited	9	Executive	9	1	8 (89)	April to October
4	Powergrid Corporation of India Limited	6	Executive	6	3	3 (50)	April to July
		6		6	1	5 (83)	
		7		7	3	4 (57)	

<sup>52</sup> For CPSEs mentioned from Sl. No. 1 to 16, both shares and bonds/debentures were listed in stock exchange as on 31 March, 2022.

Sl. No.	Name of CPSE <sup>52</sup>	Number of Directors on the Board other than Independent Directors	Status of Chairman	Number of Independent Directors Required	Actual no. of Independent Directors	Shortfall (in Per cent)	Period of shortfall during the year 2021-22
5	Indian Oil Corporation Limited	7	Executive	7	2	5 (71)	April to June
		7		7	1	6 (86)	July to August
		6		6	1	5 (83)	September to November
		8		8	7	1 (13)	February to March
6	NHPC Limited	5	Executive	5	0	5 (100)	April to October
		5		5	4	1 (20)	November to March
7	Satluj Jal Vidyut Nigam Limited	7	Executive	7	2	5 (71)	April to October
		7		7	5	2 (29)	November to March
8	NTPC Limited	8	Executive	8	2	6 (75)	April to July
		8		8	0	8 (100)	August to October
		8		8	4	4 (50)	December to March
9	Mahanagar Telephone Nigam Limited	4	Executive	4	0	4 (100)	April to October
10	Steel Authority of India Limited	7	Executive	7	2	5 (71)	April to October
		8		8	6	2 (25)	January to March
11	Mangalore Refinery and Petrochemical Limited	7	Non-Executive	4	1	3 (75)	April to October
12	Indian Railway Finance Corporation Limited	4	Executive	4	1	3 (75)	April to July
		4		4	0	4 (100)	August to October
		4		4	2	2 (50)	November to March
13	Chennai Petroleum	4	Executive	4	3	1 (25)	April to July

Sl. No.	Name of CPSE <sup>52</sup>	Number of Directors on the Board other than Independent Directors	Status of Chairman	Number of Independent Directors Required	Actual no. of Independent Directors	Shortfall (in Per cent)	Period of shortfall during the year 2021-22
	Corporation Limited	7		7	3	4 (57)	August to October
		9		9	5	4 (44)	November to March
14	NMDC Limited	6	Executive	6	0	6 (100)	April to October
		6		6	4	2 (33)	November to March
15	REC Limited	4	Executive	4	0	4 (100)	April to October
		4		4	3	1 (25)	November to March
16	IFCI Limited	7	Executive	7	0	7 (100)	April to March
17	Bisra Stone Lime Company Limited	4	Non-Executive	2	0	2(100)	April to October
		4		2	1	1(50)	November to March
18	Garden Reach Shipbuilders and Engineers Limited	4	Executive	4	1	3(75)	April to August
		4		4	0	4 (100)	September to March
19	Mazagon Dock Shipbuilders Limited	5	Executive	5	0	5(100)	April to November
		5		5	3	2 (40)	December to March
20	Hindustan Petroleum Corporation Limited	6	Executive	6	0	6 (100)	April to June
		6		6	1	5 (83)	July to October
		6		6	5	1 (17)	November to December
21	RITES Limited	5	Executive	5	0	5(100)	April to October
		4		4	3	1 (25)	November to December
		5		5	3	2(40)	December to January
		5		5	4	1 (20)	February to March
22	RailTel Corporation of India Limited	6	Executive	6	2	4 (67)	April to July
		6		6	1	5 (83)	August to October
		6		6	4	2 (33)	November to March

Sl. No.	Name of CPSE <sup>52</sup>	Number of Directors on the Board other than Independent Directors	Status of Chairman	Number of Independent Directors Required	Actual no. of Independent Directors	Shortfall (in Per cent)	Period of shortfall during the year 2021-22
23	Indian Railway Catering and Tourism Corporation Limited	4	Executive	4	0	4 (100)	April to October
		3		3	2	1 (33)	November to December
		5		5	2	3 (60)	January to March
24	Bharat Heavy Electricals Limited	7	Executive	7	3	4 (57)	April to July
		6		6	3	3 (50)	August to October
25	Tamilnadu Telecommunication Limited	6	Non-Executive	3	0	3 (100)	April to March
26	Rail Vikas Nigam Limited	6	Executive	6	2	4 (67)	April to May
		6		6	1	5(83)	June to July
		7		7	0	7(100)	August to October
27	IRCON International Limited	5	Executive	5	0	5 (100)	April to October
		5		5	4	1(20)	November to March
		6		6	2	4 (67)	April to July
28	Container Corporation of India Limited	6	Executive	6	2	4 (67)	April to July
		6		6	1	5 (83)	August to October
		6		6	5	1 (17)	November to March
29	GAIL (India) Limited	6	Executive	6	1	5 (83)	April to May
		5		5	1	4 (80)	June to August
		5		5	0	5 (100)	September to October
30	Manganese Ore India Limited	6	Executive	6	2	4 (67)	April to October
31	Madras Fertilizers Limited	5	Executive	5	0	5 (100)	April to October
		5		5	1	4 (80)	November to December

Sl. No.	Name of CPSE <sup>52</sup>	Number of Directors on the Board other than Independent Directors	Status of Chairman	Number of Independent Directors Required	Actual no. of Independent Directors	Shortfall (in Per cent)	Period of shortfall during the year 2021-22
		6		6	3	3 (50)	January to March
32	Rashtriya Chemicals and Fertilizers Limited (RCF)	5	Executive	5	4	1 (20)	April to October
33	NLC India Limited	6	Executive	6	3	3 (50)	April to October
34	NBCC India Limited	4	Executive	4	1	3 (75)	April to May
		3		3	1	2 (67)	June to October
35	Engineers India Limited	7	Executive	7	1	6 (86)	April to June
		6		6	1	5 (83)	July to October
36	ITI Limited	4	Executive	4	3	1 (25)	April to June
		3		3	0	3 (100)	September to October
37	National Fertilizers Limited	5	Executive	5	1	4 (80)	April to October
38	Bharat Electronics Limited	6	Executive	6	1	5 (83)	April to November
39	National Aluminium Company Limited	6	Executive	6	0	6 (100)	April to October
40	Hindustan Copper Limited	5	Executive	5	3	2 (40)	July to October
41	HMT Limited	4	Executive	4	2	2 (50)	March
42	Balmer Lawrie and Company Limited	5	Executive	5	4	1 (20)	September to November
43	Metal Scrap Trade Corporation Limited	5	Executive	5	1	4 (80)	April to October
		5		5	3	2 (40)	November to December
		4		4	2	2 (50)	January To March

Sl. No.	Name of CPSE <sup>52</sup>	Number of Directors on the Board other than Independent Directors	Status of Chairman	Number of Independent Directors Required	Actual no. of Independent Directors	Shortfall (in Per cent)	Period of shortfall during the year 2021-22
44	State Trading Corporation of India Limited	5	Executive	5	0	5 (100)	April to November
45	Hindustan Organic Chemicals Limited	3 3	Executive	3 3	0 2	3 (100) 1 (33)	April to November December to March
46	New India Assurance Company Limited	3	Executive	3	2	1 (33)	April to August
47	Cochin Shipyard Limited	5	Executive	5	0	5 (100)	April to October
48	Bharat Dynamics Limited	6 6	Executive	6 6	0 4	6 (100) 2 (33)	April to November December to March
49	Mishra Dhatu Nigam Limited	3 3	Executive	3 3	0 1	3 (100) 2 (67)	April to November December to March
50	Hindustan Aeronautics Limited	7 7 7	Executive	7 7 7	2 0 1	5 (71) 7 (100) 6 (86)	April to July August to November December to March
51	Coal India Limited	7 7	Executive	7 7	0 6	7 (100) 1 (14)	April to October November to December
52	Eastern Investments Limited	4	Non-Executive	2	1	1(50)	April to October
53	Oil India Limited	4	Executive	4	3	1 (25)	April to October
54	Indian Tourism Development Corporation Limited	3	Non-Executive	2	0	2 (100)	August to January
55	Fertilizers and Chemicals of	6	Executive	6	1	5 (83)	April to March

Sl. No.	Name of CPSE <sup>52</sup>	Number of Directors on the Board other than Independent Directors	Status of Chairman	Number of Independent Directors Required	Actual no. of Independent Directors	Shortfall (in Per cent)	Period of shortfall during the year 2021-22
	Travancore Limited						

As seen in the table above, in 55 out of 71 listed CPSEs (77 per cent), the required number of Independent Directors were not on the Board during whole/part period of the year 2021-22. The percentage of shortfall ranged between 13 and 100 per cent.

Ministry of Heavy Industries in its reply (July 2024) for observations relating to Bharat Heavy Electricals Limited (Sl. No. 24) and HMT Limited (Sl. No. 41) stated that matter for filling up of vacant post of Independent Directors (including woman Independent Director) was continuously pursued with DPE.

The fact, however, remains that post of Independent Directors (including woman Independent Director) in both the CPSEs remained vacant during the period mentioned in Table 3.2 above.

**3.2.2.2** Regulation 17 (5) (b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 stipulates that Board of Directors shall incorporate the duties of Independent Directors in the code of conduct as laid down in the Companies Act, 2013. However, code of conduct prescribed by Board of Directors of CPSEs listed in Table 3.3 did not incorporate the duties of Independent Directors as laid down in the Companies Act, 2013.

**Table 3.3: CPSEs where code of conduct not incorporated the Independent Directors' duties**

Sl. No.	Name of CPSE
1.	Rail Vikas Nigam Limited
2.	Balmer Lawrie Investments Limited
3	Madras Fertilizers Limited
4.	Indian Railway Finance Corporation Limited
5.	Fertilizers and Chemicals of Travancore Limited

As seen in the table above, in five out of 71 listed CPSEs (7 per cent), code of conduct prescribed by Board of Directors has not incorporated the duties of Independent Directors as laid down in the Companies Act, 2013.

### 3.2.3 Woman Director

Section 149(1) of the Companies, Act, 2013, Rule 3 of the Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 17 (1) (a) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 stipulate that the Board of Directors of listed entity shall have at least one woman Director in its Board. The SEBI

Regulations, 2015 further stipulate Board of Directors of the top 1,000 listed entities shall have at least one Independent Woman Director. The review of composition of the Board of Directors revealed that the CPSEs listed in Table 3.4 and 3.5 did not have the woman Director and Independent woman Director on their Board during 2021-22.

**Table 3.4: CPSEs not having woman Director on their Board**

Sl. No.	Name of CPSE <sup>53</sup>	Period of non-compliance during the year 2021-22
1.	Bharat Petroleum Corporation Limited	April to November
2.	NHPC Limited	April to November
3.	NTPC Limited	April to November
4.	Mangalore Refinery and Petrochemicals Limited	April to October
5.	Indian Railway Finance Corporation Limited	April to November
6.	Garden Reach Shipbuilders and Engineers Limited	April to March
7.	Mazagon Dock Shipbuilders Limited	April to December
8.	Hindustan Petroleum Corporation Limited	April to June
9.	RITES Limited	April to November
10.	RailTel Corporation of India Limited	August to March
11.	Hindustan Organic Chemicals Limited	June to September and December to March
12.	Oil India Limited	April to November
13.	Rail Vikas Nigam Limited	April to March
14.	IRCON International Limited	April to October
15.	Container Corporation of India Limited	April to November
16.	NLC India Limited	April to October
17.	Cochin Shipyard Limited	April to October
18.	National Fertilizers Limited	April to October
19.	Mishra Dhatu Nigam Limited	April to March
20.	Hindustan Aeronautics Limited	April to December

As seen in the table above, in 20 out of 71 listed CPSEs (28 per cent), there was no women Director on the Board during whole/part period of the year 2021-22.

**Table 3.5: Listed CPSEs within top 1,000 entities not having woman Independent Directors on their Board**

Sl. No.	Name of CPSE	Period of non-compliance during the year 2021-22
1.	Garden Reach Shipbuilders and Engineers Limited	April to March
2.	Mazagon Dock Shipbuilders Limited	April to December
3.	Hindustan Petroleum Corporation Limited	April to November
4.	Bharat Petroleum Corporation Limited	April to November
5.	RITES Limited	April to November
6.	RailTel Corporation of India Limited	April to March

<sup>53</sup> For CPSEs mentioned from Sl. No. 1 to 5, both shares and bonds/debentures were listed on stock exchange as on 31 March, 2022.

Sl. No.	Name of CPSE	Period of non-compliance during the year 2021-22
7.	Indian Railway Catering and Tourism Corporation Limited	April to March
8.	Bharat Heavy Electricals Limited	April to October
9.	Oil and Natural Gas Corporation Limited	April to October
10.	Hemisphere Properties India Limited	April to November
11.	Powergrid Corporation of India Limited	August to March
12.	Rail Vikas Nigam Limited	April to March
13.	IRCON International Limited	April to October
14.	Container Corporation of India Limited	April to November
15.	GAIL (India) Limited	August to November
16.	NHPC Limited	April to November
17.	KIOCL Limited	April to October
18.	NLC India Limited	April to October
19.	NTPC Limited	April to November
20.	Engineers India Limited	April to October
21.	Mahanagar Telephone Nigam Limited	April to October
22.	National Fertilizers Limited	April to October
23.	Steel Authority of India Limited	April to October
24.	Bharat Electronics Limited	April to January
25.	National Aluminium Company Limited	April to October
26.	Hindustan Copper Limited	April to February
27.	HMT Limited	March
28.	Balmer Lawrie and Company Limited	April to November
29.	Andrew Yule and Company Limited	April to October
30.	Indian Railway Finance Corporation Limited	April to November
31.	Metal Scrap Trade Corporation Limited	December to March
32.	Mishra Dhatu Nigam Limited	April to March
33.	New India Assurance Company Limited	April to March
34.	Cochin Shipyard Limited	April to October
35.	Hindustan Aeronautics Limited	April to December
36.	Coal India Limited	April to March
37.	IFCI Limited	April to March
38.	Oil India Limited	April to November
39.	NMDC Limited	April to March
40.	Indian Tourism Development Corporation Limited	April to January
41.	Fertilizers and Chemicals of Travancore Limited	April to March

As seen in table above, in 41 out of 71 CPSEs (58 per cent), which are amongst top 1,000 listed entities, there was no woman Independent Director on the Board during whole/part period of the year 2021-22.

### 3.2.4 Minimum Number of Directors on the Board

Regulation 17 (1)(c) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 stipulates that Board of Directors of the top 2,000 listed entities shall comprise not less than six Directors. Review of the composition of the Board of Directors revealed that the CPSEs listed in Table 3.6 did not have the required number of Directors on their Board.

**Table 3.6: CPSEs within top 2,000 entities with less than six Directors on Board**

Sl. No.	Name of CPSE	Period of non-compliance during the year 2021-22
1.	Bharat Petroleum Corporation Limited	April to October
2.	Mazagon Dock Shipbuilders Limited	April to December
3.	Indian Railway Catering and Tourism Corporation Limited	April to November
4.	Hindustan Organic Chemicals Limited	April to March
5.	New India Assurance Company Limited	April to March
6.	Mishra Dhatu Nigam Limited	April to March
7.	Indian Tourism Development Corporation Limited	August to January

As seen in the table above, in seven out of 71 CPSEs (10 *per cent*), which are amongst top 2,000 listed entities, there were less than six Directors on the Board during whole/part period of the year 2021-22.

### 3.2.5 Quorum in Board of Directors Meetings

Regulation 17 (2A) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 stipulates that the requirement of quorum for every meeting of the Board of Directors shall be one-third of its total strength or three directors, whichever is higher, including at least one Independent Director, in respect of top 2,000 listed entities. However, there was inadequate quorum in Board meetings in respect of CPSEs indicated in Table 3.7.

**Table 3.7: CPSEs having insufficient quorum in Board Meetings**

Sl. No.	Name of CPSE	No. of Meetings held	No. of Meetings in which Independent Director was absent	Shortfall (in <i>per cent</i> )
1.	Garden Reach Shipbuilders and Engineers Limited	7	3	43
2.	Mazagon Dock Shipbuilders Limited	9	6	67
3.	RITES Limited	8	4	50
4.	Indian Railway Catering and Tourism Corporation Limited	8	5	63
5.	Hemisphere Properties India Limited	7	6	86
6.	Tamilnadu Telecommunication Limited	5	5	100
7.	IRCON International Limited	9	5	56
8.	NHPC Limited	10	5	50
9.	Madras Fertilizers Limited	6	4	67
10.	Housing and Urban Development Corporation Limited	12	7	58
11.	NTPC Limited	15	5	33
12.	ITI Limited	7	1	14
13.	Mahanagar Telephone Nigam Limited	5	3	60
14.	National Aluminium Company Limited	5	4	80
15.	Indian Railway Finance Corporation Limited	8	2	25

Sl. No.	Name of CPSE	No. of Meetings held	No. of Meetings in which Independent Director was absent	Shortfall (in per cent)
16.	State Trading Corporation of India Limited	7	6	86
17.	Hindustan Organic Chemicals Limited	8	5	63
18.	Cochin Shipyard Limited	5	3	60
19.	Bharat Dynamics Limited	5	4	80
20.	Mishra Dhatu Nigam Limited	5	3	60
21.	Hindustan Aeronautics Limited	12	6	50
22.	Coal India Limited	18	12	67
23.	NMDC Limited	9	6	67
24.	Indian Tourism Development Corporation Limited	7	4	57
25.	REC Limited	11	8	73

As seen in the table above, in 25 out of 71 listed CPSEs (35 per cent), the required quorum for Board Meeting was not fulfilled during 2021-22. The percentage of shortfall ranged between 14 and 100 per cent.

### 3.3 Appointment and functioning of Independent Directors

#### 3.3.1 Appointment, Re-appointment and Terms of an Independent Director

Regulation 25(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 stipulates that a declaration of independent status shall be taken from the Independent Directors. However, in case of one CPSE (Eastern Investments Limited), the same was not complied with.

#### 3.3.2 Performance evaluation of Independent Directors

Regulation 17(10) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 stipulates that the performance evaluation of Independent Directors shall be done by the entire Board of Directors which shall include (a) Performance of the Directors (b) fulfillment of the independence criteria and their independence from the management provided that in the evaluation, the Directors who are subject to evaluation shall not participate. However, in case of CPSEs listed in Table 3.8, the performance evaluation of Independent Director had not been carried out by Board of Directors.

**Table 3.8: CPSEs where performance evaluation of Independent Directors not carried out by Board of Directors**

Sl. No.	Name of CPSE
1	NTPC Limited
2	Power Finance Corporation Limited
3	Rural Electrification Corporation Limited

In three out of 71 CPSEs (4 per cent), the performance evaluation of Independent Director had not been carried out by the Board of Directors during 2021-22.

### 3.4 Meetings of Board of Directors and Committees

#### 3.4.1 Meeting of Board of Directors and Board Committees to be attended by Independent Directors

Schedule IV (III) (3) of the Companies Act, 2013 states that Independent Directors should strive to attend all the meetings of Board of Directors and Board Committee of which he/she was a member. Some of the Independent Directors, however, did not attend some of these meetings. Table 3.9 indicates the number of such Independent Directors who did not attend at least 80 *per cent* of the meetings of Board and Committee of which he/she was a member.

**Table 3.9: CPSEs where Independent Directors not attended at least 80 *per cent* of the Board/ Committee meetings**

Sl. No.	Name of CPSE <sup>54</sup>	Number of Independent Directors
1.	NMDC Limited	1
2.	Satluj Jal Vidyut Nigam Limited	1
3.	Rashtriya Chemicals and Fertilizers Limited	1
4.	Rail Vikas Nigam Limited	1
5.	Madras Fertilizers Limited	1
6.	General Insurance Corporation of India Limited	1
7.	HMT Limited	1

As seen in the table above, in seven out of 71 CPSEs (10 *per cent*), Independent Directors did not attend at least 80 *per cent* of meetings of the Board and Committees in which they were members during 2021-22.

#### 3.4.2 Attending General Meetings of the Company.

Schedule IV (III) (5) of the Companies Act, 2013 states that Independent Directors shall strive to attend all the general meeting of the company. Table 3.10 indicates the listed CPSEs whose one or more independent Directors did not attend the General Meetings.

**Table 3.10: CPSEs where Independent Directors not attended the General Meetings**

Sl. No.	Name of CPSE <sup>55</sup>
1.	Rashtriya Chemicals and Fertilizers Limited
2.	Bharat Immunologicals and Biologicals Corporation Limited
3.	HMT Limited
4.	General Insurance Corporation of India Limited
5.	Indbank Housing Limited

<sup>54</sup> For CPSEs mentioned at Sl. No 1 and 2, both shares and bonds/debentures were listed on stock exchange as on 31 March, 2022.

<sup>55</sup> For CPSE mentioned at Sl. No. 1, both shares and bonds/ debentures were listed on stock exchange as on 31 March, 2022.

As seen in the table above, in five out of 71 CPSEs (7 per cent), one or more Independent Directors were not present in the general meeting.

### 3.4.3 Meetings of Independent Director of the Company

Regulation 25 (3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 stipulates that the Independent Directors shall hold at least one meeting in a financial year, without the presence of Non-Independent Directors and members of management and all the Independent Directors shall strive to be present at such meeting. Table 3.11 indicates the CPSEs, whose Independent Directors did not hold at least one such meeting and Table 3.12 indicates the CPSEs where all the Independent Directors were not present in such meeting during 2021-22.

**Table 3.11: CPSEs where Independent Directors not held at least one meeting**

Sl. No.	Name of CPSE
1	Garden Reach Shipbuilders and Engineers Limited
2.	Madras Fertilizers Limited
3.	Bharat Immunologicals and Biologicals Corporation Limited
4.	IFCI Limited
5.	Fertilizers and Chemicals of Travancore Limited

As seen in the table above, in five out of 71 CPSEs (7 per cent), Independent Directors did not hold at least one meeting without the presence of non-Independent Directors.

**Table 3.12: CPSEs where all the Independent Directors not present in meetings**

Sl. No.	Name of CPSE
1.	National Fertilizers Limited
2.	Indbank Housing Limited

As seen in the Table above, in two out of 71 CPSEs (3 per cent), all the Independent Directors were not present in the meeting of Independent Directors without the presence of non-Independent Directors.

### 3.4.4 Meetings of Board of Directors

**3.4.4.1** Section 173(3) of the Companies Act, 2013 stipulates that the meetings of Board of Directors were to be called by giving not less than seven days' notice in writing. Further, a meeting of the Board may be called at shorter notice to transact urgent business subject to the condition that at least one Independent Director, if any, shall be present at the meeting. Provided further that in case of absence of Independent Directors from such a meeting of the Board, decisions taken at such a meeting shall be circulated to all the Directors and shall be final only on ratification thereof by at least one Independent Director, if any. Table 3.13 indicates that the notices were not given for the meetings (one/or more) of Board of Directors for a period of atleast seven days and Board meetings were held at shorter notice without the attendance of at least one Independent Director and decisions taken in such meeting were not ratified by at least one Independent Director.

**Table: 3.13: CPSEs where Board Meetings called without giving seven days' notice**

Sl. No.	Name of CPSE <sup>56</sup>	Total no. of Board meetings	Number of meeting called by not giving seven days' notice	Percentage of shortfall in calling notice less than seven days' notice
1.	Housing and Urban Development Corporation Limited	12	2	17
2.	IFCI Limited	9	1	11
3	Coal India Limited	18	5	28

As seen in the table above, in three out of 71 CPSEs (4 per cent), Board meetings were called without giving the notice of at least seven days, at least one Independent Director was not present and decision taken in such meetings were not ratified by at least one Independent Director during 2021-22.

**3.4.4.2** Regulation 17(7) and Part A of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, stipulate that the details of information required by the Board of Directors for review of entity's operations shall be provided. The information as per the above Regulation was not provided to the Board of Directors in respect of the CPSEs indicated in Table 3.14.

**Table 3.14: CPSEs where detailed information not provided to Board of Directors**

Sl. No.	Name of CPSE	Information not provided
1.	Eastern Investments Limited	i. Annual Operating Plans ii. Capital and Revenue Budgets
2.	Bisra Stone Lime Company Limited	i. Annual Operating Plans ii. Capital and Revenue Budgets
3.	Madras Fertilizers Limited	Minutes of Meetings of the Committees
4.	Indian Tourism Development Corporation Limited	Quarterly details of foreign exchange exposure
5.	National Aluminium Company Limited	Minutes of the Meeting of Audit Committee
6.	Fertilizers and Chemicals of Travancore Limited	i. Capital budgets ii. Quarterly details of foreign exchange exposure

As seen from the table above, in six out of 71 CPSEs (8 per cent), detailed information was not provided to the Board of Directors during 2021-22.

**3.4.4.3** Regulation 46 (2) (a, g & f) of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, stipulates that details of its business, policy on dealing with related party transactions and criteria for making payments to non-Executive Directors, if the same has not been disclosed in Annual Report, shall be disclosed on the Company's website. Further, Regulation 46 2(C) stipulates that the composition of Board of Director

<sup>56</sup> For CPSEs mentioned at Sl. No. 1 and 2, both shares and bonds/ debentures were listed on stock exchange as on 31 March, 2022.

shall be disclosed on its website. However, the information had not been disclosed on the website in respect of two CPSEs during 2021-22 as mentioned in Table 3.15.

**Table 3.15: CPSEs where information was not disclosed on the website**

Sl. No.	Name of CPSE	Information not disclosed
1.	Eastern Investments Limited	i. Policy on dealing with related party transactions. ii. Composition of various Committees of Board of Directors.
2.	Bisra Stone Lime Company Limited	i. Policy on dealing with related party transactions. ii. Composition of various Committees of Board of Directors.

### 3.5 Training of Independent Directors

Regulation 25 (7) and C (2) (g) of Schedule V of the Regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, stipulate that the company shall familiarize Independent Directors with company/ industry activities, their roles, rights and responsibilities and any other relevant information. The details of training imparted to Independent Directors were to be disclosed on the company website apart from mentioning the web link in the section on the Corporate Governance of the Annual Report. However, in respect of CPSEs mentioned in Table 3.16, no training of Independent Director was conducted and in respect of CPSEs mentioned in Table 3.17, the details of training imparted to Independent directors were not disclosed on their website.

**Table 3.16: CPSEs where training not imparted to Independent Directors**

Sl. No.	Name of CPSE
1.	Eastern Investments Limited
2.	Indbank Housing Limited
3.	Bharat Immunological and Biologicals Corporation Limited
4.	Indraprastha Gas Limited
5.	IFCI Limited
6.	Indbank Merchant Banking Services Limited

As seen in the table above, in six out of 71 CPSEs (8 per cent), training was not imparted to Independent Directors during 2021-22.

**Table 3.17: CPSEs where details of training imparted to Independent Directors not disclosed on their website**

Sl. No.	Name of CPSE
1.	Madras Fertilizers Limited
2.	Bharat Immunologicals and Biologicals Corporation Limited
3.	Bisra Stone Lime Company Limited
4.	Bharat Dynamics Limited
5.	Mishra Dhatu Nigam Limited

As seen in the table above, in five out of 71 CPSEs (7 per cent), details of training imparted to Independent Directors were not disclosed on the website during 2021-22.

### 3.6 Gaps in filling vacancies

Section 203 (4) of Companies, Act 2013 stipulates that if the office of any whole-time key managerial personnel is vacated, the resulting vacancy shall be filled-up by the Board at a meeting of the Board within a period of six months from the date of such vacancy. However, the vacancy of whole-time key managerial personnel had not been filled-up by the Board within a period of six months from the date of such vacancy in CPSEs listed in Table 3.18.

**Table 3.18: CPSEs where vacancy of whole-time key managerial personnel not filled-up by the Board within six months.**

Sl. No.	Name of CPSE <sup>57</sup>
1.	Steel Authority of India Limited
2.	REC Limited
3.	Rashtriya Chemicals and Fertilizers Limited
4.	NLC India Limited
5.	Bharat Electronics Limited
6.	National Aluminum Company Limited
7.	Hindustan Copper Limited
8.	Oil India Limited

As seen in the table above, in eight out of 71 CPSEs (11 *per cent*), vacancy of whole time key managerial personnel was not filled within a period of six months from the date of such vacancy during 2021-22.

### 3.7 Miscellaneous

**3.7.1** Part C (6) of Schedule V and Regulation 34 (3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 stipulate that the report of the Board of Directors on Corporate Governance to be included in the Annual Report of the company shall contain the following disclosures in respect of remuneration to Directors: (i) all pecuniary relationship of transactions of the non-Executive Directors vis-à-vis the listed entity, (ii) criteria of making payments to non-Executive Directors, (iii) all elements of remuneration package individual Directors summarized under major groups, such as salary, benefits, bonus, stock options, pensions, etc., (iv) details of fixed component and performance linked incentives along with performance criteria, (v) service contracts, notice period, severance fees, and (vi) stock option details, discount period etc. However, the same was not complied with in respect of the two CPSEs (Rail Vikas Nigam Limited and Madras Fertilizers Limited) during 2021-22.

**3.7.2** Para 8.3 of DPE Guidelines 2010 stipulate that the company shall submit quarterly progress reports within 15 days from the close of each quarter in the prescribed format to the respective Administrative Ministry. However, the same was not complied with in respect

<sup>57</sup> For CPSEs mentioned at Sl. No. 1 and 2, both shares and bonds/ debentures were listed on stock exchange as on 31 March, 2022.

of the CPSEs as detailed in the Table 3.19:

**Table 3.19: CPSEs where quarterly progress report not submitted within 15 days**

Sl. No.	Name of CPSE
1.	Coal India Limited
2.	Hemisphere Properties India Limited
3.	Madras Fertilizers Limited
4.	Indian Tourism Development Corporation Limited
5.	Fertilizers and Chemicals of Travancore Limited

As seen in the table above, in five out of 71 CPSEs (7 per cent), quarterly progress report was not submitted to the Administrative Ministry within 15 days from the close of each quarter during 2021-22.

**3.7.3** Part C (2) (h) of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 stipulates that the Corporate Governance Report shall contain a chart or a matrix setting out the skills/expertise/competence of the Board of Directors specifying the list of core skills/expertise/competencies identified by the Board of Directors, as required, in the context of its business(es) and sector(s) for it to function effectively and those actually available with the Board along with the names of Directors who have such skills / expertise / competence. However, the same was not complied with in respect of the CPSEs as detailed in the Table 3.20.

**Table 3.20: CPSEs where Corporate Governance Report not contained a chart/ matrix specifying the list of core skills/ expertise/ competencies**

Sl. No.	Name of CPSE <sup>58</sup>
1.	Steel Authority of India Limited
2.	Powergrid Corporation of India Limited
3.	Satluj Jal Vidyut Nigam Limited
4.	Housing and Urban Development Corporation Limited
5.	Chennai Petroleum Corporation Limited
6.	Power Finance Corporation Limited
7.	REC Limited
8.	Bisra Stone Lime Company Limited
9.	Hemisphere Properties India Limited
10.	Eastern Investments Limited
11.	GAIL (India) Limited
12.	Balmer Lawrie Investments Limited
13.	KIOCL Limited
14.	NLC India Limited
15.	Engineers India Limited
16.	Dredging Corporation of India Limited
17.	Indraprastha Gas Limited

<sup>58</sup> For CPSEs mentioned from Sl. No. 1 and 7, both shares and bonds/ debentures were listed on stock exchange as on 31 March, 2022.

Sl. No.	Name of CPSE <sup>58</sup>
18.	HMT Limited
19.	Balmer Lawrie and Company Limited
20.	Bharat Dynamics Limited
21.	Indian Tourism Development Corporation Limited

As seen in the table above, in 21 out of 71 CPSEs (30 *per cent*), the Corporate Governance Report did not contain a chart or a matrix setting out the skills/expertise/competence of the Board of Directors as required during 2021-22.

**3.7.4** Part C (2) (i) of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 stipulates that the Corporate Governance Report shall contain a confirmation that in the opinion of the Board, the Independent Directors fulfill the conditions specified in these regulations and are independent of the management. However, the same was not complied with in respect of the CPSEs as detailed in the Table 3.21.

**Table 3.21: CPSEs where the Corporate Governance Report not contained the confirmation of the Board regarding Independent Directors**

Sl. No.	Name of CPSE
1.	Balmer Lawrie Investments Limited
2.	Balmer Lawrie and Company Limited
3.	Metal Scrap Trade Corporation Limited

As seen in the table above, in three out of 71 CPSEs (4 *per cent*), Corporate Governance Report did not contain the confirmation from the Board that the Independent Directors were independent from the Board and fulfilled the conditions required during 2021-22.

### 3.8 Audit Committee

#### 3.8.1 Composition of Audit Committee:

Section 177 of the Companies Act, 2013 and Regulation 18 of SEBI (Obligations and Disclosure Requirements) Regulations, 2015 stipulate the following:

**3.8.1.1** Every listed entity shall constitute a qualified and independent Audit Committee. However, the same was not complied with in respect of 11 out of 71 CPSEs (15 *per cent*) during whole/part period of the year 2021-22 as detailed in Table 3.22.

**Table 3.22: CPSEs where the Audit Committee not constituted**

Sl. No.	Name of CPSE <sup>59</sup>	Period of shortfall during the year 2021-22
1.	Bharat Petroleum Corporation Limited	April to November
2.	Eastern Investments Limited	April to October
3.	Bisra Stone Lime Company Limited	April to March

<sup>59</sup> For CPSEs mentioned at Sl. No. 1 and 10, both shares and bonds/ debentures were listed on stock exchange as on 31 March, 2022.

Sl. No.	Name of CPSE <sup>59</sup>	Period of shortfall during the year 2021-22
4.	Garden Reach Shipbuilders and Engineers Limited	April to March
5.	Mazagon Dock Shipbuilders Limited	April to December
6.	National Aluminium Company Limited	April to October
7.	Cochin Shipyard Limited	April to November
8.	Bharat Dynamics Limited	April to December
9.	Coal India Limited	April to October
10.	Oil and Natural Gas Corporation Limited	April to October
11	Hindustan Organic Chemicals Limited	April to December

**3.8.1.2** Two-thirds of the members of the Audit Committee shall be Independent Directors. However, the same was not complied with in respect of CPSEs as detailed in the Table 3.23:

**Table 3.23: CPSEs where two third members of the Audit Committee not Independent Directors**

Sl. No.	Name of CPSE	Total Number of Directors in Audit Committee	Required Number of Independent Directors	Actual Number of Independent Directors	Shortfall (in per cent)	Period of Shortfall during the year 2021-22
1.	RailTel Corporation of India Limited	3	2	1	1 (50)	August to December
2.	Hindustan Petroleum Corporation Limited	3	2	1	1 (50)	April to November
3.	RISES Limited	3	2	0	2 (100)	April to October
4.	Indian Railway Catering and Tourism Corporation Limited	3	2	0	2 (100)	April to October
5.	Oil and Natural Gas Corporation Limited	2	2	1	1 (50)	April to October
6.	Hemisphere Properties India Limited	3	2	0	2 (100)	April to February
7.	Powergrid Corporation of India Limited	3	2	1	1 (50)	August to December
8.	Tamilnadu Telecommunication Limited	3	2	0	2 (100)	April to March
9.	Rail Vikas Nigam Limited	3	2	1	1 (50)	April to October
10.	IRCON International Limited	3	2	0	2 (100)	April to November

Sl. No.	Name of CPSE	Total Number of Directors in Audit Committee	Required Number of Independent Directors	Actual Number of Independent Directors	Shortfall (in per cent)	Period of Shortfall during the year 2021-22
11.	Container Corporation of India Limited	3	2	1	1 (50)	August to November
12.	GAIL (India) Limited	3 3	2 2	1 0	1 (50) 2 (100)	April to July August to November
13.	Indian Oil Corporation Limited	3	2	1	1 (50)	July to November
14.	Balmer Lawrie Investments Limited	3	2	1	1 (50)	April to March
15.	NHPC Limited	3	2	0	2 (100)	April to November
16.	Madras Fertilizers Limited	3	2	0	2 (100)	April to December
17.	NBCC India Limited	3	2	1	1 (50)	April to December
18.	NTPC Limited	3	2	0	2 (100)	July to December
19.	Engineers India Limited	3	2	1	1 (50)	April to January
20.	Mahanagar Telephone Nigam Limited	3	2	0	2 (100)	April to October
21.	National Fertilizers Limited	3	2	1	1 (50)	April to October
22.	Bharat Electronics Limited	3	2	1	1 (50)	April to December
23.	Mangalore Refinery and Petrochemicals Limited	4	3	1	2 (67)	April to December
24.	Indian Railway Finance Corporation Limited	3 3	2 2	1 0	1 (50) 2 (100)	April to July August to November
25.	Metal Scrap Trade Corporation Limited	3	2	1	1 (50)	April to October
26.	Indian Tourism Development Corporation Limited	3	2	0	2 (100)	April to July
27.	REC Limited	3	2	0	2 (100)	April to November

Sl. No.	Name of CPSE	Total Number of Directors in Audit Committee	Required Number of Independent Directors	Actual Number of Independent Directors	Shortfall (in per cent)	Period of Shortfall during the year 2021-22
28.	Fertilizers and Chemicals of Travancore Limited	3	2	1	1 (50)	April to March

As seen in the table above, in 28 out of 71 CPSEs (39 per cent), two-thirds of the members of the Audit Committee were not Independent Directors during whole/part period of the year 2021-22. The shortfall ranged from 50 to 100 per cent.

**3.8.1.3** Chairman of the Audit Committee shall be an Independent Director. However, the same was not complied with in respect of CPSEs as detailed in the Table 3.24:

**Table 3.24: CPSEs where Chairman of the Audit Committee not an Independent Director**

Sl. No.	Name of CPSE	Period of shortfall during the year 2021-22
1.	RITES Limited	April to October
2.	Indian Railway Catering and Tourism Corporation Limited	April to October
3.	Hemisphere Properties India Limited	April to February
4.	Tamilnadu Telecommunication Limited	April to March
5.	IRCON International Limited	April to November
6.	NTPC Limited	July to December
7.	Indian Tourism Development Corporation Limited	August to January

As seen in the table above, in seven out of 71 CPSEs (10 per cent), Chairman of the Audit Committee was not an Independent Director during whole/part period of the year 2021-22.

### 3.8.2 Financial literacy of members of Audit Committee

Regulation 18 (1) (C) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 stipulates that all members of Audit Committee shall be financially literate and at least one member shall have accounting or related financial management expertise. However, the same was not complied with in respect of CPSEs as detailed in the Table 3.25:

**Table 3.25: CPSEs where regulation related to financial literacy of Audit Committee not complied with**

Sl. No.	Name of CPSE
1.	Engineers India Limited
2.	National Aluminum Company Limited
3.	Metal Scrap Trade Corporation Limited
4.	Hindustan Organic Chemicals Limited

As seen in the table above, in four out of 71 CPSEs (6 per cent), regulation related to financial literacy of Audit Committee was not complied with during 2021-22.

### 3.8.3 Meetings of Audit Committee

Regulation 18(2)(a) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 stipulates that the Audit Committee shall meet at least four times a year and with a maximum time gap of 120 days between any two meetings.

However, in respect of the CPSEs as detailed in Table 3.26, at least four meetings of Audit Committee were not conducted.

**Table 3.26: CPSEs where at least four meetings of Audit Committee not conducted**

Sl. No.	Name of CPSE	Number of meetings conducted
1.	Eastern Investments Limited	0
2.	Mazagon Dock Shipbuilders Limited	2
3.	National Aluminium Company Limited	1
4.	Hindustan Organic Chemicals Limited	2
5.	Bharat Dynamics Limited	2
6.	Mishra Dhatu Nigam Limited	0
7.	Hindustan Aeronautics Limited	2
8.	NMDC Limited	3

As seen in the table above, in eight out of 71 CPSEs (11 per cent), at least four meetings of Audit Committee were not conducted during 2021-22.

Further, in respect of the CPSEs as detailed in the Table 3.27, the gap between two Audit Committee meetings was more than 120 days.

**Table 3.27: CPSEs with more than 120 days gap between Audit committee meetings**

Sl. No.	Name of CPSE	Number of instances when gap was more than 120 days	Gap (in days)
1.	Indian Oil Corporation Limited	1	157
2.	Bharat Electronics Limited	1	145
3.	Hindustan Organic Chemicals Limited	1	456
4.	Coal India Limited	1	453
5.	NMDC Limited	1	365

As seen in the table above, in five out of 71 CPSEs (7 per cent), the gap between the two Audit Committee meetings was more than 120 days during 2021-22.

### 3.8.4 Quorum of Audit Committee Meetings

Regulation 18(2)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Para 4.4 of DPE Guidelines 2010 stipulate the requirement of quorum of the meetings of Audit Committee (i.e., either two members or one third of members of Audit Committee, whichever is greater, with at least two Independent Directors). There was inadequate quorum in Audit Committee meetings in respect of CPSEs indicated in the Table 3.28:

**Table 3.28: CPSEs with incomplete quorum for Audit Committee Meetings**

Sl. No.	Name of CPSE <sup>60</sup>	Number of meetings held	Number of meetings with incomplete quorum (in per cent)	Percentage of meetings with incomplete quorum
1.	Mangalore Refinery and Petrochemicals Limited	12	9	75
2.	Housing and Urban Development Corporation Limited	5	4	80
3.	Indian Oil Corporation Limited	7	2	29
4.	NHPC Limited	10	6	60
5.	Satluj Jal Vidyut Nigam Limited	4	3	75
6.	NTPC Limited	8	4	50
7.	Mahanagar Telephone Nigam Limited	4	2	50
8.	Power Finance Corporation Limited	5	3	60
9.	RECLimited	6	3	50
10.	Indian Tourism Development Corporation Limited	5	2	40
11.	Engineers India Limited	13	11	85
12.	Hindustan Petroleum Corporation Limited	8	6	75
13.	RailTel Corporation of India Limited	5	4	80
14.	Indian Railway Catering and Tourism Corporation Limited	6	3	50
15.	Hemisphere Properties India Limited	5	5	100
16.	Tamilnadu Telecommunication Limited	5	5	100
17.	Rail Vikas Nigam Limited	4	3	75
18.	IRCON International Limited	10	6	60
19.	Container Corporation of India Limited	4	2	50
20.	GAIL (India) Limited	11	6	55
21.	Balmer Lawrie Investments Limited	4	3	75
22.	Madras Fertilizers Limited	6	4	67
23.	NBCC India Limited	8	6	75
24.	National Fertilizers Limited	4	3	75
25.	Bharat Electronics Limited	6	3	50
26.	Metal Scrap Trade Corporation Limited	6	4	67
27.	State Trading Corporation of India Limited	6	5	83

As seen in the table above, in 27 out of 71 CPSEs (38 per cent), the quorum for the meetings of the Audit Committee was insufficient.

<sup>60</sup> For CPSEs mentioned from Sl. No. 1 to 9, both shares and bonds/ debentures were listed on stock exchange as on 31 March, 2022.

### 3.8.5 Review of information/ documents by the Audit Committee:

**3.8.5.1** Regulation 18 (3) and Part C (A) of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 stipulate that the Audit Committee shall review certain matters as stated in these regulations. However, the Audit Committee did not review one or more of these matters in respect of the CPSEs as indicated in the Table 3.29.

**Table 3.29: CPSEs where required information not reviewed by Audit Committee**

Sl. No.	SEBI Regulation	Information to be reviewed	Name of CPSE
1.	Regulation 18(3) and Part C (A) (4) of Schedule II of the Regulations	Review the Annual Financial Statements before submission to the Board for approval.	1. Oil and Natural Gas Corporation Limited 2. Cochin Shipyard Limited
2.	Regulation 18(3) and Part C (A) (7) of Schedule II of the Regulations	Auditor's independence and performance and effectiveness of audit process.	1. Madras Fertilizers Limited
3.	Regulation 18(3) and Part C (A) (11) of Schedule II of the Regulations	Evaluate internal financial control system and risk management systems.	1. Oil and Natural Gas Corporation Limited 2. Madras Fertilizers Limited 3. National Aluminium Company Limited 4. Cochin Shipyard Limited 5. Fertilizers and Chemicals of Travancore Limited
4.	Regulation 18(3) and Part C (A) (12) of Schedule II of the Regulations	Review, with the management, performance of statutory, internal auditors and adequacy of internal control systems.	1. RITES Limited 2. Madras Fertilizers Limited 3. National Aluminium Company Limited
5.	Regulation 18(3) and Part C (A) (13) of Schedule II of the Regulations	Review the adequacy of internal audit function including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency in internal audit.	1. Hemisphere Properties India Limited 2. Balmer Lawrie Investments Limited 3. Madras Fertilizers Limited 4. National Aluminium Company Limited 5. Balmer Lawrie and Company Limited 6. Metal Scrap Trade Corporation Limited. 7. State Trading Corporation of India Limited
6.	Regulation 18(3) and Part C (A) (14) of Schedule II of the Regulations	Discuss with internal auditors the significant findings and follow up action thereon.	1. Madras Fertilizers Limited 2. National Aluminium Company Limited 3. Balmer Lawrie and Company Limited

Sl. No.	SEBI Regulation	Information to be reviewed	Name of CPSE
			4. State Trading Corporation of India Limited
7.	Regulation 18(3) and Part C (A) (16) of Schedule II of the Regulations	Discuss with the statutory auditors before the audit commences, about the nature and scope of audit and post-audit discussion to ascertain any area of concern.	1. RITES Limited 2. Oil and Natural Gas Corporation Limited 3. Rail Vikas Nigam Limited 4. Container Corporation of India Limited 5. Balmer Lawrie Investments Limited 6. Madras Fertilizers Limited 7. National Aluminium Company Limited 8. Indraprastha Gas Limited 9. Balmer Lawrie and Company Limited 10. Andrew Yule and Company Limited 11. Metal Scrap Trade Corporation Limited 12. State Trading Corporation of India Limited 13. Hindustan Organic Chemicals Limited 14. Cochin Shipyard Limited 15. Bharat Dynamics Limited 16. Fertilizers and Chemicals of Travancore Limited

As seen from the table above, required information was not reviewed by the Audit Committee in CPSEs ranging from one to 16 during 2021-22.

**3.8.5.2** Regulation 18(3) and Part C (B) of the Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 stipulate that the Audit Committee shall mandatorily review certain matters as stated in these regulations. However, the Audit Committee of CPSEs did not review one/or more of these matters during 2021-22 as indicated in the Table 3.30:

**Table 3.30: CPSEs where required information not reviewed by the Audit Committee**

Sl. No.	SEBI Regulation	Information to be reviewed	Name of CPSE
1.	Regulation 18(3) and Part C (B) (2) of Schedule II of the Regulations	Statement of significant Related Party Transactions (as defined by the Audit Committee) submitted by management	1. Hemisphere Properties India Limited 2. National Aluminium Company Limited 3. Indian Railway Finance Corporation Limited 4. Fertilizers and Chemicals of Travancore Limited

Sl. No.	SEBI Regulation	Information to be reviewed	Name of CPSE
2.	Regulation 18(3) and Part C (B) (3) of Schedule II of the Regulation 18(3) and Part C (B) (1) of Schedule II of the Regulations	Management Letters/ Letters of Internal Control Weaknesses issued by the Statutory Auditors	1. National Aluminium Company Limited
3	Regulation 18(3) and Part C (B) (4) of Schedule II of the Regulations	Internal Audit Reports relating to internal control weaknesses	1. Hemisphere Properties India Limited 2. National Aluminium Company Limited
4	Regulation 18(3) and Part C (B) (5) of Schedule II of the Regulations	Appointment, removal, terms of remuneration of the Chief Internal Auditor	1. Hemisphere Properties India Limited 2. Hindustan Organic Chemicals Limited

**3.8.5.3** Part C (A) (19) of Schedule II of the SEBI (Obligations and Disclosure Requirements) Regulations, 2015 stipulates that Audit Committee shall approve the appointment of Chief Financial Officer after assessing the qualifications, experience and background, etc. of the candidate. However, in respect of one CPSE (Indbank Merchant Banking Services Limited), approval of Audit Committee was not obtained for appointment of Chief Financial Officer.

### 3.9 Attendance of Chairman in Annual General Meeting

Regulation 18 (1)(d) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 stipulates that the Chairperson of the Audit Committee shall be an Independent Director and he/she shall be present at Annual General Meeting (AGM) to answer shareholders queries. However, in respect of CPSEs indicated in Table 3.31, the Chairman of the Audit Committee did not attend the AGM to answer the queries of shareholders.

**Table 3.31: CPSEs where Chairman of the Audit Committee not attended the AGM**

Sl. No.	Name of CPSE
1.	Bharat Petroleum Corporation Limited
2.	Garden Reach Shipbuilders and Engineers Limited
3.	Madras Fertilizers Limited
4.	Bharat Immunological and Biologicals Corporation Limited
5.	National Aluminium Company Limited
6.	Cochin Shipyard Limited
7.	Bharat Dynamics Limited
8.	Coal India Limited

As seen in the table above, in eight out of 71 CPSEs (11 *per cent*), Chairman of the Audit Committee did not attend the AGM during 2021-22.

### 3.10 Vigil Mechanism

**3.10.1** Regulation 22 (1) of SEBI (Obligations and Disclosure Requirements) Regulations, 2015 stipulates that the listed entity shall formulate a vigil mechanism/whistle blower policy for Directors and employees to report genuine concerns. However, in respect of one CPSE (Tamilnadu Telecommunication Limited), the entity did not formulate vigil mechanism for Directors and employees to report genuine concerns during 2021-22.

**3.10.2** Regulation 18 (3) of SEBI (Obligations and Disclosure Requirements) Regulations, 2015 and Part C (A) (18) of Schedule II of the Regulations stipulate that the role of the Audit Committee shall *inter alia* include reviewing the functioning of the whistle blower mechanism. However, in respect of CPSEs indicated in the Table 3.32, Audit Committee did not review the functioning of the whistle blower mechanism:

**Table 3.32: CPSEs where whistle blower mechanism not reviewed by the Audit Committee**

Sl. No.	Name of CPSE
1.	Housing and Urban Development Corporation Limited
2.	Hemisphere Properties India Limited
3.	Container Corporation of India Limited
4.	Balmer Lawrie Investments Limited
5.	Madras Fertilizers Limited
6.	NTPC Limited
7.	Balmer Lawrie and Company Limited
8.	Indbank Housing Limited
9.	Mishra Dhatu Nigam Limited
10.	Chennai Petroleum Corporation Limited
11.	Indbank Merchant Banking Services Limited
12.	Fertilizers and Chemicals of Travancore Limited
13.	Tamilnadu Telecommunication Limited

As seen in the table above, in 13 out of 71 CPSEs (18 *per cent*), whistle blower mechanism was not reviewed by the Audit Committee during 2021-22.

**3.10.3** Part C (10) (c) of Schedule V of the SEBI (Obligations and Disclosure Requirements) Regulations, 2015 stipulates that the Annual Report shall contain the disclosure about details of establishment of Vigil Mechanism, the Whistle Blower Policy and affirmation that no personnel have been denied access to the Audit Committee. However, in respect of the two CPSEs (Madras Fertilizers Limited and Tamilnadu Telecommunication Limited) out of 71 CPSEs (3 *per cent*), Annual Report did not contain details about the Vigil Mechanism and affirmation that no personnel were denied access to the Audit Committee.

### 3.11 Related Party Transactions

**3.11.1** Regulation 23 (1) of SEBI (Obligations and Disclosure Requirements) Regulations, 2015 stipulates that the listed entity shall formulate a policy on materiality of related party transactions and on dealing with related party transactions including clear threshold limits

duly approved by the Board of Directors and such policy shall be reviewed by the Board of Directors at least once every three years and updated accordingly. However, in respect of the two CPSEs (Madras Fertilizers Limited and Indbank Housing Limited) out of 71 CPSEs (3 per cent), the entities did not formulate/review/update a policy on materiality of related party transactions and on dealing with related party transactions during 2021-22.

**3.11.2** Regulation 23 (9) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 stipulates that the listed entity shall submit within 30 days from the date of publication of its standalone and consolidated financial results for the half year, disclosures of related party transactions on a consolidated basis, in the format specified in the relevant accounting standards for annual results to the stock exchanges and publish the same on its website. However, in respect of one CPSE (Balmer Lawrie Investments Limited), the disclosure was not submitted to the stock exchange as per the regulation whereas in respect of CPSEs detailed in Table 3.33, disclosure was made to the stock exchange, however, the same was not published on the website.

**Table 3.33: CPSEs where disclosure submitted to Stock Exchange not published on website**

Sl. No.	Name of CPSE
1.	Eastern Investments Limited
2.	Madras Fertilizers Limited
3.	Bisra Stone Lime Company Limited

As seen in the table above, in three out of 71 CPSEs (4 per cent), disclosure submitted to the Stock Exchange was not published on the website.

### 3. 12 Nomination and Remuneration Committee

**3.12.1** Section 178(1) of the Companies Act, 2013, Rule 6 of the Companies (Meetings of Board and its Powers) Rules, 2014 and Regulation 19(1) and (2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 stipulate that the Board of Directors of every listed company shall constitute a Nomination and Remuneration Committee comprising of at least three Directors, all of whom should be non-Executive Directors and at least half shall be Independent Directors and Chairman of the Committee shall be an Independent Director. However, in respect of CPSEs indicated in Table 3.34, the Nomination and Remuneration Committee was not constituted during 2021-22.

**Table 3.34: CPSEs which failed to constitute Nomination and Remuneration Committee**

Sl. No.	Name of CPSE <sup>61</sup>	Period of shortfall during the year 2021-22
1.	Bharat Petroleum Corporation Limited	April to November

<sup>61</sup> For CPSEs mentioned from Sl. No. 1 and 12, both shares and bonds/ debentures were listed on stock exchange as on 31 March, 2022.

Sl. No.	Name of CPSE <sup>61</sup>	Period of shortfall during the year 2021-22
2.	Bisra Stone Lime Company Limited	April to March
3.	Garden Reach Shipbuilders and Engineers Limited	April to March
4.	Mazagon Dock Shipbuilders Limited	April to December
5.	Eastern Investments Limited	April to October
6.	Madras Fertilizers Limited	April to January
7.	National Aluminum Company Limited	April to October
8.	Cochin Shipyard Limited	April to November
9.	Bharat Dynamics Limited	April to December
10.	Mishra Dhatu Nigam Limited	April to March
11.	Coal India Limited	April to October
12.	Oil and Natural Gas Corporation Limited	April to October

As seen in the table above, in 12 out of 71 CPSEs (17 per cent), Nomination and Remuneration Committee was not constituted.

Further, though the Nomination and Remuneration Committee was formed, the requirement of three non-Executive Directors and half of them as Independent Directors was not fulfilled in the CPSEs as indicated in Table 3.35.

**Table 3.35: CPSEs with inadequate composition of Nomination and Remuneration Committee**

Sl. No.	Name of CPSE <sup>62</sup>	Period of non-compliance during the year 2021-22
1.	Housing and Urban Development Corporation Limited	April to November
2.	Indian Oil Corporation Limited	April to November
3.	NTPC Limited	July to December
4.	Mangalore Refinery and Petrochemicals Limited	April to December
5.	Hindustan Petroleum Corporation Limited	April to March
6.	RailTel Corporation of India Limited	August to December
7.	Indian Railway Catering and Tourism Corporation Limited	April to October
8.	Hemisphere Properties India Limited	April to January
9.	Tamilnadu Telecommunication Limited	April to March
10.	IRCON International Limited	April to November
11.	GAIL (India) Limited	August to November
12.	Fertilizers and Chemicals of Travancore Limited	April to March
13.	RITES Limited	April to November
14.	Balmer Lawrie Investments Limited	April to March
15.	NBCC India Limited	April to December
16.	Engineers India Limited	April to January
17.	Bharat Electronics Limited	April to December
18.	IFCI Limited	April to March

<sup>62</sup> For CPSEs mentioned from Sl. No. 1 to 4 and Sl. No 18, both shares and bonds/ debentures were listed on stock exchange as on 31 March, 2022.

As seen in the table above, in 18 out of 71 CPSEs (25 per cent), composition of Nomination and Remuneration Committee was not adequate.

**3.12.2** Regulation 19(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and para 5.1 of DPE Guidelines 2010 stipulate that Chairman of the Nomination and Remuneration Committee shall be an Independent Director. However, in respect of CPSEs detailed in Table 3.36, Chairman was not an Independent Director during 2021-22.

**Table 3.36: CPSEs where Chairman of the Nomination and Remuneration Committee was not an Independent Director**

Sl. No.	Name of CPSE	Period of non-compliance during the year 2021-22
1.	Indian Railway Catering and Tourism Corporation Limited	April to October
2.	Hemisphere Properties India Limited	November to January
3.	Tamilnadu Telecommunication Limited	April to March
4.	IRCON International Limited	April to November
5.	GAIL (India) Limited	August to November
6.	Indian Tourism Development Corporation Limited	August to January
7.	IFCI Limited	April to March

As seen in the table above, in seven out of 71 CPSEs (10 per cent), Chairman of Nomination and Remuneration Committee was not an Independent Director.

**3.12.3** Regulation 19 (3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 stipulates that Chairman of the Nomination and Remuneration Committee shall be present at the AGM. However, the Chairman was not present at the AGM in respect of the CPSEs indicated in Table 3.37.

**Table 3.37: CPSEs where Chairman of the Nomination and Remuneration Committee was not present at the AGM**

Sl. No.	Name of CPSE
1.	RITES Limited
2.	National Aluminum Company Limited
3.	General Insurance Corporation of India Limited
4.	Bharat Dynamics Limited
5.	Coal India Limited

As seen in the table above, in five out of 71 CPSEs (7 per cent), Chairman of Nomination and Remuneration Committee was not present at the AGM.

**3.12.4** Regulation 19 (3A) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 stipulates that Nomination and Remuneration Committee shall meet at least once in a year. However, no meeting of Nomination and Remuneration Committee was held during the year 2021-22 in respect of two CPSEs (Eastern Investments Limited and Hindustan Organic Chemicals Limited) out of 71 CPSEs (3 per cent).

**3.12.5.** Regulation 19 (2A) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 stipulates that the quorum of the meeting of Nomination and Remuneration Committee shall comprise of either two members or one third of the members of the Committee whichever is greater, including at least one Independent Director in attendance. However, in respect of two CPSEs (RITES Limited and IFCI Limited) out of 71 CPSEs (3 *per cent*), the regulation was not complied with during 2021-22.

**3.12.6** Para A (2) of Part D of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 stipulates that criteria for evaluation of performance of Independent Directors shall be formulated by Nomination and Remuneration Committee. However, the criteria for evaluation of performance of Independent Directors and the Board of Directors was not formulated in respect of CPSEs during 2021-22 listed in Table 3.38.

**Table 3.38: CPSEs where criteria for evaluation of performance of Independent Directors not formulated**

Sl. No.	Name of CPSE
1.	Powergrid Corporation of India Limited
2.	IRCON International Limited
3.	Balmer Lawrie Investments Limited
4.	Balmer Lawrie and Company Limited

As seen in the table above, in four out of 71 CPSEs (6 *per cent*), criteria for evaluation of performance of Independent Directors was not formulated.

**3.12.7** Para A (3) of Part D of Schedule II of Regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 stipulates that the policy for ensuring the diversity of Board of Directors shall be formulated by Nomination and Remuneration Committee. However, the policy for ensuring the diversity of Board of Directors was not formulated in respect of CPSEs during 2021-22 listed in Table 3.39.

**Table 3.39: CPSEs where policy for ensuring diversity of Board of Directors not formulated**

Sl. No.	Name of CPSE
1.	Hemisphere Properties India Limited
2.	Rail Vikas Nigam Limited
3.	Balmer Lawrie Investments Limited
4.	Madras Fertilizers Limited
5.	Housing and Urban Development Corporation Limited
6.	NTPC Limited
7.	Indraprastha Gas Limited
8.	Balmer Lawrie and Company Limited

As seen in the table above, in eight out of 71 CPSEs (11 *per cent*), policy for ensuring the diversity of Board of Directors was not formulated.

### 3.13 Stakeholders Relationship Committee

**3.13.1** Section 178 (5) of the Companies Act, 2013 and Regulation 20 (1) of SEBI (Listing

Obligations and Disclosure Requirements) Regulations, 2015 stipulate that every listed company shall constitute a Stakeholders Relationship Committee. However, the same was not complied with in respect of the CPSEs as detailed in the Table 3.40:

**Table 3.40: CPSEs where Stakeholders Relationship Committee not constituted**

Sl. No.	Name of CPSE	Period of non-compliance during the year 2021-22
1.	Bisra Stone Lime Company Limited	April to March
2.	Eastern Investments Limited	April to October
3.	National Aluminum Company Limited	April to October
4.	Cochin Shipyard Limited	April to November
5.	Bharat Dynamics Limited	April to December
6.	Mishra Dhatu Nigam Limited	April to March
7.	Coal India Limited	April to October

As seen in the table above, in seven out of 71 CPSEs (10 *per cent*), Stakeholders Relationship Committee was not constituted during whole/part period of the year 2021-22.

**3.13.2** Regulation 20(2A) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 stipulates that the Stakeholders Relationship Committee shall have at least three Directors, with at least one being an Independent Director. However, the same was not complied with in respect of the CPSEs as detailed in the Table 3.41:

**Table 3.41: CPSEs where composition of the Stakeholders Relationship Committee not as per Regulation**

Sl. No.	Name of CPSE	Period of non-compliance during the year 2021-22
1.	Indian Railway Catering and Tourism Corporation Limited	April to October
2.	Hemisphere Properties India Limited	April to January
3.	Powergrid Corporation of India Limited	April to July
4.	Tamilnadu Telecommunication Limited	April to March
5.	IRCON International Limited	April to November
6.	Bharat Electronics Limited	April to December
7.	Indbank Housing Limited	April to March
8.	Indian Tourism Development Corporation Limited	August to January

As seen in the table, in eight out of 71 CPSEs (11 *per cent*), composition of Stakeholder Relationship Committee was not as per regulation during whole/part period of the year 2021-22.

**3.13.3** Regulation 20(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 stipulates that the Chairman of the Stakeholders Relationship Committee shall be present at AGM to answer queries of the Stakeholders. However, the same was not complied with in respect of the CPSEs as detailed in the Table 3.42:

**Table 3.42: CPSEs where Chairman of the Stakeholders Relationship Committee not present at the AGM**

Sl. No.	Name of CPSE
1.	Madras Fertilizers Limited
2.	Bharat Immunological and Biologicals Corporation Limited
3.	Cochin Shipyard Limited
4.	Bharat Dynamics Limited
5.	Hindustan Aeronautics Limited
6.	Coal India Limited
7.	NMDC Limited

As seen in the table above, in seven out of 71 CPSEs (10 *per cent*), chairman of the Stakeholders Relationship Committee was not present at the AGM.

**3.13.4** Regulation 20(3A) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 stipulates that Stakeholders Relationship Committee shall meet at least once in a year. However, in respect of the two CPSEs (Eastern Investments Limited and Hindustan Organic Chemicals Limited) out of 71 CPSEs (3 *per cent*), Stakeholders Relationship Committee did not meet even once during 2021-22.

### 3.14 Subsidiary Companies

**3.14.1** Regulation 24(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 stipulates that at least one Independent Director on the Board of Directors of the listed entity shall be the Director on the Board of the unlisted material subsidiary. However, the same was not complied with in respect of the three CPSEs (NLC India Limited, Coal India Limited and HMT Limited) out of 71 CPSEs (4 *per cent*) during 2021-22.

In respect of Coal India Limited, the Ministry of Coal in its reply (June 2024) stated that the compliance could not be made due to non-appointment of Independent Directors by the competent authority, though it regularly pursued the matter.

The fact, however, remains that Regulation 24(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 was not complied with in respect of Coal India Limited during 2021-22.

**3.14.2** Regulation 24(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 stipulates that the Audit Committee should review the financial statements, in particular, the investments made by the unlisted subsidiary. However, the same was not complied with in respect of one CPSE (Cochin Shipyard Limited) out of 71 CPSEs (1 *per cent*).

### 3.15 Risk Management Committee

**3.15.1** Regulations 21(1) and 21(5) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 stipulate that top 1,000 listed entities shall constitute a Risk Management Committee. However, the same was not complied with in respect of the

CPSEs as detailed in the Table 3.43:

**Table 3.43: CPSEs where Risk Management Committee not constituted**

Sl. No.	Name of CPSE	Period of shortfall during the year 2021-22
1.	Garden Reach Shipbuilders and Engineers Limited	August to February
2.	Balmer Lawrie Investments Limited	April to February
3.	National Aluminium Company Limited	April to October
4.	State Trading Corporation of India Limited	April to March
5.	Bharat Dynamics Limited	May to December
6.	Mishra Dhatu Nigam Limited	April to December

As seen in the table above, in six out of 71 CPSEs (8 per cent), Risk Management Committee was not constituted during whole/part period of the year 2021-22.

**3.15.2** Regulation 21(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 stipulates that the Risk Management Committee shall have minimum three members with majority of them being members of the Board of Directors, including at least one Independent Director. However, the same was not complied with in respect of the CPSEs as detailed in the Table 3.44:

**Table 3.44: CPSEs with inadequate composition of Risk Management Committee**

Sl. No.	Name of CPSE	Period of non-compliance during the year 2021-22
1.	Indian Railway Catering and Tourism Corporation Limited	April to October
2.	GAIL (India) Limited	August to December
3.	Indian Tourism Development Corporation Limited	August to January

As seen in the table above, in three out of 71 CPSEs (4 per cent), composition of Risk Management Committee was not adequate during part period of the year 2021-22.

**3.15.3** Regulation 21 (3A) and (3C) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 stipulate that the Risk Management Committee should meet at least twice in a year. Further, the meetings of the Risk Management Committee shall be conducted in such a manner that on a continuous basis not more than one hundred and eighty days shall elapse between any two consecutive meetings. However, in respect of the CPSEs mentioned in Table 3.45, the Risk Management Committee did not meet twice in the year and in respect of CPSEs mentioned in Table 3.46, the gap between the two meetings was more than 180 days.

**Table 3.45: CPSEs where Risk Management Committee not met twice during the year**

Sl. No.	Name of CPSE	No. of Meetings held
1.	Hemisphere Properties India Limited	1
2.	Madras Fertilizers Limited	0
3.	Housing and Urban Development Corporation Limited	1
4.	Mahanagar Telephone Nigam Limited	0
5.	Cochin Shipyard Limited	1
6.	Bharat Dynamics Limited	1

Sl. No.	Name of CPSE	No. of Meetings held
7.	Mishra Dhatu Nigam Limited	1
8.	Hindustan Aeronautics Limited	1
9.	Chennai Petroleum Corporation Limited	1

As seen in the table above, in nine out of 71 CPSEs (13 *per cent*), Risk Management Committee did not conduct at least two meetings during 2021-22.

**Table 3.46: CPSEs with gap of more than 180 days between two meetings of Risk Management Committee**

Sl. No.	Name of CPSE	Gap (in days)
1.	Garden Reach Shipbuilders and Engineers Limited	215
2.	Indian Oil Corporation Limited	278
3.	Dredging Corporation of India Limited	285
4.	Balmer Lawrie and Company Limited	217
5.	Chennai Petroleum Corporation Limited	364
6.	NMDC Limited	234

As seen in the table above, in six out of 71 CPSEs (8 *per cent*), gap between two meetings of Risk Management Committee was more than 180 days during 2021-22.

**3.15.4** Regulation 21(4) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 stipulates that the role and responsibility of the Risk Management Committee should be defined by the Board of Directors. The Board of Directors may delegate monitoring and reviewing of the risk management plan to the Committee and such other functions as it may deem fit. Such functions shall specifically cover cyber security. However, the same was not complied in one CPSE (Fertilizers and Chemicals of Travancore Limited) during 2021-22.

**3.15.5** Regulation 17 (9) (a) and (b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 stipulate that the listed entity shall lay down procedures to inform members of Board of Directors about risk assessment and minimization procedures and the Board of Directors shall be responsible for framing, implementing and monitoring the risk management plan for the listed entity. However, the same was not complied with in respect of the CPSEs as detailed in the Table 3.47.

**Table 3.47: CPSEs where risk assessment and minimization procedures and risk management plan not laid down**

Sl. No.	Name of CPSE
1.	Hemisphere Properties India Limited
2.	Madras Fertilizers Limited
3.	State Trading Corporation of India Limited

As seen in the table above, in three out of 71 CPSEs (4 *per cent*), risk assessment and minimization procedures and risk management plan were not laid down during 2021-22.

### 3.16 Secretarial Audit

Regulation 24A (2) of SEBI (Listing Obligations and Disclosure Requirements)

Regulations, 2015 stipulates that every listed entity shall submit a Secretarial Compliance Report in such form as specified, to stock exchanges, within sixty days from end of each financial year. However, in respect of the two CPSEs (Eastern Investments Limited and Bisra Stone Lime Company Limited) out of 71 CPSEs (3 *per cent*), Secretarial Compliance Report was not submitted to stock exchange within the stipulated time during 2021-22.

### 3.17 Compliance Certificate

**3.17.1** Schedule V(C) (10) (k) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 stipulates that the details of total fees for all services paid by the listed entity and its subsidiaries, on a consolidated basis, to the Statutory Auditor needs to be disclosed in the Corporate Governance Report. However, the same was not complied with in respect of the CPSEs as detailed in the Table 3.48:

**Table 3.48: CPSEs where details of fees paid to Statutory Auditor not disclosed in the Corporate Governance Report**

Sl. No.	Name of CPSE
1.	Eastern Investments Limited
2.	Hemisphere Properties India Limited
3.	Tamilnadu Telecommunication Limited
4.	Andrew Yule and Company Limited
5.	Coal India Limited

As seen in the table above, in five out of 71 CPSEs (7 *per cent*), details related to fees paid to Statutory Auditor was not disclosed in the Corporate Governance Report.

**3.17.2** Schedule V(C) (10) (l) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 stipulates that disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 in respect of number of complaints filed during the financial year, number of complaints disposed of during the financial year and number of complaints pending as on end of the financial year needs to be disclosed in the Corporate Governance Report. However, the same was not complied with by one CPSE (Eastern Investments Limited).

### 3.18 Conclusion

In respect of the 71 listed CPSEs covered in the Part A of the chapter, it was noted that only three CPSEs viz., SBI Life Insurance Company Limited, BEML Limited and MMTC Limited out of 71 (3 *per cent*) listed CPSEs had complied with all the requirements stipulated in DPE Guidelines, SEBI Regulations and relevant provisions of Companies Act, 2013 on Corporate Governance, that were analysed by Audit. The cases of major non-compliance noticed are summarized below:

- i. Out of 71 listed CPSEs, Non-Executive Directors were less than 50 *per cent* of the Board strength in 26 CPSEs (37 *per cent*) and the shortfall ranged between 17 and 100 *per cent*; the required number of Independent Directors were not on the Board in 55 CPSEs (77 *per cent*) and the shortfall ranged between 13 and 100 *per cent*; (Para

3.2.1 and 3.2.2.1)

- ii. Out of 71 listed CPSEs, 20 CPSEs (28 *per cent*), did not have Women Director on the Board. Further, 41 listed CPSEs (58 *per cent*) which are amongst top 1,000 listed entities did not have Women Independent Director on the Board during whole/part period of 2021-22; (Para 3.2.3)
- iii. The criteria of minimum six Directors on the Board was not met in seven out of the 71 (10 *per cent*) CPSEs which are amongst top 2,000 listed entities; (Para 3.2.4)
- iv. Out of 71 listed CPSEs, 25 CPSEs (35 *per cent*) had insufficient quorum of Directors at Board Meetings and the shortfall ranged between 14 and 100 *per cent*; (Para 3.2.5)
- v. Out of 71 listed CPSEs, in respect of three CPSEs (4 *per cent*), the performance evaluation of Independent Director was not carried out by entire Board of Directors; (Para 3.3.2)
- vi. Out of 71 CPSEs, Independent Directors did not attend at least 80 *per cent* meetings of the Board and Committees in which they were members in seven CPSEs (10 *per cent*). In five CPSEs (7 *per cent*), one or more Independent Directors were not present in the General meeting. In five CPSEs (7 *per cent*), Independent Directors did not hold at least one meeting without the presence of Non-Independent Directors. Further, all the Independent Directors were not present in the meeting of Independent Directors without the presence of Non-Independent Directors in two CPSEs (3 *per cent*); (Para 3.4.1 to 3.4.3)
- vii. Out of 71 CPSEs, in three CPSEs (4 *per cent*), Board meetings were called by giving less than seven days' notice; (Para 3.4.4.1)
- viii. Out of 71 CPSEs, in six CPSEs (8 *per cent*), detailed information was not provided to the Board of Directors; (Para 3.4.4.2)
- ix. Out of 71 CPSEs, training was not imparted to Independent Directors in six CPSEs (8 *per cent*) and in respect of five CPSEs (7 *per cent*), details of training imparted to Independent Directors was not disclosed on the website; (Para 3.5)
- x. Out of 71 CPSEs, the vacancy of whole time key managerial personnel was not filled within a period of six months from the date of such vacancy in eight CPSEs (11 *per cent*); (Para 3.6)
- xi. Out of 71 CPSEs, the quarterly progress report was not submitted to Administrative Ministry within 15 days from the end of each quarter in five CPSEs (7 *per cent*); (Para 3.7.2)
- xii. Out of 71 CPSEs, the Corporate Governance Report did not contain a chart or a matrix setting out the skills/expertise/competence of the Board of Directors as required in 21 CPSEs (30 *per cent*); (Para 3.7.3)
- xiii. Out of 71 CPSEs, Audit Committee was not constituted in 11 CPSEs (15 *per cent*);

two-thirds of the members of the Audit Committee were not Independent Directors in 28 CPSEs (39 *per cent*) and the shortfall ranged from 50 to 100 *per cent*; Chairman of the Audit Committee was not an Independent Director in seven CPSEs (10 *per cent*); Regulation related to financial literacy of Audit Committee was not complied with in four CPSEs (6 *per cent*); (Para 3.8.1 and 3.8.2)

- xiv. In respect of eight CPSEs (11 *per cent*), at least four meetings of Audit Committee were not conducted. In five CPSEs (7 *per cent*), the gap between the two meetings of Audit Committee was more than 120 days and the quorum for meetings of the Audit Committee was insufficient in 27 CPSEs (38 *per cent*); (Para 3.8.3 and 3.8.4)
- xv. Out of 71 CPSEs, Audit Committee did not review the required information ranging from one to 16 CPSEs; (Para 3.8.5.1)
- xvi. Out of 71 CPSEs, Audit Committee did not conduct mandatory review of information in CPSEs ranging from 1 to 4; Chairman of the Audit Committee did not attend the AGM in eight CPSEs (11 *per cent*); whistle blower mechanism was not reviewed by the Audit Committee in 13 CPSEs (18 *per cent*); (Para 3.8.5.2, 3.9 and 3.10.2)
- xvii. Out of 71 CPSEs, policy on materiality of related party transactions was not formulated/reviewed/updated in two CPSEs (3 *per cent*); in respect of three CPSEs (4 *per cent*) disclosure submitted to the Stock Exchange was not published on the website; (Para 3.11.1 and 3.11.2)
- xviii. Out of 71 CPSEs, Nomination and Remuneration Committee was not constituted in 12 CPSEs (17 *per cent*); composition of Nomination and Remuneration Committee was not adequate in 18 CPSEs (25 *per cent*); Chairman of Nomination and Remuneration Committee was not an Independent Director in seven CPSEs (10 *per cent*); chairman of Nomination and Remuneration Committee was not present at the AGM in five CPSEs (7 *per cent*) and meeting of Nomination and Remuneration Committee was not held in two CPSEs (3 *per cent*); (Para 3.12.1 to 3.12.4)
- xix. Out of 71 CPSEs, criteria for evaluation of performance of Independent Directors and the Board of Directors was not formulated in four CPSEs (6 *per cent*); (Para 3.12.6)
- xx. Out of 71 CPSEs policy for ensuring the diversity of Board of Directors had not been formulated in eight CPSEs (11 *per cent*); (Para 3.12.7)
- xxi. Out of 71 CPSEs, Stakeholders Relationship Committee was not constituted in seven CPSEs (10 *per cent*); composition of Stakeholders Relationship Committee was not as per regulation in eight CPSEs (11 *per cent*); Chairman of the Stakeholders Relationship Committee was not present at the AGM in seven CPSEs (10 *per cent*); Stakeholders Relationship Committee did not meet even once in two CPSEs (3 *per cent*); (Para 3.13.1 to 3.13.4)
- xxii. Out of 71 CPSEs Independent Director was not Director on the Board of subsidiary

- company in three CPSEs (4 *per cent*); Audit Committee did not review the Financial Statements of Subsidiary Company in one CPSE (1 *per cent*); (Para 3.14)
- xxiii. Out of 71 CPSEs, Risk Management Committee was not constituted in six CPSEs (8 *per cent*); composition of Risk Management Committee was not adequate in three CPSEs (4 *per cent*); Risk Management Committee did not meet twice during the year in nine CPSEs (13 *per cent*); the gap between the two meetings of Risk Management Committee was more than 180 days in six CPSEs (8 *per cent*); role and responsibility of the Risk Management Committee was not defined in one CPSE (1 *per cent*); procedures to inform Board of Directors about the risk assessment and minimization procedures, and risk management plan were not laid down in three CPSEs (4 *per cent*); (Para 3.15.1 to 3.15.5)
- xxiv. Out of 71 CPSEs, Secretarial Compliance Report was not submitted to stock exchange within the stipulated time in two CPSEs (3 *per cent*); details related to fees paid to Statutory Auditor was not disclosed in the Corporate Governance Report in five CPSEs (7 *per cent*); (Para 3.16 and 3.17.1)

## PART – B

### **CPSEs/ Statutory Corporations whose Bonds/ Debentures were listed on Stock Exchanges as on 31 March, 2022**

#### **3.19 Introduction**

As on 31 March, 2022, there were 35 CPSEs and Statutory Corporations under the audit jurisdiction of the CAG, whose Bonds/Debentures were listed in the Stock Exchange in India. Provisions governing the Corporate Governance in the CPSEs/Statutory Corporations, whose Bonds/Debentures were listed on stock exchanges were mainly covered under the Companies Act, 2013, DPE Guidelines 2010, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021.

Review of compliance of the Corporate Governance provisions by CPSEs and Statutory Corporations, whose Bonds/Debentures were listed in the Stock Exchanges as on 31 March, 2022 revealed the following non-compliances.

#### **3.20 Financial Result(s)**

**3.20.1** Regulation 52(2)(d) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 stipulates that the annual audited standalone and consolidated financial results for the financial year shall be submitted to the stock exchange(s) within sixty days from the end of the financial year along with the audit report. Provided that issuers, who are being audited by the CAG, shall adopt the following two step process for disclosure of the annual audited financial results:

- (i) The first level audit shall be carried out by the auditor appointed by the CAG, who shall audit the financials of the listed entity and such financial results shall be submitted to the Stock Exchange(s) within sixty days from the end of the financial year.
- (ii) After the completion of audit by the CAG, the financial results shall be submitted to the Stock exchange(s) within nine months from the end of the financial year.

Three CPSEs listed in Table 3.49 did not submit the annual audited standalone and consolidated financial results to the stock exchange(s) within 60 days from the end of the financial year along with the audit report.

**Table 3.49: CPSEs not submitted annual audited financial results to the stock exchange(s) within 60 days**

Sl. No.	Name of CPSE
1	DME Development Limited
2	National Insurance Company Limited
3	Energy Efficiency Services Limited

Three CPSEs out of 35 CPSEs/Statutory Corporations (9 per cent), did not submit the annual audited standalone and consolidated financial results to the stock exchange(s) within prescribed time. Further, one Statutory Corporation (Food Corporation of India) out of 35 CPSEs/Statutory Corporations did not submit the financial results to the Stock exchange(s) within nine months from the end of the financial year.

**3.20.2** Regulation 52(4) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 stipulates that the listed entity, while submitting quarterly/annual financial results, shall disclose certain specified line items along with the financial results. Further, Regulation 52(5) of SEBI (Listing Obligations and Disclosure Requirement Regulations 2015 stipulates that the listed entity shall, within seven working days from the date of submission of the information required under sub- regulation (4), submit to stock exchange(s), a certificate signed by debenture trustee that it has taken note of the contents.

One CPSE {Air India Asset Holding Limited (AIAHL)} out of 35 CPSEs/Statutory Corporations (3 per cent) did not comply with the Regulation 52(4) and 52(5) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 during 2021-22.

### **3.21 Intimations/ other submissions to stock exchange(s)**

Regulation 57 (4) of SEBI (Listing Obligations and Disclosure Requirements) (Fifth Amendment) Regulations, 2021 stipulates that the listed entity shall within five working days prior to the beginning of the quarter provide details for all the non-convertible securities for which interest/dividend/principal obligations shall be payable during the quarter.

One Statutory Corporation (Inland Waterways Authority of India) out of 35 CPSEs/Statutory Corporations (3 per cent) did not provide details for all the non-convertible securities within five working days prior to the beginning of the quarter during 2021-22.

### 3.22 Website

**3.22.1** Regulation 62(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 stipulates that the listed entity shall maintain a functional website containing certain relevant information about the listed entity like details of its business; composition of the Board; financial information; contact information of the designated officials of the listed entity which are responsible for assisting and handling investor grievances; name of the debenture trustees with full contact details; all information and reports including compliance reports filed by the listed entity; statements of deviation(s) or variation(s) as specified in sub-regulation (7) and sub-regulation (7A) of Regulation 52 of these regulations; annual return as provided under Section 92 of the Companies Act, 2013 and the rules made thereunder.

One CPSE (Air India Asset Holding Limited) out of 35 CPSEs/ Statutory Corporations (3 *per cent*) did not disclose certain information on its functional website during 2021-22 as required under Regulation 62(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**3.22.2** Regulation 62 (1A) (i) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 stipulates that the listed entities to whom Regulations 15 to Regulation 27 are applicable shall also make the additional disclosure on their website of the details of familiarization programmes imparted to Independent Directors including (i) number of programmes attended by the Independent Directors (during the year and on a cumulative basis till date), (ii) number of hours spent by the Independent Directors in such programmes (during the year and on cumulative basis till date), and (iii) other relevant details.

One CPSE (United India Insurance Company Limited) out of 35 CPSEs/Statutory Corporations (3 *per cent*) did not make certain additional disclosures on their website during 2021-22 as mentioned under Regulation 62 (1A) (i) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

### 3.23 Prevention of Insider Trading

Para 6.11 of DPE Guidelines 2010 stipulates that the Board Members and Senior Management shall comply with the code of Internal Procedures and conduct for prevention of Insider Trading in dealing with Securities of the Company.

One CPSE (Air India Asset Holding Limited) out of 35 CPSEs/Statutory Corporations did not comply with the above provision during 2021-22 as the company had not made Code of Internal Procedures.

### 3.24 Board of Directors

#### 3.24.1 Independent Directors

The presence of independent representatives on the Board, capable of taking an independent view of the decision of the management is widely considered as a means of protecting the interest of shareholders and other stakeholders. In terms of Rule 4 of the Companies

(Appointment and Qualification of Directors) Rules, 2014 and Para 3.1.4 of the DPE Guidelines 2010, where the Chairman of the Board is a non-Executive Director, at least one-third of the Board should comprise of Independent Directors and, in case he is an Executive Director, at least half of the Board should comprise of Independent Directors. The review of composition of the Board of Directors revealed that the CPSEs listed in Table 3.50 did not have the required number of Independent Directors on their Board.

**Table 3.50: CPSEs/ Statutory corporations with listed Bonds not having required number of Independent Directors**

Sl. No.	Name of CPSE/ Statutory Corporation	No. of Directors on Board other than Independent Directors	Status of Chairman	No. of Independent Directors Required	Actual No. of Independent Directors	Shortfall (in per cent)	Period of shortfall during the year 2021-22
1	Air India Asset Holding Limited	6	Executive	6	0	6 (100)	April to March
2	Bharat Sanchar Nigam Limited	5	Executive	5	0	5 (100)	April to Ocober
				5	4	1 (20)	November to March
3	NTPC-SAIL (JV)	6	Non-Executive	3	0	3 (100)	April to March
4	United India Insurance Company Limited	3	Executive	3	1	2 (67)	April to March
5	Energy Efficiency Services Limited	6	Non-Executive	3	0	3(100)	April to March
6	Tehri Hydro Development Corporation Limited	5	Executive	5	3	2 (40)	April to March
7	Oriental Insurance Company Limited	4	Executive	4	0	4 (100)	April to November
					1	3 (75)	December to January
					2	2(50)	February to March
8	India Infrastructure Fin Company	7	Executive	7	0	7 (100)	April to March

Sl. No.	Name of CPSE/ Statutory Corporation	No. of Directors on Board other than Independent Directors	Status of Chairman	No. of Independent Directors Required	Actual No. of Independent Directors	Shortfall (in per cent)	Period of shortfall during the year 2021-22
	Limited						
9	Indian Renewable Energy Development Agency Limited	6	Executive	6	0 1	6 (100) 5 (83)	April to December January to March

In nine out of 35 (26 per cent) CPSEs/Statutory Corporations, the required number of Independent Directors were not on the Board. The percentage of shortfall ranged between 20 and 100 per cent.

### 3.24.2 Woman Director

Section 149(1) of the Companies, Act, 2013 and Rule 3 of the Companies (Appointment and Qualification of Directors) Rules, 2014 stipulate that the Board of Directors of listed Company shall have at least one-woman Director in its Board. The review of composition of the Board of Directors revealed that the CPSEs listed in Table 3.51 did not have the woman Director on their Board.

**Table 3.51: CPSEs with listed bonds not having woman Directors on their Board**

Sl. No.	Name of CPSE	Period of non-compliance during the year 2021-22
1.	Indian Renewal Energy Development Agency	April to March
2.	DME Development Limited	April to March
3.	Nuclear Power Corporation of India Limited	April to March

In three out of 32 listed CPSEs<sup>63</sup> (9 per cent), there was no woman Director on the Board during 2021-22.

In respect of Nuclear Power Corporation of India Limited, the Department of Atomic Energy in its reply (June 2024) stated that the matter of appointment of woman director could not be materialized, though it was taken up with the Department of Personnel and Training.

<sup>63</sup> These provisions are applicable for companies, however, the sample selection of 35 CPSEs contains three Statutory Corporations viz., National Highways Authority of India, Food Corporation of India and Inland Waterways Authority of India. Hence, these Statutory Corporations have not been considered here.

The fact, however, remains that there was no woman Director on the Board of Directors of Nuclear Power Corporation of India Limited during 2021-22.

### 3.25 Gaps in filling vacancies

Section 203 (4) of Companies, Act 2013 stipulates that if the office of any whole-time key managerial personnel is vacated, the resulting vacancy shall be filled-up by the Board at a meeting of the Board within a period of six months from the date of such vacancy. However, in one CPSE (Indian Renewable Energy Development Agency Limited) out of 32 CPSEs, the vacancy of whole-time key managerial personnel was not filled-up by the Board within a period of six months from the date of such vacancy during 2021-22.

### 3.26 Miscellaneous

Part C (2) (h) of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 stipulates that the Corporate Governance Report shall contain a chart or a matrix setting out the skills/expertise/competence of the board of directors specifying the list of core skills/expertise/competencies identified by the Board of Directors as required in the context of its business(es) and sector(s) for it to function effectively and those actually available with the Board along with the names of Directors who have such skills/expertise/competence. However, the same was not complied with by one CPSE {NTPC-SAIL (JV)} during 2021-22.

### 3.27 Quorum of Audit Committee Meetings

Para 4.4 of DPE Guidelines 2010 stipulates the requirement of quorum of the meetings of Audit Committee (i.e., either two members or one third of members of Audit Committee, whichever is greater, with at least two Independent Directors). There was inadequate quorum in Audit Committee meetings in respect of CPSEs indicated in the Table 3.52:

**Table 3.52: CPSEs with insufficient quorum for Audit Committee meetings**

Sl. No.	Name of CPSE	Number of meetings held	No. of Meetings in which quorum was insufficient	Remarks
1	Air India Asset Holding Limited	2	2	There was no Independent Director on the Board. Hence, quorum was not complete.
2	Bharat Sanchar Nigam Limited	5	5	There was no Independent Director on the Board. Hence, quorum was not complete
3	Energy Efficiency Services Limited	7	7	There was no Independent Director on the Board. Hence, quorum was not complete

Sl. No.	Name of CPSE	Number of meetings held	No. of Meetings in which quorum was insufficient	Remarks
4	United India Insurance Company Limited	7	7	There was only 1 Independent Director on the Board. Hence, quorum was not complete.

In four out of 32 CPSEs (13 *per cent*), the quorum for meetings of the Audit Committee was inadequate during 2021-22.

### 3.28 Code of Conduct and Obligations with respect to employees including Senior Management, Key Managerial Persons, Directors and Promoters

Regulation 46 (2) (d) of SEBI (Obligations and Disclosure Requirements) Regulations, 2015 stipulates that the listed entity shall circulate and post Code of Conduct of Board of Directors and Senior Management Personnel on its website. However, in respect of one CPSE {Air India Asset Holding Limited (AIAHL)}, the above regulation was not complied with during 2021-22.

### 3.29 Nomination and Remuneration Committee

Section 178(1) of the Companies Act, 2013 and Rule 6 of the Companies (Meetings of Board and its Powers) Rules, 2014 stipulate that the Board of Directors of every listed company shall constitute the Nomination and Remuneration Committee consisting of three or more non-Executive directors out of which not less than one-half shall be Independent Directors. However, in respect of one CPSE (United India Insurance Company Limited), Nomination and Remuneration Committee was not constituted during 2021-22.

Further, though the Nomination and Remuneration Committee was formed, the requirement of three non-Executive Directors and half of them as Independent Directors was not fulfilled in one CPSE {NTPC-SAIL (JV)} during 2021-22.

### 3.30 Stakeholders Relationship Committee

Section 178(5) of the Companies Act, 2013 requires that the Board of Directors of a company which consists of more than one thousand shareholders, debenture holders, deposit holders and any other security holders at any time during the financial year shall constitute a Stakeholders Relationship Committee. However, the same was not complied in respect of the CPSEs as detailed in the Table 3.53.

**Table 3.53: CPSEs where Stakeholders Relationship Committee not constituted**

Sl. No.	Name of CPSE
1	Air India Asset Holding Limited
2	Energy Efficiency Services Limited

In two out of 32 CPSEs (6 *per cent*), Stakeholder Relationship Committee was not constituted during 2021-22.

### 3.31 Compliance Certificate

Schedule V(C) (10) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 stipulates the followings:

Sl. No	SEBI Regulation	Particular
1	Schedule V(C) (10) (i)	A certificate from a Company Secretary in practice, that none of the Directors on the Board of the company, have been debarred or disqualified from being appointed or continuing as Directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority, should be disclosed in the Corporate Governance Report.
2	Schedule V(C) (10) (k)	The details of total fees for all services paid by the listed entity and its subsidiaries, on a consolidated basis, to the Statutory Auditor needs to be disclosed in the Corporate Governance Report.
3	Schedule V(C) (10) (l)	A disclosure in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 in respect of number of complaints filed during the financial year, number of complaints disposed of during the financial year and number of complaints pending as on end of the financial year needs to be disclosed in the Corporate Governance Report

In one CPSE {Oriental Insurance Company Limited (OICL)} out of 35 CPSEs/ Statutory Corporations (3 *per cent*), compliance of above regulations was not made in the Corporate Governance Report.

### 3.32 Conclusion

The cases of major non-compliances in respect of Part B are summarised below:

- i. Out of 35 CPSEs/Statutory Corporations, three CPSEs (9 *per cent*), did not submit the annual audited standalone and consolidated financial results to the stock exchange(s) within 60 days. Further, one Statutory Corporation had not submitted the financial results to the Stock exchange(s) within nine months from the end of the financial year. (Para 3.20.1)
- ii. Out of 35 CPSEs/Statutory Corporations, one CPSE (3 *per cent*) did not disclose certain information on its functional website as required. (Para 3.22.1)
- iii. Out of 35 CPSEs/Statutory Corporations, one CPSE (3 *per cent*) did not make certain additional disclosures on its website related to familisation programmes imparted to Independent Director. (Para 3.22.2)
- iv. Out of 35 CPSEs/Statutory Corporations, in nine CPSEs/Statutory Corporations (26 *per cent*), the required number of Independent Directors were not on the Board. The percentage of shortfall ranged between 20 and 100 *per cent*. (Para 3.24.1)
- v. Out of 32 CPSEs, three CPSEs (9 *per cent*) did not have any Women Director on the Board. (Para 3.24.2)

- vi. In one out of 32 CPSEs (3 per cent), vacancy of whole time key managerial personnel was not filled within a period of six months from the date of such vacancy. (Para 3.25)
- vii. In four out of 32 CPSEs (13 per cent), the quorum for meetings of the Audit Committee was insufficient. (Para 3.27)
- viii. In one out of 32 CPSEs (3 per cent), Nomination and Remuneration Committee was not constituted. (Para 3.29)
- ix. In two out of 32 CPSEs (6 per cent), Stakeholder Relationship Committee was not constituted. (Para 3.30)

DPE in its reply (January 2024) stated that DPE does not monitor routine administrative matters of CPSEs and responsibility of implementation of guidelines rests with the CPSEs and concerned Administrative Ministries. Accordingly, the chapter was issued (May 2024) to the respective Administrative Ministries/Departments. However, till September, 2024, the responses from the only nine Ministries/Departments in respect of 21 CPSEs were received and the same have been considered in the chapter.

***Recommendation:***

***The Administrative Ministries/Departments may ensure submission of quarterly compliance report by listed CPSEs/Statutory Corporations as prescribed in DPE guidelines/SEBI regulations. Audit recommends that Board of Directors of the listed CPSEs/Statutory Corporations should also ensure compliance with these guidelines/regulations so as to bring better transparency and accountability in the functioning of CPSEs/Statutory Corporations.***

## CHAPTER IV

### Disinvestment Process

#### 4.1 Disinvestment Policy of the Government of India (GoI)

The Department of Investment and Public Asset Management (DIPAM) under the Ministry of Finance deals with all the matters relating to the management of investments of Central Government in equity including disinvestment of equity in Central Public Sector Enterprises (CPSEs). The major areas of its work relate to strategic disinvestment including privatisation and minority stake sale.

DIPAM issues guidelines on general principles and mechanism for capital restructuring of CPSEs and advises the Government in matters of financial restructuring of the CPSEs and for attracting investment in the said enterprises through capital market. Capital restructuring role of DIPAM is a distinct role in management of CPSEs and it is not a part of Disinvestment Policy of Government except in relation to buy back of shares.

The Government notified the New Public Sector Enterprise policy for CPSEs on 04 February, 2021. The policy intends to minimize the presence of Government in the Public Sector Enterprises (PSEs) across all sectors of economy. The New PSE policy delineates four<sup>64</sup> Strategic sectors based on the criteria of national security, energy security, critical infrastructure, provision of financial services and availability of important minerals. Bare minimum presence of the existing public sector commercial enterprises at Holding Company level will be retained under Government control in the strategic sectors. The remaining will be considered for privatisation or merger or subsidiarisation with another PSE or for closure. All PSEs in non-strategic sectors shall be considered for privatisation, where feasible, otherwise such enterprises shall be considered for closure. However, the policy does not apply to certain classes of public sector entities such as Not-for-profit companies, or CPSEs providing support to vulnerable groups, or having developmental/promotional roles etc.

The Department of Public Enterprises (DPE) has issued guidelines (13 December, 2021) to operationalise the New Public Sector Enterprise policy which *inter-alia* provides for the identification of the CPSEs either for closure or privatisation in the non-strategic sectors in consultation with the concerned Administrative Ministries/Departments, NITI Aayog, Department of Expenditure and DIPAM.

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<sup>64</sup> (i) Atomic Energy, Space and Defence; (ii) Transport and Telecommunications; (iii) Power, Petroleum, Coal and other minerals and (iv) Banking, Insurance and Financial Services.

The Cabinet, in its meeting held on 18 May, 2022 had given approval for empowering the Board of Directors of the Public Sector Enterprises (PSEs) to recommend and undertake the transactions for Disinvestment (both strategic disinvestment and minority stake sale) or closure of any of their subsidiaries or units or sale of stake in JVs. It was also approved that based on proposal of Board of CPSE and Administrative Ministry, DIPAM will obtain an "in-principle" approval of Alternative Mechanism<sup>65</sup>. Thereafter, the Board of CPSEs can undertake the process of disinvestment or closure of subsidiaries/units/JVs based on DIPAM or DPE guidelines.

DIPAM issued the guiding principles for strategic disinvestment/minority stake sale of subsidiaries/units/sale of stakes in Joint Ventures by the holding/parent PSEs on 14 September, 2022 and DPE issued guiding principles for closure on 31 October 2022.

## 4.2 Modes of Disinvestment

The Government takes different routes for disinvestment, which are as follows:

**(i) Strategic Disinvestment:** It implies entire or substantial sale of Government shareholding of a CPSE along with transfer of management control. In case of Privatisation, which is a sub-set of strategic disinvestment, the Government equity in CPSE and its management control is transferred to a private strategic buyer(s) and in other cases of strategic disinvestment, the Government equity is transferred to another CPSE along with control.

**(ii) Minority Stake Sale:** It is carried out in certain CPSEs without transfer of management control through various Securities and Exchange Board of India (SEBI)-approved methods like Initial Public Offer (IPO), Offer for Sale (OFS), Buyback of shares etc. These methods play important role in strengthening the capital market through (a) increasing the float of well performing CPSEs (b) providing opportunity to retail investors to participate in an extended range of stocks and (c) increasing liquidity and depth of the capital market.

These modes of disinvestment are briefly explained below:

### (a) Initial Public Offer/Further Public Offer

**Initial Public Offer:** When an unlisted company makes either a fresh issue of shares or convertible securities or offers its existing shares or convertible securities for sale or both for the first time to the public, it is called an IPO. This paves way for listing and trading of the issuer's shares or convertible securities on the Stock Exchanges.

**Further Public Offer:** When an already listed company makes either a fresh issue of shares or convertible securities to the public or an offer for sale to the public, it is called FPO.

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<sup>65</sup> *Alternative Mechanism comprises of Minister of Finance, Minister of Road Transport and Highways and Minister of Administrative Ministry of the concerned CPSE.*

**(b) Offer for Sale:** It is a simpler method of sale of shares through the exchange platform for listed companies. The mechanism was first introduced by SEBI in 2012, to make it easier for promoters of publicly-traded companies to cut their holdings and comply with the Minimum Public Shareholding (MPS) norms. The method was largely adopted by listed companies, both state-run and private, to adhere to the SEBI norms of Minimum Public Shareholding. Government has often used this route to divest its shareholding in CPSEs.

**(c) Buyback of Shares:** Buyback is the repurchase of its own shares by a company from the existing shareholders which reduces the number of its shares in the open market.

Companies buy back their shares for a number of reasons: (i) To increase the value of shares held by promoters. (ii) To eliminate any threats by minority shareholders who may be looking for a controlling stake. (iii) For CPSEs, buyback is a tool for Govt. of India (GoI) to disinvest the equity held by GoI in CPSEs and to make proper utilisation of idle cash left with CPSEs.

**(d) Residual sale of GoI Shareholding:** The residual sale is the mode of disinvestment opted by the Government in cases where the Government is the minority stakeholder in the Company and SEBI prescribed method of Offer for Sale was not available. In this mode of disinvestment, the Government sells its shares on the stock exchanges just like any ordinary stockholder.

**(e) Exchange Traded Fund:** An Exchange Traded Fund is a basket of stocks that reflects the composition of an Index, like Nifty 50. Exchange Traded Fund trading value is based on the net asset value of the underlying stocks that it represents and can be bought and sold throughout the trading day like any stock.

Apart from the above modes of disinvestment, the GoI authorised DIPAM to sell enemy shares in various companies kept under the custody of the Custodian of Enemy Property of India as per Section 8A (1) of the Enemy Property Act, 1968. Subsequently, Cabinet Note (26 February, 2019) laid down the procedure and mechanism for asset monetisation of CPSEs/PSUs/other Government organisations including the monetization of immovable enemy properties.

## 4.3 Process of Disinvestment

### 4.3.1 Strategic Disinvestment of CPSEs involves the following steps:

#### a. For CPSEs under Strategic Sectors:

- NITI Aayog recommends CPSEs to be retained under the Government Control or to be considered for privatisation or merger or subsidiarisation with another PSE or for closure.
- NITI Aayog's recommendations are put to the Core Group of Secretaries on

Disinvestment<sup>66</sup> (CGD).

- CGD recommendations are put to the Alternative Mechanism (AM).
- AM approves the CPSEs to be retained under Government control or to be considered for privatisation or merger or subsidiarisation with another PSE or for closure.
- DIPAM obtains in-principle approval of the Cabinet Committee on Economic Affairs (CCEA) for the Strategic disinvestment of the CPSE.
- DIPAM appoints Transaction Advisors/Legal Advisor/Asset Valuers through tendering, with the approval of Inter Ministerial Group (IMG).
- Further, a two-stage bidding process (EoI/RFP) is followed. In each stage, the process passes through multi-layer decision making mechanism as per the approved process.

#### **b. For CPSEs in non-Strategic Sectors**

- DPE will identify the CPSEs either for closure or privatisation in consultation with the concerned Administrative Ministries/Departments, NITI Aayog, Department of Expenditure and DIPAM.
- DPE will take in-principle approval of the CCEA regarding the CPSEs identified for closure and/or for disinvestment.
- The DPE communicates in principle approval of CCEA to DIPAM for privatisation/disinvestment of CCEA. However, in closure, the process is initiated by the Administrative Ministry.
- DIPAM will take further actions as per the extant procedure.

#### **4.3.2 Minority stake sale through IPO/FPO involves the following steps**

- In principle consent by the Administrative Ministry of the CPSE concerned.
- CCEA approves disinvestment of minority stake in the CPSE through IPO/FPO.
- Constitution of a High Level Committee<sup>67</sup> (HLC) to guide and oversee the disinvestment process.
- Appointment of Advisers (Merchant Bankers/Book Running Lead Managers

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<sup>66</sup> *Core group of Secretaries on Disinvestment is headed by Cabinet Secretary and comprise of Secretary (Department of Economic Affairs), Secretary (Revenue), Secretary (Expenditure), Secretary (DIPAM), Secretary (Corporate Affairs), Secretary (Legal Affairs) and Secretary of the Administrative Department.*

<sup>67</sup> *High Level Committee comprises of Secretary, Joint Secretary and Financial Advisor of DIPAM and Secretary, Joint Secretary and Financial Advisor of the concerned Administrative Ministry.*

&Legal Advisers) by the IMG for the proposed transaction.

- HLC after considering the advice of the Book Running Lead Manager (BRLM) recommends price band/floor price to Alternative Mechanism (AM).
- Alternative Mechanism decides on the price band/floor price, method of disinvestment, and price discount for retail investors and employees.

#### **4.3.3 Minority stake sale through OFS involves the following steps:**

- DIPAM forms a HLC consisting of officers from different departments.
- HLC recommends to AM the extent of minority stake to be divested.
- AM considers HLC's recommendations and gives in-principle approval.
- Merchant bankers-cum-selling brokers/Legal Advisors are appointed with the recommendation of the Inter-Ministerial Group<sup>68</sup> (IMG).
- DIPAM, along with the Administrative Ministry and CPSEs, undertakes Non-deal Roadshows.
- Merchant Bankers recommends timing, amount of shares and discount to be offered.
- HLC considers recommendations of the Merchant Bankers and recommends timings and pricing to the AM.
- Alternative Mechanism decides on the price band/floor price, method of disinvestment, and price discount for retail investors and employees.

#### **4.3.4 Buyback of Government Shareholding by a CPSE involves the following steps:**

- CPSE's Board of Directors considers the Buyback as per the provisions contained in the Companies Act and the existing guidelines issued by DIPAM based on its net worth and cash balance, unless exempted by the Inter-Ministerial Committee for Monitoring of Capital Management and Dividend in CPSEs.
- The HLC recommends to AM on the Government's participation in CPSE's offer of buyback.
- AM approves the participation of the Government in the Buyback and offer of Government's equity in the Buyback.

**4.3.5** For strategic disinvestment/minority stake sale of subsidiaries/units/sale of stakes in Joint Ventures by the holding/parent Public Sector Enterprises.

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<sup>68</sup> *Inter-Ministerial Group is chaired by Secretary, DIPAM and Secretary of the Administrative Ministry/Department and comprising of nine Secretaries or their representatives (not below the rank of Joint Secretary to GoI) from different Ministries/Departments.*

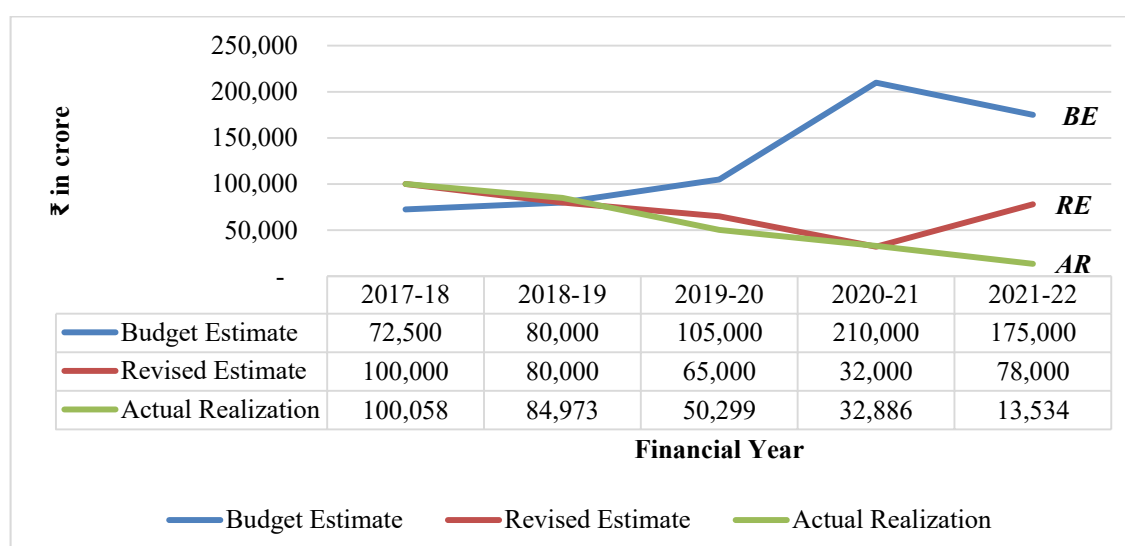
Cabinet in its meeting held on 18 May, 2022 empowered the Board of Directors of the Holding/Parent (PSE) to recommend and undertake the process for disinvestment (both Strategic Disinvestment and Minority Stake sale/closure) of their subsidiaries /units/stake in JVs. In this regard, AM has been delegated power of CCEA for in-principle approval of above disinvestment proposal which is being processed by DIPAM as AM Secretariat.

#### 4.4 Target and achievement for disinvestment of CPSEs for the last five years

Budget Estimates for receipts through disinvestments in a fiscal year are fixed by the Department of Economic Affairs (DEA), Ministry of Finance, Government of India (GoI). These are based on the inputs provided by DIPAM. Based on the progress made and probable transactions during the year, DIPAM communicates the Revised Estimates to DEA.

The Budget Estimates, Revised Estimates and actual realisation made through the disinvestment process for the financial years 2017-18 to 2021-22 are given in Chart 4.1 below:

**Chart 4.1: Actual realisation vis-à-vis target disinvestment**



The following may be seen from Chart 4.1 above:

- The Budget Estimates for receipts through disinvestments has been increasing continuously every year except for the current year 2021-22 where it decreased by 16.67 per cent to ₹1,75,000 crore vis-à-vis the Budget Estimates of ₹2,10,000 crore for 2020-21.
- The Budget Estimates of ₹1,75,000 crore for the year 2021-22 was reduced to ₹78,000 crore at the Revised Estimates stage which shows a reduction of 55 per cent. Even these revised targets could not be achieved as the actual receipt was ₹13,534 crore only which was substantially less (82.64 per cent less) than the Revised Estimates of ₹78,000 crore.

- Audit further noted that in 2021-22, there was a significant revision of receipt targets at Budget Estimates and Revised Estimates stage by DEA as compared to the internal projection of DIPAM. The internal projection of disinvestment receipts for Budget Estimates and Revised Estimates made by DIPAM for the year 2021-22 was ₹1,41,710 crore and ₹1,27,016 crore against which figures finalised by DEA were ₹1,75,000 crore and ₹78,000 crore respectively. However, breakup of Budget Estimates and Revised Estimates receipts projected by DIPAM and finalised by DEA was not provided to Audit. Thus, Audit could not ascertain whether the internal projection of disinvestment receipts for Budget Estimates and Revised Estimates by DIPAM and the finalisation by DEA were based on valid inputs and achievable targets.

DIPAM replied (January 2024) that the Revised Estimates target for FY 2021-22 could not be achieved due to various reasons including frequent Covid waves, geo-political turmoil following Ukraine crisis, market conditions and upward revision of interest rates by RBI and by several central banks including US Federal Reserve leading to widespread impact on Stock Market. As a result, IPO of LIC of India could not materialise during the year and Expression of Interest for strategic disinvestment of BPCL had to be called off. DIPAM stated that disinvestment is an on-going process and the pandemic caused huge economic dislocation and disruption of supply chain at a global level. This caused severe impediments for the Department to carry on with disinvestment transactions, especially strategic disinvestment transactions in view of reduction of the bidders' ability to bid/invest. It was also stated that size of IPO of LIC was reduced to 3.5 *per cent* instead of originally intended 5 *per cent* of the total shares in view of the then prevailing market condition. DIPAM also informed that Budget Estimates for disinvestment receipts during 2021-22 was kept at ₹1,75,000 crore of which disinvestment receipts from CPSEs was ₹75,000 crore and remaining was from disinvestment of government stake in Public Sector Banks and Financial Institutions. Since 2014-15, Government has carried out disinvestment worth ₹3.17 lakh crore through Minority Stake Sale route. Due to such huge disinvestments through minority stake sale, there is now a limited scope for disinvestment via Offer for Sale/Exchange Traded Fund route.

Further, DIPAM stated that there is a need to fix realistic targets for disinvestment in view of market dependent nature of transactions and also to avoid price overhang of the CPSE stocks. Therefore, targets have been reduced progressively to more pragmatic levels during financial year 2022-23 and afterwards.

With regard to point regarding CPSE wise break up of RE & BE receipts not being provided to Audit, it was stated that CPSE wise expected disinvestment receipts are internal to DIPAM and only consolidated estimates were shared with DEA. Revised Estimates/Budget Estimates are mere projections fixed based on prevailing market conditions and feasibility of the transaction. However, final realization of receipts depends on prevailing market conditions, domestic and global economic outlook and investor interest.

The reply is to be viewed in the light of the fact that the Ukraine crisis started in February 2022. Further, the process of disinvestment of Life Insurance Corporation of India (LIC) was started only in February 2022 with the filing of Draft Red Herring Prospectus. Furthermore, since the financial market is dynamic and keeps changing, it is important that a feasibility study is conducted to analyse the market trends before fixing the Budget Estimates and Revised Estimates targets.

Audit observed that during the year 2021-22, the actual realisation *vis-à-vis* Budget Estimates and Revised Estimates targets was merely 8 per cent and 17 per cent respectively.

C&AG's Report No. 27 of 2022 on Union Government (Commercial) - General Purpose Financial Reports of Central Public Sector Enterprises (Recommendation No.1) highlighted the need for fixation of realistic Budget Estimates by DEA after taking inputs from DIPAM to ensure that the targets fixed were achievable during the year for enabling an efficient and effective budgeting process. However, compliance on the same has not been done as is evident from the above analysis.

Audit is of the view that the projection of Budget Estimates and Revised Estimates by DIPAM and further finalisation by DEA needs to be realistic, as the expenditure in the budget is planned corresponding to the projected receipts.

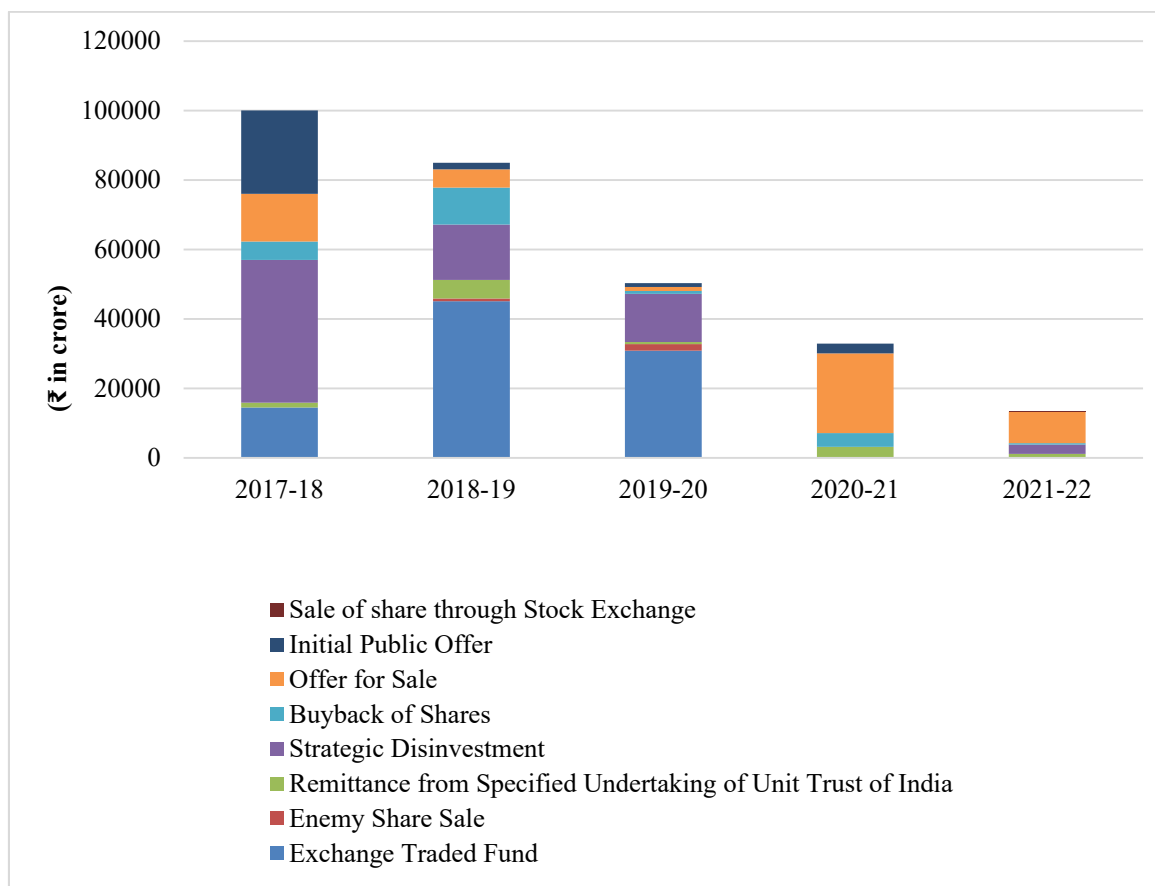
#### 4.5 Mode-wise realisation from disinvestment during the last five years

Mode-wise details of actual receipts from disinvestments during 2017-18 to 2021-22 is detailed in Table 4.1 and Chart 4.2:

**Table 4.1: Mode-wise realisation during the last five years**

(₹ in crore)

Particulars	2017-18	2018-19	2019-20	2020-21	2021-22
Exchange Traded Funds	14,500	45,080	30,869	0	0
Enemy Share Sale	0	779	1,881	41	4
Remittance from Specified Undertaking of Unit Trust of India	1,400	5,379	600	3,125	1,107
Strategic Disinvestment	41,069	15,914	13,883	0	2,700
Buyback of Shares	5,338	10,671	822	3,936	394
Offer for Sale	13,711	5,236	1,130	22,983	9,110
Initial Public Offer	24,040	1,914	1,114	2,801	0
Sale of share through Stock Exchange	0	0	0	0	219
<b>Total</b>	<b>1,00,058</b>	<b>84,973</b>	<b>50,299</b>	<b>32,886</b>	<b>13,534</b>

**Chart 4.2: Mode-wise realization during the last five years**

It is evident from Table 4.1 and Chart 4.2 that during the last five years, the total disinvestment proceeds saw a steadily declining trend from ₹1,00,058 crore in the year 2017-18 to ₹13,534 crore in the year 2021-22 i.e., a decline of more than 85 *per cent*. Mode-wise details of disinvestment during the year 2021-22 are given below:

**Table 4.2: Mode-wise details of disinvestment receipts during 2021-22**

Sl. No.	Mode of Disinvestment	Transaction Count	Receipts (₹ in crore)
1.	Strategic Disinvestment	1	2,700
2.	Offer for Sale*	4	9,110
3.	Buy Back	1	394
4.	Sale of Shares through Stock Exchange	1	219
5.	Remittances from sale proceeds of shares with interest and dividend income from Specified Undertaking of Unit Trust of India	1	1,107
6.	Enemy Shares Sale	1	4
<b>Total</b>		<b>9</b>	<b>13,534</b>

\* Including income from disinvestment proceeds of Axis Bank Strategic holding of SUUTI amounting to ₹3,994 crore

As depicted in Table 4.2, DIPAM realised an amount of ₹13,534 crore during 2021-22 through nine transactions.

Audit observations on various cases of disinvestment are discussed in succeeding paragraphs.

## **4.6 Minority Stake Sale – Initial Public Offer and Offer for Sale**

### **4.6.1 Initial Public Offer**

#### **4.6.1.1 Projected receipts *vis-à-vis* realisation from disinvestment through Initial Public Offer**

DIPAM, during 2021-22, identified disinvestment of LIC and Telecommunications Consultants India Limited (TCIL) for ₹50,000 crore and ₹200 crore respectively through Initial Public Offer mode at the Budget Estimates stage, however, disinvestment of only LIC was projected at the Revised Estimates stage. The Initial Public Offers of LIC and TCIL were not completed as of 31 March, 2022 resulting in a ‘Nil’ realisation of proceeds through the Initial Public Offer mode. The progress made in the disinvestment of both the LIC and TCIL during the year is as follows:

#### **(i) LIC**

In the budget speech for 2020-21, Finance Minister made an announcement that the Government proposed to sell a part of its holding in LIC through Initial Public Offer mode. DIPAM, during the year 2021-22, projected the disinvestment in LIC both at Budget Estimates and Revised Estimates stage with an estimated amount of ₹50,000 crore in each stage. The CCEA approval on the disinvestment of LIC along with the delegation of powers to Alternative Mechanism through Initial Public Offer was taken on 08 July, 2021. Audit noted that the Alternative Mechanism approved 3.5 *per cent* of the disinvestment out of the LIC’s total valuation of ₹6,00,000 crore (approx.). However, the offer size, issue dates, price band, bid lot and other offer-related matters were finalised only after the financial year 2021-22. The actual realisation made through the disinvestment in the year 2022-23 was ₹20,516.12 crore which was less than the projected estimate of ₹50,000 crore.

DIPAM replied (January 2024) that the projections for disinvestment of LIC both at Budget Estimates and Revised Estimates stage were made with an estimated amount of ₹50,000 crore pending the calculation of Indian Embedded Value (IEV) and market feedback. The difference between the projected estimate of ₹50,000 crore and actual realisation of ₹20,516.12 crore, was on account of downward revision in percentage of stake dilution from 5 *per cent* to 3.5 *per cent*, as it was realised after discussions with the investors that the market capacity was only for a smaller size IPO. Further, it was stated that the offer size, issue dates, price band, bid lot and other offer-related matters could be finalised only at the final prospectus filing stage after finalising the Embedded Value (EV) of LIC and assessment of investor demand at that point in time, which happened after the financial year 2021-22. It was reiterated by DIPAM that a range of activities had to be carried out for the LIC-IPO, amidst large scale disruptions caused by the COVID pandemic. Consequent to the

Ukraine crisis and Fed policies, there was high volatility in the capital market and investor interest waned after filing of the Draft Red Herring Prospectus, resulting in postponement and scaling down of LIC IPO.

**(ii) TCIL**

DIPAM projected the disinvestment in TCIL at Budget Estimates stage with an estimated amount of ₹200 crore. However, at the Revised Estimates stage, TCIL was not projected for disinvestment.

DIPAM replied (January 2024) that the TCIL had been incurring continuous net losses on consolidated basis in the last three financial years, de-growth in profitability on standalone basis and muted expectations during the year 2021-22 due to impact of the pandemic, flat order book growth in financial year 2020-21, which was further impacted by loss incurred by Bharti Hexacom Limited, Joint Venture between TCIL and Bharti Airtel (30:70). Therefore, in compliance to CCEA approved revised eligibility criteria for listing of CPSEs on Net Profit in any of the immediately three preceding FY and on account of TCIL continuous losses at consolidated level, the IPO was put on hold till later to decide on launch of TCIL IPO as it would not attract any traction from investor. DIPAM further stated that in the meeting held in Niti Aayog on 05 April, 2021, it was decided that the disinvestment of TCIL would be considered after the disinvestment of TCIL's shares in Bharati Hexacom Limited.

**4.6.1.2 Delay in processing of Initial Public Offer/Follow-on Public Offer planned during the financial year 2020-21**

During the financial year 2020-21, DIPAM identified the disinvestment of WAPCOS Limited and KIOCL Limited at the Revised Estimates stage. However, both the CPSEs remained unlisted as of 31 March, 2021. Audit further noted that both the CPSEs were not projected for disinvestment at Budget Estimates and Revised Estimates stage during the financial year 2021-22. The status is as follows:

- **WAPCOS:** The CCEA approved the Initial Public Offer of WAPCOS on 27 December, 2018. The Book Running Lead Manager and Legal Advisor were appointed on 18 November, 2019 and 14 February, 2020 respectively. The Registrar and Advertising Agency were appointed on 25 June, 2021. Further, the High-Level Committee, in its meeting held on 8 August, 2022, directed to file Draft Red Herring Prospectus with SEBI, which was filed on 26 September, 2022.

DIPAM replied (January 2024) that the High-Level Committee took note of the remarks of the Book Running Lead Managers (BRLM) and Auditors on 05 September, 2023 that the company reported operating loss for the FY 2022 and FY 2023 and the average operating profit of the company was also negative and therefore, the company was ineligible for the public offer under clause 6(1) of SEBI (Issue of Capital and Disclosure Requirements) Regulations. As the company turned ineligible for the public offer, the DRHP of the company was withdrawn from SEBI

as per the recommendations of the High-Level Committee.

- **KIOCL Limited:** The CCEA approved the Follow-on Public Offer of KIOCL Limited on 27 December, 2018. The Merchant Banker and Legal Advisor were appointed on 18 July, 2019. In December, 2020, High Level Committee meeting was proposed but was deferred till first stage forest clearance for Devadari Mines was received by KIOCL Limited. As per the records, a sub-committee visited the Mines in March 2021 and thus, next High Level Committee meeting was proposed in April 2021 as there was some issue regarding forest clearance for dedicated iron ore mines.

DIPAM replied (January 2024) that the disinvestment process, earlier held-up on account of non-receipt of forest clearance, has been resolved. Further, due to a very small portion of shareholding of the Company being with the public, there is very thin trading of this share in the market due to which share price of the company in the exchange is not indicative of fair value from the investors' viewpoint. Also, the business and the financial performance of the company is not favorable for launch of Follow-on Public Offer. Hence, an appropriate decision will be taken regarding this case in consultation with SEBI.

The reply may be viewed in light of the fact that KIOCL had reported the Profit before tax (profit) amounting to ₹86.08 crore as per the last available Annual Financial Statements of FY 2017-18 of the Company before CCEA approved the disinvestment in December 2018. Further, the Company's profit increased to ₹184.12 crore in FY 2018-19 i.e., during the year in which the initial disinvestment was proposed; and later the Company reported profits amounting to ₹410.23 crore and ₹411.03 crore during the FYs 2020-21 and 2021-22. Thus, the financial performance of the company appeared to be satisfactory. Further, the reason mentioned by DIPAM of a very small portion of shareholding of the company being with the public was pre-existing at the time of planning of disinvestment by DIPAM and the approval of the Follow-on Public Offer of the Company by CCEA in December 2018. The decision to launch the public offer was yet (January 2024) to be taken even after lapse of five years of the CCEA approval of the same.

#### 4.6.2 Offer for Sale

##### 4.6.2.1 Projected receipts *vis-à-vis* realisation from disinvestment through Offer for Sale

Projection was made to receive ₹19,710 crore through Offer for Sale mode from eight CPSEs at Budget Estimates Stage. However, out of these eight CPSEs, only two CPSEs were retained at Revised Estimates with expected disinvestment receipts of ₹4,400 crore. Further, eight other CPSEs were identified at Revised Estimates stage with expected realisation of ₹10,627 crore with total receipts projected at ₹15,027 crore from 10 CPSEs.

However, disinvestment took place only in three CPSEs viz., NMDC Limited, Housing &

Urban Development Corporation Limited and Hindustan Copper Limited with net proceeds of ₹5,116 crore during 2021-22, which was 34.05 *per cent* of the projected amount at the Revised Estimates stage. Further, disinvestment took place in the year 2022-23 in two more CPSEs, identified at Revised Estimates stage in 2021-22 viz. Oil and Natural Gas Corporation Limited and Paradeep Phosphates Limited, and an amount of ₹3,530.28 crore was realized.

Hence, as can be seen from above, six CPSEs identified for OFS at Budget Estimates stage were subsequently dropped at the Revised Estimates stage, two CPSEs identified for Offer for Sale at Budget Estimate stage as well as Revised Estimate stage and five CPSEs identified for Offer for Sale at Revised Estimates stage could not be materialised during the year 2021-22. Further, it was also observed that Offer for Sale approved in another two CPSEs approved in 2019-20 and planned in the revised estimates stage of 2020-21 have not been carried out till date. It was also seen that though CCEA/Alternative Mechanism approval for disinvestment in some of these CPSEs was given between the years 2015 to 2018, disinvestment could not take place till the year 2021-22.

DIPAM replied (January 2024) that it takes up tentative projections in each stage (BE and RE stages) based on the prevailing expectations regarding near to medium term market conditions. However, market conditions, company performance and economic interest keeps changing. Actual transactions are taken up based on these factors. DIPAM also stated that approval from the Cabinet Committee does not have any link to the timing of the transaction.

It was also stated that the Department has experienced that a very high disinvestment target leads to price overhang in PSU stocks due to the expected over supply of fresh issues. Therefore, progressively targets have been reduced to more pragmatic levels during Financial Year 2022-23. DIPAM's calibrated disinvestment strategy has paid off in the form of the improved value of the PSU stocks as for the last two years, the PSE index has performed better than the NIFTY and Sensex.

#### **4.6.2.2 Achievement of retail and employees Offer for Sale targets**

Details of subscription received for non-retail investors/retail investors and employee Offer for Sale transactions completed during 2021-22 are given in Table 4.3.

**Table 4.3: Subscription received for non-retail investors/retail investors and employee Offer for Sale**

								<i>(in per cent)</i>
Name of CPSE	Proposed disinvestment	Green shoe option <sup>69</sup>	Total proposed disinvestment	Actual disinvestment	Subscription received for non-retail investors	Subscription received for retail investors	Subscription received for employee Offer for Sale	
Hindustan Copper Limited	5.00	5.00	10.00	6.61	141.25	36.87	0.05	
Housing and Urban Development Corporation Limited	5.50	2.50	8.00	8.00	195.86	18.39	0.15	
National Mineral Development Corporation	4.00	3.49	7.49	7.49	213.75	75.56	1.66	

It is evident from Table 4.3 that all the Offer for Sale transactions for retail investors and for Employees carried out during 2021-22 were undersubscribed. In the case of Offer for Sale for retail investors, the subscription ranged between 18.39 *per cent* and 75.56 *per cent* while in case of Offer for Sale for employees, the subscription ranged between 0.05 *per cent* and 1.66 *per cent*.

DIPAM replied (January 2024) that as per SEBI norms, minimum 10 *per cent* of the size of OFS is to be reserved for retail investors. This reservation is irrespective of the demand for stock amongst them which may lead to under subscription in the retail category. Retail investors may feel more comfortable to buy the same stock from secondary market vis a vis through OFS window as their desired quantity is small and usually price of stock after OFS launch also reduces in the secondary market. Therefore, along with the retail investors, SEBI norms also allow non-retail investors to fill the retail bucket on T + 1 day if it remains undersubscribed.

Further, DIPAM also replied that employee OFS is required to be completed within two weeks after main transaction. It depends on what price the stock is trading in the secondary market as compared to offered price to the employees. Normally after 2-3 days of OFS, the price of share may further decrease due to additional supply of OFS shares. Reserving 5 *per cent* of the size of OFS for employees' portion is also a reason for less subscription because the reservation is made irrespective of demand amongst employees for the share of their

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<sup>69</sup>*Green Shoe Option is a provision in an underwriting agreement that grants the underwriter the right to sell investors more shares than initially planned by the issuer.*

company. This reservation method has been reviewed and in recent OFS transaction, DIPAM first seeks interest through the company from employees for the number of shares and that much shares are only being reserved. No additional discount is being offered to employees for participation in the OFS.

While Audit appreciates that the overall target of OFS was met, however, it may be noted that the employee subscription ranging between 0.05 *per cent* and 1.66 *per cent* remained under subscribed based on the relevant methodology approved by the Alternative Mechanism at that time. The fact that reservation method in case of Offer for Sale for employees has since been reviewed by DIPAM is noted.

#### **4.7 Buyback of shares in MOIL Limited**

The Guidelines on Capital Restructuring of CPSEs (May 2016) stated that in cases where CPSEs are not able to deploy the cash/bank balances for viable business expansion, buyback of shares improves investors' confidence in the company and is likely to help the company to raise capital in future when it requires funds for expansion. These guidelines further stated that every CPSE was to analyse its cash and bank balance, capital expenditure and business expansion, net-worth, long-term borrowings, any other financial commitments, other receivables and contingent liabilities and market price of share. Based on this analysis, it needs to be clearly brought out that surplus cash and bank balance with the CPSE were to be considered for restructuring of capital through buyback. However, every CPSE having net-worth of at least ₹2,000 crore and cash balance of more than ₹1,000 crore was to exercise the option to buy back their shares.

As per DIPAM, during the financial year 2021-22, a total of 27 CPSEs out of 54 listed CPSEs were eligible for the buyback of shares. Only one transaction of buyback i.e., MOIL Limited was identified at the Revised Estimates stage of the year 2021-22 with estimated proceeds of ₹400 crore.

The MOIL Board (10 November, 2021) considered and approved the buyback of 25 *per cent* of the Net Worth of MOIL Limited at the buyback price of ₹205 per equity share. Based on the recommendations (10 November, 2021) of the High-Level Committee, Alternative Mechanism approved participation of the Government in the buyback of equity shares in MOIL subject to the condition that the GoI shareholding does not fall below 51 *per cent*. Further, out of the total 3,38,42,668 shares available for buyback, the GoI and Government of Madhya Pradesh being the promoters offloaded 62.36 *per cent* of the shares available for buyback and the remaining 37.64 *per cent* of shares were offloaded by the public. The GoI received proceeds amounting to ₹393.77 crore after the buyback process by MOIL.

DIPAM replied (January 2024) that buyback was not possible where the CPSE was planning to go ahead with some other proposal for capital management and restructuring like OFS, Capex plan, net-worth restructuring, borrowings capacity/capital leverage ratio, market price etc. Therefore, a conscious decision was taken by the Inter-Ministerial Committee for Monitoring of Capital Management and Dividend in CPSEs (CMCDC) from time to time,

keeping in view the above explained reasons, to grant exemption to a CPSE on case to case basis.

#### **4.8 Disinvestment through residual stake sale of Indian Petrochemicals Corporation Limited**

Indian Petrochemicals Corporation Limited, an erstwhile CPSE of the Government, was privatised in the year 2002 and later merged with Reliance Industries Limited in the year 2007. The CCEA approved (28 April, 2021) the sale of 8,32,480 equity shares on the Stock Exchanges just like any other investor as the Government was not eligible to sell the shareholding through the offer for sale window as a promoter. The transaction was carried out in six tranches between 07 October, 2021 and 25 October, 2021 by the Merchant Banker as per the decision of the GoI which generated the disinvestment receipts of ₹219.34 crore.

#### **4.9 Overstatement of disinvestment receipts by ₹1,107 crore due to inclusion of interest and dividend income earned by Specified Undertaking of Unit Trust of India**

The Unit Trust of India was created under the Unit Trust of India Act, 1963 and was repealed through Unit Trust of India (Transfer of Undertaking and Repeal), Act 2002 (Repeal Act, 2002) on 18 December, 2002 and restructured into two new entities namely UTI Trustee Company Private Limited<sup>70</sup> and the Specified Undertaking of Unit Trust of India. Both entities have been entrusted with the responsibility of managing various schemes as allotted by the Parliament under the UTI (Repeal) Act, 2002.

Audit observed that Specified Undertaking of Unit Trust of India remitted interest and dividend income amounting to ₹1,107 crore to the DIPAM which was included under disinvestment receipts. Since the income is not a part of remittance from Government shareholdings, it should not be included in the disinvestment receipts. This has resulted in the overstatement of disinvestment receipts by ₹1,107 crore during the year 2021-22.

DIPAM replied (January 2024) that it has taken up this matter with Pay & Account Office of Controller General of Accounts (CGA) for correct classification. Any change in this matter will be taken up in consultation with CGA after receiving their advice.

#### **4.10 Strategic Disinvestment (Sale of majority stake of GoI in CPSEs)**

Strategic disinvestment is the sale of entire or substantial portion of Government shareholding in identified CPSEs along with the transfer of management control. The CCEA had given 'in-principle' approval for strategic disinvestment in 36 CPSEs till 31 March, 2022. The status of the strategic disinvestment transactions for which CCEA has given 'in-principle' approval till April 2022 is given in Table 4.4 below. Names of the companies under each of the stages is given below in the *Annexure-XXII*.

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<sup>70</sup> Acting through SEBI registered UTI Mutual Fund, UTI Asset Management Company Limited - as the Investment Manager.

**Table 4.4: Status of strategic disinvestment transactions**

Stage	Number
Ongoing transactions being processed by DIPAM wherein EoI has been issued	8
Transactions where EoI has not been issued or transactions called off after Issuance of EoI/RFP	6
Transactions being processed by the respective Administrative Ministry	3
Transactions held up due to litigation	2
Transaction halted as the CPSE recommended/approved for closure; any other reason	5
Transactions not feasible	2
Transaction Completed*	10
<b>Total strategic disinvestment considered till date</b>	<b>36</b>

\*Transaction of Neelachal Ispat Nigam Limited was completed in the year 2022-23.

The overall projection of strategic disinvestment receipts for Budget Estimates and Revised Estimates made by DIPAM for the year 2021-22 was ₹66,900 crore and ₹56,715 crore respectively. However, only one CPSE viz., Air India Limited, along with one of its subsidiary company, Air India Express Limited (AIXL) and its joint venture company, Air India SATS Airport Services Private Limited (AISATS), was disinvested during the year 2021-22 for the total consideration of ₹18,000 crore, with Government receiving a cash consideration of ₹2,700 crore from the Strategic Partner (M/s Talace Pvt Ltd, a wholly owned subsidiary of M/s Tata Sons Pvt Ltd). The strategic partner took over debt of ₹15,300 crore in Air India and AIXL along with shares of Air India (100 % shares of Air India and its subsidiary AIXL and 50% shares of AISATS). Thus, DIPAM has achieved less than 32 per cent of its strategic disinvestment target projected at the Revised Estimates stage.

DIPAM replied (January 2024) that the shortfall in Strategic Disinvestment target in 2021-22 primarily relates to withdrawal of Bharat Petroleum Corporation Limited from disinvestment due to various reasons such as multiple Covid-19 waves and geo-political conditions, majority of QIPs having expressed their inability to continue in the current process of disinvestment of BPCL owing to prevailing conditions in the global energy market etc. In view of these reasons, GoI has decided to call off the present EoI process for strategic disinvestment of BPCL and decision on re-initiation will be taken based on review of the situation. Further, the disinvestment timeframe of the Shipping Corporation of India, and BEML Limited were delayed due to demerger process and land related clearance from State Governments for separation of non-core surplus land asset. The process for strategic disinvestment of CONCOR has been delayed because of the time taken in the finalisation of the land lease policy by Railways. Privatisation of public sector banks would require passing necessary amendments in the relevant legislation by the Department of Financial Service. PIM/EOI were issued in respect of Project and Development India Limited, HLL Lifecare Limited and Ferro Scrap Nigam Limited and intermediaries were appointed for Rashtriya Ispat Nigam Limited during the period 2021-22. Further, during the period 2021-22, the transactions were slowed down due to COVID and the geo-political crisis which affected the bidders' interest. Ongoing court cases also affected the transactions.

#### **4.10.1 Strategic Disinvestment along with transfer of management control of Air India**

CCEA gave ‘in principle’ approval for considering strategic disinvestment of Air India Limited and five of its subsidiaries<sup>71</sup> in June 2017. The disinvestment of Air India Limited along with one of its subsidiary company, Air India Express Limited and its joint venture company, Air India SATS Airport Services Private Limited was completed in January 2022. After the disinvestment, 100 *per cent* of GoI equity in Air India Limited along with management control was transferred to M/s. Talace Private Limited, a wholly owned subsidiary of M/s Tata Sons Private Limited at ₹18,000 crore which included cash consideration of ₹2,700 crore and debts of ₹15,300 crore of the Air India Limited were taken over.

A brief of major developments/events during process of privatisation of Air India Limited is given as under:

##### **4.10.1.1 First attempt after CCEA approval in June 2017**

NITI Aayog recommended (12 May, 2017) the strategic disinvestment of Air India Limited and five of its subsidiaries. After considering three options for strategic disinvestment viz., (i) Option I - minority stake sale, (ii) Option II - stake sale between 51 *per cent* and 74 *per cent* and (iii) Option III - 100 *per cent* disinvestment, it recommended Option III as it would realise maximum sale value and the complete exit by the Government will attract some premium on the deal. The Core Group of Secretaries on Disinvestment concurred (02 June, 2017) with the recommendation of the NITI Aayog and recommended the same to CCEA.

The CCEA gave ‘in-principle’ approval (28 June, 2017) to the strategic disinvestment of Air India Limited and five of its subsidiaries within a time frame of one year from the date of CCEA decision and constituted Air India Specific Alternative Mechanism<sup>72</sup>(AISAM) to guide the process of strategic disinvestment including selection of best option out of the recommended three options for disinvestment.

Air India Specific Alternative Mechanism approved (October 2017) that out of five subsidiary companies and one joint venture company<sup>73</sup> of Air India Limited, Air India Express Limited, being the profit-making subsidiary and Air India SATS Airport Services Private Limited, being the profit-making joint venture company, shall be disinvested along with the Air India Limited. Also, a special purpose vehicle would be created for warehousing accumulated working capital loan not backed by any asset of Air India Limited

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<sup>71</sup> *Air India Air Transport Services Limited, Allied Air Services Limited, Air India Express Limited (previously known as Air India Charters Limited), Air India Engineering Services Limited and Hotel Corporation of India.*

<sup>72</sup> *Air India Specific Alternative Mechanism was constituted on 03 July, 2017 and comprised of the Minister of Finance as Chairperson and Minister of Road Transport and Highways, Minister of Railways, Minister of Civil Aviation and Minister of State of Ministry of Power.*

<sup>73</sup> *Air India SATS Airport Services Private Limited.*

along with four subsidiaries (Air India Air Transport Services Limited, Allied Air Services Limited, Air India Engineering Services Limited and Hotel Corporation of India) and other non-operational assets. This entity would be named 'AI Assets Holding Company'<sup>74</sup>. Air India Specific Alternative Mechanism also decided that the debt of Air India Limited would be divided in two parts, namely, 'debt backed by underlying assets' and 'accumulated working capital debt not backed by any assets.' It also took the decision that the Government may divest between 51 *per cent* to 76 *per cent* of the shareholding in Air India Limited along with management control.

In December 2017, M/s. Ernst & Young LLP was appointed as Transaction Advisor and M/s. RBSA Advisors LLP was appointed as Asset Valuer in January 2018.

Transaction Advisor recommended that Government may opt for 74 *per cent* stake sale, however, Ministry of Civil Aviation recommended to Core Group of Secretaries on Disinvestment for disinvestment of 76 *per cent* stake. The Core group of Secretaries on Disinvestment recommended (05 March, 2018) the same to Air India Specific Alternative Mechanism which was finally approved (March 2018) by them.

The Preliminary Information Memorandum for Expression of Interest was floated on 28 March, 2018<sup>75</sup> having debt amounting to ₹33,392 crore, which included the current liabilities that were not backed by any assets amounting to ₹5,038 crore, to be retained in the Air India Limited. However, no Expression of Interest was received by the Government. The Air India Specific Alternative Mechanism subsequently observed (18 June, 2018) that retaining 24 *per cent* equity by the Government was one of the main reasons for not receiving the Expressions of Interest. Thus, this attempt at disinvestment failed.

#### **4.10.1.2 Second attempt of disinvestment**

Core Group of Secretaries on Disinvestment recommended (August 2019) re-initiating the process of strategic disinvestment of Air India Limited and its subsidiaries to Air India Specific Alternative Mechanism which was approved by AISAM in September 2019. Transaction Advisor recommended (September 2019) four options with debt and current liabilities not backed by any assets at the initial stage of second attempt. However, the 'Sub-Committee of Secretaries' recommended (October 2019) the total debt amount of ₹23,771 crore to be retained in Air India Limited and the current liabilities not backed by any assets were not to be considered. Further, AISAM approved 100 *per cent* disinvestment of Air India along with Air India Express Limited and 50 *per cent* of Air India SATS Airport Services Private Limited (January 2020). Thereafter, the Preliminary Information

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<sup>74</sup> *AI Assets Holding Company is a special purpose vehicle formed by GoI to acquire from Air India Limited its shares held in Air India Air Transport Services Limited, Allied Air Services Limited, Air India Engineering Services Limited and Hotel Corporation of India; and acquire non-core assets as decided by Air India Limited.*

<sup>75</sup> *The last date of bid submission was 14 May, 2018 which was extended upto 31 May, 2018.*

Memorandum was floated on 27 January, 2020 having debt amounting to ₹23,287 crore to be retained in Air India Limited.

Later, The Core Group of Secretaries on Disinvestment recommended (October 2020) to Air India Specific Alternate Mechanism for a change of bidding criteria to Enterprise value Method in which there would be no pre-fixed debt level and bidders would be able to quote combined debt plus equity value which was approved by the Air India Specific Alternate Mechanism (26 October, 2020).

Audit noted that a total of seven Expressions of Interest were received by 14 December, 2020, of which five were disqualified based on the technical evaluation report (February 2021) of Transaction Advisor.

The Transaction Advisor proposed the reserve price at ₹12,077 crore whereas the Asset Valuer proposed it to be at ₹16,224.63 crore. Inter-Ministerial Group recommended to Core Group of Secretaries on Disinvestment (CGD) a Reserve Price of ₹12,906 crore<sup>76</sup> which was approved by CGD (29 September, 2021).

After the finalisation of the reserve price, financial bids of both the Qualified Institutional bidders were opened in the Inter-Ministerial Group meeting (29 September, 2021) in which M/s. Talace Private Limited, a wholly owned subsidiary of M/s Tata Sons Private Limited, who had quoted an amount of ₹18,000 crore got qualified. Accordingly, the Share Purchase Agreement was executed (25 October, 2021) amongst the Ministry of Civil Aviation, Air India Limited and M/s. Talace Private Limited and the process of disinvestment was completed (27 January, 2022).

#### **4.10.2 Audit observations on the process of strategic disinvestment of Air India**

The strategic disinvestment took more than four years to complete i.e., the intervening period from the approval of CCEA on Air India Limited disinvestment in June 2017 and the closing of the transaction in January 2022. Audit observed the following during the entire process of the disinvestment transaction:

##### **i. Adoption of Enterprise Value method as bidding criteria**

During the first disinvestment process which started in March 2018, Air India Specific Alternative Mechanism approved the Asset Value Method as bidding criteria in which the bidders were allowed to bid not below the reserve amount based on the debts of Air India backed by its assets. The above bidding criteria was also adopted during the second disinvestment process in January 2020. However, no EOIs were received in the second attempt of disinvestment process until the Core Group of Secretaries on Disinvestment recommended (October 2020) to Air India

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<sup>76</sup> *Considering the methodologies used by Transaction Advisor and Asset Valuer, Core Group of Secretaries on Disinvestment approved weightage of 20 per cent to valuation given by Asset Valuer and 80 per cent to the valuation given by the Transaction Advisor for the purpose of Reserve Price determination.*

Specific Alternative Mechanism for a change of bidding criteria to Enterprise Value method in which there would be no pre-fixed debt level and bidders would be able to quote combined debt plus equity value. It was also recommended that debt and cash consideration may be split in the ratio of 85:15 which was approved (26 October, 2020) by Air India Specific Alternative Mechanism.

It may be noted that the bids were received after the change in the bidding criteria to Enterprise Value method, where there was no pre-fixed debt level and bidders were able to quote combined debt plus equity value. However, the disinvestment process got delayed for more than two years on account of previous unsuccessful attempts.

**ii. Debts and liabilities borne by GoI on completion of Strategic Disinvestment of Air India Limited**

A total amount of ₹91,051.17 crore in the form of equity capital, non-convertible debentures raised from the financial market for Air India Limited and additional support through AI Assets Holding Limited and by way of grant was infused by the GoI during the period 2017-18 to 2021-22 which are detailed in Table 4.5 below:

**Table 4.5: Government’s capital infusion in Air India during the Disinvestment process**

<i>(₹ in crore)</i>	
Particulars	Amount
Equity capital in Air India during FY 2017-18	1,937.21
Equity capital in Air India during FY 2018-19	3,975.00
Non-convertible debentures proceeds transferred by AI Assets Holding Limited to Air India for repayment of loans	22,064.00
Additional support provided by Government to Air India <sup>77</sup>	61,178.00
Grant from GoI	1,944.00
Surplus transferred to AIAHL (difference of current assets and current liabilities)	(47.04)
<b>The total amount paid by the Government during the disinvestment process</b>	<b>91,051.17</b>

Further, the GoI still has to bear the liability amounting to ₹14,985.00 crore on account of outstanding non-convertible debentures<sup>78</sup> after completion of the disinvestment process. Furthermore, the Government is also responsible for the medical facilities for retired employees (as on closing date of strategic disinvestment) and eligible existing employees (who have attained 55 years of age or above or have completed 20 years of service) and their spouses, post-retirement

<sup>77</sup>GoI infused additional support to Air India Limited during the period of disinvestment through AI Assets Holding Limited towards settlement of guarantee/other past dues/overdues of Air India Limited.

<sup>78</sup>Out of NCDs amounting to ₹21,985 crore (as on 31 March 2022), the outstanding NCDs for ₹14,985 crore are yet to be matured.

of the erstwhile Air India Limited. However, the amount could not be quantified by Audit.

It is evident from above that at the completion of the process of disinvestment, the GoI had borne net financial burden of ₹88,036.17 crore i.e., ₹1,06,036.17 crore (inclusive of capital infused, debenture proceeds, additional financial support and liabilities yet to be borne by GoI) less ₹18,000 crore (proceeds from disinvestment of Air India Limited).

DIPAM clarified (January 2024) that NITI Aayog in its Fourth Report dated 12 May, 2017 recommended a roadmap for the strategic disinvestment of Air India Limited. As per NITI Aayog, without a cleaning up of the Balance Sheet, any attempt to strategically disinvest Air India Limited may fail to attract any bidder. DIPAM further stated that, the disinvestment receipts, in absence of any capital infusion, would have been lower by a level similar to the amount of the capital infusion. Air India's past debt and liabilities would not have been extinguished, simply by closure/disinvestment of Air India Limited, as the Government had already guaranteed the major portion of debt.

#### **4.11 Other Issues related to the disinvestment**

##### **Sale of Enemy Shares, Enemy Properties and Assets Monetisation**

DIPAM, during the year 2021-22, has sold 1,27,622 shares aggregating to ₹3.75 crore and 15,847 shares remained unsold as of 31 March, 2022.

The issue related to the pendency in the sale of enemy shares was also raised in C&AG's Report No. 27 of 2022 on Union Government (Commercial) - General Purpose Financial Reports of Central Public Sector Enterprises; however, the compliance on the sale of entire enemy shares is pending as on date.

Audit noted that Alternative Mechanism in October 2020 decided that assets having a value of ₹100 crore and above would be monetised by DIPAM and assets below the value of ₹100 crore would be monetised by the concerned Administrative Ministry/ Custodian of Enemy Property/CPSE following their extant sale process. However, DIPAM has carried out no sale transaction related to enemy properties and assets monetisation. Subsequently, both the works were transferred on 21 March, 2022 to the DPE.

DIPAM replied (January 2024) that a significant part of the unsold shares pending for disposal are of the shares of unlisted companies. Keeping in view that the reason for non-sale of the pending shares of listed companies as companies either being in the suspended category, or illiquid or being listed on regional stock exchanges where trading has stopped, a separate methodology was approved. Accordingly, for inviting bids from the interested bidders for the sale of these shares an advertisement has been published in the newspapers in January 2024.

DIPAM further stated that it has undertaken various activities prior to the transfer of Asset Monetisation work to DPE such as entering into a Technical Assistance arrangement with World Bank regarding non-core asset monetisation, Identification of the non-core assets to build a non-core asset monetisation pipe-line, designing an e-bidding platform especially for asset monetisation etc.

## CHAPTER V

# Corporate Social Responsibility

### 5.1 Introduction

Corporate Social Responsibility (CSR) is the continuing commitment by business to behave ethically and contribute to economic development while improving the quality of life of the local community at large. It recognises the interests of its stakeholders and the general community at large by covering sustainability, social impact and ethics. The concept of CSR rests on the ideology of give and take. Companies take resources in the form of raw materials, human resources etc. from the society. By performing the task of CSR activities, the companies are giving something back to the society.

**Legal Framework:** CSR funding has been made mandatory in India through provisions of Section 135 of the Companies Act, 2013. It stipulates that every company having a net worth of rupees five hundred crore or more, or turnover of rupees one thousand crore or more, or a net profit of rupees five crore or more during the immediately preceding financial year shall qualify for undertaking CSR activities. The Companies Act, 2013 makes it mandatory for any such company to spend, annually at least 2 *per cent* of average net profit (calculated as per Section 198 of the Companies Act, 2013) of three immediately preceding financial years towards CSR activities. The activities which may be included by Companies in their CSR policies are listed in Schedule VII of the Companies Act, 2013. The compliance of the provisions of CSR under the Act i.e., constitution of CSR Committee, formulation of CSR Policy and spending of prescribed amount on CSR activities came into force from April 2014.

In February 2014, Ministry of Corporate Affairs (MCA) issued Companies (Corporate Social Responsibility Policy) Rules, 2014 (as amended from time to time). The CSR Policy Rules were made applicable to all companies including CPSEs w.e.f., 01 April, 2014. Department of Public Enterprises (DPE) also issued notification on observance of transparency and due diligence in selection and implementation of activities under CSR by CPSEs in August 2016. In December 2018, DPE issued guidelines relating to utilisation of CSR funds in a focussed manner towards national priorities by adopting a theme-based approach every year. The guidelines also directed that aspirational districts as identified by NITI Aayog may be given preference. ‘Health & Nutrition, with special focus on COVID related measures including setting up makeshift hospitals and temporary COVID Care Facilities’ was taken up as theme for focussed intervention for the year 2021-22.

## 5.2 Audit Objectives

Audit objective for review of CSR activities of the CPSEs was to ascertain whether the provisions of the Companies Act, 2013, Companies (Corporate Social Responsibility Policy) Rules 2014 (amended in January 2021) and DPE guidelines issued from time to time were complied with during 2021-22. In order to assess the efforts of the CPSEs, Audit covered the following issues:

- Whether the provisions relating to constitution of the CSR Committee, formulation and compliance of CSR policy have been complied with;
- Whether the CSR activities selected for implementation fall within the list of activities given under Schedule VII of the Companies Act, 2013;
- Whether the provisions relating to prescribed amount to be spent on CSR activities have been complied with;
- Whether the local needs of the people have been taken into consideration while prioritising the selection of the activities/projects under CSR activities;
- Whether there is transparency and due diligence in the selection and implementation of the activities; and
- Whether the institutional mechanism for monitoring, reporting and evaluation has been introduced by CPSEs for implementing CSR.

## 5.3 Audit Scope and Coverage

Audit selected 65 CPSEs out of 177 CPSEs under the administrative control of various Ministries/Departments which had earned profit in FY 2020-21 (as per DPE Public Enterprises (PE) Survey) as summarised in the table below. The details of all the profit making CPSEs during the FY 2020-21 as published in the PE Survey including the list of sampled CPSEs selected for audit is given in *Annexure-XXIII*.

**Table 5.1: Selection of CPSEs for review of CSR activities during 2021-22**

Net profit of CPSEs	No. of CPSEs	No. of CPSEs selected	Percentage of selected CPSEs
Above ₹ 500 crore	35	35*	100
Above ₹100 crore - ₹500 crore	46	23#	50
Above ₹50 crore - ₹100 crore	12	3	25
₹10 crore - ₹50 crore	43	4	10
Below ₹10 crore	41	0	0
<b>Total</b>	<b>177</b>	<b>65</b>	

\*Includes ONGC Videsh Limited

# Includes Nabinagar Power Generating Company Limited

Of the 65 CPSEs, one CPSE i.e., ONGC Videsh Limited carries out its operations overseas and hence does not qualify for CSR. Information on CSR spend was not available in respect of one CPSE (NPGCL)<sup>79</sup>. Hence Audit review was limited to 63 CPSEs during 2021-22.

#### **5.4 Audit Criteria**

Audit analysis was carried out against the following criteria:

- i. Provisions contained in Section 135 and Schedule VII of the Companies Act, 2013 (as amended from time to time);
- ii. Provisions of Companies (Corporate Social Responsibility Policy) Rules, 2014 (as amended from time to time);
- iii. Guidelines issued by DPE and notifications/clarifications issued by Ministry of Corporate Affairs (MCA) from time to time.

#### **5.5 Audit findings**

Audit findings on extent of compliance with the provisions of the Act with regard to constitution of CSR Committee, formulation and compliance of CSR policy, planning and execution of CSR activities and monitoring and reporting thereof by the CPSEs are brought out in the following paragraphs.

##### **5.5.1 Planning**

As mentioned earlier, Section 135(1) of the Companies Act, 2013 stipulates that every company having a net worth of rupees five hundred crore or more or turnover of rupees one thousand crore or more or a net profit of rupees five crore or more during the immediately preceding financial year shall qualify for undertaking CSR activities.

Out of 63 CPSEs, three CPSEs<sup>80</sup> did not fulfil the criteria for incurring the CSR expenditure based on the net profit worked out under Section 198 of the Companies Act, 2013. However, these CPSEs had spent ₹85.75 lakh, ₹79.60 lakh and ₹17.83 lakh respectively which indicated their proactive and voluntary commitment towards CSR.

##### **5.5.1.1 Constitution of CSR Committee**

The first step towards formalising CSR activity in a Company is the constitution of a CSR Committee as specified in the Companies Act, 2013. Section 135 (1) of the Companies Act, 2013 stipulates that every Company qualifying the conditions in Section 135 of the Companies Act, 2013 shall constitute a CSR Committee of the Board consisting of three or more Directors, of which at least one Director shall be an Independent Director. Further, according to Rule 5(1)(i) of CSR Rules, 2014, an unlisted public company covered under

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<sup>79</sup>Nabinagar Power Generating Company Limited got amalgamated with NTPC in August 2022.

<sup>80</sup> Dedicated Freight Corridor Corporation of India Limited, Hindustan Copper Limited, MSTC Limited.

Section 135(1) is not required to appoint an Independent Director pursuant to Section 149(4) of the Companies Act, 2013 and it shall have its CSR Committee without such Director.

As on 31 March, 2022, out of 63 CPSEs, minimum of three Directors in the committee in accordance with Section 135(1) of the Act was not complied in case of three CPSEs<sup>81</sup>. Further, as brought out in *Annexure-XXIV*, all the listed 38 CPSEs out of 63 CPSEs were having an Independent Director in the Committee.

#### **5.5.1.2 Framing of CSR policy**

Section 135 (3) of the Companies Act, 2013 requires that the CSR Committee shall formulate and recommend to the Board a CSR Policy which shall, as per the Section 135(4) approve the same after taking into account the recommendations of the committee. Also, as per para 6 (2) of CSR Rules, the CSR policy of the Company should specify that the surplus arising out of the CSR projects or programs or activities should not form part of the business profit of the company.

Audit observed that all 63 CPSEs had framed the CSR policy and the respective Board had approved the same. However, one CPSE i.e., National Small Industries Corporation Limited in its policy had not specified that the surplus arising out of the CSR projects or programs or activities should not form part of the business profit of the company as per CSR Rules, 2014. Hence the CSR policy of NSIC was deficient to that extent.

#### **5.5.1.3 Annual CSR Plan and Budget**

As per amended CSR Rules of January 2021, the CSR Committee shall formulate and recommend to the Board an Annual Action Plan which shall include the list, manner of execution and modalities of utilisation of funds of CSR activities and programmes that are approved to be undertaken in areas specified in Schedule VII of the Companies Act, 2013 and may alter such plan at any time during the year on the recommendation of the CSR Committee.

Out of 63 CPSEs, Audit observed deviation in respect of one CPSE viz. Coal India Limited. As part of the Annual Action Plan, the company kept aside 51.59 *per cent* of CSR budget as a separate fund, without identifying specific projects on which the amount would be spent. As a result, out of total CSR expenditure of ₹77.64 crore, ₹54.62 crore (i.e., 70 *per cent*) was spent on those projects which were identified and approved after preparation/approval of Annual Action Plan.

The company stated (November 2022) that as project proposals were being received throughout the year, fund was released accordingly and hence the plan for entire year could not be prepared at the beginning. It was also brought to notice that the Board of the company had approved the Annual Action Plan with the condition that heads of Annual Action Plan can be realigned.

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<sup>81</sup> *Antrix Corporation Limited, NLC India Limited, SJVN Limited.*

Reply may be viewed with regard to Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021, where the CSR Committee is required to prepare a list of individual activities proposed to be undertaken in that financial year along with other requirements enumerated to be approved by Board. The list could be tentative in nature and later taken up for modification, as deemed fit, with the approval of Board as recommended by the CSR Committee. However, the company instead created various heads in the Plan and allocated funds to them, defeating the purpose of Annual Action Plan as mandated in the amended CSR Rules.

DPE in reply stated (April 2024) that Annual CSR Plan can be modified by the Board in accordance with proviso to Rule 5 of the amended CSR Rules, accompanied with reasonable justification. The company has provided appropriate justification for altering the Annual Action Plan, which is not necessarily defeating the purpose of Annual Action Plan.

Reply may be viewed in light of the fact that Coal India Limited had only indicated the details of average 2 per cent and funds to be spent and not the areas and heads for spending.

## 5.5.2 Financial Component

### 5.5.2.1 Details of total CSR expenditure for the selected CPSEs

#### (i) Total CSR expenditure

The selected 63 CPSEs included 11 Maharatna, nine Navaratna, 29 Miniratna and 14 other CPSEs. Category wise total CSR spending by these 63 CPSEs during 2021-22 is given in table below:

**Table 5.2: Total CSR spending**

Category	No. of CPSEs	CSR spend (₹ in crore)	Percentage of total CSR spend
Maharatna Companies	11	2,268.63	56.64
Navratna Companies	9	659.49	16.47
Miniratna Companies	29	927.41	23.15
Other Companies	14	149.77	3.74
<b>Total</b>	<b>63</b>	<b>4,005.30</b>	<b>100.00</b>

CPSE wise total CSR spending is given in *Annexure-XXV*.

#### (ii) Sector wise CSR expenditure

The sector wise spending by the 63 CPSEs is given in table below:

**Table 5.3: Sector-wise spending**

Sl. No.	Sector	No. of CPSEs	2 per cent to be spent (₹ in crore)	Actual spent (₹ in crore)
1	Aviation	1	0.63	0.63
2	Mining	10	708.36	979.74
3	Defence	6	166.33	146.81
4	Fertilizer	3	4.47	3.69

Sl. No.	Sector	No. of CPSEs	2 per cent to be spent (₹ in crore)	Actual spent (₹ in crore)
5	Petroleum	10	1,350.60	1,489.48
6	Power	14	1,192.56	1,235.27
7	Railway	5	129.01	84.03
8	Shipping	2	22.22	20.17
9	Others	12	81.66	45.48
	<b>Total</b>	<b>63</b>	<b>3,655.84</b>	<b>4,005.30</b>

- Highest spending was by the CPSEs under petroleum and power sector accounting for 68.03 per cent of total CSR spend. The CPSEs with highest CSR spend in these two sectors were Oil and Natural Gas Corporation Limited (₹458.00 crore), NTPC Limited (₹356.72 crore) and Indian Oil Corporation Limited (₹298.29 crore)
- Shortfall in expenditure vis-à-vis minimum 2 per cent was in Defence, Railway, Shipping, Fertilizer and other sectors, while the expenditure in Mining, Petroleum and Power sector was more than the required 2 per cent. The CPSEs with lowest CSR spend were SAIL Refractory Company Limited (₹13.25 lakh), India Infrastructure Finance Company Limited (₹15.93 lakh) and MSTC Limited (₹17.83 lakh).
- Overall CSR expenditure for all 63 CPSEs put together was more than 2 per cent of average net profit of three immediately preceding financial years.

#### 5.5.2.2 Allocation of Funds

As per section 135 (5) of the Act it is mandatory for any company to spend, annually at least 2 per cent of average net profit of three immediately preceding financial years (calculated under section 198 of the Act) towards CSR activities. 2 per cent of average net profit so calculated for the 63 CPSEs was ₹3,655.84 crore against which CPSEs had allocated ₹4,049.35 crore.

The comparative picture of all the CPSE with respect to (i) 2 per cent of total expenditure mandated by the Act and (ii) the actual allocation done against the 2 per cent amount during FY 2021-22 has been detailed in *Annexure-XXVI*. The same has been summarised in the table below:

**Table 5.4: Mandated vis-à-vis actual allocation for CSR**

Average net profit (as per section 198 of the Act) for preceding three years of 63 CPSEs	2 per cent allocation to be made for 2021-22	Actual amount allocated
₹1,82,791.40 crore	₹3,655.84 crore	₹4,049.35 crore <sup>82</sup>
	Net Excess allocation was to the extent of ₹409.61 crore.	

<sup>82</sup> Data in respect of two CPSEs i.e., Bharat Dynamics Limited, Balmer Lawrie & Company Limited were not available.

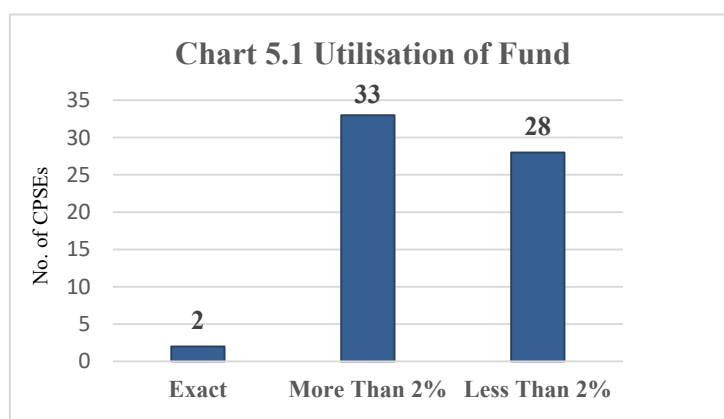
Audit analysis revealed that:

- 25 CPSEs had allocated more than the minimum 2 per cent, the excess allocation being to the extent of ₹436.56 crore.
- 15 CPSEs<sup>83</sup> allocated less than 2 per cent, the shortfall in allocation being to the extent of ₹64.48 crore.
- 21 CPSEs had allocated exact 2 per cent.
- Three CPSEs<sup>84</sup> did not allocate funds on account of negative profit. However, these CPSEs incurred expenditure on CSR despite not required to spend statutorily.

DPE in reply stated (April 2024) that the compliance of allocating minimum 2 per cent of the average net profit is mandatory. As outlined in the report, if CPSEs allocated less than 2 per cent, this needs to be confirmed with the fact whether there was any set-off leading to the afore mentioned scenario.

Audit observed that there was no set off and hence, there was a shortfall in spending by the CPSEs thereby resulting in non compliance with section 135 (5) of the Act.

### 5.5.2.3 Utilisation of Funds



Section 135 (5) of the Companies Act, 2013 states that Board shall ensure that the company spends at least 2 per cent of average net profit of preceding three years. DPE also advised (August 2016) that all efforts should be made by CPSEs to fully utilise the allocated CSR funds for the year.

Audit observed that out of 63

CPSEs:

- Two CPSEs<sup>85</sup> had spent exact 2 per cent.
- 33 CPSEs had spent more than 2 per cent amounting to ₹695.24 crore and 28 CPSEs<sup>86</sup> had spent less than 2 per cent (shortfall in CSR spending amounting to ₹345.78 crore).

<sup>83</sup> Includes Bharat Dynamics Limited as the data with respect to allocation against mandated 2 per cent was not made available.

<sup>84</sup> Dedicated Freight Corridor Corporation of India Limited, Hindustan Copper Limited, MSTC Limited.

<sup>85</sup> NLC India Limited, Power Grid Southern Interconnector Transmission System Limited.

<sup>86</sup> Artificial Limbs Manufacturing Corporation of India, Brahmaputra Crackers and Polymer Limited, Bharat Electronics Limited, Bharat Petroleum Corporation Limited, Container Corporation of India Limited, Central Coalfields Limited, GAIL Gas Limited, Hindustan Aeronautics Limited, HLL Lifecare Limited, Hindustan Petroleum Corporation Limited, Housing and Urban Development Corporation

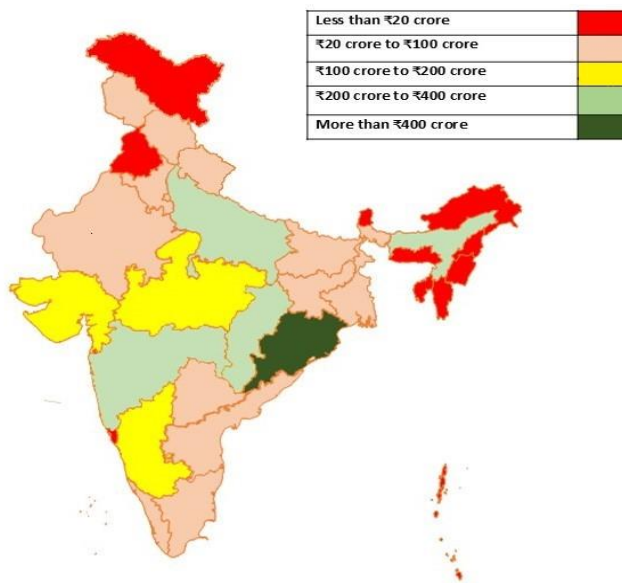
The comparative picture of all the CPSEs with respect to (i) the actual expenditure incurred on CSR during FY 2021-22 and (ii) whether the expenditure incurred was in excess or less as against the required 2 per cent as mandated by the Act has been detailed in *Annexure-XXVI*.

DPE in reply stated (April 2024) that Annual CSR expenditure has to be seen in consonance with set-off (if applicable) and the compliance needs to be viewed considering CSR expenditure in the said year and whether contribution was made to any of the funds mentioned in schedule VII within six months of the following year.

In respect of the shortfall in spend by the 28 CPSEs, Audit observed that there was no set off applicable. Hence there was a shortfall in spending of CSR activities.

#### 5.5.2.4 Wide variation in CSR spending across the States

Figure 5.1: CSR Spendings by 63 CPSEs during 2021-22



Wide variations were observed in CSR spending by selected CPSEs across various States. State wise CSR spending by 63 selected CPSEs during the year 2021-22 is depicted in Figure 5.2.

One State spent more than ₹400 crore (strata A), four States spent between ₹200 crore and ₹400 crore (strata B), three States spent between ₹100 crore and ₹200 crore (strata C), 13 States spent between ₹20 crore and ₹100 crore (strata D), and 14 States spent less than ₹20 crore (strata E)<sup>87</sup>.

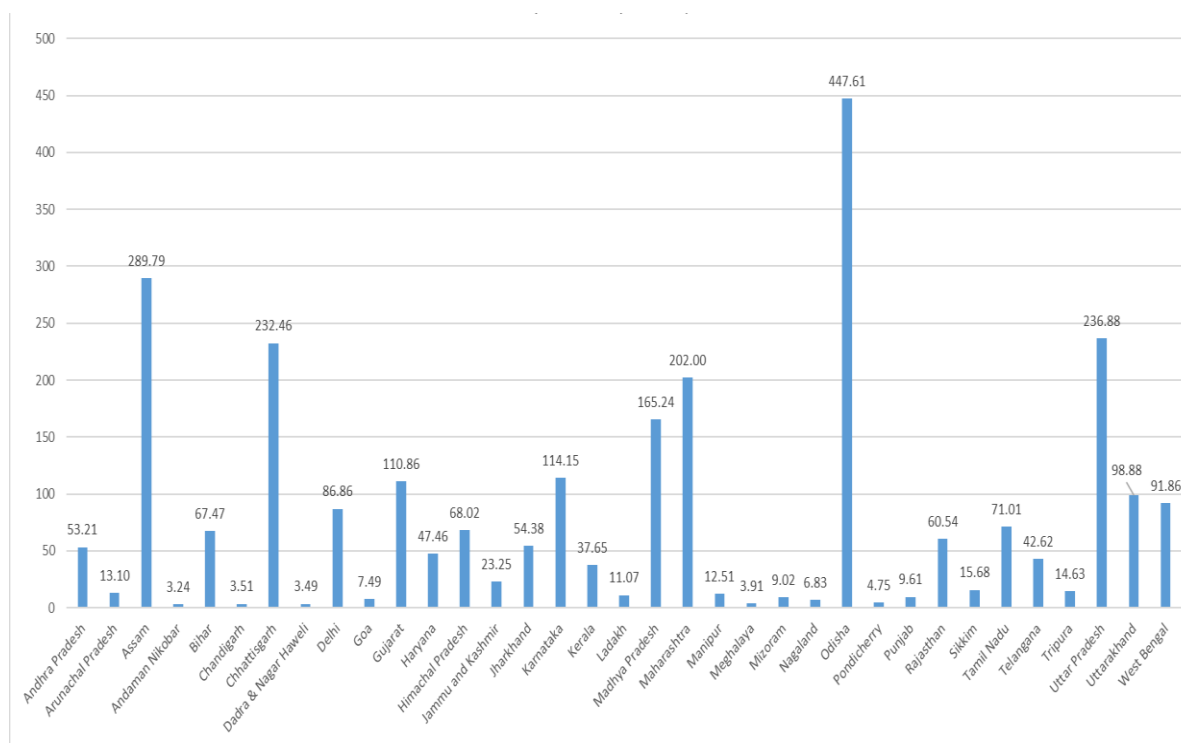
*Limited, India Infrastructure Finance Company Limited, Indian Oil Corporation Limited, Indian Railway Finance Corporation Limited, ITI Limited, Mazagon Dock Shipbuilders Limited, NBCC (India) Limited, Northern Coalfields Limited, National Fertilizers Limited, National Informatics Centre Services Limited, NLC Tamil Nadu Power Limited, Power Finance Corporation Limited, REC Limited, RITES Limited, Rail Vikas Nigam Limited, Shipping Corporation of India Limited, Security Printing Minting Corporation India Limited, SAIL Refractory Company Limited.*

<sup>87</sup> Strata A- Odisha, Strata B – Assam, Uttar Pradesh, Chhattisgarh, Maharashtra, Strata C – Gujarat, Karnataka, Madhya Pradesh, Strata D – Uttarakhand, Andhra Pradesh, Bihar, Delhi, Haryana, Himachal Pradesh, Jammu and Kashmir, Jharkhand, Kerala, Rajasthan, Tamil Nadu, Telangana, West Bengal, Strata E – Arunachal Pradesh, Andaman and Nicobar, Chandigarh, Dadra and Nagar Haveli, Goa, Ladakh, Manipur, Meghalaya, Mizoram, Nagaland, Pondicherry, Punjab, Sikkim, Tripura.

State wise CSR expenditure is given in the chart below:

**Chart 5.2: State wise CSR spending by selected 63 CPSEs during 2021-22**

(₹ in crore)



**Table 5.5: State-wise highest and lowest spending**

Highest spending		Lowest spending	
Odisha	- ₹447.61 crore	Lakshadweep & Daman and Diu	(Nil)
Assam	- ₹289.79 crore	Andaman and Nicobar	- ₹3.24 crore
Uttar Pradesh	- ₹236.88 crore	Dadra & Nagar Haweli	- ₹3.49 crore
Chhattisgarh	- ₹232.46 crore	Chandigarh	- ₹3.51 crore
Maharashtra	- ₹202.00 crore	Meghalaya	- ₹3.91 crore

In this regard, Audit observed that:

- The States which received the maximum attention were- Odisha (16.45 per cent), Assam (10.65 per cent) and Uttar Pradesh (8.71 per cent). These three States accounted for 35.81 per cent of total CSR expenditure whereas CSR spending in some other comparable States were- West Bengal (3.38 per cent), Bihar (2.48 per cent), Andhra Pradesh (1.96 per cent), Jharkhand (2 per cent) and Tamil Nādu (2.61 per cent).
- CSR spending in Odisha (₹447.61 crore) alone was more than 21 number of States (₹437.95 crore) with least CSR expenditure which indicated wide disparity in CSR spending across the States. Maximum CSR expenditure in Odisha was by Mahanadi Coalfields Limited (₹251.76 crore) followed by ONGC (₹40.17 crore).

- The CSR expenditure was lowest in Andaman and Nicobar (₹3.24 crore) followed by Dadra & Nagar Haveli (₹3.49 crore), Chandigarh (₹3.51 crore), and Meghalaya (₹3.91 crore).
- Out of total spend of ₹365.45 crore in respect of North East States (eight States), maximum CSR expenditure was in Assam (₹289.79 crore) which was almost 80 *per cent* of total spending in northeast States. The least expenditure was in Meghalaya (₹3.91 crore).

DPE in reply stated (April 2024) that although, CSR spending in local areas is prerogative of the Board or driven by the policy of any company, they may divert their CSR expenditure to non-local areas as per the national priority as well as the larger need of the welfare State as there is no restriction or compulsion for preferring any geographical area. Spending in Aspirational Districts is preferentially to be done by the CPSEs. Since the number of Aspirational Districts is highly variable between the States, therefore the expenditure may not be evenly distributed across the State/country.

Reply is to be seen in light of the fact that out of 63 CPSEs, 47 CPSEs had spent total amount of ₹360.95 crore in 94 out of 112 aspirational districts which was 9.01 *per cent* of total CSR. While selecting the areas other than the local areas, the CPSEs should identify the most neglected area for conduct of CSR activities thereby resulting in overall growth of the respective States and nation.

#### **5.5.2.5 Set off of excess amount spent in previous year**

As per amendment (January 2021) to CSR Rules (Rule 7 {3}), “Where a company spends an amount in excess of requirement provided under sub-section (5) of section 135, such excess amount may be set off against the requirement to spend under sub-section (5) of Section 135 up to immediate succeeding three financial years subject to the conditions that - (i) the excess amount available for set off shall not include the surplus arising out of the CSR activities, if any and (ii) Board shall pass a resolution to that effect.

Out of 63 CPSEs, 19 CPSEs had spent more than 2 *per cent* in the previous year i.e., 2020-21. Accordingly, all 19 CPSEs had set off the excess amount spent during the previous year, against the required amount to be spent in 2021-22. Three CPSEs<sup>88</sup> had, however, not passed Board resolution in this regard. Information was not available in respect of two CPSEs<sup>89</sup>. The list of these 19 CPSEs which claimed such set off during the financial year 2021-22 pertaining to the excess CSR expenditure incurred during the preceding financial years is given in *Annexure-XXVII*.

DPE in reply stated (April 2024) that the heading of the para and the matter thereunder do not corroborate to each other. Thus, the same needs revision.

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<sup>88</sup> *Antrix Corporation Limited, Power Finance Corporation Limited, GAIL Gas Limited.*

<sup>89</sup> *HLL Lifecare Limited, Bharat Dynamics Limited.*

Audit has pointed that while setting off the excess amount the CPSE had not followed the due procedure as specified in amended CSR Rules with regard to passing of Board resolution to that effect.

#### **5.5.2.6 Transfer of Unspent amount in Unspent CSR account**

As per Section 135 (6) of Companies Act, 2013, any amount remaining unspent under sub-section (5), with respect to any ongoing project in pursuance of CSR policy of a company, shall be transferred by the company within a period of thirty days from the end of the financial year to a special account called the 'Unspent Corporate Social Responsibility Account' to be opened by the company for that financial year in any scheduled bank. Such amount shall be spent by the company towards CSR activities within a period of three financial years from the date of such transfer, failing which, the company shall transfer the same to a Fund specified in Schedule VII, within a period of 30 days from the date of completion of the third financial year.

Further the unspent amount pertaining to other than ongoing project shall be transferred to any fund included in Schedule VII within six months from end of the financial year.

Out of 63 CPSEs, 26 CPSEs were having unspent amount of ₹259.69 crore as at the end of financial year 2021-22. Details of which are given in *Annexure-XXVIII*.

Audit observed that:

- 23 CPSEs had transferred the unspent amount of ₹255.09 crore to Unspent CSR Account within the prescribed time of 30 days in respect of ongoing projects.
- Nine CPSEs<sup>90</sup> had transferred an amount of ₹131.25 crore to a fund specified under Schedule VII within 30 September 2022 in case of unspent amount other than ongoing projects.
- One CPSE (Artificial Limbs Manufacturing Corporation of India Limited) had apportioned an amount of ₹142.05 lakh for CSR to be spent during 2021-22. However, the company only spent ₹113.21 lakh in COVID related infrastructure etc. and transferred balance amount of ₹28.84 lakh to unspent CSR account despite no "Ongoing Project" for the company as on that date in which this amount was to be utilised since the amount outlay for the activities undertaken matched total expenditure. Thus, this unspent amount was required to be transferred to any fund included in Schedule VII of the Act, within six months from the end of the financial year.

To this, the company replied (January 2023) that in compliance with Section 135(6) of the Companies Act 2013, if unspent amount of ongoing project is remaining, it should

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<sup>90</sup> *Nine CPSEs, i.e., Chandigarh International Airport Limited, GAIL Gas Limited, Housing & Urban Development Corporation Limited, ITI Limited, NHDC Limited, National Information Center Services Incorporated, Power Grid Corporation of India Limited, HLL Lifecare Limited had transferred to PM CARES Fund and one CPSE, i.e., National Fertilizers Limited did not mention the name of the fund.*

be transferred to special account within a period of thirty days from the end of the financial year. However, it is not required to specify the project. Since the amount was kept aside for ongoing project, therefore, there was no unspent amount which was required to be transferred to fund specified in Schedule VII of the Companies Act, 2013.

The response may be viewed in light of the fact that the Companies Act, 2013 read along with MCA clarification (August 2021) on 'Treatment of Unspent CSR Amount' mandates that any amount remaining unspent with respect to ongoing project of a particular financial year be transferred to the 'Unspent Corporate Social Responsibility Account' (UCSRA). Provided further that if the company fails to spend such amount, the Board shall in its Report, specify the reasons for not spending the amount and unless the unspent amount relates to any ongoing project, transfer the amount to a specified Fund. None of this was followed by the company; and hence, resulted in irregular retention of unspent CSR fund to the extent of ₹28.84 lakh as well as non-compliance with disclosure requirement in Board's Report.

- Similarly, India Infrastructure Finance Company Limited had transferred ₹269.86 lakh to UCSRA without specifying the ongoing projects.
- Oil and Natural Gas Corporation Limited in its Annual Report for the year 2021-22 had reported ₹13.07 crore as amount transferred to Unspent CSR Account on 30 April, 2022. However, Audit observed that as per bank statement, ₹14.53 crore was deposited in unspent CSR account (₹13.07 crore was transferred till 30 April, 2022 (due date) and balance unspent amount of ₹1.46 crore was credited belated on 02 May, 2022. This resulted in both delay in depositing and incorrect reporting of the amount deposited in unspent account.

Oil and Natural Gas Corporation Limited stated (February 2023) that the lapses had been noted and accordingly instructions would be issued to all work centres to complete the process of depositing the unspent amount of 2022-23 by 25 April, 2023.

#### **5.5.2.7 Surplus arising out of CSR Activities**

As per Rule 6 (2) of CSR Rules 2014, surplus arising out of a CSR project or program shall not form part of the business profit. Further, Rule 7 (2) of the amended CSR Rules, 2021, states that any surplus arising out of CSR activities shall not form part of the business profit of a company and shall be ploughed back into the same project or shall be transferred to the unspent CSR account and spent in pursuance of the CSR policy and annual action plan of the Company or transfer such surplus amount to a Fund specified in Schedule VII of the Companies Act, 2013, within a period of six months from expiry of the financial year.

Further, as per the format prescribed by Ministry of Corporate Affairs in January 2021, details of surplus arising out of CSR projects or programs or activities, if any, should be disclosed in the Annual Report on CSR.

Audit observed that out of 63 CPSEs, six CPSEs<sup>91</sup> had generated surplus from CSR activities amounting to ₹14.69 crore. Out of which three CPSEs<sup>92</sup> had ploughed back the funds amounting to ₹9.03 crore and three CPSEs<sup>93</sup> had not reported the surplus totalling ₹5.66 crore in the Annual Report on CSR as discussed below.

- (i) Implementing agencies of Bharat Petroleum Corporation Limited had earned interest of ₹22.52 lakh in nine out of 38 projects reviewed by Audit. The company, however, did not report the interest earned on CSR funds as surplus.

The company replied (January 2023) that the income earned from the CSR Project was utilised for CSR activities by way of allocation to other CSR Project. Fact remains that the Bharat Petroleum Corporation Limited had not disclosed interest income as surplus, over and above 2 per cent CSR obligation.

- (ii) Hindustan Petroleum Corporation Limited had released ₹4.90 crore (₹1.65 crore in July 2017 and ₹3.25 crore in November 2017) to the Municipal Corporation Amritsar, Punjab for implementing the project 'Swachhta Action Plan for Swachh Iconic place-The Golden Temple'. The project was to be completed by 31 March, 2018 which was however yet to be completed. Audit observed that the Municipal Corporation Amritsar in its fund utilisation statement had disclosed (August 2021) surplus of ₹53.00 lakh being interest earned on the balance funds. This amount was set off against the next payment made to Municipal Corporation Amritsar by the company. However, the company had not disclosed the surplus in its Report.

The company accepted (January 2023) that interest amount of ₹53.00 Lakh was generated on the funds disbursed by it under the Project, which was utilised by Municipal Corporation Amritsar towards the Project in line with the MoUs, which was over and above the contribution of ₹1.93 crore made by the company during FY 2021-22. Fact remains that Hindustan Petroleum Corporation had not reported the surplus income of ₹53.00 Lakh in the financial statements for the year 2021-22.

- (iii) Oil and Natural Gas Corporation Limited had contributed ₹108.70 crore towards Corpus Fund of Rajiv Gandhi Institute of Petroleum Technology (RGIPT), Assam during 2009 to 2022. RGIPT invested the funds in fixed deposits and the interest (₹4.36 crore) earned thereon in 2021-22 was being used for meeting regular/operating expenditure of RGIPT. The company had, however, not reported the surplus income in their Annual Report on CSR.

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<sup>91</sup> *Bharat Petroleum Corporation Limited, Hindustan Aeronautics Limited, Hindustan Petroleum Corporation Limited, Mahanadi Coalfields Limited, Oil and Natural Gas Corporation Limited, Power Finance Corporation Limited.*

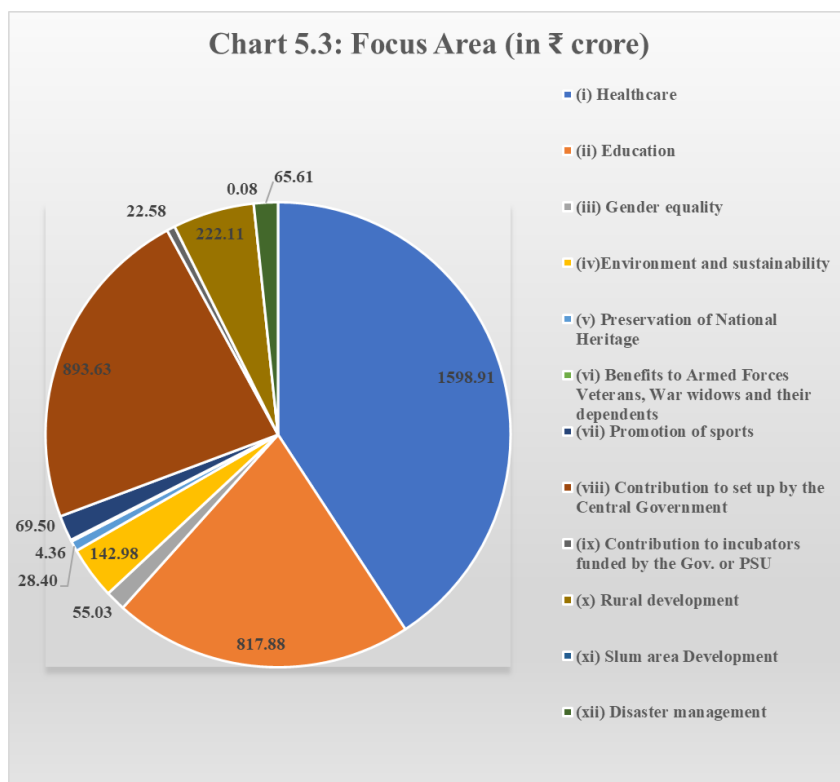
<sup>92</sup> *Power Finance Corporation Limited, Hindustan Aeronautics Limited, Mahanadi Coalfields Limited.*

<sup>93</sup> *Bharat Petroleum Corporation Limited, Hindustan Petroleum Corporation Limited, Oil and Natural Gas Corporation Limited.*

The company stated (February 2023) that RGIPT was reporting the surplus generated in its Annual Report which was yet to be approved by the Board of RGIPT and hence not available on website of RGIPT. The fact however remains that Oil and Natural Gas Corporation Limited should have obtained the information from RGIPT.

## 5.6 Focus Area

### 5.6.1 Analysis of Focus Area



Schedule VII of the Companies Act, 2013 lists out 12 broad areas under which the CSR funds can be spent by a Company viz. (i) Health care including sanitation, (ii) Education, skill development, (iii) Gender equality, social equality women empowerment, setting up of old age homes etc., (iv) Environment and Sustainability (v) Protection of National Heritage, Arts and Culture,

(vi) Benefits to Armed Forces Veterans, War Widows and their Dependents, (vii) Promotion of Sports (viii) Fund set up by Central Govt. (ix) Contribution to incubators funded by the Central Gov or State Gov or PSU, (x) Rural Development, (xi) Slum Area Development and (xii) Disaster Management.

Analysis of the focus areas of CSR spending by the 63 CPSEs for 2021-22 revealed that out of the total CSR funds of ₹3,921.07 crore (excluding administrative expenses), the CPSEs had spent mainly on Healthcare, Contribution to Schedule VII Funds and Education.

Whereas, least spent was on development of slum areas, war veterans and armed forces and technology as mentioned in Table 5.6.

**Table 5.6: Focus areas having maximum and minimum CSR spending**

Focus areas having Major spending		Focus areas having least spending	
Health Care	₹1,598.91 crore (40.78 per cent)	Rural Development	₹7.78 lakh (0.001 %)
Contribution to various Funds	₹ 893.63 crore (22.79 per cent)	Armed Forces Veterans	₹4.36 crore (0.11 %)
Education	₹817.88 crore (20.86 per cent)	Contribution to incubators funded by the Central Gov or State Gov or PSU	₹22.58 crore (0.58 %)

### 5.6.2 Implementation of DPE guidelines on common theme

DPE since December 2018 onwards has been notifying the common themes like school education, health care and nutrition on which the CSR expenditure was to be made by all CPSEs for the respective years. The CPSEs were required to spend at least 60 per cent on these themes with preference to aspirational districts. DPE vide OM dated 12 May, 2021 had notified 'Health & Nutrition, with special focus on COVID related measures including setting up makeshift hospitals and temporary COVID Care Facilities' as the theme for focussed intervention for the year 2021-22.

Percentage spend on the common theme as reported by the 60 CPSEs<sup>94</sup> is indicated below:

**Table 5.7: Percentage spend on the common theme**

Spending (per cent)	No. of CPSEs	Total Expenditure (₹ in crore)
More than 60 per cent	40	1,932.85
Less than 60 per cent	20	613.21
<b>Total</b>	<b>60</b>	<b>2,546.06</b>

Audit observed that out of above 40 CPSEs, NTPC Limited had included amount of ₹31.30 crore spent on environmental and beautification activities under common theme due to which the target expenditure on common theme was shown as met (66.54 per cent). Other 39 CPSEs which had achieved 60 per cent spending on common theme are given in *Annexure-XXIX*.

DPE in reply stated (April 2024) that identification of Focus Areas and consequent CSR expenditure is a discretion of the Board. The proportion of expenditure on various themes should be viewed in the light of common theme announced by the DPE and thus larger share of CSR expenditure in Health and Education is attributed to the fact that these have remained Part of Common Theme. DPE further stated that CPSEs not meeting the target of 60 per cent expenditure on common theme are in contravention with the DPE guidelines.

<sup>94</sup> Data not available for three CPSEs viz. MSTC Limited, India Infrastructure Finance Company Limited, Balmer Lawrie and Company Limited.

## 5.7 Administrative expenditure

Administrative overheads/expenses mean the expenses incurred by the Company for general management and administration of CSR functions in the company but shall not include the expenses directly incurred for designing, implementation, monitoring and evaluation of particular CSR project. As per CSR Rules, the administrative expenses need to be kept within 5 *per cent* of overall CSR expenditure. From 2020-21 onwards additional 5 *per cent* expenses of total CSR expenditure for that FY or ₹50 lakh whichever is lower were allowed towards impact assessment studies. As per the clarification of Ministry of Corporate Affairs, the cost elements covered under administrative overheads are salary and training for the employees working in CSR division, stationary cost and travelling expenses.

Out of 63 CPSEs, only 36 CPSEs had incurred administrative overheads amounting to ₹104.52 crore i.e., 27 CPSEs did not incur any administrative expenses. The total administrative expenses for 36 CPSEs were as indicated in table below.

**Table 5.8: Administrative expenses of 36 CPSEs**

Sl. No.	Elements of Administrative expenses	Amount (₹ in crore)
1	Baseline Survey/Need Assessment Study	0.13
2	Capacity building programs such as training, workshops, seminars, conferences etc.	1.08
3	Salaries paid to regular CSR staff as well as employees who render their services for CSR	100.30
4	Expenses incurred on fulfillment of act, regulations etc.	0.04
5	Any other Expenditure	2.97
	<b>Total overhead</b>	<b>104.52</b>
	<b>Total CSR</b>	<b>4,005.30</b>
	<b>Per cent of total CSR</b>	<b>2.61 %</b>

In this regard, Audit observed that:

- Salaries formed the major element (95.96 *per cent*) of administrative/overhead expenses
- Overhead expenses exceeded the limit of 5 *per cent* in respect of five CPSEs viz. NLC Tamil Nadu Power Limited (15.01 *per cent* - ₹ 40.43 lakh), NBCC (India) Limited (11.35 *per cent* - ₹29 lakh), Bharat Electronics Limited (8.26 *per cent* - ₹2.54 crore), RITES Limited (6.73 *per cent* - ₹66.18 lakh) and Power Finance Corporation Limited (5.79 *per cent* - ₹4.41 crore).

CPSE-wise overheads are given in *Annexure-XXV*.

As regards expenditure incurred on Impact Assessment, out of 63 CPSEs, only 16 CPSEs have incurred an amount of ₹1.72 crore on Impact Assessment and all of them have complied with the ceiling limit as mandated by the Ministry of Corporate Affairs (*Annexure-XXX*).

## 5.8 Project implementation

### 5.8.1 Conduct of need assessment

As per DPE notification of August 2016, CPSEs should ensure that the criteria for selection of and engagement with stakeholders are clearly outlined for prioritising the needs of the people and selection of the activities/projects under CSR.

As per the data available with Audit, out of 63 CPSEs, only 33 CPSEs had undertaken baseline survey and need assessment studies in respect of 3,055 projects. The expenditure on need assessment by the 33 CPSEs was to the extent of ₹12.95 lakh. 25 CPSEs did not conduct baseline survey/need assessment studies for identifying the CSR project/activity (*Annexure-XXXI*). Data in respect of five CPSEs<sup>95</sup> was not available.

DPE in reply stated (April 2024) that carrying out baseline survey and need assessment studies is not mandated in all situations. Such needs may be suggested by the District Administration/State Government and other stakeholders.

Reply may be seen in light of the fact that as per DPE's own notification of August 2016, CPSEs should ensure that the criteria for selection of and engagement with stakeholders are clearly outlined for prioritising the needs of the people and selection of the activities/projects under CSR.

### 5.8.2 Statistics about manner of implementation of CSR activities

Rule 4 of Companies (CSR) Rules, 2014 and 2021 exclusively deals with the manner in which the CSR activity is to be undertaken under Section 135(1) of the Companies Act, 2013. The Board may decide to undertake its CSR activities as approved by CSR Committee by itself or through a registered trust/society or any company established by the company or its holding or subsidiary or associate company under Section 8 of the Act or otherwise.

The manner of implementation was as follows:

- ✓ four CPSEs had implemented all the projects in-house.
- ✓ eight CPSEs had outsourced all CSR projects to external agencies.
- ✓ 44 CPSEs implemented the projects both in-house as well as through external agencies.
- ✓ seven CPSEs<sup>96</sup> did not provide the data.

Out of total 3,907 projects implemented through external agencies, as per data available for 3,844 projects Audit analysis revealed that:

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<sup>95</sup> *Steel Authority of India Limited, SAIL Refractory Company Limited, Balmer Lawrie and Company Limited, Nuclear Power Corporation of India Limited, MSTC Limited.*

<sup>96</sup> *NMDC Limited, Housing and Urban Development Corporation Limited, National Informatics Centre Services Incorporated, ITI Limited, National Small Industries Corporation Limited, Steel Authority of India Limited, SAIL Refractory Company Limited.*

- In respect of 1,025 projects the agencies were selected through tendering
- The agencies in respect of 751 projects were selected on nomination basis and
- 2,068 projects were undertaken either through State Authority, District Administration, Gram Panchayat or on the basis of proposals received from NGOs/ implementing agencies etc.

### 5.8.3 Deficiencies in implementation of project

#### (a) Non fulfilment of envisaged objectives

Central Coalfields Limited signed (June 2015) a Memorandum of Understanding (MoU) with Government of Jharkhand with an objective of promoting sports in the State of Jharkhand and jointly pursuing the development of sports under the aegis of the Society constituted under the Societies Registration Act, 1860 so as to provide greater and concentrated focus on development and nurturing of talented sports personnel/players and establishment of 15 sports academies and a Sports University at Integrated Sports Complex at Hotwar, Ranchi.

The terms of MoU and their achievement were:

**Table 5.9: Terms of MOU**

Terms of MOU	Timeline	Actual as on March 2022
Establish seven sports academies	Within 12 months from date of signing of MoU i.e., by June 2016	Only 10 sports academies have been established so far.
Establish eight sports academies	In next 12 months- June 2017	
Establish Sports University	Within 36 months from the date of MOU-June 2018	No Sports University established
Select 700 students (minimum) and 1,400 students (maximum) by the society in various sports academies		Total 452 students were inducted up to 2019-20 and 438 students were continuing till December 2022 in sport complex

The company had borne all initial cost for meeting the upgradation, rehabilitation and repair requirements of existing facilities for establishment of sports academy/ sports university. Cost of O&M was to be borne by both parties in equal proportion. The company provided financial assistance of ₹39.33 crore (2016-17 to 2021-22).

Audit observed that none of the above milestones were achieved even after a lapse of eight years from signing of MoU yet the company continued to disburse financial assistance. Despite non-achievement of milestones as envisaged in MoU, the same was not revised by the company considering the new timelines or revised target. It was further observed that out of total expenditure of Sports Society amounting to ₹11.52 crore in 2021-22, ₹4.35 crore

(i.e., 38 per cent) only was incurred on sport related activities and the balance ₹7.17 crore (i.e., 62 per cent) was incurred on administrative/establishment/repair related activities.

The company stated (January 2023) that due to Covid Pandemic from March 2020 to March 2022 induction of sports cadets as well as academy functioning and operations were disrupted. Due to limited hostel capacity new induction will start soon after adding accommodation capacity. Further, as regards establishment of Sports University, a proposed draft bill was passed in State Assembly in 2017 and sent to Governor for assent and the same is under consideration of Govt. of Jharkhand. A modification of timeline in MoU for specific commitments shall be put up to the Competent Authority for consideration.

The reply may be seen in light of the fact that the timeline for achievement of milestones as envisaged in MoU was prior to COVID pandemic and the milestones were yet to be achieved till date. Despite non-fulfilment of milestone, the MoU was not revised, and Central Coalfields Limited continued to disburse the grant from their CSR fund. Further, most of the grants were utilised for repair and maintenance and establishment related activities.

**(b) Non verification of authenticity of bills**

GAIL Gas Limited in July 2021 had received a CSR proposal from Samanvit Shiksha Sansthan, NGO registered under Society Registration Act, 1860 to promote digital literacy among the rural community of Raisen District in Madhya Pradesh. The project was called “Sustainable Livelihood through Community Empowerment on Digital Literacy”. The cost estimate for ₹15.01 lakh included human resource expenses and purchase of 10 all-in one computer, one laptop, two tablets and other requirements such as printers, projectors etc. CSR committee of the company approved the project in September 2021 with the same budget allocation as proposed by implementing agency. Agreement was signed with the agency in October 2021.

The agency from time-to-time furnished fund utilisation reports and invoices for the 20 all-in one computers and peripherals purchased for the project along with copy of letters received from Principals of the schools to which these computers and peripherals were provided.

Scrutiny of records revealed that, details of make, model, date of manufacturing, and configuration of the computers, printers and peripherals donated to schools were not mentioned in the respective invoices submitted by implementing agency. Also, these invoices were neither GST invoices nor any document regarding exemption from GST was provided. Hence, Audit could not verify the authenticity of documents and devices donated.

The company stated (January 2023) that the agency had purchased the computers from Trans privileged Global Welfare Foundation, an NGO hence, no GST invoices were provided. Moreover, the computers purchased were new and of basic model due to which the cost of the computers is on lower side. The computers were handed over to the Govt. Schools after completion of the Digital Literacy project.

Reply needs to be viewed in light of the following:

- GAIL Gas Limited did not obtain details and configuration of computers and peripherals donated through implementing agency due to which reliability of devices could not be ensured.
- The invoices submitted were non-GST invoices and Company could not present any supporting document for exemption from GST.

### (c) Over booking of expenditure

ONGC Foundation had procured oxygen concentrators for one of its CSR project. The Oxygen Concentrators (5,000 in numbers) received from an overseas vendor were temporarily kept at warehouse in New Delhi before transporting to final destination. ONGC Foundation incurred ₹11.11 lakh towards the storage and insurance charges. These charges were to be shared equally (₹1.59 lakh each) between ONGC Foundation and the oil PSUs<sup>97</sup> since all were using the same facility. The oil PSUs had reimbursed their share to Oil and Natural Gas Corporation Limited. Audit, however, observed that Oil and Natural Gas Corporation Limited had booked the entire warehousing cost in its books resulting in over booking of the CSR project cost by (₹9.52 lakh).

### 5.9 CSR funding of activities not included in Schedule VII of the Companies Act, 2013

As brought out at Para 5.6, Schedule VII of Companies Act, 2013 lists out 12 broad areas under which the CSR funds can be spent by a Company. Further as per amended CSR Rules and clarification issued by MCA (August 2021) contribution to corpus of any entity is not an admissible CSR expenditure w.e.f. 22 January 2021.

Audit observed deviation as regards contribution to ineligible fund in case of one CPSE i.e., Oil and Natural Gas Corporation Limited which had contributed (March 2022) ₹27.84 crore to RGIPT - Assam Energy Centre (mentioned in Para 5.5.2.7 of this Chapter) towards endowment fund (corpus fund). The contribution does not fall under CSR activity.

The company stated (February 2023) that endowment amount of ₹80.86 crore was provided only upto 2012. After that no amount has been released by the company to RGIPT for the purpose of contribution to their endowment fund. Management added that the company had released funds of ₹32.93 crore to RGIPT towards capital expenditure on 25 March, 2022, for which RGIPT has provided Fund utilisation certificate wherein there was no mention of any endowment fund.

Reply may be viewed in light of the fact that Ministry of Petroleum and Natural Gas vide letter dated 29 September, 2021, informed the company that ₹32.93 crore (₹5.09 crore towards Capex and ₹27.84 crore towards Endowment Fund) was yet to be received from

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<sup>97</sup> *Indian Oil Corporation Limited, Bharat Petroleum Corporation Limited, Hindustan Petroleum Corporation Limited, ONGC Videsh Limited, GAIL (India) Limited, Balmer Lawrie and Company Limited.*

the company. Further, RGIPT in their letter dated 27 January, 2023 also stated that ₹108.7 crore (₹80.86 crore up to 2020 and ₹27.84 crore in 2022) was received by them as Endowment Fund from the company. Hence, the contribution of ₹27.84 crore to corpus fund of RGIPT w.e.f. 22 January, 2021 is ineligible as CSR expenditure.

DPE in reply (April 2024) accepted the facts in respect of Oil and Natural Gas Corporation Limited.

### 5.10 Monitoring framework

As per Rule 5(2) of CSR Rules, 2014, the CSR Committee shall institute a transparent monitoring mechanism for implementation of CSR projects/programs/activities undertaken by the CPSE. DPE vide O.M. dated 01 August, 2016 instructed the CPSEs to have an institutionalised mechanism for monitoring, reporting and evaluation of CSR.

Audit observed that out of 63 CPSEs,

- 14 CPSEs conducted monthly review,
- 17 CPSEs quarterly/bimonthly, four CPSEs<sup>98</sup> half yearly and two CPSEs<sup>99</sup> conducted yearly monitoring,
- Eight CPSEs conducted review as per MOU /Project/need basis,
- 10 CPSEs held regular/frequent reviews,
- Four CPSEs<sup>100</sup> did not specify the periodicity of monitoring,
- Four CPSEs<sup>101</sup> did not provide any information.

Details of above CPSEs are given in *Annexure-XXXII*.

Audit also observed that one CPSE i.e., NTPC Limited had not carried out the monitoring and evaluation process for the agency deployed to carry out Social Impact Evaluation (SIE) at a cost of ₹66.08 lakh as stipulated under Terms of References (ToR). There was neither weekly nor monthly monitoring reports available with the company for the agencies deployed during 2021-22. Thus, the company has deviated from its CSR Policy and violated the guidelines of ToR for social impact evaluation.

The company replied (February 2023) that SIE is conducted at each location in every three years in line with the ToR. SIE is undertaken through empanelled agencies/institutes as per

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<sup>98</sup> *Housing and Urban Development Corporation Limited, HLL Lifecare Limited, NMDC Limited, Numaligarh Refinery Limited.*

<sup>99</sup> *Chandigarh International Airport Limited, Fertilizers and Chemicals (Travancore) Limited.*

<sup>100</sup> *Antrix Corporation Limited, Brahmaputra Crackers and Polymer Limited, NBCC (India) Limited, Power Grid Southern Interconnector Transmission System Limited.*

<sup>101</sup> *FCI Aravali Gypsum and Minerals (India) Limited, Balmer Lawrie and Company Limited, Security Printing & Minting Corporation of India Limited, National Small Industries Corporation Limited.*

the process defined in NTPC works and procurement policy. Additionally, progress monitoring of SIE is a contract condition to ensure timely completion. In this regard, agencies were required to submit a consolidated draft report with all the findings to the company for review and comments for gauging impact of CSR initiatives in addition to the mandatory requirement as per Companies Act. It was further submitted that SIE in company was conducted by well-renowned companies which were mostly able to get the work completed as per schedule. However, in the absence of weekly/monthly monitoring reports, Audit could not verify whether SIE progress monitoring has been carried out for the empanelled agencies as per the ToR and whether timeliness of work completion was ensured.

### 5.11 Impact assessment

As per Rule 8 (3) (a) of the CSR Amended Rules, 2021, every company having average CSR obligation of ₹10 crore or more in pursuance of sub-section (5) of Section 135 of the Companies Act, 2013, in the preceding three financial years shall undertake impact assessment, through an independent agency of their CSR projects having outlays of one crore rupees or more and which have been completed not less than one year before undertaking impact assessment.

Out of 63 CPSEs, 37 CPSEs were having average CSR obligation of more than ₹10 crore. Out of which 22 CPSEs were having CSR projects of more than ₹1 crore. Audit observed that all 22 CPSEs had conducted impact assessment through an independent agency (*Annexure-XXXIII*).

### 5.12 Reporting and Disclosure

According to Rule 8 of CSR Amendment Rules, 2021, the companies must include an Annual Report on CSR containing particulars specified in prescribed format disclosing CSR policy and its web link, average net profit, composition of CSR committee, administrative overheads, prescribed amount, unspent amount, reasons for unspent amount, etc.

As per Rule 9, the company should mandatorily disclose composition of CSR Committee and CSR policy and projects approved by Board on their website.

As per Rule 10, in the case of creation or acquisition of assets under CSR projects by a company, the following asset-wise details must also be provided by the company under item 10 in the Annual Report on CSR Activities:

- Date of creation or acquisition of the capital asset(s)
- Amount of CSR spent for creation or acquisition of capital asset
- Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address, etc.
- Details of the capital asset(s) created or acquired (including complete address and location of the capital asset)

The audit observations in this regard were as under:

(a) Out of 63 CPSEs, Audit observed that eight CPSEs<sup>102</sup> had not fully adhered to the statutory disclosure requirement as under:

- Two CPSEs (Artificial Limbs Manufacturing Corporation of India Limited and SAIL Refractory Company Limited) did not comply with the disclosure format while reporting on CSR activities in their annual report.

SAIL Refractory Company Limited replied (February 2023) that report as per Annexure-1 format needs to be prepared if the CSR provisions apply to the company on or before 01 April, 2020 and Report as per Annexure-2 format needs to be prepared, if the CSR provisions apply to the company on or after 01 April, 2020. Hence, the Company had correctly reported their Annual Report on CSR activities as per Annexure-1. Reply of SRCL is not acceptable as Annexure-1 is applicable for financial year commenced prior to 01 April, 2020 whereas Annexure-2 is applicable for Financial Year commencing on or after 01 April, 2020. Since reporting is for the period 2021-22, Annexure-2 is applicable in this case which was not complied by the Company.

- Three CPSEs (Chandigarh International Airport Limited, Power Grid Southern Interconnector Transmission System Limited and National Informatics Centre Services Incorporated) had not disclosed composition of the CSR Committee, CSR Policy and Projects approved by the Board on their website. While Chandigarh International Airport Limited and Power Grid Southern Interconnector Transmission System Limited do not have a website, National Informatics Centre Services Incorporated website was stated to be under revamp.

Chandigarh International Airport Limited replied (January 2023) that as per Rule 9 of the Companies (CSR Policy) Amendment Rules, 2021, it is mentioned that CSR Policy is to be displayed on the website, if any, for public access. It is pertinent to mention here that creation of website of Chandigarh International Airport Limited is under process and CSR policy will be displayed when website will be operationalised.

National Informatics Centre Services Incorporated has accepted (December 2022) the audit observation and assured to update the website of the company.

- One CPSE (India Infrastructure Finance Company Limited) had partially disclosed the projects approved by the Board on their website and one CPSE (Fertilizers and Chemicals (Travancore) Limited) had not disclosed projects approved by the Board on their website.

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<sup>102</sup> *Artificial Limbs Manufacturing Corporation of India Limited, Container Corporation of India Limited, Chandigarh International Airport Limited, Fertilizers and Chemicals (Travancore) Limited, India Infrastructure Finance Company Limited, Power Grid Southern Interconnector Transmission System Limited, National Informatics Centre Services Incorporated, SAIL Refractory Company Limited.*

India Infrastructure Finance Company Limited replied (November 2022) that the observation has been noted and will comply with the same at the earliest.

Fertilizers and Chemicals (Travancore) Limited replied (January 2023) that it has published the composition of the CSR Committee & CSR Policy on its website. The CSR policy, which has been approved by the Board, contains the nature of projects envisaged by the company and it is available on company's website. However, the reply of Fertilizers and Chemicals (Travancore) Limited is silent on the observation regarding non-disclosure of projects approved by the Board on their website.

- (b) Two CPSEs (Antrix Corporation Limited and India Infrastructure Finance Company Limited) had not reported the unspent amount in their Annual Report.
- As per the proposed CSR activities in Annual Report for the year 2021-22, the unspent amount for Antrix Corporation Limited was ₹4.33 crore, yet the company reported the same as Nil. Hence reasons for amount being unspent were also not disclosed in the report.

Antrix Corporation Limited replied (December 2022) that the company entered into MoU with the beneficiary/Public Authority for implementing CSR and monitored the same on regular basis for its progress. The company provided for liability for the remaining allocated amount in its books at the year-end even though the payment for the same had not been made during the year which was in line with Para-18 of Technical Guide on 'Accounting for Expenditure of CSR Activities' by ICAI. The Company was already maintaining separate Bank account wherein the total amount allocated every year was transferred and all payments to the CSR projects were made from this separate bank account. Hence, the remaining balance in this separate bank account was the balance payable towards ongoing projects.

Reply may be viewed with respect to Para-18 of Technical Guide which states "...provision for liability for the amount representing the extent to which the CSR activity was completed during the year needs to be recognised in the financial statement...". Antrix Corporation Limited did not complete the CSR activity and recognised the liability and shown it, as spent in Board Report which is not in order. The unspent amount had to be kept in separate bank account and the Board Report should have stated the reason/justification for not being able to spend within stipulated time as per the second provision to Section 135(5) of the Companies Act, 2013.

- During 2021-22, India Infrastructure Finance Company Limited had transferred unspent amount of ₹2.69 crore to the unspent CSR account. However, the unspent amount was wrongly shown as 'Nil' in the Annual Report. The company accepted (November 2022) that information in the Report was factually incorrect.
- (c) Audit observed that out of 63 CPSEs, 21 CPSEs had created/acquired capital assets during the year 2021-22 through CSR activities (**Annexure-XXXIV**), out of which three CPSEs (Steel Authority of India Limited, Bharat Petroleum Corporation Limited and Oil

and Natural Gas Corporation Limited) had not disclosed the same in the Annual Report as detailed below:

- As per notes to Standalone Financial Statements, Steel Authority of India Limited spent an amount of ₹7.95 crore on construction/acquisition of asset during the year 2021-22. However, the company did not disclose any information as such in the Annual Report on CSR Activities. Reply of the company (March 2023) is silent on non-disclosure of creation/acquisition of other capital assets in the Annual Report.
- Bharat Petroleum Corporation Limited had neither reported about any capital assets nor disclosed any CSR expenditure towards creation/acquisition of capital assets in its Annual Report on CSR activities. The company assured (February 2023) to publish list of capital assets created or acquired through CSR during the year 2022-23.
- Oil and Natural Gas Corporation Limited had created asset of 'Medical Grade Oxygen Plants' however the company has neither reported about any capital assets nor disclosed any CSR expenditure towards creation/acquisition of capital assets in its Annual Report on CSR activities.

The company stated (February 2023) that post commissioning/installation of the PSA plant, the Government Hospital shall have the rights, title and interest of the property/plant. Also, it was obligatory upon the respective Govt., for proper upkeep/functioning and maintenance of the plant for the next five years, with the financial support of ONGC Foundation. As no Capital Asset has been created with the company or the ONGC Foundation, therefore it was believed that the necessary disclosure not required in the Board's Report.

Management response may be viewed in light of the fact that as per amended CSR Rules, 2021 there is no criteria of rights and title to declare the details with respect to creation and acquisition of capital assets for CSR for a particular year and information on all such capital assets is required to be furnished irrespective of the current owner. Hence, the same should have been reported under item 10 of the CSR Report.

### 5.13 Conclusion

All selected 63 CPSEs had framed the CSR Policy and formed CSR Committee in pursuance of provisions of the Companies Act, 2013. 60 out of 63 CPSEs were required to incur CSR expenditure based on their net profit. Out of 60 eligible CPSEs, 21 CPSEs allocated exact 2 *per cent* funds for CSR activities, 25 CPSEs allocated more than 2 *per cent*, 14 CPSEs had allocated less than 2 *per cent* and data in respect of two CPSEs were not available. Audit observed that against the prescribed 2 *per cent* of average net profit of ₹3,655.84 crore, overall allocation was ₹4,049.35 crore i.e., the excess allocation was to the extent of ₹409.61 crore. Actual CSR expenditure incurred by the 63 CPSEs was to the extent of ₹4,005.30 crore out of which two CPSEs had spent exact 2 *per cent*, 33 CPSEs had spent more than 2 *per cent* and 28 CPSEs had spent less than 2 *per cent*.

Six CPSEs had generated surplus from the CSR activities amounting to ₹14.69 crore of which three CPSEs had ploughed back the funds and three CPSEs did not report on the surplus funds.

The administrative overheads had exceeded the limit of 5 *per cent* in respect of five CPSEs. Total 40 CPSEs had achieved the prescribed target of 60 *per cent* CSR spend on common theme 'Health & Nutrition, with special focus on COVID related measures including setting up makeshift hospitals and temporary COVID Care Facilities'. One CPSE (NTPC Limited) had included incorrect contribution amounting to ₹31.30 crore under common theme thus reporting more than 60 *per cent* expenditure under common theme. CSR spend in aspirational districts was quite low at 9.01 *per cent* of total CSR spend.

Out of 63 CPSEs, 25 CPSEs did not conduct baseline survey and need assessment studies for identifying the CSR projects.

63 CPSEs had reported the manner of implementation of 5,822 CSR projects wherein 1,915 projects were implemented directly/in-house, and 3,907 projects were executed through Government/external agencies, NGOs, Society. As per the data available, in 1,025 projects, the agencies were selected through tendering, in 751 projects, agencies were selected through nomination and 2,068 projects were undertaken either through State Authority, District Administration, Gram Panchayat or on the basis of proposals received from NGOs/ implementing agencies etc.

Audit also observed instances of non-compliance with CSR rules and MCA directions/guidelines such as funding to activities not covered under Schedule VII, funding to ineligible funds, funding projects benefiting primarily the employees, one off event etc.

Out of 63 CPSEs, Audit observed that nine CPSEs<sup>103</sup> had not fully adhered to the statutory disclosure requirement. Out of 63 CPSEs, 21 CPSEs had created/acquired capital assets during the year 2021-22 through CSR activities, out of which three CPSEs had not disclosed the same in the Annual Report.

The chapter was issued (December 2023) to DPE and reply (April 2024) received from DPE has been considered in the chapter.

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<sup>103</sup> *Artificial Limbs Manufacturing Corporation of India, Container Corporation of India Limited, Chandigarh International Airport Limited, Fertilizers and Chemicals (Travancore) Limited, India Infrastructure Finance Company Limited, National Information Center Services Incorporated, Power Grid Southern Interconnector Transmission System Limited, SAIL Refractory Company Limited, Antrix Corporation Limited.*

## CHAPTER VI

# Review of Selected Loss making Central Public Sector Enterprises

### 6.1 Introduction

One of the main objectives<sup>104</sup> for setting up the Public Sector Enterprises was to help in the rapid economic growth and industrialisation of the country and to create the necessary infrastructure for economic development. However, over a period of time, some of the Public Sector Enterprises either turned sick/non-viable or were struggling to remain viable.

The table below indicates that number of loss making CPSEs were ranging from 143 to 177 and losses incurred by them were ranging from ₹31,347 crore to ₹56,294 crore during 2017-18 to 2021-22. Thus, CPSEs racked up losses amounting to ₹2,03,709 crore during the period from 2017-18 to 2021-22.

**Table 6.1: Loss making CPSEs**

Year	Total number of Loss making CPSEs	Losses incurred (₹ in crore)	Net worth (₹ in crore)
2017-18	143	40,769	1,54,807
2018-19	145	40,744	1,04,876
2019-20	177	56,294	2,37,288
2020-21	168	34,555	1,10,534
2021-22	170	31,347	79,121

### 6.2 Guidelines for time bound closure of sick/loss making CPSEs

The Department of Public Enterprises (DPE) issued revised guidelines (June 2018/ December 2021) for time-bound closure of sick/loss-making CPSEs and disposal of movable and immovable assets. These guidelines were applicable to all sick/loss making CPSEs where (a) approval/in-principle approval for closure has been obtained by the Administrative Ministry/Department from the Cabinet Committee on Economic Affairs (CCEA)/Cabinet; or (b) the process of obtaining the approval of competent authority is underway after the administrative Ministry/Department has decided for closure of the CPSE.

<sup>104</sup> As stated in Industrial Policy Resolution, 1956.

The revised Guidelines of June 2018 state the following:

- Three months' time from date of Administrative Ministry's decision for closure of the CPSEs is given for activities like estimation of statutory dues, estimation of dues of employees, placing the information relating to immovable assets/land on the land management portal web site etc. and
- 13 months' time from date of issue of minutes of approval of closure of sick/ loss making CPSE by the Cabinet/ CCEA is given for activities like general notice to employees and other stakeholders intimating about intended closure, application to Registrar for removal of name of CPSE etc.

### 6.3 Review of selected loss making CPSEs

In view of above, the Audit has reviewed status of six CPSEs viz. Sethusamudram Corporation Limited (Ministry of Ports, Shipping and Waterways), National Textile Corporation Limited (Ministry of Textile), Hindustan Organic Chemicals Limited (Ministry of Chemicals and Fertilizers), PEC Limited (formerly- the Project & Equipment Corporation of India Limited<sup>105</sup>) (Ministry of Commerce and Industry), Heavy Engineering Corporation Limited. (Ministry of Heavy Industries) and HMT Machine Tools Limited, Bengaluru (Ministry of Heavy Industries). Out of six CPSEs under review, three CPSEs were yet to be referred for disinvestment and three were referred for disinvestment to respective Ministry. Therefore, this chapter on selected loss making CPSEs is divided in two parts –loss making CPSEs referred for disinvestment and loss making CPSEs not yet referred for disinvestment.

#### A) Loss making CPSEs referred for disinvestment

### 6.4 Sethusamudram Corporation Limited

#### 6.4.1 Introduction

Sethusamudram Shipping Channel Project envisaged reduction in journey time and cost of operation for ships sailing between the east and west coasts of India and other countries as the ships circumnavigate the Sri Lankan coast due to the presence of shallow waters in the Palk Strait area. Government of India (GoI) approved (September 2004) the formation of a Special Purpose Vehicle viz. Sethusamudram Corporation Limited (SCL) and the same was incorporated (December 2004) as a Company. V.O. Chidambaranar Port Authority (Erstwhile V.O. Chidambaranar Port Trust) being the closest major port to the project location was nominated as the nodal agency for undertaking pre-project activities.

GoI approved the project at a cost of ₹2,427.40 crore which was to be structured on a debt equity ratio of 1.5:1. The equity portion was to be ₹970.96 crore and domestic and foreign

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<sup>105</sup> The name of the Company was changed to PEC Limited in the year 1997.

loans were to be raised for ₹1,456.44 crore. The efforts of the SCL to meet project finance through domestic and foreign debt were not successful due to delay in project execution i.e. tendering, award of contracts of the project and obtaining Government guarantee. Details of Shareholding as on 31 March, 2022 is given in the table below:

**Table 6.2: Shareholding as on 31 March, 2022**

Name of the Shareholder	Shares Capital held (₹ in crore)	Percentage of holding
GoI	495.00	66.43
V.O. Chidambaranar Port Authority	50.00	6.71
Shipping Corporation of India	50.00	6.71
Others: Dredging Corporation of India, Chennai Port Authority, Kamarajar Port Limited (erstwhile Ennore Port Limited), Visakhapatnam Port Authority, Paradip Port Authority	150.00 (₹30 crore each)	20.15
<b>Total</b>	<b>745.00</b>	<b>100.00</b>

#### 6.4.2 Dredging activity

The Ministry entrusted the entire dredging work required for the project to Dredging Corporation of India Limited on nomination basis. Dredging work commenced in Palk Strait area in July 2005.

Dredging was suspended from September 2007 onwards due to Supreme Court's interim order. SCL was also a respondent in some of the legal cases relating to environmental clearance, ancient monuments and archeological site filed against Central Government. All the legal cases were being heard as a single case in Supreme Court. The case was lastly heard in December 2023 and the same was pending till date (September 2024).

#### 6.4.3 Financial position of the company

The significant financial data of SCL for the last five years ending 31 March, 2022 is given in table below:

**Table 6.3: Financial data from 2017-18 to 2021-22**

Particulars/Year	(₹ in crore)				
	2017-18	2018-19	2019-20	2020-21	2021-22
Equity Share Capital	745.00	745.00	745.00	745.00	745.00
Provisions for capital dredging	47.69	133.89	95.34	85.72	65.72
Capital Work-in-Progress	708.58	868.25	868.25	868.25	868.25
Trade receivables	8.42	8.03	7.90	7.90	7.89
Cash and Cash equivalents	66.68	70.45	31.74	23.20	3.68
Revenue from operations	-	-	-	-	-
Other Income	5.26	4.56	3.27	1.79	0.65
Employee benefit expenses	0.25	0.27	0.28	0.25	0.24
Other expenses (Rent)	0.21	0.25	0.22	0.21	0.41
Profit After Tax/ (Loss)	1.88	2.41	1.65	0.81	(0.10)

The above table indicated the following:

- SCL had accounted an amount of ₹868.25 crore as Capital Work in Progress towards capital dredging<sup>106</sup> and other Capital Work in Progress in its books of accounts as on 31 March, 2022. Since the dredging work could not be carried out due to Supreme Court's order and pending Court cases, the dredged area was subject to siltation<sup>107</sup> leading to significant impairment of assets. SCL did not assess the loss due to siltation (March 2022).
- Despite having unproductive expenditure viz. salary, administrative expenses and rent, there was no loss during 2017-21 to the SCL due to other income in the form of interest earned from fixed deposit of unutilised fund.

A Committee comprising of Additional Secretary & Financial Advisor, Joint Secretary (Ports) and Development Advisor (Ports) was formed by the Ministry which finalised (February 2019) the outstanding liabilities of SCL payable to Dredging Corporation of India Limited as ₹136.72 crore. Out of which, SCL paid (2019-2022) an amount of ₹71 crore from the available funds. SCL requested (May 2019) a grant of ₹115.72 crore from the Ministry to discharge its pending dues to Dredging Corporation of India Limited.

#### 6.4.4 Current status of the project

SCL could not commence commercial operations even after 19 years of its coming into existence (September 2024). Capital dredging work was suspended on the directions of Supreme Court (September 2007) due to various litigations. SCL incurred an expenditure of ₹21.55 crore towards establishment and administrative expenditure from 2009 to 2022. SCL also sold various operational assets like launches, buoys due to cessation of operational activities between 2010 and 2019 for ₹28.91 crore and had received/ recovered ₹21.02 crore. SCL accounted the balance amount of ₹7.89 crore as receivable from other Port Authorities towards sale of assets.

The Ministry directed (June 2019) SCL to obtain legal opinion/advice on various steps to be followed for winding up process. The Board of SCL accorded approval (June 2019) for sending the proposal of winding up of SCL to the Ministry. It was also decided (June 2019) by the Board of SCL to transfer movable assets at Corporate Office, Chennai and Project Office, Rameswaram to Chennai Port Trust and V.O. Chidambaranar Port Authority respectively at book value for their use or for disposal and to close the Project Office, Rameswaram. The proposal for winding up was sent to the Ministry (August 2019). The Additional Solicitor General also gave (December 2019) his opinion on steps/process to be

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<sup>106</sup> Capital dredging means new dredging as opposed to maintenance dredging.

<sup>107</sup> Egress of sand and silt into the dredged area due to underwater currents and wave movement.

followed before winding up SCL under Section<sup>108</sup> 272 of the Companies Act, 2013 subject to other conditions.

Subsequently, the Ministry directed (June 2021) SCL to draw a timeline for completion of activities for closure of the Company within six months to which SCL had furnished its comments (July 2021). However, the winding up of SCL was yet to be completed (September 2024). However, bottleneck in closure of SCL was various litigations pending at Supreme Court. The Ministry in its reply (October 2024) stated that the Cabinet Note on winding up of SCL was sent to the Cabinet Secretariat for consideration in August 2022 on which Cabinet Secretariat informed (October 2024) that the Cabinet Note was no longer under consideration of Cabinet Secretariat. It was also informed by the Ministry that SCL project office at Rameswaram was closed on 12 April, 2024.

***Recommendation No. 1:***

***Ministry of Ports, Shipping and Waterways may take necessary steps to facilitate process of winding up of SCL.***

## **6.5 Heavy Engineering Corporation Limited**

### **6.5.1 Introduction**

Heavy Engineering Corporation Limited (HEC), Ranchi was set up in December 1958 under the administrative control of Ministry of Heavy Industries, with the primary objective of achieving self-sufficiency and self-reliance in design and manufacture of equipment and machinery for steel, mining, railways, power, defence, space research, nuclear and strategic sectors. The Company had three operating units namely Heavy Machine Building Plant, Heavy Machine Tools Plant and Foundry Forge Plant. Government of Bihar allotted 7,199.51 acres of land to HEC during 1958-59 to install factory, townships and other allied purposes. The Company utilised only 35.69 *per cent* of land (729.27 acres for factory and 1,839.88 acres for township). 48.19 *per cent* of land (3,469.61 acres) was transferred to other agencies<sup>109</sup> and 16.12 *per cent* of land (1,160.75 acres) was vacant as on 31 March 2022 which included 73.05 acres of land under encroachment<sup>110</sup>.

<sup>108</sup>Section 272 of the Companies Act, 2013 prescribes the provisions of presenting a petition for winding up of a company by National Company Law Tribunal.

<sup>109</sup> 2,998.30 acres of land was transferred to Government of Jharkhand in line with the revival package approved by the GoI (September 2008) and as per Cabinet approval (March 2017) in lieu of cash ₹984.82 crore. 158 acres of land was transferred to CISF for liquidation of dues. 313.31 acres leased/given to SAIL/ Research & Development Centre for Iron & Steel, National Institute of Foundry & Forge Technology, Educational Institutions, Jharkhand State Cricket Association, Petrol Pumps, BSNL, Garden Reach Shipbuilders and Engineers Limited to mobilise resources.

<sup>110</sup> An audit para on Township & Land Management in HEC' was included in the CAG Audit Report-Union Government (Commercial) No. 18 of 2020 and therefore land management was not in scope of this audit.

## 6.5.2 Audit Findings

### 6.5.2.1 Revival packages and Financial Assistance received from Government

Due to prolonged suffering of losses coupled with huge negative net worth, HEC was declared sick and referred to Board for Industrial and Financial Reconstruction (BIFR) in February 1992 which sanctioned a rehabilitation package in August 1996. The package however failed and BIFR ordered (06 July, 2004) for winding up of the Company. High Court of Jharkhand dropped the winding up proceeding and directed (November 2009) GoI, Government of Jharkhand, HEC and other concerned parties to act in terms of revival package.

GoI extended financial assistance to the Company during 1995-96 to 2002-03. This was followed by revival packages provided in 2005 and 2008. Audit noted that the revival packages were meant primarily for financial restructuring like waiver of loans and interest, conversion of loans into equity and settlement of dues only and left the modernisation of plant facilities unattended. Major part of fund was utilised in repayment of loans and working capital requirements and funds were not earmarked for Capital Expenditure (Capex). As a result, only a small part of the package could be utilised for Capex. Audit noted that only ₹82.48 crore was utilised for Capex out of which the Company purchased only one new equipment of value ₹31.54 crore.

Consequently, despite the relief and assistance received from the GoI on many occasions since last 25 years, the financial performance of the Company declined over the years. HEC incurred loss continuously for last five years except in 2017-18 when the profit was mainly on account of funds received on transfer of unused land to the Government of Jharkhand and receipt of grant from GoI for Capital Gain Tax. Accumulated loss of the Company as on 31 March, 2022 was (-) ₹1,528.54 crore and its equity had been fully eroded. Recurring losses resulted in crisis of working capital. Thus, there was no long term impact of such revival packages.

Ministry in its reply stated (July 2024) that the company had submitted a Modernisation plan prepared by MECON.

Reply of the Ministry may be viewed in light of the fact that the modernisation plan was yet to be approved by the Ministry (July 2024).

The financial, production and operational performance of the Company are discussed in succeeding paragraphs.

### 6.5.2.2 Financial Performance

Financial Performance of HEC during 2016-17 to 2020-21 is given in the Table 6.4.

**Table 6.4: Financial data from 2017-18 to 2021-22**

(₹ in crore)						
Year	Total Revenue	Total Expenditure	Profit/loss (before tax)	Accumulated loss	Net worth	Contingent Liability
2017-18	1,059.77	536.43	509.09	(597.65)	109.80	354.26
2018-19	562.42	654.80	(93.67)	(691.32)	10.38	381.28
2019-20	170.85	566.33	(405.37)	(1,096.69)	(400.73)	541.68
2020-21	296.99	475.29	(175.78)	(1,272.47)	(582.25)	653.69
2021-22	283.47	539.47	(256.07)	(1,528.54)	(844.07)	677.46

- HEC incurred loss continuously during 2016-17 to 2021-22 except in 2017-18 when the profit was mainly on account of funds received on transfer of unused land to the Government of Jharkhand (₹559 crore) and grant from GoI for Capital Gain Tax (₹62 crore).
- Accumulated loss of the Company as on 31 March 2022 was (-) ₹1,528.54 crore. Net worth of the Company as on 31 March, 2022 was (-) ₹844.07 crore. Equity of the Company (₹606.08 crore) has been fully eroded.

Ministry in replystated (July 2024) that the financial performance of the company deteriorated during the said period mainly on account for old plant and machinery, severe financial crunch and impact of COVID in the year 2020-21. The fact however remains that the financial performance of the Company did not improve post COVID also and the Company has not been able to earn profit during the period resulting into increase in accumulated losses thereby fully eroding the equity.

### 6.5.2.3 Production Performance

- The Company entered into MoU with the Ministry of Heavy Industries annually. Production Performance of HEC for the period 2016-17 to 2020-21 is given in *Annexure-XXXV*. The Company's production ranged from 28.30 per cent to 59.81 per cent of the MoU target during 2016-17 to 2020-21<sup>111</sup>.
- Total production from the three plants (Foundry Forge Plant, Heavy Machine Tools Plant and Heavy Machine Building Plant) of the Company was only between 3.98 per cent and 20.06 per cent of the installed capacity during the period 2016-17 to 2021-22 (*Annexure-XXXVI*).

Shortfall in production and low capacity utilisation was attributable to shortage of working capital and liquidity problem in the Company, acute fund constraints because of inadequacy in regular cash flow, old plant and machinery working with reduced efficiency and frequent breakdowns, lack of technology upgradation and low manpower productivity etc., as discussed in subsequent paragraphs.

<sup>111</sup> The information for 2021-22 was not available as the format of MoU was revised.

Ministry in reply stated (July 2024) that DPE in its Inter Ministerial Committee meeting held in October 2022 had decided that HEC was having sub-optimal operations/being reviewed for closure/disinvestment therefore should be exempted from MoU process. However, reply is silent with regard to steps taken for improvement in production performance of the Company.

#### 6.5.2.4 Operational Performance

##### (i) Bagging and Execution of orders

HEC bagged orders mainly from Steel, Coal and Mining sector, Indian Railways, Indian Space Research Organisation, Ordnance Factory, Nuclear Power Corporation of India Limited etc. During 2016-17 to 2021-22, HEC bagged 623 orders (worth ₹2,836 crore) out of 1990 bids for which it placed its offer. Audit noted that the Company lost orders mainly on account of its price bid; technological obsolescence; non-completion of previous orders etc. Of the orders bagged, the Company could achieve turnover of only ₹1,665 crore during this period.

Value of orders received, executed and value of orders pending at the end of financial year is shown in *Annexure-XXXVII*. The details of orders received, executed within schedule time and beyond schedule time during the period 2016-17 to 2021-22 are given in *Annexure-XXXVIII*.

Audit noticed that the Company could complete orders within time ranging from 12.51 per cent and 81.44 per cent cases during the period 2016-17 to 2021-22. Orders valuing ₹694.47 crore were cancelled/withdrawn by the clients in 2021-22 and outstanding order booking as on 31 March 2022 was ₹1,451.40 crore.

Delay in execution of orders led to imposition of liquidated damages by the clients and ₹107.94 crore was charged to the Profit and Loss Account during 2016-17 to 2021-22 on this account.

Ministry in reply stated (July 2024) that inspite of its valuable contribution, financial performance of the company was not satisfactory due to less capacity utilisation and shortage in working capital. It further stated that the company had been making all-out efforts to maximize order booking and was also looking for business in new areas apart from the existing business areas. However, due to dearth of working capital, the conversion of orders into sales had got severely affected.

The reply may be seen in light of the fact that the cumulative value of pending orders was on the higher side during the period under review.

**(ii) Materials sold at negative margin<sup>112</sup>**

Audit noted that HEC did not have a documented pricing policy. Price estimate of products/services offered to the customers was prepared considering cost of raw materials, processing cost, bought-out items, erection, commissioning, profit margins and other relevant costs envisaged for such product.

Analysis of Net Sales Realisation<sup>113</sup> data and cost of production for the period from 2016-17 to 2019-20 (cost audit for the year 2020-21 was not done) revealed the following:

- Margin of Net Sales Realisation over cost of production was positive in respect of Heavy Machine Building Plant during 2016-17 to 2018-19; however, it became negative in 2019-20. Out of 584 orders valuing ₹1,035.81 crore executed during 2016-17 to 2020-21, the Company could not even recover the prime cost<sup>114</sup> of ₹31.32 crore in case of 82 sales orders (14.04 *per cent*). Further, the Company could not even recover input material cost in case of 29 orders (4.97 *per cent*).
- Margin of Net Sales Realisation over cost of production in Foundry Forge Plant was negative during all the four years from 2016-17 to 2019-20. Out of 64 sales orders valuing ₹116.74 crore executed by Foundry Forge Plant during the period from 2017-18 to 2020-21 (cost data for 2016-17 was not available), the Company could not recover the prime cost of ₹45.49 crore in 49 sales orders (76.56 *per cent*).
- Margin of Net Sales Realisation over cost of production in Heavy Machine Tools Plant was positive in 2016-17 and 2018-19 and negative in 2017-18 and 2019-20. Out of 85 orders valuing ₹36.69 crore executed by Heavy Machine Tools Plant during 2016-2021, the Company could not recover even the prime cost of ₹2.15 crore in 10 orders (11.76 *per cent*).
- In case of Project Division, margin of Net Sales Realisation over cost of production was negative during the years 2016-17, 2018-19 and 2019-20.

Audit noticed that reasons for negative margin were not analysed after execution of jobs and justifications were also not found on record. Execution of jobs with negative margin due to erroneous price estimation adversely affected the financial performance of the Company.

In reply, Management cited (March 2022) reasons for high cost of production such as low utilisation of installed capacity, low productivity in Foundry Forge Plant, reduced machine

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<sup>112</sup> *Margin is excess of Net Sales Realisation over cost of production.*

<sup>113</sup> *Net Sales Realisation is sale proceeds net of taxes and duties.*

<sup>114</sup> *Prime cost is the total direct costs of production, including raw materials and labour.*

availability and efficiency, low accuracy in the machines and increase in overhead cost due to increased execution cycle in Heavy Machine Building Plant.

Management's reply may be seen in the light of the fact that in significant number of cases, the Management was not able to recover even the prime cost or material cost which highlighted discrepancies in cost estimation of the products. Further, Management's reply was silent on not analysing the reasons for negative margin.

Ministry in reply stated (July 2024) that delayed execution of long pending orders, delay in procurement of input due to scarcity of fund, increase in electricity price on account of rate revision and delayed payment surcharge due to non-payment were the reasons for negative contribution. It further stated that production and productivity hampered badly due to Covid pandemic lock down situation.

Ministry's reply may be seen in the light of the fact that HEC was not able to recover even the prime cost or material cost in the pre-Covid period i.e., during the period from 2016-17 to 2019-20.

#### **6.5.2.5 Adequacy of Working Capital, Plant and Machinery**

##### **(i) Working capital**

Working capital<sup>115</sup> in HEC was less than the requirement during 2016-17 to 2021-22 (*Annexure-XXXIX*). The working capital during 2016-2022 was between (-) ₹67.40 crore in 2017-18 and (-) ₹937.69 crore in 2021-22. Negative working capital led to delay in procurement of inputs, curtailment in important expenditure, deferment in payment of salaries and wages to the employees and piling up of sundry creditors. This situation can be a cause of concern for lenders and creditors, since the firm may not have sufficient liquid assets to pay for its short-term obligations. Important projects relating to Indian Space Research Organisation, Madhuband Coal Washery (Bharat Coking Coal Limited) and Aakash (Nuclear Power Corporation of India Limited) were affected due to delay in vendor payments.

Ministry stated (July 2024) that efforts were made to bridge the gap of working capital requirement by way of monetisation of Company's land.

Reply of the Ministry may be viewed in light of the fact that despite monetization of Corporation's land there were large pending liabilities of vendors and creditors as well as HEC was not able to even pay its regular salary/wages and statutory dues.

##### **(ii) Performance of Plant and Machinery**

Plant and machinery in HEC were installed more than 50 years ago and till date (September 2024) except for a few plant and machinery (2,650 T Hydraulic Press, Induction Furnace, Package Boiler, Compressor in Foundry Forge Plant) no significant

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<sup>115</sup> Working capital= Current Assets minus Current Liabilities.

augmentation/renovation was taken up because of resource constraints. Main reasons for poor utilisation of the plant and machinery were loss of accuracy in equipment and machinery due to wear and tear, reduction in the original capacity of machinery due to over ageing, frequent break down of equipment, old and outdated equipment/machinery incapable to meet the requirements of present day products viz., tolerance, surface finish quality norms etc., shortage of availability of input materials. HEC had not fixed any norms for utilisation of equipment and machinery.

Ministry in reply stated (July 2024) that the schedule for preventive repair and maintenance was in practice and was being followed even with manpower shortage to the extent possible. Ministry highlighted that financial crunch being faced by Company was a major hurdle for having an optimum situation regarding performance of plant and machinery.

#### **6.5.2.6 Non-refund of government loan related to Gratuity**

Department of Heavy Industries (DHI) sanctioned (01 October, 2014) loan of ₹47.89 crore to HEC for payment of outstanding gratuity to the employees who had retired during 31 March, 2011 to 31 March, 2014. The loan was to be repaid in five equal annual instalments from 2015 to 2019 along with interest. Audit noted that due to financial crisis, the Company did not pay any instalment and interest on time which resulted in additional burden of interest and penal interest of ₹69.66 crore (March 2022).

Ministry accepted (July 2024) that the financial crisis of HEC has continued and therefore the refund of loan towards gratuity could not be done.

#### **6.5.2.7 Government guarantee for working capital requirements**

GoI had extended Government guarantee for ₹150 crore in May 2007 to HEC for working capital requirement till 2008-09. The guarantee was enhanced to ₹253 crore in March 2009 for 2009-10 and subsequently the validity was extended till 2016-17. HEC repeatedly requested Ministry of Heavy Industries for extension of validity period of the guarantee for three more years and enhancement of guarantee from ₹253 crore to ₹388 crore. HEC requested (June 2021) approval of the Ministry for submission of collateral security towards working capital arrangement for credit facility up to ₹388 crore from State Bank of India. Audit noted that approval regarding extension of guarantee was yet to be received (March 2023).

The Management replied (March 2022) that Bank had withdrawn all relief including 50 *per cent* relief on Letter of Credit/Bank Guarantee charges which Company was availing after submission of Government guarantee. SBI had also increased the interest rate by 5 *per cent* on cash credit.

Ministry stated (July 2024) that it had advised HEC to submit consolidated proposal to arrange short term funding by providing collateral security towards working capital arrangement.

Audit noted that State Bank of India expressed its inability to consider the request of HEC for enhancement in credit facilities from ₹388 crore to ₹720 crore and consolidated proposal was yet to be submitted by HEC. Delay in extension of validity of the guarantee period and non-enhancement of guarantee amount was one of the reasons for adverse working capital position.

### 6.5.2.8 Statutory and Employee dues

In view of poor financial position, the Company was not able to pay the following statutory and employee's dues on time (till March 2022) as shown in table below:

**Table 6.5: Showing unpaid statutory and employee's dues**

Description of Head	Amount
Outstanding electricity charges	153.56
Outstanding water charges	52.34
CISF dues	121.79
Provident Fund Trusts	15.80
Provident Fund Loan/Voluntary Provident Fund subscriptions	43.17
Gratuity dues	41.48

(₹ in crore)

Further, salary of regular employees was in arrear for 14 months whereas for non-regular employees it was not paid for 10 months (till March 2023).

Ministry stated (July 2024) that the Company was passing through liquidity crisis; however, efforts were being made to liquidate the statutory and employee dues gradually by recovering from the old debtors. HEC had also been advised to arrange funds by providing collateral security towards working capital arrangement.

Audit noted that as stated in para above, State Bank of India had expressed (August 2023) their inability to consider the request of HEC for enhancement in credit facilities from ₹388 crore to ₹720 crore and funds are yet to be arranged by HEC.

#### **Recommendation No. 2:**

***Ministry of Heavy Industries may review the sustainability of continuance of HEC expeditiously in the light of its operational and financial performance.***

## 6.6 PEC Limited

### 6.6.1 Introduction

PEC Limited (formerly- the Project & Equipment Corporation of India Limited<sup>116</sup>) was carved out of the State Trading Corporation of India Limited (STC) in 1971-72 to take over the canalised business of STC's railway equipment division, to diversify into turn-key projects, especially outside India and to aid and assist in promotion of exports of Indian

<sup>116</sup> The name of the Company was changed to PEC Limited in the year 1997.

engineering equipment. With effect from 23 May, 1990, PEC Limited became a subsidiary of the then newly formed Holding Company viz. Bharat Business International Limited. With effect from 27 March, 1991, PEC Limited became an independent company directly owned by the GoI. The main functions of PEC Limited included export of projects, engineering equipment and manufactured goods, defence equipment and stores, import of industrial raw materials, bullion and agro commodities, consolidation of existing lines of business and simultaneously developing new products and new markets; diversification in export of non-engineering items e.g. coal and coke, iron ore, edible oils, steel scraps, etc.; and structuring counter trade/special trading arrangements for further exports.



Picture 6.1: Activities of PEC limited

## 6.6.2 Financial position and working results

Based on the directions from its Administrative Department viz. Department of Commerce, the Company stopped its business activities since September 2019. The working results of the Company for the last six years ending 31 March, 2022 are given in Table 6.6.

Table 6.6: Financial position and working results of PEC Limited from 2017-18 to 2021-22

Particulars	(₹ in crore)				
	2017-18	2018-19	2019-20	2020-21	2021-22
Sales	4,451.92	617.87	8.03	-	-
Other Income	28.56	11.89	4.37	2.76	1.94
<b>Total Revenue</b>	<b>4,480.48</b>	<b>629.76</b>	<b>12.40</b>	<b>2.76</b>	<b>1.94</b>
Cost of materials consumed	4,290.01	607.75	6.45	-	-
Finance Cost	73.18	143.75	116.70	114.34	309.02
Other Expenditure	184.46	39.20	18.30	15.99	12.37
<b>Total Expenditure</b>	<b>4,547.65</b>	<b>790.70</b>	<b>141.45</b>	<b>130.33</b>	<b>321.39</b>
Exceptional items	10.21	(338.71)	(18.22)	(2.05)	5.16
Profit before tax	(56.96)	(499.65)	(147.27)	(129.62)	(314.29)
<b>Profit after tax</b>	<b>(56.96)</b>	<b>(499.65)</b>	<b>(147.27)</b>	<b>(129.62)</b>	<b>(314.29)</b>
Net worth	(1,133.91)	(1,633.10)	(1,780.12)	(1,909.21)	(2,223.98)
Borrowings	944.35	1,477.70	1,594.43	1,705.34	1915.49

Sales of the Company declined by 86 *per cent* during the year 2018-19 as compared to the previous year due to withdrawal of credit facilities by the bank which had an adverse impact on the execution of work orders by the Company. The sales further declined by around 99 *per cent* during 2019-20 and became Nil during 2020-21 and 2021-22 due to discontinuance of operations by the Company from September 2019. The main reason for the continuing losses of the Company was high finance cost, non-recovery of outstanding dues from debtors and discontinuance of operations.

### 6.6.3 Decision of closure of the Company

A meeting was held on 29 August, 2019 under the chairmanship of the Minister of Commerce and Industry to review three of the CPSEs under the Department of Commerce viz. MMTC Limited, STC Limited and PEC Limited. It was deliberated during the meeting that in view of the precarious financial position of PEC Limited, which had been declared Non-Performing Asset (NPA) by the lender banks in 2018 and was also taken to National Company Law Tribunal in February 2019, there did not appear to be any valid reason for its continuation. Accordingly, a number of decisions were taken as a way forward for closure of PEC Limited. The major decisions taken during the meeting along with the action taken by the Department of Commerce and PEC Limited thereon are given in *Annexure-XL*.

Audit noticed that while PEC Limited discontinued its operations with effect from September 2019 based on the directions given by Department of Commerce, progress towards implementation of decision taken for closing down the Company was rather slow.

Though the closure of the Company had been decided by the Department of Commerce in August 2019, the Department sought the information required for preparatory action from the Company only in November 2021. PEC estimated the fund requirement under preparatory action and sought (November 2021) budgetary support of ₹1,705.34 crore for settlement of banks' dues and other dues.

In the meantime, the Department of Commerce prepared a Cabinet Note for closure of PEC and sent it to the Cabinet Secretariat on 26 October, 2021. However, the same was returned by the Cabinet Secretariat with the advice to process it as per the new guidelines issued by DPE vide O.M. dated 13 December, 2021 which superseded all the earlier guidelines.

On the progress made in this regard, Department of Commerce informed (April 2022/ June 2022) that it had approached DPE for taking a decision in the matter of PEC Limited. A Committee of Group of Officers under the Chairmanship of Chief Executive Officer, NITI Aayog was constituted and a meeting of the Committee was held on 04 April, 2022 for identification of CPSEs under Department of Commerce for privatisation or closure and it was decided, *inter alia*, that PEC may be closed under the Insolvency and Bankruptcy Code, 2016. The Department of Commerce had conveyed (May 2022) its approval to the draft Note for CCEA circulated by the DPE to Ministries/ Departments for comments. Further action for taking in-principle approval of CCEA was to be taken by the DPE.

Thus, even after a lapse of around three years from the decision taken by the Department of Commerce for closing down PEC Limited, the approval from CCEA was yet to be obtained (June 2022). Consequently, on the one hand, the Company was not earning any revenue due to discontinuance of operations since September 2019, while on the other hand, it had to incur expenditure towards administrative and establishment costs, apart from the huge interest burden on outstanding loans.

Department of Commerce in its reply (June 2024) stated that regular follow up action is being taken with the DPE on the matter of early closure of PEC Limited.

**Recommendation No. 3:**

*The Department of Commerce, in co-ordination with the Department of Public Enterprises, should expedite the process of closure of PEC Limited as delays are only adding to the interest burden and administrative costs of the Company.*

**B) Loss making CPSEs not yet referred for disinvestment**

**6.7 National Textile Corporation Limited**

**6.7.1 Introduction**

National Textile Corporation Limited (NTC) was incorporated in April 1968 to manage the affairs of the sick textile undertakings taken over by the GoI under three Nationalisation Acts of the years 1974, 1986 and 1995. The Company was managing 119 textile mills through its nine subsidiaries. On account of obsolete technology, excess manpower, poor productivity, etc., all the nine subsidiaries of NTC were referred to the Board for Industrial and Financial Reconstruction (BIFR), which approved<sup>117</sup> revival schemes for them between 2002 to 2008. The present status of 119 mills of NTC was as under:

**Table 6.7: Status of 119 mills referred to BIFR**

Particulars	Number of Mills
Operational Mills*	22
Closed Mills	77
Mills slated for revival through Joint Venture: (5 mills revived and 11 mills under Arbitration)	16
Mills transferred to Government of Puducherry	2
Non-operational Mills	2
<b>Total</b>	<b>119</b>

\* Apart from the 22 operational mills, New Minerva Mill, Hassan, Karnataka (which was a new unit set up on 01 January, 2011) was also in operation.

<sup>117</sup> Revival Scheme for eight subsidiaries was approved in 2002-03 and that for the remaining one subsidiary was approved in 2005-06.

NTC was in the business of production of yarn and fabric through its 23 operational mills (**Annexure-XLI**) having 7.68 lakh spindles and 408 looms. NTC also manufactured garments through its five Joint Venture (JV) Companies. NTC also had a retail network throughout the country with its 85 retail stores. However, operations at all the mills of NTC had been suspended (March 2022) due to shortage of working capital.



**Picture 6.2: National Textile Corporation Limited**

### 6.7.2 Operational and Financial Results

During the period from 2016-17 to 2021-22, the operating and financial results of NTC were as under:

**Table 6.8: Operating and Financial results of NTC Limited from 2016-17 to 2021-22**

Particulars	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
Sales (₹ crore)	1,168.49	1,066.27	1,081.85	850.42	148.15	101.40
Profit after tax (₹ crore)	969.38	(-) 307.95	(-) 310.22	(-) 350.11	(-) 343.87	(-) 311.86
Net worth (₹ crore)	2,268.11	2,041.09	1,730.87	1,380.76	1,036.89	725.03
Production of Yarn (Lakh kgs)	520.02	526.18	504.09	409.41	17.83	23.81
Production of Fabric (Lakh meters)	201.81	191.58	190.06	88.88	0.82	2.53

### 6.7.3 Identification of NTC for strategic disinvestment

The Ministry of Textiles intimated (April 2018) NTC that the NITI Aayog, in its meeting held on 27 March, 2018, had provisionally identified NTC for strategic disinvestment. The Ministry further informed NTC (December 2018) that the Core Group of Secretaries for Disinvestment, in their meeting held on 11 October, 2018, recommended to prepare a blueprint for bunching of the NTC mills in two/three groups and to demerge all land to a Special Purpose Vehicle after which a view on the strategic disinvestment of NTC would be taken. The blueprint was submitted by NTC to the Ministry in September 2019. Further, NTC entered into (December 2019) a Memorandum of Understanding with NBCC Limited for a comprehensive audit of all immovable and movable assets of NTC. The draft Report

submitted by NBCC was under examination by NTC as of November 2022. As per the information provided (November 2024) by NTC, there was no further development with regard to strategic disinvestment of NTC.

#### 6.7.4 Audit Findings

##### 6.7.4.1 Profitability

During the last six years from 2016-17 to 2021-22, NTC continuously suffered operational losses. Year-wise cost of production and sale price of yarn during the period<sup>118</sup> 2016-17 to 2019-20 are given below:

**Table 6.9: Average Cost of Production and Average Sales Price of Yarn**

Particulars	2016-17	2017-18	2018-19	2019-20
Average Cost of Production (₹/kg)	252.45	247.32	252.14	260.49
Average Sales Price (₹/kg)	195.01	194.32	202.80	195.35

Audit noticed that the production cost of yarn was always higher than the sale price. Audit further noticed that cost of production of atleast 17 out of 23 operating mills was higher than the budgeted cost of production from 2016-17 to 2019-20.

South India Textile Research Association (SITRA) stipulated norms for cost of production<sup>119</sup> for 40s count<sup>120</sup> of yarn. Accordingly, the total cost of production should be 97.5 per cent of sales turnover till 2018-19 which was revised to 99.7 per cent from 2019-20 onwards. Audit noticed that the cost of production as a percentage of sales turnover was always higher than SITRA norms in respect of 21 out of 23 operating mills consistently from 2016-17 to 2019-20. The cost of production in these 21 operating mills exceeded the SITRA norms by more than 14 per cent during 2016-17 to 2019-20.

The Management stated (June 2022) that SITRA was only a market indicator for quality, productivity and cost analysis and was not involved in manufacturing or sale of yarn.

The reply needs to be viewed in light of the fact that although SITRA was not involved in manufacturing or sale of yarn, but it was a market indicator for productivity and cost analysis for the textile industry and, as such, NTC should make efforts to achieve the benchmarks set by SITRA to trim input cost and improve its mills' performance. Further, the cost of production in atleast 17 out of 23 operating mills of NTC was also more than the budgeted cost of production set by NTC itself.

<sup>118</sup> Years 2020-21 and 2021-22 were not considered as all the mills were not operational due to COVID-19 pandemic and shortage of working capital for procurement of raw material.

<sup>119</sup> Component of cost of production includes Raw material, Power, Salaries & wages, Stores and packing material, administrative overheads and Interest & Depreciation.

<sup>120</sup> Yarn count refers to the thickness of yarn and is determined by its mass per unit length. It is a numerical expression which defines the fineness or coarseness of yarn.

Audit identified the following factors which were primarily attributable to the operational losses of NTC.

**(i) Procurement of Cotton at higher prices**

During the period from April 2015 to March 2022, cotton valuing ₹1,275.42 crore was procured from Cotton Corporation of India (CCI). NTC in July 2016 identified raw material procurement cost as one of the key problem areas which represented 58.25 per cent of production cost and decided to bring down the raw material cost to 51 per cent by 2018-19. To achieve this target, NTC prepared an action plan which included e-procurement of cotton or procuring cotton from Cotton Association of India (private parties) which were offering better rates. As per the revised purchase policy of December 2016 it was decided to purchase cotton only from CCI even if the CCI rates were higher by ₹500 per candy compared to L-1 bidder. Audit examined the historical price of cotton from Cotton Association of India web portal and observed that cotton was available at a lesser price in the open market. Hence, NTC incurred avoidable expenditure of ₹38.48 crore<sup>121</sup> on procurement of costlier cotton from CCI vis-à-vis open market.

The Management stated (June 2022) that Cotton Association of India was only a market indicator, and the rates of CCI were not comparable with those of Cotton Association of India.

The reply may be viewed considering the fact that the rates of Cotton Association of India indicate the prevailing rates (market indicator) and there were instances where cotton was procured at rates much higher than by ₹500 per candy from the rates provided by Cotton Association of India. Hence, NTC purchased cotton from CCI without checking the availability of required quality of cotton in the open market and without ascertaining the rate reasonability.

**Recommendation No. 4:**

***NTC may procure raw materials at reasonable/competitive rates which would reduce the cost of production.***

**(ii) High labour costs**

As per South India Textile Research Association (SITRA), Salaries and Wages Cost value<sup>122</sup>, expressed as a percentage of sales value, of 10 per cent or more should be viewed with concern and called for both short-term and long-term planning to focus on increasing productivity of labour and machine.

Audit noticed that Salaries and Wages Cost value in all 23 operating mills of NTC was more than SITRA suggested threshold of 10 per cent during 2016-17 to 2019-20. Further, NTC

<sup>121</sup> Western Regional Office: ₹9.88 crore and Southern Regional Office: ₹28.60 crore.

<sup>122</sup> Salaries and Wages Cost Value = Total Salaries and wages cost \* 100/Total estimated yarn sales value.

could not take a firm decision to avoid payment of idle wages even in case of closed mills. Audit noticed that NTC had paid ₹112.75 crore from May 2020 to March 2022 towards idle wages to 6,140 workers at the rate of 50 *per cent* due to non-operation of mills<sup>123</sup>. Further, NTC did not take any concrete decision, nor sent a proposal to the Ministry in respect of redeployment of surplus workers in view of non-operation of mills. Similarly, during 2016-17 to 2021-22, NTC incurred ₹47.27 crore towards employees' cost in respect of 49 closed mills.

The Management stated (June 2022) that major expenditure in closed mills was incurred on account of payment of wages/salaries to the essential strength of manpower deployed for safeguarding and protecting the property of NTC from encroachments. Further, possible rationalisation of manpower was done and Modified Voluntary Retirement Scheme (MVRS) had been offered to the surplus manpower.

The reply of the Management is to be viewed in the light of the fact that only 85 employees<sup>124</sup> had opted for MVRS during 2016-17 to 2020-21. Further, the reply was silent on the steps taken by the Company to reduce the idle Salaries and Wages Cost value due to non-operation of mills.

**Recommendation No. 5:**

***NTC needs to assess the requirement of redeployment of the surplus/idle workers of the mills for their gainful employment.***

**(iii) High energy costs**

In February 2016, NTC decided to bring down the power and fuel costs to 10 *per cent* of the production value by 2018-19. However, power and fuel cost of NTC in terms of percentage of production value ranged between 19.82 *per cent* (2017-18) and 40.77 *per cent* (2021-22) during the period 2016-17 to 2021-22, which was much higher than the target of 10 *per cent* set by the Company.

Audit also noticed that the Ministry of Textiles had assigned (August 2016) a target for installation of 23 grid connected rooftop solar power projects with a total capacity of 7.37 MW to NTC under the 'National Solar Mission' of GoI. Accordingly, NTC was required to undertake the installation of rooftop solar power projects through the agencies empanelled by Solar Energy Corporation of India Limited, which was the nodal agency for roof top solar installations under the Grid Connected Rooftop Scheme launched by the Ministry of

<sup>123</sup> *Operations of all the 23 mills were suspended from 25 March, 2020 due to nationwide lockdown consequent to Covid-19 pandemic. Further, in June 2020, NTC decided to keep the operations suspended until the stock accumulation comes down to 15 days' requirement. The operations of some of the mills were resumed in a phased manner from 28 December, 2020 onwards.*

<sup>124</sup> *Four employees in one mill (in 2016-17), 72 employees in five mills (in 2017-18), nine employees in three mills (in 2018-19) and zero in 2019-20 & 2020-21*

New and Renewable Energy in pursuance of National Solar Mission. The installation of rooftop solar power projects was to be completed by October 2018.

After installation of two rooftop solar power projects with a total capacity of 0.78 MW at a cost of ₹4.30 crore, NTC estimated (December 2016) that the remaining capacity of 6.59 MW would be installed with an expenditure of ₹43 crore. NTC approved (January 2018) budget of ₹40 crore for installation of solar plants on CAPEX<sup>125</sup> model, but later decided (September 2018) to adopt RESCO<sup>126</sup> model considering the financial position of NTC. However, Solar Energy Corporation of India Limited informed (09 October, 2018) NTC that the last date for completion of rooftop solar projects was 20 October, 2018, and thus, new projects could not be taken up.

Thus, delay in deciding on the modalities for installation of solar plants by NTC resulted in avoidable loss of opportunity to achieve savings in energy costs.

The Management stated (June 2022) that after the closure of the Grid Connected Rooftop Scheme, Solar Energy Corporation of India Limited had not come out with the list of empanelled agencies till 04 March, 2020. Subsequently, on 25 March, 2020, operations of all the NTC mills had been suspended due to nationwide lockdown owing to COVID-19 pandemic.

The reply may be viewed considering that the Scheme had been rescheduled upto October 2018 and NTC had ample time to take decision regarding installation of rooftop solar plants. Hence, delay in decision making regarding mode of rooftop solar plants (i.e., CAPEX or RESCO) led to non-installation of the rooftop solar plants. Resultantly, NTC lost opportunity to save on account of power cost which led to higher power and fuel cost and increased cost of production.

**Recommendation No. 6:**

***NTC may take steps to reduce power cost and expedite action towards installation of Rooftop solar system.***

**(iv) Delayed modernisation of mills**

Under the Modified Scheme-08 (MS-08), NTC incurred ₹1,542.62 crore towards modernisation of 23 mills as of March 2022. Status of modernisation of 23 mills and cost incurred by NTC is given in *Annexure-XLII*. All other modified schemes (MDRS-10, MDRS-12, MDRS-14, Modernisation Plan-2015 and Modernisation Proposal of 2017 by SITRA) could not be implemented due to non-approval of these schemes by NTC Board and initiation of disinvestment process of NTC.

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<sup>125</sup> *In CAPEX mode, the rooftop system is owned by the consumer himself and he bears the cost of the system.*

<sup>126</sup> *In RESCO mode, the vendor bears the cost of rooftop system and the consumer purchases the power generated by the system.*

Audit noticed that the average modernisation percentage of NTC mills was 41.2 *per cent* as of 31 March 2022. A mill-wise analysis of modernisation revealed that the extent of modernisation was 50 *per cent* or above in seven mills, 31 *per cent* to less than 50 *per cent* in 12 mills, and up to 30 *per cent* in four mills.

The Management concurred (June 2022) with the audit observation that low modernisation index resulted in low productivity. However, the reply was silent regarding roadmap for modernisation, if any.

**(v) Under-utilisation of installed capacity:**

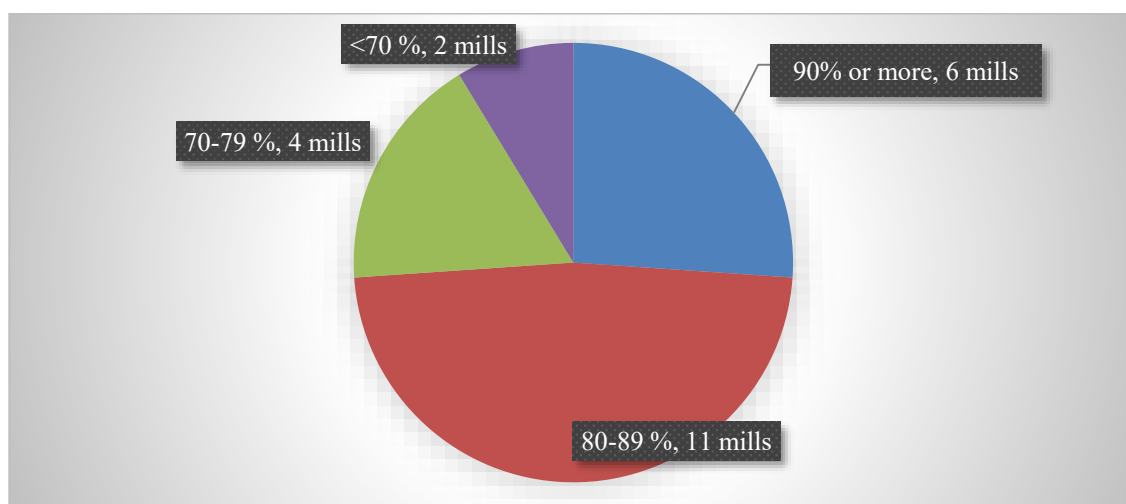
NTC had fixed a norm of 96 *per cent* capacity utilisation for all of its mills. However, overall capacity utilisation remained below 90 *per cent* during 2016-17 to 2021-22, as shown in the table below:

**Table 6.10: Capacity utilisation of weaving and spinning during the period 2016-22**

<i>(In per cent)</i>						
Particulars	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
Spinning	85.35	88.24	85.95	76.43	52.64	28.99
Weaving	81.76	84.31	80.84	46.53	42.27	10.10

Details of year-wise and mill-wise spinning capacity utilisation during the period<sup>127</sup> 2016-17 to 2019-20 are given in *Annexure-XLIII*. Summary of mill-wise spinning capacity utilisation is given in Chart 6.1.

**Chart 6.1: Average Spinning Capacity utilisation of operational mills**



The Management stated (June 2022) that steps such as entering group captive power, open access private power and solar power, new recruitments, preventive maintenance rather than breakdown maintenance, up-gradation in machinery, night rounds, machine audit, agreement with workers and curtailment of activities to avoid accumulation of stocks and

<sup>127</sup> Year 2020-21 and 2021-22 are not considered as all the mills were not operational due to COVID-19 pandemic and shortage of working capital for procurement of raw material.

blocking of working capital had been taken to increase the utilisation of installed capacity of the mills.

The fact remained that the capacity utilisation remained below the benchmark and in fact, worsened from the year 2017-18 onwards.

#### 6.7.4.2 Financial Management

##### (i) Dues payable to GoI

During the years 2006-07 to 2008-09, GoI granted<sup>128</sup> loans of ₹270 crore at the interest rates of 14.5-15.5 *per cent* per annum to NTC for wage support. The loans were repayable in four equal yearly instalments after the moratorium period of one year. NTC requested the Ministry of Textiles for waiver of loan and interest thereon during 2011 to 2014, in response to which the Ministry asked (June and August 2015) NTC to submit a restructuring plan. However, NTC did not submit the restructuring plan to the Ministry. Hence, the total principal loan ₹270 crore and accrued interest thereon amounting to ₹631.19 crore was outstanding as on 31 March, 2022.

The Management reiterated (June 2022) the facts mentioned in the audit observation.

##### **Recommendation No. 7:**

***NTC may submit restructuring plan to Ministry for GoI loans at the earliest to avoid accumulation of interest on loan.***

##### (ii) Dues recoverable from other entities

Audit noticed the following cases where NTC was yet to receive its dues from other entities:

##### (a) Non-recovery of loan paid to British India Corporation

On the advice of Ministry of Textiles, NTC had released bridge loans of ₹56.10 crore and ₹9.91 crore to British India Corporation (BIC) by signing Memoranda of Understanding<sup>129</sup>. Subsequently, NTC released (January 2014) another loan of ₹4.70 crore to BIC. BIC repaid (September 2015) loans of ₹9.91 crore and ₹4.70 crore without interest. However, the loan ₹56.10 crore along with outstanding interest of ₹122.49 crore (on all the three loans) as on 31 March 2022 remained unrecovered till date.

Audit noticed that even though the loan of ₹56.10 crore was conditional to adequate security of assets, NTC released the loan without obtaining the security. Further, despite being aware of the weak financial position of BIC and already pending dues from BIC, NTC again released (October 2019) an Inter-Corporate Loan/ financial assistance of ₹10 crore to BIC for payment of salary and wages. Interest of ₹2.86 crore as on 31 March, 2022 had also accumulated on this loan.

<sup>128</sup> ₹62.50 crore in 2006-07, ₹62.50 crore in 2007-08 and ₹145 crore in 2008-09.

<sup>129</sup> January 2012 and June 2013.

Thus, funds amounting to the tune of ₹191.45 crore comprising principal amount of ₹66.10 crore and interest of ₹125.35 crore as on 31 March, 2022 remained blocked with BIC.

The Management stated (June 2022) that the proposal of extending inter-corporate loan to BIC was initially not agreed to by the Board of Directors in view of default in earlier loan and financial position of British India Corporation. However, Board approved the same in its 387<sup>th</sup> meeting after receiving various letters from Ministry of Textiles for granting loan to BIC. However, balances from BIC had been confirmed regularly on year-to-year basis.

The fact, however, remains that the Ministry of Textiles directed NTC to pay loans to BIC despite weak financial position of NTC which was not prudent. Further, no balance confirmation from BIC had been received after 31 March, 2020.

**Recommendation No. 8:**

***NTC may safeguard its interest by taking adequate collateral security before release of any loan and by giving due consideration to the credibility of the borrower while granting loans.***

**(b) Non-receipt of sale consideration from Government of Puducherry**

In April 2005, NTC handed over two mills<sup>130</sup> located in Puducherry to the Government of Puducherry. As per the Memorandum of Understanding between them, it was agreed that Government of Puducherry would pay an amount of ₹39.37 crore to NTC as consideration for transfer of the two mills, however, the dates for payment were not specified. The amount of ₹39.37 crore along with interest was yet to be realised as on 31 March, 2022 from Government of Puducherry.

The Management reiterated (June 2022) the facts mentioned in audit observation. No specific reply regarding steps taken for recovery of these dues was provided.

**6.7.4.3 Asset Management**

Optimal management of assets is vital for smooth functioning and effective production of finished products in an efficient manner. Audit noticed the following with regard to the management of assets:

**(i) Accumulation of finished products, raw material and other store items**

Audit noticed that as on 31 March, 2022, NTC was having inventory of yarn and fabric valuing ₹8.28 crore<sup>131</sup> and ₹32.29 crore<sup>132</sup> respectively lying for more than one year. As per the records of NTC, non-disposal of finished stock was attributed to selling price being higher than the prevailing market price. With the passage of time, quality of yarn and fabric

<sup>130</sup> *Swadeshi Cotton Mills and Sri Bharathi Mills.*

<sup>131</sup> *Yarn = Western Region Office: ₹0.86 crore and Southern Region Office: ₹7.42 crore*

<sup>132</sup> *Fabric = Western Region Office: ₹3.60 crore and Southern Region Office: ₹28.69 crore*

would deteriorate, and reduction in realisable value could not be ruled out. Further, as on 31 March, 2022, more than two years old stock of cotton bales and polyester worth ₹8.27 crore was lying unutilised in the mills. Besides this, stores and spares (chemical, packing material and other items) valuing ₹4.39 crore were lying in the mills, out of which stores and spares valuing ₹2.74 crore were in stock for more than three years.

The Management stated (June 2022) that:

- NTC fixed the prices of yarn and fabric based on formula approved by the Board of Directors on weekly basis. Further, due to pandemic situation in last two years, the entire textile market was struggling to survive but NTC still managed to liquidate yarn and fabric.
- After the lockdown in March 2020, NTC resumed operation in few mills in a phased manner considering the financial position of the organisation and operational feasibility. After resumption of operations of few mills, value of raw material in stock had reduced to ₹9.27 crore as on 31 March, 2022 as compared to the value of inventory in the preceding year.
- Inventory of stores and spares was managed and planned as per the “then requirement” of the operational mills but the suspension of mills’ operations due to COVID-19 induced lockdown exacerbated the situation. Stores and spares lying in stock for more than three years were of regular use earlier but could not be used due to dynamic requirements of products being manufactured as per market orders and the machinery being used.

The reply needs to be viewed in light of the fact that the sale prices were not sufficient to cover the cost of production of NTC and were also higher than the market prices which led to accumulation of finished stock. NTC’s internal communications also attributed the accumulation of finished stock to higher sale prices. As such, the cost of production needs to be brought down and market prices need to be given due consideration while fixing the prices. Further, the fact remains that raw material and stores and spares of substantial value remained idle in stock, and NTC did not have any roadmap for utilisation of these items. This necessitates the need for a comprehensive inventory management policy.

**Recommendation No. 9:**

***NTC may devise a system to dispose of the inventory (raw material and finished goods) as soon as possible to avoid blocking of funds and ensure availability of working capital for smooth functioning of the mills.***

**(ii) Non-disposal of obsolete machinery**

In the year 2009, NTC initiated action to sell obsolete machinery at Swadeshi Cotton Mill, Allahabad. However, the disposal was yet to be completed even after lapse of more than 15 years. Audit examined the relevant records and noticed the following issues:

- After receipt of bids which were lower than the reserve price, sale process was again carried out in May 2011 and May 2012 but failed due to poor response. Thereafter, no

significant action was taken for more than three years until NTC assigned (December 2015) fresh valuation of the obsolete machinery to North India Textile Research Association and two other Government approved valuers.

- Subsequently, the Board decided (April 2016) to carry out valuation of obsolete machineries of three more mills, and work for valuation of obsolete machineries of all the four mills was entrusted to Ferro Scrap Nigam Limited (FSNL), which submitted its report in August 2016. The Board then decided (December 2016) that highest of all the valuations would be taken as reserve price. However, there was no further progress till August 2018.
- In August 2018, NTC estimated that the total expected realisation value from obsolete plant and machinery of various mills would be ₹30.57 crore. Based on fresh valuation of the obsolete machineries, the Board approved (January 2019) the reserve price of ₹11.08 crore towards obsolete machineries of 22 mills. After a lapse of almost a year, the Ministry of Textiles appointed (December 2019) NBCC for verification of assets. Meanwhile, process of disposal was kept in abeyance till further orders.
- After a lapse of more than two years, conduct of fresh valuation of obsolete assets was approved (April 2022) as some of the assets were not covered by NBCC earlier. In June 2022, the Board decided that a technical survey should be done to identify the obsolete machinery. Accordingly, a Committee was formed by NTC which submitted its report in April 2023. The report was yet to be submitted to the Board for approval.

Thus, the disposal of obsolete machineries was yet to be completed even after a lapse of more than 15 years since the process was initiated in the year 2009. There were several long spells during which no action was taken by NTC regarding disposal of these obsolete machineries, necessitating fresh valuation of the assets and further delays. As a result, potential revenue of ₹30.57 crore as per the estimate of NTC in 2018 remained unachieved. Audit also noticed that NTC had incurred infructuous expenditure of ₹16.43 lakh<sup>133</sup> on valuation of these assets repeatedly.

In its reply (June 2022), the Management reiterated the facts and stated that NTC used to execute sale process online with valuation not more than six months old and since the decision for the sale of old and obsolete machineries could not materialise within six months on each occasion, it was imperative to get the valuation done from time to time.

The reply may be viewed in light of the fact that the realisable value of these obsolete machineries would decline with passage of time despite which NTC was yet to complete disposal of the assets even after more than 15 years of initiating the process.

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<sup>133</sup> Southern Region Office: ₹8.74 lakh and Western Region Office: ₹7.69 lakh.

**Recommendation No. 10:**

***NTC may frame a comprehensive policy for disposal of obsolete items so that such items could be disposed of timely and optimum values of the same could be realised.***

The para was issued to the Ministry of Textiles in July 2022 followed by the reminders in October 2022, December 2023 and June 2024. The reply of the Ministry was awaited till September 2024.

## **6.8 Hindustan Organic Chemicals Limited**

### **6.8.1 Introduction**

Hindustan Organic Chemicals Limited (HOCL) was incorporated (12 December, 1960) as a Government Company with the objective of setting up manufacturing facilities for chemicals/intermediates required for production of dyes, dyes-intermediates, rubber chemicals, pesticides, drugs and pharmaceuticals, laminates etc. The Company commenced its operations in 1970-71 through its manufacturing facility setup at Rasayani (Maharashtra). Subsequently, another unit set up at Kochi (Kerala) commenced production in 1987-88. Kochi unit is the sole manufacturing facility of the Company at present, wherein Phenol, Acetone and Hydrogen Peroxide are manufactured. As on 31 March, 2022, GoI was holding 58.78 per cent of the paid-up equity share capital (₹67.27 crore) and Public held the remaining shares. The Company had also issued Preference share capital of ₹270 crore (8 per cent non-cumulative redeemable) to GoI in January 2008. HOCL was a listed Company in Bombay Stock Exchange.

### **6.8.2 Financial Performance**

#### **a) Operating Results and Financial position**

The operating results and financial position of the Company, for the period 2017-18 to 2021-22, are detailed in *Annexure-XLIV* and *Annexure-XLV* respectively. Analysis of the same revealed that the Company was in operating loss throughout the five-year period. Substantial losses were incurred during the years 2017-18, 2019-20 and 2021-22 and the profit made during the remaining two years was mainly due to income from other sources<sup>134</sup> (₹115.71 crore in 2018-19 and ₹19.27 crore in 2020-21). In its absence, the Company would have been in loss during these two years also. It can, however, be seen that operating loss came down substantially after 2017-18. This was due to restructuring of the company (after closure of Rasayani Unit) as detailed in subsequent paragraphs. Finance cost alone formed 15 per cent of total expenses during 2017-18 which was reduced to 11 per cent in 2021-22. Analysis of financial statements showed that the net worth of the Company was completely eroded as on 31 March, 2022 (₹(-)901.96 crore) and accumulated losses stood at ₹1,017.62

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<sup>134</sup> Interest income, excess provisions written back, profit on sale of assets, etc.

crore. Preference shares issued to GoI (₹270 crore), Loan from GoI (₹375.61 crore) and interest accrued thereon (₹321.68 crore) formed a major part of current liabilities as on 31 March, 2022. Non-current assets held for sale (₹992.20 crore) comprised a significant portion of the total assets of the company (₹1,454.13 crore).

Summary of the unit wise profitability of the Company since its inception during the periods 1970-71 to 1986-87, 1987-88 to 2011-12 and 2012-13 to 2018-19 was as given below:

**Table 6.11 :Summary of Unit wise profitability of the Company**

(₹ in crore)

Period	Profit /Loss		Dividend, Reserve and other Adjustments	Profit from sale of land	Accumulated Profit/Loss
	Kochi unit <sup>135</sup>	Rasayani unit			
1970-71 to 1986-87	-	65.20	)41.89)	-	23.31
1987-88 to 1993-94	110.48	58.73	)32.57)	-	159.95
1994-95 to 2011-12	692.46	)1,209.67)	)33.59)	-	)390.85)
2012-13 to 2018-19 <sup>136</sup>	)382.58(	)716.18)	)0.51)	436.65	)1,053.40)

From the table, it is evident that Kochi unit made continuous profits upto the year<sup>137</sup> 2011-12. However, Rasayani unit started to incur recurring losses after 1994-95 due to reasons like high labour cost, high cost of interest, high incidence of closure of plants due to working capital shortage, breakdown of plant, etc., and consequent low-capacity utilisation. Poor performance of Rasayani unit dragged down the performance of the Company as a whole and created fund shortage and working capital crisis. Consequently, Kochi unit could not operate fully due to accumulation of dues of raw material suppliers like Bharat Petroleum Corporation Limited (BPCL) and others and started incurring losses from the year 2012-13. However, proposal for restructuring the Company including closing of Rasayani unit was framed only in the year 2017.

### 6.8.3 Restructuring of the Company

As per Para 4.5.2 (d) of guidelines for “Streamlining the mechanism for revival and restructuring of sick /incipient sick and weak CPSEs” issued by DPE (29 October, 2015), sick Public Sector Units (PSU)<sup>138</sup> which did not serve the strategic, national/defence interests were to be categorized as non-priority CPSEs and a viable business plan to attain self-sufficiency in short or medium term was to be made. The plan had to be based on performance efficiency bench-marks, viable scale of economic operation and road map for technology adoption/upgradation and should support achievement of desirable market share. The presumptions underlying the business plan with respect to their business

<sup>135</sup> Kochi unit commenced operations in 1987-88.

<sup>136</sup> The table is for comparison purpose. As the Rasayani unit was closed down in 2018-19, the unit-wise profitability is prepared upto 2018-19.

<sup>137</sup> Except in 2001-02.

<sup>138</sup> A PSU is so categorized if its net worth is negative.

environment, economic viability and mechanism of funding should be market validated and credibly established. The guidelines also suggested that the Administrative Ministry/Department may engage credible expert organization for drawing of such business, operational and financial restructuring plans .

Based on decisions taken in meetings<sup>139</sup> held at Secretary level with NITI Aayog, the Company submitted (01 March, 2017) its proposals for restructuring and the Department of Chemicals and Petrochemicals conveyed (25 May, 2017) approval of Cabinet Committee on Economic Affairs for:

- (i) Closing down the operations of all the plants at Rasayani unit.
- (ii) Transfer of Concentrated Nitric Acid (CNA) Plant/Nitrogen Tetroxide (N<sub>2</sub>O<sub>4</sub>) plant at Rasayani unit to Department of Space/Indian Space Research Organisation (ISRO) along with 20 acres of land, Plant & Machinery and associated employees along with past, present and future liabilities associated with the plant.
- (iii) Sale of 442 acres of land at Rasayani to BPCL at ₹1.40 crore/acre for a total consideration of ₹618.80 crore. National Buildings Construction Corporation Limited to be appointed as Land Management Agency for facilitating disposal of the remaining encumbrance free land at Rasayani.
- (iv) Disposal of plant and machinery other than Concentrated Nitric Acid Plant /Nitrogen Tetroxide Plant and movable assets of Rasayani unit through e-auction by Metal Scrap Trade Corporation Limited.
- (v) Giving VRS to employees (direct and indirect) rendered surplus due to shutting down of plants at Rasayani unit except those employees associated with the operation of Concentrated Nitric Acid Plant /Nitrogen Tetroxide Plant being taken over by ISRO.

Meanwhile, NITI Aayog analysed the revival plan submitted by the Department and informed (17 March, 2017) that HOCL, Kochi unit was unlikely to be viable in public ownership due to the following reasons:

- (i) The market for main products at Kochi unit had a very high degree of price volatility, which was largely determined by international prices. As a PSU, the unit did not have the flexibility to respond to the same.
- (ii) Due to history of cash crunches, the unit often worked below its capacity.
- (iii) There was severe competition in the horizon with private sector players set to establish capacities upto two lakh MT of Phenol against 40,000 MT that the unit had.
- (iv) Without anti-dumping duties HOCL, Kochi unit is unable to compete against imports.

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<sup>139</sup> 01 November, 2016 and 07 November, 2016.

NITI Aayog recommended that, on completion of the process of disposal of land and other unencumbered assets at Rasayani unit, the Company may be put up for strategic sale and if there were no buyers, the Company may be considered for closure.

In this context, Audit noticed that the restructuring proposal submitted by the Company (01 March, 2017) or that approved by the Ministry (25 May, 2017) did not include any business plan as prescribed in the DPE Guidelines (2015). The proposal envisaged only the winding up of the loss making unit of the Company, sale of related assets and utilisation of the proceeds thereof. Also, though NITI Aayog, in view of the inherent deficiencies of the Kochi unit, recommended that the Company may be put up for strategic sale on completion of the process of disposal of land and other unencumbered assets at Rasayani unit, the restructuring plan was silent about any future course of action regarding Kochi Unit after completion of the restructuring process.

#### 6.8.4 Implementation of restructuring plan

As per the time frame and manner of implementation (*Annexure-XLVI*) of the restructuring plan, as approved by CCEA, the entire disposal process of assets at Rasayani unit was to be completed by May 2018. The status of implementation of the restructuring plan, as in May 2023, is detailed below:

##### 6.8.4.1 Closure of plants at Rasayani unit

All the Plant and Machinery of Rasayani unit, except Concentrated Nitric Acid Plant / Nitrogen Tetroxide Plant, which were already under shut down<sup>140</sup>, were disposed of during 2017-19. The Concentrated Nitric Acid Plant/Nitrogen Tetroxide Plant was handed over to ISRO along with 20 acres of land in October 2017. Further, 150 employees of the Plant were also taken over by ISRO. Out of the remaining 366 employees, 336 employees were relieved on VRS<sup>141</sup>.

Audit noticed that, as against the target date of September 2017, around 94 *per cent* of employees were sent out on VRS during February-March 2018. The delay of six months was due to delay in disposal of land as discussed in succeeding paragraph.

##### 6.8.4.2 Monetisation of Land and other Assets

The restructuring involved disposal of around 89 *per cent* of total land area (1,139.35 acres<sup>142</sup>) and 16.3 *per cent* of the total value of other assets of the Company. As per the approved restructuring plan, the entire disposal process of assets at Rasayani unit was to be completed by May 2018. Audit, however, noticed that there was considerable delay in disposing off its assets including land, as detailed below:

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<sup>140</sup> *Three Plants were under shut down since May 2013 and one from June 2016.*

<sup>141</sup> *Remaining 23 employees were transferred to Kochi unit and seven to Corporate Office.*

<sup>142</sup> *Rasayani: 1012.35 acres, Panvel-eight acres and Kochi-119 acres.*

### (a) Disposal of Land at Rasayani Unit

The particulars of area of land available at Rasayani unit and status of its disposal are given in *Annexure-XLVII*. It can be seen there from that out of a total of 937.09 acres<sup>143</sup> of saleable land available at the beginning of disposal process, the Company had been able to monetise only about 40 *per cent* (374.96 acres<sup>144</sup>) of land as on May 2023 due to various reasons mentioned. Even the land sold to BPCL has not been taken over by them in its entirety because of encroachments and protests related thereto. Thus, failure of the Company to safeguard its landed property has led to illegal encroachment, occupation for alternate uses and illegal squatting. Consequently, funds to the tune of ₹958.70 crore<sup>145</sup> expected through monetisation of land at Rasayani unit remained blocked up.

### (b) Disposal of assets not included in Restructuring plan

In addition to the land and moveable assets at Rasayani unit, the Company disposed of various assets like its flats located in Mumbai (₹29.48 crore), 0.25 acre plot land at Kharghar (₹12.97 crore) and Tank Farm assets leased from Jawaharlal Nehru Port Trust (₹16.24 crore) for a total amount of ₹58.69 crore. However, attempts to dispose of about seven acres of land valued at ₹158 crore<sup>146</sup> at Panvel have not yet yielded results.

#### **Recommendation No. 11:**

***The land monetisation process needs to be expedited so as to reduce Company's financial liabilities and thus bring down its finance cost.***

#### **6.8.4.3 Utilisation of funds from sale of assets**

As against the amount of ₹1,027.05 crore estimated in the revival proposal (01 March, 2017), company realised an amount of ₹635.41 crore from sale of assets and ₹384.87 crore as bridge loan from GoI. This amount was utilised for clearing salary and statutory dues, creditors, repayment of Bonds, Corporate Loan repayment, SBI Overdraft and VRS payments. This fund inflow substantially improved the working capital position of the Kochi unit and reflected positively in its performance for the subsequent periods as discussed in Para 6.8.6.

In this regard, Audit noticed that :

- The approximate value of land pending disposal at Rasayani unit and Panvel (₹1,116.70 crore) at the end of May 2023, was not adequate to extinguish its secured and unsecured

<sup>143</sup>  $442+242+0.386+252.70=937.09$  acre.

<sup>144</sup> Land pertains to Rasayani sold to BPCL i.e., 289.69 acre + 85.27 acre.

<sup>145</sup> From land sold but not taken over by BPCL-₹465 crore, encroached land-₹36.58 crore, occupied by Govt agencies -₹50.27 crore, unencumbered land to be sold -₹406.85 crore.

<sup>146</sup> Reserve price fixed by BoD in February 2020.

loans/liabilities of ₹1,135.02 crore<sup>147</sup>. Thus, extended delay in concluding the sale of land has resulted in a situation where the Company may not be able to settle its liabilities and strengthen its financial position even after completion of the restructuring process. This was due to the fact that price of land agreed for sale is fixed whereas interest on loan is accumulating day by day.

- Due to delay in disposal of land, the Company continued to bear interest expenditure every year which was ₹50.98 crore during the year 2021-22 on the outstanding GoI loans (₹452.56 crore including bridge loan). Interest so accumulated upto the year 2021-22 amounted to ₹348.61 crore .
- Out of the bridge loan of ₹384.87 crore from GoI, which carried interest rate of 11 *per cent* per annum, ₹274.49 crore was utilized for retiring Bonds which carried interest rates of 9.36 to 10.57 *per cent* per annum .Compared to the present benchmark lending rate<sup>148</sup> )7.75 *per cent*<sup>149</sup> in 2022-23( , the interest rate on bridge loan is high.
- Due to delay in disposal of land, the Company continued to bear interest expenditure of ₹6.75 crore every year on the Preference Shares (total amount: ₹ 270 crore) which was overdue for redemption<sup>150</sup>.Interest so accumulated upto the year 2021-22 amounted to ₹55.35 crore.
- In addition, the Company was also forced to pay Gram panchayat tax and non-agricultural tax on the unsold property (at Rasayani unit) even though it did not realise any revenue therefrom. During the period 2021-22, total of such taxes amounted to ₹3.92 crore.

**Recommendation No. 12:**

***The Government may review the rates charged on the Bridge Loans.***

### 6.8.5 Post divestment performance

After divestment of manufacturing facilities at Rasayani unit, Kochi unit had become the sole manufacturing unit of the Company. Phenol and Acetone were the major products of the unit. Benzene and propylene (extracted from LPG) which are the major raw materials for these products are first used to produce cumene, which is oxidised to cumene hydroperoxide, and then split into phenol and its co-product, Acetone .The unit had an

<sup>147</sup> Preference share capital (₹270 crore), Interest on preference shares (₹55.35 crore), GoI Loan (₹452.56 crore), Interest on GOI Loan (₹348.61 crore), Penalty on Guarantee fee delayed payment (₹8.50 crore).

<sup>148</sup> It is average Marginal Cost of Funds Based Lending Rate (MCLR) issued by Reserve Bank of India. The MCLR is used by banks to determine the minimum interest rate at which they can lend money to borrowers.

<sup>149</sup> Source: RBI website.

<sup>150</sup> The 8 % Preference Shares allotted (28 January, 2008) to GoI was to be fully redeemed by 2015-16. GoI granted further extension of redemption, subject to payment of interest @ 1.5% p.a. and interest @ 1% payable for default in repayment.

installed capacity to manufacture 40,000 MT of Phenol, 24,640 MT of Acetone and 10,450 MT of Hydrogen Peroxide (H<sub>2</sub>O<sub>2</sub>).

### 6.8.6 Ratio Analysis

Comparative analysis of performance of the Company before and after the start of divestment of Rasayani unit was as follows:

**Table 6.12: Comparative analysis of performance of the Company before and after divestment**

Ratio	Upto 2017-18		After 2017-18			
	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
Current Ratio	0.13	1.43	1.49	1.25	1.17	1.06
Operating Profit)%(	)178.06)	)109.67)	)9.52)	)38.88)	)0.93)	(12.61)
Debt-Equity ratio	5.13	19.44	7.73	34.43	17.28	20.35
Debt Service Coverage Ratio	(0.23)	(0.22)	0.21	(0.04)	0.08	0.03
Capacity utilization (%)	29.58	49.02	78.45	64.90	82.36	65.08

The above ratios reveal that:

- Liquidity position had improved though it was yet to reach the optimum levels of 1.5 to 2 in current ratio.
- There was substantial improvement in operating profit ratio, which was mainly due to savings in employee costs after divestment of Rasayani unit .However, the ratio continues to be negative due to operating losses.
- The Company continued to be highly leveraged due to the bridge loan availed from GoI . Consequently, it was barely able to service its debt.
- Capacity utilization had shown considerable improvement mainly due to improved working capital position on account of funds raised through divestment.

### 6.8.7 Analysis of market competitiveness

#### 6.8.7.1 Market share

During the period 2017-18, imports had come down and had been substituted by local production. This showed that there was adequate demand for Phenol and Acetone in the country which was being serviced through imports for want of competitively priced local substitutes. During the period 2017-18 to 2020-21, the market share of the Company for its major products was miniscule and ranged between 6 to 11 *per cent*.

### 6.8.7.2 Performance of the Company

Analysis of performance of the Company during the period 2018-19 to 2020-21 revealed the following:

#### (i) Low scale of operation and high levels of fixed cost

As the price of major raw materials (Benzene and LPG) were closely linked to the movement of petroleum prices, the Company had minimum influence on the same. The fixed cost ratio of HOCL (Employee cost, finance costs and depreciation) was high due to high employee cost and finance cost. The finance cost incurred by HOCL was mainly due to interest on bridge loan availed from GoI.

For absorbing higher levels of fixed cost, HOCL was required to increase the production to ensure full capacity utilisation as well as to have higher production capacity. Though, with the increase in production capacity, fixed cost would also increase, the resultant increase in sales/production would absorb the total fixed cost. However, according to the Company, capacity expansion was not feasible due to raw material constraints since BPCL Kochi had restricted supply (2,200 MT per month) of the main raw material, namely Benzene. Sourcing the remaining raw material from other sources like ONGC Mangalore Petro Chemicals Limited or from Indian Oil Corporation Limited Panipat was not economically viable. Moreover, there was limited market for Phenol in Southern Region and therefore additional capacity will have to be sold in rest of India due to which marketing the increased production had logistical disadvantages.

#### (ii) Pricing

The price fixation methodology adopted by the Company for its products was based on market prices, which in turn was influenced by landed cost of imports and the price offered by its competitors. As the Company was forced to be a price follower, pricing decisions of the Company did not consider the total cost of production. As a result, during the four years upto 2021-22, the Company was forced to sell Phenol below its total cost of production during 26 months and Acetone during 33 months. During adverse market conditions, the Company had to restrict/reduce its daily production. Further, on account of heavy fall in market prices below the variable cost of production, the company was forced to shut down its Plants in two instances<sup>151</sup> in the past four years.

Despite the fact that the Company always attempted to realize the ruling market prices for its main products of Phenol and Acetone, it was noticed that the average sales realization per MT of total production of Hindustan Organic Chemicals Limited was lower than that of the competitor. This was due to the production of byproducts of low market value (i.e., Heavy Ends of Cumene) on account of continued adoption of outdated technology and absence of any value added products.

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<sup>151</sup> From 03 June, 2019 to 30 June, 2019 (28 days) and from 15 November, 2021 to 26 December, 2021 (42 days).

### **(iii) Low productivity due to technological obsolescence**

The Company used Solid Phosphoric Acid (SPA) based process for manufacture of intermediate product Cumene. This technology, developed in the 1940s, was replaced in 1990s by Zeolite based technology. Zeolite catalyst was regenerable and could be used over several cycles (maximum of six years) as against a single cycle of 6 to 18 months of SPA catalyst. Further, use of SPA based technology resulted in production of higher quantity of Heavy Ends of Cumene (HEC), which either had low sale value or needed additional recycling cost. Higher Heavy Ends of Cumene resulted in reduction of Phenol and Acetone output. On account of higher Heavy Ends of Cumene content and consequent low output of Phenol and Acetone, the Company incurred productivity loss which worked out to ₹44.46 crore during the period 2017-18 to 2021-22, as given in *Annexure-XLVIII*.

### **(iv) Lack of product diversification or downstream value addition**

While Phenol had steady market demand, there was constant fluctuation in demand and price of Acetone. Hence, whenever there was drastic reduction in price of Acetone the Company had to regulate the production of Phenol or sell Acetone at the available rate. This situation could be avoided only through production of downstream derivative of Acetone. However, the Company had no value-added downstream products in its product portfolio. According to the Company, no diversification plans were formulated as NITI Aayog had recommended that the Company be divested after the restructuring process was over.

#### **Recommendation No. 13:**

*The Government may review the sustainability of operations of the company in the light of techno commercial study and market analysis and may implement its present policy<sup>152</sup> to divest PSEs in the non-strategic sector so that further losses by operating the Company can be minimized.*

Ministry's reply (August 2024) has been considered in the chapter.

## **6.9 HMT Machine Tools Limited, Bengaluru**

### **6.9.1 Introduction**

Hindustan Machine Tools Limited was established in the year 1953, under the DHI, with the objective of producing a limited range of machine tools required for building industrial edifice for the country. The name was changed to HMT Limited in September 1978. Subsequently, with the various diversified businesses, HMT Machine Tools Limited (HMT MT/the Company) was created (01 April, 2000) as a wholly owned subsidiary of HMT Limited

<sup>152</sup> *The new PSE Policy notified by GoI on 04 February, 2021 classified CPSEs into Strategic and Non-Strategic sectors. PSUs in non-strategic sector were to be taken up for merger, subsidiarisation with another CPSE or considered for closure/privatization under the new Policy. Consequently, Guidelines for implementation of the new policy including a revised closure policy was issued by DPE on 13 December, 2021. CPSEs in Chemicals and Petrochemicals industry have been classified under the non-strategic sector under the new PSE Policy.*

(Holding Company) with an Authorised Share Capital of ₹355 crore and Paid-up Share Capital of ₹276.60 crore. Presently, the Company has six machine tools manufacturing units across the country, viz., Ajmer, Bengaluru, Hyderabad, Kalamassery, Pinjore and Praga Tools at Hyderabad<sup>153</sup>. It also has a Central Marketing Division and a Directorate Office at Bengaluru. The Company has facilities for manufacturing of different types of machine tools<sup>154</sup>.

## 6.9.2 Audit Observations

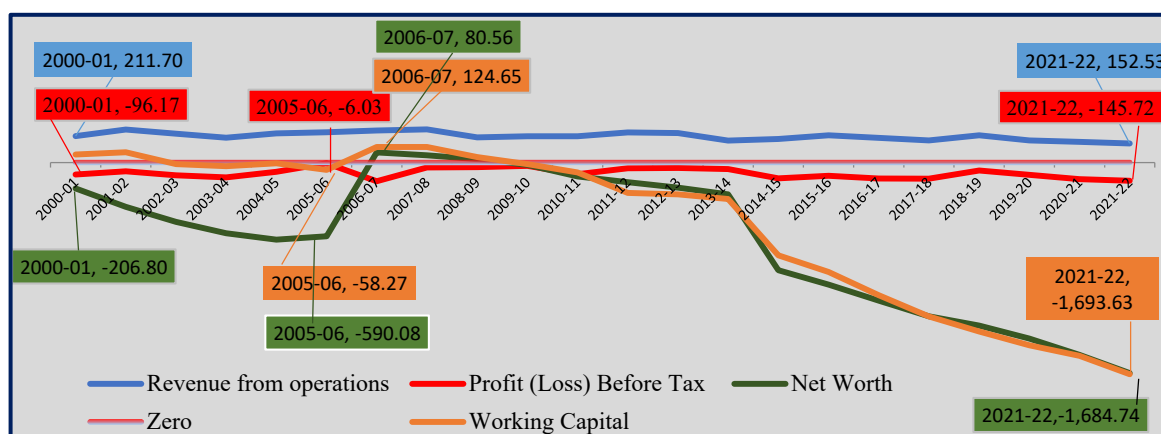
The observations made by Audit were as follows:

### 6.9.2.1 Poor financial performance despite assistance from GoI and Holding Company

Before the liberalisation in 1991, a large portion of the demand in the Indian Machine Tools industry was from the Government as a major consumer with 30 *per cent* of demand from Defence and Railways. By 1997, Government purchase of machine tools reduced to 10 *per cent*<sup>155</sup>. With the shift in Government Policy and stiff competition from small scale manufacturers, HMT Machine Tools Limited has been performing badly and was in losses since its inception in April 2000 as indicated in Chart 6.2.

**Chart 6.2: Performance of HMT MT from April 2000 to March 2022**

(₹ in crore)



The accumulated losses of the Company exceeded the net worth of the Company as on 31 March 2001, i.e., in the first year of operation of the newly formed subsidiary. CCEA approved (February 2007) the Restructuring/Revival package of ₹880.80 crore for the Company. On receipt of the package, the net worth and working capital became positive in the years 2006-07 to 2008-09. Despite the above Restructuring/ Revival Package and receipt

<sup>153</sup> M/s Praga Tools Limited was merged with the Company in 2008.

<sup>154</sup> Computerized Numerical Control Machines, General Purpose Machines, Special Purpose Machines, Hydraulic/Mechanical Presses, Printing Machines and Die Casting Machines required for Engineering and also useful for Automobiles, Railways and Defence sectors.

<sup>155</sup> Source: Report on Production Trends in Indian Machine Tool Industry by International Journal of Management and Development Studies (6(6): 33-41 (2017)).

of further financial support of ₹1,377.47 crore<sup>156</sup> (during 2007 to 2022) from the GoI and Holding Company, the Company could not improve its financial performance and as on 31 March, 2022, the Company had accumulated losses of ₹1,932.26 crore, working capital of (-) ₹1,693.63 crore and the net worth eroded to (-) ₹1,684.74 crore.

The main reasons for under performance, as noted by the Audit, were loss of business opportunities to private manufacturers due to high manufacturing cost and outdated technology and shortage of skilled manpower in core working areas as discussed in subsequent paras.

Due to poor financial performance, despite availing loan of ₹168.28 crore<sup>157</sup> for payment of statutory dues in addition to revenue generated, the Company could clear only ₹195.65 crore during the period from 2016-17 to 2021-22 against total statutory dues payable amounting to ₹321.82 crore. The shortfall was due to reduction in Sales (from ₹197.52 crore in 2016-17 to ₹152.53 crore in 2021-22) and non-generation of revenue from non-operating assets. The Company had also not paid the interest due as per Payment of Gratuity Act and the Employees Provident Fund Act and had even received Notices (October 2019/ December 2019) from the Authorities for attachment of immovable property. Failure to pay statutory dues resulted in avoidable interest liability of ₹91.72 crore as on 31 March, 2022.

#### **6.9.2.2 Absence of Corporate/Strategic Plan of HMT Machine Tools Limited, Risk Management committee and non-achievement of Memorandum of Understanding targets of Holding Company**

In the absence of a Board approved Corporate/ Strategic Plan, the Company did not have any plan/approach to achieve long term vision and goals. Further, as Corporate Plan at the top level cascades down through each level, the annual budgeting is not driven by any strategy or focus.

The MoU targets were fixed by the Holding Company based on the previous years' performance. The details of targets fixed and achievement are mentioned below -

**Table 6.13: MoU Targets vis-à-vis Achievement in respect of Sales Turnover**

Particulars	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
Target (₹ in crore)	257.00	260.00	220.00	250.00	180.00	200.00
Achievement (₹ in crore)	197.52	177.08	217.41	176.23	165.82	152.53
% of Achievement	77%	68%	99%	70%	92%	76%

In this regard, it was noticed that MoU targets fixed were far lower than the targets projected as per the Restructuring/Revival Scheme of BIFR. For instance, the target for Sales Turnover in 2016-17 was fixed at ₹257 crore as per MoU while the target under Restructuring/Revival Scheme of BIFR was more than double at ₹635.06 crore as of 2013-14 and the Company was unable to achieve even these lowered targets. The reasons for such

<sup>156</sup> GoI (₹1,119.97 crore) and the Holding Company (₹257.50 crore).

<sup>157</sup> ₹162.66 crore from Holding Company and ₹5.62 crore from Banks.

lower fixation of targets could be attributed to lower order book position as the marketing system was not effective and also to lack of working capital, absence of skilled work force in core areas and failure to upgrade technology for development of products/machines.

Audit observed that though the Risk Management Policy was approved (May 2019) by Board for implementation, Risk Management Committee had not been constituted for early identification of risks and proper mitigation with the approval of the Board. Due to absence of the Risk Management Committee, the Board did not get proper support in discharging its functions in respect of major areas of concern, viz., diversification in the field of technology to avoid the risk of being out of market, adherence to delivery schedules, meeting targets, keeping a close watch on market dynamics, close watch on competitor's strengths and weaknesses, etc. This resulted in lack of proper guidance for taking effective steps to reduce cost of production on a continuous basis through focus on cost and realization.

Ministry stated (August 2022) that the Company would do the needful at the earliest in respect of constitution of Risk Management Committee. In case of Strategic Plan, it was stated that the Board of Holding Company approved the Strategic Plan prepared by IIM Bengaluru in its meeting held on 30 May 2016. However, audit observed that the same was not approved by the Board of HMT MT and the Annual Operation Plan of HMT MT for each year does not flow from the above stated Strategic Plan.

In its subsequent reply (July 2024), Ministry accepted the recommendation for formulating a Corporate Strategic Plan.

**Recommendation No. 14:**

***The Company may formulate a Corporate Strategic Plan for long term vision and goals and get the approval of the Board of Directors. The Company should also constitute a Risk Management Committee as per the Risk Management Policy and make it operational.***

**6.9.2.3 Diversion of funds meant for technology upgradation and training led to loss of business opportunity due to failure to acquire/upgrade latest technology and closure of production divisions**

Based on the Technology Acquisition Plan of the Company under Revival Scheme of the BIFR, Cabinet Committee on Economic Affairs approved (February 2007) infusion of funds amounting to ₹90 crore<sup>158</sup> in the form of equity share capital. GoI released (March 2007) funds amounting to ₹20 crore towards technology acquisition/upgradation and ₹10 crore towards training/retraining to be utilised immediately. Out of ₹20 crore received on technology acquisition/upgradation of products, the Company utilised only ₹9.01 crore

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<sup>158</sup> ₹10 crore towards training/retraining and ₹80 crore towards technology acquisition/ upgradation to be released in four instalments in four years of ₹20 crore each.

during 2009 to 2018 towards technology acquisition<sup>159</sup> and ₹1.23 crore towards legal/consultancy charges, etc. Out of ₹10 crore received towards training/re-training, the Company utilized ₹7.40 crore. Audit observed that the Company diverted funds to the tune of ₹12.36 crore<sup>160</sup> towards working capital requirements despite the specific instruction in the sanction order of GoI that no funds should be diverted for purposes other than intended. After this, DHI did not release further tranches amounting to ₹60 crore which resulted in non-acquisition/ non-upgradation of the existing technologies.

The technology for “RAM”<sup>161</sup> type Horizontal Boring & Milling Machines was proposed (January 2018) to be acquired from M/s Pegard Productics SA, Belgium through sourcing funds under Technology Acquisition Funding scheme of DHI and also through sale proceeds of machinery but the same did not materialise. The Company was in the process of getting necessary administrative approvals from the Competent Authority (January 2022). Due to non-availability of RAM type Horizontal Boring and Milling Machines, Machine Tools Unit at Hyderabad lost orders valued ₹127.82 crore during the years 2014-2020.

Bangalore unit of the Company had entered into technical collaboration agreement with M/s NUM AG, Switzerland in December 2014 for manufacturing of Computerized Numerical Control systems. Audit observed that due to diversion of funds, the Company failed to make payment of ₹8.24 crore towards committed expenditure to M/s. NUM AG, Switzerland under this agreement and as a consequence, M/s. NUM AG exited from the project. As there was no demand for conventional machines and Computerized Numerical Control Systems needed continuous upgradation with latest technology, failure to upgrade the Computerized Numerical Control Systems technology not only resulted in closure (2018-19) of the Computerized Numerical Control Systems Division at Bangalore but also has led to loss of business opportunities. Expenditure to the tune of ₹3.31 crore, which was already paid by the Company to M/s NUM AG (January 2016), became infructuous.

Ministry stated (August 2022) that the Company proposed design and development of RAM Type Horizontal Boring and Milling Machines in collaboration with Indian Institute of Technology (BHU), Varanasi for future business growth.

In its subsequent reply (July 2024) Ministry while agreeing to the recommendation stated that the Company had already made plans to upgrade and modernise the Plant and

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<sup>159</sup> *Development of Four Guideway CNC Lathe from M/s Fraunhofer, Germany (₹0.19 crore), Flow Forming Lathe from M/s FT Machines, Germany (₹5.51 crore) and CNC Control Systems from M/s NUM AG, Switzerland (₹3.31 crore).*

<sup>160</sup> *₹12.36 crore = ₹9.76 crore {₹20 crore less ₹10.24 crore (₹9.01 crore plus ₹1.23 crore)} + ₹2.60 crore (₹10 crore less ₹7.40 crore).*

<sup>161</sup> *RAM refers to the machine component located on top of and affixed to the column which supports the spindle. This component is adjustable to accommodate different positions during the milling operation.*

Machinery with funds generated from monetisation of NPAs, but the implementation of the same was pending as land monetization was in process.

**Recommendation No. 15:**

*The Company may speed up the process to upgrade/acquire the latest technologies so as to increase the market share of the Company and make operations of the Company viable, in case the Ministry intends to continue the operations of HMT MT.*

**6.9.2.4 Capacity Utilization of Plants**

The analysis of capacity utilisation in the selected units is mentioned in Table 6.14.

**Table 6.14: Capacity Utilisation in selected units during 2016-17 to 2021-22**

Unit	Installed Capacity (no. of machines)	Number of machines produced					
		2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
Machine Tools, Bengaluru	1,206	115	229	229	125	77	60
Machine Tools, Kalamassery	262	132	92	151	121	106	130
Praga Tools, Hyderabad	720	50	56	83	67	50	36
Machine Tools, Hyderabad	Not Available <sup>162</sup>	19	14	21	20	9	2

Audit noticed that the Machine Tools, Bengaluru Unit stopped the production of Precision Machines (2014-15), Die Casting and Plastic Injection Moulding Machines (2017-18) and Computerized Numerical Control Systems Facility (2018-19) for lack of orders and due to failure to upgrade the technology.

Further, the Machine Tools, Bengaluru Unit had 74 machines lying idle while Hyderabad Unit has 169 machines which included 43 facility machines which were sparingly used and the remaining 126 machines were being operated by only 21 direct workmen due to lack of skilled manpower. Similar was the situation in Kalamassery and Praga Tools units also where the machines remained idle for want of orders/absence of operators.

During the last six years ended 31 March, 2022, all the production units except for Kalamassery recorded losses as indicated in Table 6.15.

<sup>162</sup> *The Machine Tools, Hyderabad stated that the machines/equipment manufactured have different processes/ sequence of operations and hence, cannot be generalised and installed capacity of the product cannot be quantified.*

**Table 6.15: Profit Before Tax recorded at all Production Units of HMT MT during 2016-17 to 2021-22**

Year	Bengaluru	Pinjore	Kalamassery	Hyderabad	Ajmer	Praga Tools
2016-17	-45.94	-36.08	1.52	-31.02	-14.16	-17.99
2017-18	-28.83	-41.10	-8.47	-33.71	-15.95	-14.69
2018-19	-25.40	-31.89	4.86	-8.58	-4.57	-13.72
2019-20	-34.07	-39.68	1.93	-16.55	-8.09	-17.10
2020-21	-41.29	-43.29	1.90	-39.66	-10.62	-15.74
2021-22	-35.36	-41.81	0.81	-49.74	-15.76	-17.99
<b>Total</b>	<b>-210.89</b>	<b>-233.85</b>	<b>2.55</b>	<b>-179.26</b>	<b>-69.15</b>	<b>-97.23</b>

(₹ in crore)

The Kalamassery Unit of HMT MT recorded profit as it currently produces machines with 18 variants for various ships for Indian Navy and Myanmar Navy and Surface Wheel Lathe for Railways.

#### **6.9.2.5 Ineffective Marketing System led to loss of business opportunity of ₹2,020.90 crore**

More than 60 *per cent* of orders forecasted by the Marketing Division were falling under the category of 'least chances of materializing order' during the years 2016-17 to 2021-22. Despite this, the Corporate Marketing Division has not conducted any industry analysis or any independent market survey to know the requirement of consumers and latest trends in machine tools manufacturing due to which the targeted order book position could not be achieved.

The market share of the Company in production of machine tools reduced from 5.55 *per cent* in 2016-17 to 1.25 *per cent* in 2021-22 and its corresponding share in consumption of machine tools reduced from 1.51 *per cent* to 0.97 *per cent*. Despite having a huge market potential (₹15,791 crore in India for 2021-22 with HMT MT share of ₹152.53 crore), lackadaisical marketing approach resulted in lack of business opportunities for the Company. The Company lost 2,259 orders (43 *per cent* of orders where bid was submitted) valuing ₹2,020.90 crore during the last six years ended 31 March 2022. Out of these 2,259 orders lost, the Company lost 2,059 orders (91 *per cent*) of orders due to higher prices quoted by HMT MT. With reference to higher pricing by HMT MT, the direction (April 2013) from the Board of Directors for review of the cost estimates by all the Units and adjusting the pricing mechanism to match the competitors' price was not adhered to and the Company had not reviewed the same subsequently. The Board of Directors had also not reviewed the issue subsequently.

Despite lower order book position and market share, the Marketing Division, which was supported by four Regional Offices and six Zonal Offices spread across the country, neither reviewed the Pricing System/Product Mix/ Product Design nor obtained opinion from industry experts to improve its order book position/ market share.

Collection of receivables including old cases was one of the static financial parameters in Memorandum of Understanding between the Company and its Marketing Division.

However, Marketing Division had not, in turn, assigned targets to Regional/Zonal Marketing Offices for collection of receivables resulting in increase in receivables outstanding from ₹130.06 crore (including doubtful debts<sup>163</sup> of ₹52.95 crore) in 2016-17 to ₹215.54 crore (including doubtful debts of ₹73.86 crore<sup>164</sup>) in 2021-22. Due to lack of effective pursuance and follow-up by the Marketing Division and the Production Units, trade receivables could not be realised which could have otherwise improved the working capital position.

Ministry while agreeing to the recommendation stated (July 2024) that the company appointed Channel partners to strengthen its own marketing network, identified products for future business growth and import substitution and was getting it developed in-house in collaboration with education institutions like IIT, BHU. It was further stated that the company was vigorously following up with their suppliers to realize trade receivables.

**Recommendation No. 16:**

*The Company should strengthen its Marketing Division and conduct industry analysis and periodic surveys to know the market demand and customer specifications so as to adapt to the latest pricing/ product mix/ product design and take effective steps for improving market share. The Company may also vigorously follow-up with the suppliers and realise the trade receivables in a timely manner.*

**6.9.2.6 Accumulation of non-moving inventory**

Due to low order book position, the Company had accumulated inventory of ₹150.40 crore as of 31 March, 2022. Despite holding huge non-moving inventory worth ₹15.74 crore lying for more than 5 years and severe shortage of working capital, the Company had not formed any technical committee to review the non-moving inventory to assess its usability or disposal.

Ministry agreed (July 2024) for constitution of Technical Committee in all the Units within three months' time for reviewing and liquidating the non-moving inventory.

**Recommendation No. 17:**

*The Company may periodically constitute technical committees to review and liquidate non-moving inventory.*

**6.9.2.7 Lack of effective land management system**

The land in the possession of HMT MT was originally allocated/assigned in the name of HMT Limited (Holding Company). As of 31 March, 2022, HMT MT was stated to be in

<sup>163</sup> As per Accounting Policy of HMT MT, Trade Receivables outstanding for more than five years will be considered doubtful.

<sup>164</sup> Includes ₹16.57 crore from customers whose company is closed or machines were not performing and ₹15.25 crore towards Liquidated Damages for belated supply and erection of equipment.

possession of 1,933.573 acres<sup>165</sup> against 1,957.023 acres<sup>166</sup> of land, as compared to the land allocated through Scheme of Arrangement in March 2001. The discrepancy of 23.450 acres<sup>167</sup> was not reconciled. Further, title to the extent of 679.698 acres<sup>168</sup> was in the name of the Holding Company and for the balance 1,253.875 acres<sup>169</sup>, the title was yet to be transferred by the respective State Governments in favour of HMT MT Limited/ HMT Limited.



Picture 6.4: Encroachments on Praga Tools land

As a result of Survey conducted (February 2020) in respect of land under the possession of Machine Tools Hyderabad, it was noticed that 1,017.375 acres of land was under the possession of HMT MT at Hyderabad against the allocated 888.050 acres. The difference in area was to be sorted out between the Company and the Government

of Telangana. The land survey of Praga Tools Hyderabad was conducted in May 2020, i.e., after 57 years of allotment. However, HMT MT failed to take any action to safeguard the property under its possession like construction of compound walls/fencing, etc. which resulted in encroachment to the extent of 28.05 acres approximately valued at ₹81.46 crore<sup>170</sup>. The Company has not taken any concrete action to get back the encroached land. The land survey at Bengaluru and Kalamassery is yet to take place.

Out of 2,360 staff quarters in selected four units, 446 quarters were vacant and 962 quarters were not in usable condition as of 31 March, 2022.

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<sup>165</sup> Includes 660.750 acres allocated to HMT Limited under Scheme of Arrangement in March 2001.

<sup>166</sup> 1188.658 acres of land allocated as per Scheme of Arrangement plus 196.395 acre of land purchased for Praga Tools (195.825 acres at Balanagar and 0.57 acre at Kavadiguda) less 88.780 acres land transferred to Government Organizations (65.238 acres) and Private Parties (23.542 acres) plus 660.750 acres allocated to HMT Limited.

<sup>167</sup> About 8 acres at Ajmer; 10.580 acres at Kalamassery and 4.869 acres at Bengaluru Unit.

<sup>168</sup> Bengaluru -330.279 acres plus Kalamassery - 348.849 acres plus Praga Tools - 0.57 acre.

<sup>169</sup> 888.050 acres at Hyderabad Unit is through Deed of Conveyance and title was yet to be transferred. 195.825 acres at Praga Tools was purchased from Government of Telangana and the title was yet to be transferred. 170.000 acres at Ajmer were yet to be transferred by Government of Rajasthan and was pending for finalisation of rates.

<sup>170</sup> Worked out as per the market rate (January 2021) of the State Government at ₹6,000/- per sq. yard for 28.05 acre (i.e., 4840 yard x ₹6,000 x 28.05 acre).



**Picture 6.5: Vacant unusable quarters at Praga Tools**

**Picture 6.6: Vacant unusable quarters at Kalamassery**

The HMT Limited was allotted (January 1972) land admeasuring 888.05 acres by the then State Government (Andhra Pradesh - now Telangana) at free of cost through Conveyance Deed. During the meeting held (July 2002) with the State Government to discuss about the vacant/unutilised land available with the Company, it was decided that 300 acres of land would be surrendered by the Company for development of an industrial estate by Andhra Pradesh Industrial Infrastructure Corporation. 50 *per cent* of the sale proceeds from the land could be given to the Company subject to investment by the Company in its complex at Hyderabad within three years. Further, once the land admeasuring 300 acres was handed over, the State Government would transfer clear title in favour of HMT Limited for the balance 588.05 acres of land in possession of HMT Limited. The decision taken in July 2002 was reiterated (April 2005) in the high-level meeting with State Government and the Collector, Ranga Reddy district was requested to take necessary action for formal agreement between the Company and the State Government. Audit observed that despite clear directions from State Government and Board of the Holding Company, the Company did not act diligently and demarcate the vacant land identified for surrender and also conclude a formal agreement with the State Government which resulted in a stalemate on the issue. As the Company had not acted proactively on time, the Company could not obtain clear title for land in its possession even after a lapse of more than 20 years from the proposal, which in turn acted as an impediment to monetise the non-performing assets held by Machine Tools Unit at Hyderabad.

The Bengaluru Unit was in possession of unutilised infrastructure in the form of closed down production units for Die Casting machines, Precision machines and Computerized Numerical Control machines which were lying unused since 2018. As per the Revival Scheme of 2007, ₹443 crore sanctioned in the form of Preference Share Capital were to be redeemed in three years from the sale proceeds of identified surplus assets. However, the proposal to sell 46 acres of land at Bengaluru, which even had the approval (April 2013) of Cabinet and even cleared by the CCEA, did not fructify and the financial assistance expected to be derived from sale proceeds could not be realized even after a period of nine

years as of 31 March, 2022. No concrete efforts for identification of additional unutilized land/assets to revive HMT MT were noticed to have been taken.

While confirming the above, Management replied (May 2022) that the units were not able to monetise and generate funds due to policy criteria and long procedure for decision-making. HMT Limited was making all out efforts and identified 46 acres of land in Bengaluru to address working capital requirement, paying statutory dues and payment of bank loan, etc. for which proposal has been sent to Government for approval. Ministry assured (August 2022) that the Company would continue to put all efforts and continue to follow-up with the State Government authorities to get the title deeds changed in its name. The Ministry also assured that the Company will do the needful to protect the assets of the Company. It was further stated that the Company will do the needful to resolve the land related discrepancies in coordination with its Holding Company.

In its subsequent reply (July 2024) Ministry while agreeing to the recommendation stated that the Company has already taken up with the State Governments regarding land title issues and taken steps to clear encroachments. It was further stated that the Company had identified a land parcel of 70 acres at Bangalore for monetisation and plans to utilise the proceeds for clearing statutory dues, working capital requirements, modernisation of Plant and fencing of land boundaries.

**Recommendation No. 18:**

***The Company may follow up vigorously with the State Government authorities to get the title deeds transferred in its favour and may take up necessary steps to clear the encroachments. The Company may intensify its efforts to identify the non-operational assets and monetise them at the earliest to generate funds for working capital and for payment of statutory dues. The Company may also address the discrepancy in land holdings at its Ajmer, Kalamassery and Bengaluru units.***

**6.9.2.8 Indecisiveness on merger/ modernization/ closure of loss-making Units**

The CCEA directed (April 2013) DHI to explore the feasibility of making Kalamassery unit of HMT MT as a separate company. DHI appointed M/s ICRA Management Consulting Services Limited (IMaCS) to conduct feasibility study of all the six units of HMT MT so that each of these Units could be converted into separate companies. IMaCS submitted (March 2014) recommendations to DHI with options of merger/ closure of few units as well as closure of the Company as a whole.

The recommendations of IMaCS were discussed (22 April, 2014) by Joint Secretary, DHI, Directors and other officials of DHI with Chairman and Managing Director of HMT Limited and Managing Director, HMT MT. After further deliberations, it was decided to consider merger of Pinjore Unit with Ajmer Unit and Praga Tools unit with Hyderabad Unit to reduce operating losses and thereby improve profitability of HMT MT. However, the subject Agenda item was deferred (August 2015) by the Board of Directors of HMT MT.

An Agenda Item was proposed (October 2020) for discussion among the Board of Directors of HMT MT, after five years of ImaCS recommendation, about closure of unviable units of the Company and it was observed that manufacturing units, viz., Pinjore and Praga Tools had not contributed positively to the Company, resulting in huge losses to the Company's turnover and are adding up to the overheads of the Company. However, the proposal to the Board for closure of these unviable production units, viz., Pinjore and Praga Tools was withdrawn before discussion in the Board.

Meanwhile, Indian Institute of Management, Bengaluru submitted (June 2016) Report on Financial and Strategic Review of the "Consolidation and Restructuring Plan of HMT Limited" with a proposal to consolidate and restructure HMT Limited's manufacturing operations under a single robust entity with a prime focus on machine tools by merging HMT MT with HMT Limited and recommended that the core activity of HMT would be the design engineering and assembly of customized machine tools and allied equipment for key clients including Defence. Even though HMT MT was in possession of this Report submitted in June 2016, the same was not considered while formulating the 'Modernization Plan' approved by the Board of HMT MT in January 2017. However, the inputs from this Report were belatedly considered (October 2017) and final "Restructuring and Competitiveness Enhancement Plan" was prepared and forwarded to DHI for approval in July 2021 and proposal was still pending with DHI.

Thus, indecisiveness on the part of the Company to merge/ close down non-performing Units had not only resulted in accrual of financial burden but also had affected the performance of the Company.

#### **6.9.2.9 Lack of effective monitoring by Holding Company and Ministry**

Despite low performance, actions taken on the directions of Chairman and Managing Director of the Holding Company during Management Committee meetings were not briefed in subsequent meetings of the Board of Directors of the Holding Company for follow-up.

DPE, vide its Office Memorandum dated 29 October, 2015, brought out guidelines for streamlining the mechanism for revival and restructuring of sick/incipient sick and weak CPSEs. Though, the Company was a sick company as its net worth was negative as of October 2015, the Administrative Ministry had not taken any action as prescribed by the DPE guidelines issued in October 2015. Neither of the actions such as quarterly reviews of HMT MT, nomination of independent member on Board, fixing the responsibility for declining performance or non-performance or any other corrective step as may be appropriate and necessary, preparation of Restructuring/ Revival plan as per the schedule of time fixed, etc. were taken by the Administrative Ministry.

There were vacancies in Senior Management (no full time Managing Director since March 2014 and absence of full-time functional Directors since November 2017) of HMT MT which seriously affected the decision making of the Company.

Ministry in reply stated (July 2024) that there was no proposal to restructure/ revive or close/ merge loss making units of the Company.

***Recommendation No. 19:***

***Department of Heavy Industries may take timely decision to restructure/ revive or close/ merge loss making units so that the Company is not burdened with further losses.***

The chapter was also issued to DPE in December 2023 and DPE in its reply (May 2024) stated that they have nil comments on this chapter.



**(Anand Mohan Bajaj)**

**Deputy Comptroller and Auditor General  
(Commercial) and Chairman, Audit Board**

**New Delhi**

**Dated: 25 March 2025**

**Countersigned**



**(K. Sanjay Murthy)**

**Comptroller and Auditor General of India**

**New Delhi**

**Dated: 25 March 2025**

# **ANNEXURES**

## Annexure-I (Refer Para No.1.1.3)

## List of Government companies/ Government controlled other companies/ Statutory Corporations

Sl. No.	Name of CPSE
	<b>Government Companies</b>
1.	Advanced Weapons and Equipment India Limited
2.	Agrinnovative India Limited
3.	AI Airport Services Limited
4.	AI Engineering Services Limited
5.	AI Assets Holding Limited
6.	Alliance Air Aviation Limited
7.	Ananthpuram Kunool Transmission Limited
8.	Andaman & Nicobar Islands Forest and Plantation Development Corporation Limited
9.	Andaman and Nicobar Islands Integrated Development Corporation Limited
10.	Andaman Fisheries Limited
11.	Andhra Pradesh Solar Power Corporation Limited
12.	Andrew Yule and Company Limited
13.	Angul Sukinda Railway Limited
14.	Antrix Corporation Limited
15.	Anushakti Vidyut Nigam Limited
16.	Apollo Design Apparel Parks Limited
17.	Armoured Vehicles Nigam Limited
18.	Artificial Limbs Manufacturing Corporation of India
19.	Aurangabad Textile and Apparel Parks Limited
20.	Balmer Lawrie and Company Limited
21.	Balmer Lawrie Investment Company Limited
22.	Bangalore Metro Rail Corporation Limited
23.	Baster Railway Private Limited
24.	BEL Optronic Devices Limited
25.	BEL-Thales Systems Limited
26.	BEML Land Assets Limited
27.	BEML Limited
28.	Bengal Chemicals and Pharmaceuticals Limited
29.	Bengal Gas Company Limited
30.	Bengal Immunity Limited
31.	Bhadla Sikar Transmission Limited
32.	Bharat Brakes and Valves Limited
33.	Bharat Broadband Network Limited
34.	Bharat Coking Coal Limited
35.	Bharat Dynamics Limited
36.	Bharat Electronics Limited

Sl. No.	Name of CPSE
37.	Bharat Gas Resources Limited
38.	Bharat Gold Mines Limited
39.	Bharat Heavy Electricals Limited
40.	Bharat Immunologicals and Biologicals Corporation Limited
41.	Bharat Oman Refineries Limited
42.	Bharat Ophthalmic Glass Limited
43.	Bharat Petro Resources JPDA Limited
44.	Bharat Petro Resources Limited
45.	Bharat Petroleum Corporation Limited
46.	Bharat Process and Mechanical Engineers Limited
47.	Bharat Pumps and Compressors Limited
48.	Bharat Sanchar Nigam Limited
49.	Bharat Yantra Nigam Limited
50.	Bharatiya Nabhikiya Vidyut Nigam Limited
51.	Bhartiya Rail Bijlee Company Limited
52.	BHEL Electrical Machines Limited
53.	Bidar Transmission Limited
54.	Biecco Lawrie Limited
55.	Bihar Drugs and Organic Chemicals Limited
56.	Bihar Infra power Limited
57.	Bihar Mega Power Limited
58.	Bijawar Vidarbha Transmission Limited
59.	Bikaner-II Bhiwadi Transco Limited
60.	Biotechnology Industry Research Assistance Council
61.	Birds Jute and Exports Limited
62.	BPCL- KIAL Fuel Farm Private Limited
63.	Brahmaputra Cracker and Polymer Limited
64.	Brahmaputra Valley Fertilizer Corporation Limited
65.	Braithwaite and Company Limited
66.	Bridge and Roof Company (India) Limited
67.	Broadcast Engineering Consultants India Limited
68.	Brushware Limited
69.	BSNL Tower Corporation Limited
70.	Bundelkhand Saur Urja Limited
71.	Burn Standard Company Limited
72.	Cawnpore Textiles Limited
73.	Cement Corporation of India Limited
74.	Central Coalfields Limited
75.	Central Cottage Industries Corporation Limited
76.	Central Electronics Limited
77.	Central Inland Water Transport Corporation Limited
78.	Central Mine Planning and Design Institute Limited

Sl. No.	Name of CPSE
79.	Central Registry of Securitisation Asset Reconstruction and Security Interest of India
80.	Central Transmission Utility of India Limited
81.	Certification Engineers International Limited
82.	Chandigarh Child and Woman Development Corporation Limited
83.	Chandigarh Industrial and Tourism Development Corporation Limited
84.	Chandigarh Scheduled Caste Financial and Development Corporation Limited
85.	Chandigarh Smart City Limited
86.	Chandil Transmission Limited
87.	Chennai Metro Rail Limited
88.	Chennai Petroleum Corporation Limited
89.	Cheyur Infra Limited
90.	Chhatarpur Transmission Limited
91.	Chhatisgarh Surguja Power Limited
92.	Chhattisgarh Copper Limited
93.	Chhattisgarh East Railway Limited
94.	Chhattisgarh East West Railway Limited
95.	Chhattisgarh Mega Steel Limited
96.	CIL Navikarniya Urja Limited
97.	CIL Solar PV Limited
98.	Coal India Limited
99.	Coastal Karnataka Power Limited
100.	Coastal Maharashtra Mega Power Limited
101.	Coastal Tamilnadu Power Limited
102.	Cochin Shipyard Limited
103.	Concor Air Limited
104.	Container Corporation of India Limited
105.	Creative Museum Designers
106.	Cross Border Power Transmission Company Limited
107.	Cycle Corporation of India Limited
108.	Dadra & Nager Haveli, Daman and Diu SC/ST Financial and Development Corporation Limited
109.	Dedicated Freight Corridor Corporation Limited
110.	Defence Innovation Organisation
111.	Delhi Metro Last Mile Services Limited
112.	Delhi Metro Rail Corporation Limited
113.	Delhi Police Housing Corporation Limited
114.	Deoghar Infra Limited
115.	Deoghar Mega Power Limited
116.	Digital India Corporation
117.	Diu Smart City Limited
118.	DNH Power Distribution Corporation Limited
119.	Dumka Transmission Limited

Sl. No.	Name of CPSE
120.	Eastern Coalfields Limited
121.	Eastern Investments Limited
122.	ECGC Limited
123.	EdCIL (India) Limited
124.	Electronics Corporation of India Limited
125.	Engineering Projects (India) Limited
126.	Engineers India Limited
127.	EPI Urban Infra Developers Limited
128.	ER NER Transmission Limited
129.	FACT RCF Building Products Limited
130.	Fatehgarh Bhadla Transmission Limited
131.	Ferro Scrap Nigam Limited
132.	Fertilizer Corporation of India Limited
133.	Fresh and Healthy Enterprises Limited
134.	GAIL (India) Limited
135.	Gail Gas Limited
136.	Garden Reach Shipbuilders and Engineers Limited
137.	General Insurance Corporation of India Limited
138.	Ghogarpalli Integrated Power Company Limited
139.	Gliders India Limited
140.	Goa Antibiotics and Pharmaceuticals Limited
141.	Goa Shipyard Limited
142.	Goldmohur Design & Apparel Parks Limited
143.	Government e- Market Place
144.	Haridaspur Paradeep Railway Company Limited
145.	Haridwar Natural Gas Private Limited
146.	Hassan Mangalore Rail Development Company Limited
147.	Health Insurance TPA of India Limited
148.	Heavy Engineering Corporation Limited
149.	Hemisphere Properties India Limited
150.	High Speed Rail Corridor Corporation Limited
151.	Higher Education Financing Agency
152.	Himachal Renewables Limited
153.	Hindustan Aeronautics Limited
154.	Hindustan Antibiotics Limited
155.	Hindustan Cables Limited
156.	Hindustan Copper Limited
157.	Hindustan Fertilizers Corporation Limited
158.	Hindustan Fluorocarbons Limited
159.	Hindustan Insecticides Limited
160.	Hindustan Organic Chemicals Limited
161.	Hindustan Paper Corporation Limited

Sl. No.	Name of CPSE
162.	Hindustan Petroleum Corporation Limited
163.	Hindustan Photo Films (Manufacturing) Company Limited
164.	Hindustan Prefab Limited
165.	Hindustan Salts Limited
166.	Hindustan Shipyard Limited
167.	Hindustan Steel Works Construction Limited
168.	Hindustan Urvarak and Rasayan Limited
169.	Hindustan Vegetable Oils Corporation Limited
170.	HLL Biotech Limited
171.	HLL Infratech Services Limited
172.	HLL Lifecare Limited
173.	HLL Medipark Limited
174.	HLL Mother and Child Care Hospitals Limited
175.	HMT (International) Limited
176.	HMT Chinar Watches Limited
177.	HMT Limited
178.	HMT Machine Tools Limited
179.	HMT Watches Limited
180.	Hooghly Cochin Shipyard Limited
181.	Hooghly Printing Company Limited
182.	Hoogly Dock and Port Engineers Limited
183.	Hotel Corporation of India Limited
184.	Housing and Urban Development Corporation Limited
185.	HPCL Bio Fuels Limited
186.	HPCL LNG Limited
187.	HPCL Rajasthan Refinery Limited
188.	HSCC (India) Limited
189.	ITI Limited
190.	IDPL Tamilnadu (Private) Limited
191.	IFCI Factors Limited
192.	IFCI Financial Services Limited
193.	IFCI Infrastructure Development Limited
194.	IFCI Limited
195.	IFCI Venture Capital Funds Limited
196.	IFIN Commodities Limited
197.	IFIN Credit Limited
198.	IFIN Securities Finance Limited
199.	IIFCL Asset Management Company Limited
200.	IIFCL Projects Limited
201.	India Infrastructure Finance Company Limited
202.	India International Convention and Exhibition Centre Limited
203.	India Optel Limited

Sl. No.	Name of CPSE
204.	India Ports Global Private Limited
205.	India Post Payment Bank Limited
206.	India Tourism Development Corporation Limited
207.	India Trade Promotion Organisation
208.	India United Textile Mills Limited
209.	Indian Drugs and Pharmaceuticals Limited
210.	Indian Medicines and Pharmaceuticals Corporation Limited
211.	Indian Oil Corporation Limited
212.	Indian Railway Catering and Tourism Corporation Limited
213.	Indian Railway Finance Corporation Limited
214.	Indian Rare Earths Limited
215.	Indian Renewable Energy Development Agency Limited
216.	Indian Strategic Petroleum Reserves Limited
217.	Indian Vaccines Company Limited
218.	Indo-Russian Helicopters Limited
219.	Indradhanush Gas Grid Limited
220.	Industrial Investment Bank of India Limited
221.	Inland Coastal Shipping Limited
222.	Instrumentation Limited
223.	Ircon Akloli-Shirsad Expressway Limited
224.	Ircon Bhoj Morbe Expressway Limited
225.	Ircon Davangere Haveri Highway Limited
226.	Ircon Gurgaon Rewari Highway Limited
227.	Ircon Haridwar Bypass Limited
228.	IRCON Infrastructure Limited
229.	IRCON International Limited
230.	Ircon Ludhiana Rupnagar Highway Limited
231.	IRCON PB Tollway Limited
232.	Ircon Renewable Power Limited
233.	IRCON Shiv Puri Guna Limited
234.	IRCON Vadodara Kim Expressway Limited
235.	IREL IDCOL Limited
236.	ITPO Services Limited
237.	J&K Development Finance Corporation Limited
238.	J&K Mineral Development Corporation Limited
239.	Jagdishpur Paper Mills Limited
240.	Jal Power Corporation Limited
241.	Jharkhand Central Railway Limited
242.	Jharkhand Infra Power Limited
243.	Jharkhand National Mineral Development Corporation Limited
244.	Jogighopa Logistics Park Limited
245.	Kanti Bijlee Utpadan Nigam Limited

Sl. No.	Name of CPSE
246.	Karmayogi Bharat
247.	Karnataka Antibiotics and Pharmaceuticals Limited
248.	Karnataka Solar Power Development Corporation Limited
249.	Karnataka Trade Promotion Organisation
250.	Karnataka Vijaynagar Steel Limited
251.	Kavaratti Smart City Limited
252.	Khetri Narela Transmission Limited
253.	KIOCL Limited
254.	Kishtwar Transmission Limited
255.	Kochi Metro Rail Limited
256.	Koderma Transmission Limited
257.	Kolkata Metro Rail Corporation Limited
258.	Kolkata Riverfront Development Private Limited
259.	Konkan Railway Corporation Limited
260.	Kumarkruppa Frontier Hotels Private Limited
261.	Lakshadweep Development Corporation Limited
262.	Lakshadweep Tourism Development Corporation
263.	Lanco Teesta Hydro Power Limited
264.	Loktak Down Stream Hydroelectric Corporation Limited
265.	Lucknow Solar Power Development Corporation Limited
266.	Madras Fertilizers Limited
267.	Mahanadi Basin Power Limited
268.	Mahanadi Coal Railway Limited
269.	Mahanadi Coalfields Limited
270.	Mahanagar Telephone Nigam Limited
271.	Maharashtra Antibiotics and Pharmaceuticals Limited
272.	Maharashtra Metro Rail Corporation Limited
273.	Maharashtra Rail Infrastructure Development Corporation Limited
274.	Mandar Transmission Limited
275.	Mandya National Paper Mills Limited
276.	Mangalore Refinery and Petrochemicals Limited
277.	Manipur State Drugs and Pharmaceuticals Limited
278.	Mazagon Dock Shipbuilders Limited
279.	MECON Limited
280.	Millennium Telecom Limited
281.	Mineral Exploration Corporation Limited
282.	Mining and Allied Machinery Corporation Limited
283.	Mishra Dhatu Nigam Limited
284.	MJSJ Coal Limited
285.	MMTC Limited
286.	MNH Shakti Limited
287.	Mohanlal Ganj Transmission Limited

Sl. No.	Name of CPSE
288.	MOIL Limited
289.	MP Power Transmission Package-I Limited
290.	MSTC Limited
291.	Mumbai Metro Rail Corporation Limited
292.	Mumbai Rail Vikas Corporation Limited
293.	Munitions India Limited
294.	Nabinagar Power Generating Company Private Limited
295.	Nagaland Pulp & Paper Company Limited
296.	Naini Aerospace Limited
297.	National Aluminium Company Limited
298.	National Backward Classes Finance and Development Corporation
299.	National Bicycle Corporation of India Limited
300.	National Capital Region Transport Corporation Limited
301.	National Centre for Trade Information
302.	National Credit Guarantee Trustee Company Limited
303.	National Fertilizers Limited
304.	National Film Development Corporation Limited
305.	National Financial Holding Company Limited
306.	National Handicapped Finance and Development Corporation
307.	National Handloom Development Corporation Limited
308.	National High Speed Rail Corporation Limited
309.	National Highways & Infrastructure Development Corporation Limited
310.	National Informatics Centre Services Inc.
311.	National Insurance Company Limited
312.	National Investment & Infrastructure Fund Trustee Limited
313.	National Jute Manufacturers Corporation Limited
314.	National Minorities Development and Finance Corporation
315.	National Projects Construction Corporation Limited
316.	National Research Development Corporation of India Limited
317.	National Safai Karmachari Finance and Development Corporation
318.	National Scheduled Castes Finance and Development Corporation
319.	National Scheduled Tribes Finance and Development Corporation
320.	National Seeds Corporation Limited
321.	National Small Industries Corporation Limited
322.	National Textile Corporation Limited
323.	NBCC (India) Limited
324.	NBCC Engineering & Consultancy Limited
325.	NBCC Environment Engineering Limited
326.	NBCC International Limited
327.	NBCC Services Limited
328.	NCRTC Express Transit Limited
329.	NEPA Limited

Sl. No.	Name of CPSE
330.	New City of Bombay Manufacturing Mills Limited
331.	New Delhi Municipal Council Smart City Limited
332.	New Space India Limited
333.	Neyveli Uttar Pradesh Power Limited
334.	NHDC Limited
335.	NHPC Limited
336.	NHPC Renewable Energy Limited
337.	NLC India Limited
338.	NLC Tamilnadu Power Limited
339.	NMDC CSR Foundation Limited
340.	NMDC Limited
341.	NMDC Steel Limited
342.	NMDC-CMDC Limited
343.	North Eastern Electric Power Company Limited
344.	North Eastern Handicrafts and Handlooms Development Corporation Limited
345.	North Eastern Regional Agricultural Marketing Corporation Limited
346.	Northern Coalfields Limited
347.	NPCIL Indian Oil Nuclear Energy Corporation Limited
348.	NSIC Venture Capital Fund Limited
349.	NTPC EDMC Waste Solution Private Limited
350.	NTPC Electric Supply Company Limited
351.	NTPC Limited
352.	NTPC Mining Limited
353.	NTPC Renewable Energy Limited
354.	NTPC Vidyut Vyapar Nigam Limited
355.	Nuclear Power Corporation of India Limited
356.	Numaligarh Refinery Limited
357.	Odisha Infra Power Limited
358.	Oil and Natural Gas Corporation Limited
359.	Oil India International Limited
360.	Oil India Limited
361.	Omnibus Industrial Development Corporation of Daman, Diu & Dadra and Nagar Haveli Limited
362.	ONGC Videsh Limited
363.	ONGC Videsh Rovuma Limited
364.	Orissa Drugs and Chemicals Limited
365.	Orissa Integrated Power Limited
366.	Patratu Vidyut Utpadan Nigam Limited
367.	Pawan Hans Limited
368.	PEC Limited
369.	PFC Consulting Limited
370.	Pondicherry Ashok Hotel Corporation Limited

Sl. No.	Name of CPSE
371.	Port Blair Smart Project Limited, Port Blair
372.	Power Finance Corporation Limited
373.	Power Grid Corporation of India Limited
374.	Power grid Unchahar Transmission Limited
375.	Power System Operation Corporation Limited
376.	Powergrid Ajmer Phagi Transco Limited
377.	Powergrid Bhind Guna Transmission Limited
378.	Powergrid Bhuj Transmission Limited
379.	Powergrid Energy Services Limited
380.	Powergrid Fategarh Transmission Limited
381.	Powergrid Jawaharpur Firozabad Transmission Limited
382.	Powergrid Khetri Transmission System Limited
383.	Powergrid Medinipur Jirat Transmission Limited
384.	Powergrid Meerut Simbhavali Transmission Limited
385.	Powergrid Mithilanchal Transmission Limited
386.	Powergrid NM Transmission Limited
387.	Powergrid Rampur Sambhal Transmission Limited
388.	Powergrid Southern Interconnector Transmission System Limited
389.	Powergrid Teleservices Limited
390.	Powergrid Varanasi Transmission System Limited
391.	Powergrid Vemagiri Transmission System Limited
392.	Prize Petroleum Company Limited
393.	Projects and Development India Limited
394.	Punjab Ashok Hotel Company Limited
395.	Punjab Logistics Infrastructure Limited
396.	Rail Vikas Nigam Limited
397.	RailTel Corporation of India Limited
398.	Railtel Enterprises Limited
399.	Rajasthan Drugs and Pharmaceuticals Limited
400.	Rajasthan Electronics and Instruments Limited
401.	Rajgarh Transmission Limited
402.	Ramgarh New Transmission Limited
403.	Ranchi Ashok Bihar Hotel Corporation Limited
404.	Rashtriya Chemicals and Fertilizers Limited
405.	Rashtriya Ispat Nigam Limited
406.	Ratle Hydroelectric Power Corporation Limited
407.	Real Estate Development & Construction Corporation of Rajasthan Limited
408.	REC Limited
409.	REC Power Development and Consultancy Limited
410.	Rehabilitation Industries Corporation Limited
411.	REMC Limited
412.	Renewable Power Corporation of Kerala Limited

Sl. No.	Name of CPSE
413.	Rewa Ultra Mega Solar Limited
414.	Reyroll Burn Limited
415.	Richardson and Cruddas (1972) Limited
416.	RITES Limited
417.	Rohini Heliport Limited
418.	Sagarmala Development Company Limited
419.	SAIL RITES Bengal Wagon Industries Limited
420.	SAIL Refractory Company Limited
421.	Sakhigopal Integrated Power Company Limited
422.	Sambhar Salts Limited
423.	Scooters India Limited
424.	Security Printing and Minting Corporation of India Limited
425.	Sethusamudram Corporation Limited
426.	SHCIL Services Limited
427.	Shipping Corporation of India Land and Assets Limited
428.	Shongtong Karcham Wangtoo Transmission Limited
429.	Sidcul Concor Infra Company Limited
430.	Sikar New Transmission Limited
431.	Sikar-II Aligarh Transmission Limited
432.	Silvassa Smart City Limited
433.	SJVN Green Energy Limited
434.	SJVN Limited
435.	SJVN Thermal Private Limited
436.	Smith Stanistreet Pharmaceuticals Limited
437.	Solar Energy Corporation of India
438.	South Eastern Coalfields Limited
439.	STCL Limited
440.	Steel Authority of India Limited
441.	Stock Holding Corporation of India Limited
442.	Stock Holding Documents Management Services Limited
443.	Stock Holding Securities IFSC Limited
444.	Surat Integrated Transportation Development Limited
445.	SUUTI Tech Options Limited
446.	Talcher Fertilizer Limited
447.	Tamil Nadu Trade Promotion Organisation
448.	Tanda Transmission Limited
449.	Tatiya Andhra Mega Power Limited
450.	TCIL Bina Toll Road Limited
451.	TCIL LTR Limited
452.	Tea Trading Corporation of India Limited
453.	Telecommunications Consultants of India Limited
454.	THDC India Limited

Sl. No.	Name of CPSE
455.	The Bisra Stone Lime Company Limited
456.	The Braithwaite Burn and Jessop Construction Company Limited
457.	The British India Corporation Limited
458.	The Cotton Corporation of India Limited
459.	The Elgin Mills Company Limited
460.	The FCI Aravali Gypsum and Minerals India Limited
461.	The Fertilizer and Chemicals Travancore Limited
462.	The Handicrafts and Handlooms Export Corporation of India Limited
463.	The Industrial Credit Company Limited
464.	The Jute Corporation of India Limited
465.	The New India Assurance Company Limited
466.	The Oriental Insurance Company Limited
467.	The Orissa Minerals Development Company Limited
468.	The Shipping Corporation of India Limited
469.	The Southern Pesticides Corporation Limited
470.	The State Trading Corporation of India Limited
471.	Triveni Structurals Limited
472.	Troop Comforts Limited
473.	Tungabhadra Steel Products Limited
474.	TUSCO Limited
475.	Tyre Corporation of India Limited
476.	Udupi Cochin Shipyard Limited
477.	United India Insurance Company Limited
478.	Uranium Corporation of India Limited
479.	Urvarak Videsh Limited
480.	Utkal Ashok Hotel Corporation Limited
481.	Utkarsha Aluminium Dhatu Nigam Limited
482.	Vignyan Industries Limited
483.	Visakhapatnam Port Logistics Park Limited
484.	WAPCOS Limited
485.	Weighbird (India) Limited
486.	Western Coalfields Limited
487.	Yantra India Limited
488.	Yule Electrical Limited
489.	Yule Engineering Limited
490.	Zenith Securities and Investments Limited
	<b>Statutory Corporations</b>
1.	Airports Authority of India
2.	Central Warehousing Corporation
3.	Damodar Valley Corporation
4.	Food Corporation of India
5.	Inland Waterways Authority of India

Sl. No.	Name of CPSE
6.	National Highways Authority of India
	<b>Government Controlled Other Companies</b>
1.	AAI Cargo Logistics & Allied Services Company Limited
2.	Andhra Bank Financial Services Limited
3.	Accumeasures (Punjab) Limited
4.	Nabkisan Finance Limited
5.	AFC India Limited
6.	Nabsamruddhi Finance Limited
7.	Agricultural Insurance Company of India Limited
8.	Allied International Products Limited
9.	Aravali Power Company Private Limited
10.	APITCO Limited
11.	ASREC (India) Limited
12.	Ahmedabad Vadodara Expressway Company Limited
13.	Avantika Gas Limited
14.	Bharuch Dahej Railway Company Limited
15.	Baroda Global Shared Services Limited
16.	Bhagyanagar Gas Limited
17.	Bihar Industrial and Technical Consultancy Organisation Limited
18.	Bank Note Paper Mill India Private Limited
19.	BOB Capital Markets Limited
20.	BOB Financial Solutions Limited
21.	BOI AXA Investment Managers Private Limited
22.	Bank of India Trustee Services Private Limited
23.	BOI Merchant Bankers Limited
24.	BOI Shareholding Limited
25.	Bokaro Power Supply Company (P) Limited
26.	Bharatiya Reserve Bank Note Mudran Private Limited
27.	Bhor Sagar Port Limited
28.	Baroda Sun Technologies Limited
29.	Canara Bank Securities Limited
30.	Canbank Computer Services Limited
31.	Canbank Factors Limited
32.	Canbank Financial Services Limited
33.	Canara Robeco Asset Management Company Limited
34.	Canbank Venture Capital Fund Limited
35.	Centbank Financial Services Limited
36.	Chennai-Ennore Port Road Company Limited
37.	Canara HSBC Oriental Bank of Commerce Life Insurance Company Limited
38.	Calcutta Haldia Port Road Company Limited
39.	Chandigarh International Airport Limited
40.	Cent Bank Home Finance Limited

Sl. No.	Name of CPSE
41.	Coal Lignite Urja Vikas Private Limited
42.	Convergence Energy Services Private Limited
43.	Deoghar Airport Limited
44.	Dhalbhumgarh Airport Limited
45.	Dholera International Airport Company Limited
46.	PSB Alliance Private Limited
47.	National Highways Logistics Management Limited
48.	Central Railside Warehouse Company Limited
49.	UBI Services Limited
50.	CSC Grameen Estore Private Limited
51.	CSC e-Governance Services India Limited
52.	CSC WiFi Choupal Services India Private Limited
53.	Central U.P Gas Limited
54.	Delhi Aviation Fuel Facility Private Limited
55.	DME Development Limited
56.	National Industrial Corridor Development Corporation Limited
57.	NICDC Neemrana Solar Power Limited
58.	Dredging Corporation of India Limited
59.	Energy Efficiency Services Limited
60.	Kamarajar Port Limited
61.	ESG Risk Assessments & Insight Limited
62.	Excellier Plants Corporation Limited
63.	Flavourit Spices Trading Limited
64.	Gangavati Sugars Limited
65.	Green Gas Limited
66.	SBI Global Factors Limited
67.	Goa Natural Gas Private Limited
68.	Gas and Power Investment Company Limited
69.	Goods and Services Tax Network
70.	Hardicon Limited
71.	HPOIL Gas Private Limited
72.	IDBI Asset Management Limited
73.	IDBI Capital Market Services Limited
74.	IDBI MF Trustee Company Limited
75.	IDBI Intech Limited
76.	IDBI Trusteeship Services Limited
77.	Indraprastha Gas Limited
78.	IHB Private Limited
79.	IIDL Realtors Private Limited
80.	India First Life Insurance Company Limited
81.	Indbank Housing Limited
82.	Indbank Merchant Banking Services Limited

Sl. No.	Name of CPSE
83.	India SME Asset Reconstruction Company Limited
84.	International Coal Ventures Private Limited
85.	Indian Port Rail and Ropeway Corporation Limited
86.	Indian Railway Station Development Corporation Limited
87.	India SME Technology Services Limited
88.	POWERGRID Himachal Transmission Limited
89.	J&K Industrial and Technical Consultancy Organisation Limited
90.	NABFINS Limited
91.	Kanniyakumari Port Limited
92.	Khanij Bidesh India Limited
93.	The Kerala Industrial Corridor Development Corporation Limited
94.	KITCO Limited
95.	Konkan LNG Private Limited
96.	Kolkata Port Infrastructure Development Limited
97.	Krishnapatnam Rail Company Limited
98.	Kochi Salem Pipelines Private Limited
99.	Kutch Railway Company Limited
100.	LIC Pension Fund Limited
101.	LIC Cards Services Limited
102.	Ludhiana International Airport Limited
103.	MAMC Industries Limited
104.	Maharashtra Executor & Trustee Company Private Limited
105.	Mumbai Fuel Farm Facilities Private Limited
106.	Meja Urja Nigam Private Limited
107.	Millennium Information Systems Limited
108.	Mumbai JNPT Port Road Company Limited
109.	Maharashtra Natural Gas Limited
110.	MPCON Limited
111.	Mormugao Port Road Company Limited
112.	Micro Units Development and Refinance Agency Limited
113.	NABARD Consultancy Services Private Limited
114.	NAB Foundation
115.	NABSANRAKSHAN Trustee Private Limited
116.	Nabventures Limited
117.	Nalanda Ceramics and Industries Limited
118.	National Asset Reconstruction Company Limited
119.	National Payment Corporation of India
120.	National Waqf Development Corporation Limited
121.	NEDFI Trustee Company Limited
122.	NEDFI Venture Capital Limited
123.	North Eastern Development Finance Corporation Limited
124.	National e-Governance Services Limited

Sl. No.	Name of CPSE
125.	North Eastern Industrial and Technical Consultancy Organisation Limited
126.	NESL-Asset Data Limited
127.	NESL E-Infrastructure Limited
128.	North East Transmission Company Limited
129.	National Highways Infra Investment Managers Private Limited
130.	National Highways Invit Project Managers Private Limited
131.	National Highways Infra Projects Private Limited
132.	National High Power Test Laboratories Private Limited
133.	Neelachal Ispat Nigam Limited
134.	NITCON Social Foundation
135.	New Mangalore Port Road Company Limited
136.	North India Technical Consultancy Organization Limited
137.	NPCI Bharat Billpay Limited
138.	NPCI International Payments Limited
139.	NRTU Foundation
140.	NTPC BHEL Power Project Private Limited
141.	NTPC Tamilnadu Energy Company Limited
142.	Orissa Industrial and Technical Consultancy Organisation Limited
143.	ONGC Petro Additions Limited
144.	Petronet MHB Limited
145.	Petronet VK Limited
146.	Pipavav Railway Corporation Limited
147.	PNB Cards and Services
148.	PNB Gilts Limited
149.	PNB Investment Services Limited
150.	Paradeep Port Road Company Limited
151.	Reserve Bank Information Technology Private Limited
152.	Ramagundam Fertilizers and Chemicals Limited
153.	Ratna Giri Gas and Power Private Limited
154.	RINL Powergrid TLT Limited
155.	Ratnagiri Refinery and Petrochemicals Limited
156.	Meenachil Treated Rubberwood (P) Limited
157.	Pamba Rubbers Limited
158.	Rubber Park India (P) Limited
159.	Pazassi Rubbers (P) Limited
160.	Ponmudi Rubbers (P) Limited
161.	Rubberwood India (P) Limited
162.	NTPC-SAIL Power Company Private Limited
163.	Security And Scientific Technical Research Association
164.	SBI Capital Markets Limited
165.	SBI DFHI Limited
166.	SBI Funds Management Private Limited

Sl. No.	Name of CPSE
167.	SBI Mutual Fund Trustee Company Private Limited
168.	SBI Pension Funds Private Limited
169.	SBI SG Global Securities Services Private Limited
170.	SBICAP Securities Limited
171.	SBICAP Trustee Limited
172.	SBICAP Ventures Limited
173.	SBI Cards & Payments Services Limited
174.	SBI Foundation
175.	SBI General Insurance Company Limited
176.	SBI Infra Management Solutions Private Limited
177.	SBI Life Insurance Company Limited
178.	SBI Payment Services Private Limited
179.	Smera Gradings & Ratings Private Limited
180.	SIDBI Trustees Company Limited
181.	SIDBI Venture Capital Limited
182.	Acuite Ratings & Research Limited
183.	STCI Commodities
184.	STCI Finance Limited
185.	STCI Primary Dealers Limited
186.	Star Union Dai-ichi Life Insurance Company Limited
187.	SyndBank Services Limited
188.	Textile Processing Corporation of India Limited
189.	ITCOT Consultancies and Services Limited
190.	Tamilnadu Telecommunication Limited
191.	Tuticorin Port Road Company Limited
192.	Union Asset Management Company Limited
193.	Union Trustee Company Private Limited
194.	Ujjawal Plus Foundation
195.	UP Industrial and Technical Consultants Limited
196.	CIL NTPC Urja Private Limited
197.	Unit Trust of India Investment Advisory Services Limited
198.	UTI Infrastructure Technology and Services Limited
199.	Vadhvan Port Project Limited
200.	Vishakhapatnam Port Road Company Limited
201.	Wagon India Limited
202.	West Bengal Consultancy Organisation Limited

## Annexure-II (Refer Para No.1.1.3)

CPSEs which came under/ went out from the purview of CAG Audit during 2021-22

**Government Companies came under purview of CAG Audit**

Sl. No.	Name of CPSE
1.	Ircon Akloli-Shirsad Expressway Limited
2.	Ircon Haridwar Bypass Limited
3.	Ircon Bhoj Morbe Expressway Limited
4.	Ircon Renewable Power Limited
5.	NHPC Renewable Energy Limited
6.	Karmayogi Bharat
7.	Ircon Ludhiana Rupnagar Highway Limited
8.	Powergrid Energy Services Limited
9.	Shipping Corporation of India Land and Assets Limited
10.	Chhatarpur Transmission Limited
11.	SJVN Green Energy Limited

**Government Companies went out from the purview of CAG Audit**

Sl. No.	Name of CPSE
1.	Powergrid Parli Transmission Limited
2.	Powergrid Warora Transmission Limited
3.	Powergrid Jabalpur Transmission Limited
4.	Powergrid Kala Amb Transmission Limited
5.	Indian Catalyst Private Limited
6.	Air India Express Limited
7.	CONCOR Last Mile Logistics Limited
8.	PNB Insurance Broking Private Limited
9.	Powergrid Vizag Transmission Limited
10.	NMDC Power Limited
11.	HMT (Bearings) Limited
12.	NPCIL-NALCO Power Company Limited
13.	Bharat Wagon and Engineering Company Limited
14.	Baroda Trustee India Private Limited
15.	Baroda Asset Management Limited
16.	Gadag Transmission Limited
17.	Kallam Transmission Limited
18.	Karur Transmission Limited
19.	Koppal Narendra Transmission Limited
20.	MP Power Transmission Package-II Limited
21.	Nangalbibra Bongaigaon Transmission Limited
22.	Khavda Bhuj Transmission Limited
23.	Tannery and Footwear Corporation of India Limited

Sl. No.	Name of CPSE
24.	Hindustan Newsprint Limited <sup>1</sup>
25.	Air India Limited
26.	Indian Road Construction Corporation Limited <sup>2</sup>
27.	ONGC Mangalore Petrochemicals Limited <sup>3</sup>
28.	Kerala GAIL Gas Limited

**Government controlled other companies went out from the purview of CAG Audit**

Sl. No.	Name of CPSE
1.	Becker Grey and Company (1930) Limited <sup>4</sup>
2.	India Clearing and Depository Services <sup>5</sup>

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<sup>1</sup> The status of company has changed as State Government company. However, the same continues to be audited by the CAG.

<sup>2</sup> The status of company is 'dissolved' as per information available in website of Ministry of Corporate Affairs.

<sup>3</sup> The amalgamation of ONGC Mangalore Petrochemicals Limited with Mangalore Refinery and Petrochemicals Limited was approved by the Ministry of Corporate Affairs, New Delhi vide its Final Order dated 14 April, 2022 with 01 April, 2021 as Appointed Date.

<sup>4</sup> The company appears to be non-operational as no information of the company is available with the Audit. The status of the company is also 'strike off' as per information available in website of Ministry of Corporate Affairs.

<sup>5</sup> The status of company is 'liquidated' as per information available in website of Ministry of Corporate Affairs.

## Annexure-III A (Refer Para No.1.1.3 and Para No.2.3.2)

## Details of accounts in arrears or accounts not due or company under liquidation

## A. Government Companies

Sl. No.	Name of the Sector/CPSE	Year for which Accounts not received by 29 February, 2024
<b>CHEMICALS AND FERTILIZERS</b>		
1**	Bengal Immunity Limited	Under Liquidation
2	Bihar Drugs and Organic Chemicals Limited	2020-21, 2021-22
3**	IDPL Tamilnadu (Private) Limited	2010-11 to 2021-22
4**	Indian Drugs and Pharmaceuticals Limited	2018-19 to 2021-22
5**	Orissa Drugs and Chemicals Limited	Under Liquidation
6**	Smith Stanistreet Pharmaceuticals Limited	Under Liquidation
7**	The Southern Pesticides Corporation Limited	Under Liquidation
<b>COMMERCE AND INDUSTRY</b>		
8**	National Centre for Trade Information	Under Liquidation
9**	Tea Trading Corporation of India Limited	Under Liquidation
<b>CONSUMER AFFAIRS, FOOD &amp; PUBLIC DISTRIBUTION</b>		
10	Hindustan Vegetable Oils Corporation Limited	2021-22
<b>FINANCE</b>		
11**	Industrial Investment Bank of India Limited	Under Liquidation
<b>HEALTH &amp; FAMILY WELFARE</b>		
12	HLL Mother and Child Care Hospitals Limited	2021-22
<b>HEAVY INDUSTRIES AND PUBLIC ENTERPRISES</b>		
13**	Bharat Brakes and Valves Limited	Under Liquidation
14**	Bharat Ophthalmic Glass Limited	Under Liquidation
15**	Bharat Process and Mechanical Engineers Limited	Under Liquidation
16**	Bharat Yantra Nigam Limited	Under Liquidation
17**	Cycle Corporation of India Limited	Under Liquidation
18**	Hindustan Paper Corporation Limited	Under Liquidation
19**	HMT Chinar Watches Limited	Under Liquidation
20**	Jagdishpur Paper Mills Limited	2017-18 to 2021-22
21**	Mandya National Paper Mills Limited	Under Liquidation
22**	Mining And Allied Machinery Corporation Limited	Under Liquidation
23**	Nagaland Pulp & Paper Company Limited	2017-18 to 2021-22
24**	Rehabilitation Industries Corporation Limited	Under Liquidation
25**	Reyroll Burn Limited	Under Liquidation
26**	Triveni Structurals Limited	2013-14 to 2021-22
27**	Tyre Corporation of India Limited	Under Liquidation
28**	Weighbird (India) Limited	Under Liquidation
<b>PERSONNEL, PUBLIC GRIEVANCES AND PENSIONS</b>		
29**	Karmayogi Bharat	First Accounts not due
<b>PETROLEUM &amp; NATURAL GAS</b>		
30**	Oil India International Limited	Under Liquidation
<b>POWER</b>		
31	BHEL Electrical Machines Limited	2021-22
32**	Chhatarpur Transmission Limited	First Accounts not due

Sl. No.	Name of the Sector/CPSE	Year for which Accounts not received by 29 February, 2024
33	Chhatisgarh Surguja Power Limited	2021-22
34**	NHPC Renewable Energy Limited	First Accounts not due
35**	Powergrid Energy Services Limited	First Accounts not due
36	Shongtong Karcham Wangtoo Transmission Limited	2021-22
37**	SJVN Green Energy Limited	First Accounts not due
38	Tatiya Andhra Mega Power Limited	2021-22
<b>RAILWAYS</b>		
39	Burn Standard Company Limited	2021-22
40**	Ircon Bhoj Morbe Expressway Limited	First Accounts not due
41**	Ircon Haridwar Bypass Limited	First Accounts not due
42**	Ircon Renewable Power Limited	First Accounts not due
<b>SHIPPING</b>		
43**	Kolkata Riverfront Development Private Limited	2017-18 to 2021-22
<b>TEXTILES</b>		
44	Apollo Design Apparel Parks Limited	2021-22
45	Aurangabad Textile and Apparel Parks Limited	2021-22
46**	Brushware Limited	Under Liquidation
47**	Cawnpore Textiles Limited	Under Liquidation
48	Goldmohur Design & Apparel Parks Limited	2021-22
49	India United Textile Mills Limited	2021-22
50	National Textile Corporation Limited	2021-22
51	New City of Bombay Manufacturing Mills Limited	2021-22
52**	The Elgin Mills Company Limited	Under Liquidation
<b>TOURISM</b>		
53	Lakshadweep Tourism Development Corporation	2020-21, 2021-22
<b>UNION TERRITORY ADMINISTRATION</b>		
54**	Chandigarh Child and Woman Development Corporation Limited	2017-18 to 2021-22
55**	Chandigarh Scheduled Caste Financial and Development Corporation Limited	2018-19 to 2021-22
<b>URBAN DEVELOPMENT</b>		
56**	EPI Urban Infra Developers Limited	Under Liquidation
57**	NBCC Engineering & Consultancy Limited	Under Liquidation
58	Port Blair Smart Project Limited, Port Blair	2020-21, 2021-22
59	Silvassa Smart City Limited	2021-22

\*\*CPSEs whose accounts were in arrears for three years or more or were under liquidation or first accounts were not due.

## Annexure-III B (Refer Para No.1.1.3 and Para No.2.3.2)

## Details of accounts in arrears or company under liquidation

## B. Government Controlled other Companies

Sl. No	Name of CPSE	Year for which Accounts not received by 29 February, 2024
1**	Accumeasures (Punjab) Limited	Under Liquidation
2**	Allied International Products Limited	Under Liquidation
3**	Bihar Industrial and Technical Consultancy Organisation Limited	Under Liquidation
4**	Excellcier Plants Corporation Limited	Under Liquidation
5**	Gangavati Sugars Limited	Under Liquidation
6	Gas and Power Investment Company Limited	2020-21, 2021-22
7**	India SME Technology Services Limited	Under Liquidation
8**	Millennium Information Systems Limited	Under Liquidation
9**	Nalanda Ceramics and Industries Limited	Under Liquidation
10	National Highways Infra Projects Private Limited	2021-22
11**	North Eastern Industrial and Technical Consultancy Organisation Limited	2012-13 to 2021-22
12**	Orissa Industrial and Technical Consultancy Organisation Limited	1997-98 to 2021-22 <sup>6</sup>
13**	Pazhassi Rubbers (P) Limited	Under Liquidation
14**	Ponmudi Rubbers (P) Limited	2016-17 to 2021-22
15	SBI Infra Management Solutions Private Limited	2021-22
16**	Textile Processing Corporation of India Limited	Under Liquidation
17**	Wagon India Limited	Under Liquidation
18	Ludhiana International Airport Limited	2021-22

\*\*CPSEs whose accounts were in arrears for three years or more or were under liquidation.

<sup>6</sup> The status of the Company is 'active' as per the Ministry of Corporate Affairs master data (August 2024).

**Annexure-IV (Refer Para No.1.2.2.2)**

**List of Government companies where value of total assets was less than the long term loans outstanding as on 31 March, 2022**

Sl. No.	Name of CPSE
1	AI Engineering Services Limited
2	Andaman Fisheries Limited
3	Utkal Ashok Hotel Corporation Limited
4	Bharat Gold Mines Limited
5	Bihar Drugs and Organic Chemicals Limited
6	Biecco Lawrie Limited
7	Birds Jute and Exports Limited
8	Bharat Petro Resources JPDA Limited
9	Brahmaputra Valley Fertilizer Corporation Limited
10	FACT RCF Building Products Limited
11	Hindustan Antibiotics Limited
12	HMT Watches Limited
13	Hotel Corporation of India Limited
14	Hindustan Photo Films (Manufacturing) Company Limited
15	Haridaspur Paradeep Railway Company Limited
16	Instrumentation Limited
17	IRCON Shiv Puri Guna Limited
18	IRCON PB Tollway Limited
19	Karnataka Vijaynagar Steel Limited
20	Mahanagar Telephone Nigam Limited
21	National Bicycle Corporation of India Limited
22	North Eastern Handicrafts and Handlooms Development Corporation Limited
23	National Jute Manufacturers Corporation Limited
24	ONGC Videsh Rovuma Limited
25	Rajasthan Drugs and Pharmaceuticals Limited
26	TCIL Bina Toll Road Limited
27	TCIL LTR Limited
28	Tungabhadra Steel Products Limited

## Annexure-V (Refer Para No.1.2.4)

## Increase and decrease in market capitalization of 65 traded listed CPSEs

(₹ in crore)

Sl. No.	Name of CPSE	Market Captalization 2021-22	Market Captalization 2020-21	Difference
1	Oil and Natural Gas Corporation Limited	2,06,190.78	1,28,507.55	77,683.23
2	Power Grid Corporation of India Limited	1,51,262.70	1,12,819.23	38,443.47
3	Indian Railway Catering and Tourism Corporation Limited	61,968	28,099.20	33,868.80
4	Coal India Limited	1,12,777.93	80,361.98	32,415.95
5	NTPC Limited	1,30,856.51	1,03,221.01	27,635.50
6	Indian Oil Corporation Limited	1,11,981.42	86,421.98	25,559.44
7	Bharat Electronics Limited	51,375.56	30,481.78	20,893.78
8	Hindustan Aeronautics Limited	49,726.77	33,266.54	16,460.23
9	Oil India Limited	25,835.95	13,300.23	12,535.72
10	National Aluminium Company Limited	22,360.99	9,917.81	12,443.18
11	GAIL (India) Limited	69,136.80	60,189.42	8,947.38
12	Steel Authority of India Limited	40,706.33	32,568.32	8,138.01
13	NMDC Limited	47,622.35	39,636.44	7,985.91
14	Container Corporation of India Limited	40,968.95	36,390.10	4,578.85
15	Hindustan Petroleum Corporation Limited	38,208.60	34,146.86	4,061.74
16	KIOCL Limited	12,653.38	8,730.34	3,923.04
17	Bharat Dynamics Limited	10,018.15	6,095.93	3,922.22
18	NHPC Limited	27,925.20	24,560.11	3,365.09
19	BEML Limited	7,567.43	5,227.84	2,339.59
20	NLC India Limited	8,673.41	6,995.58	1,677.83
21	The Fertilizer and Chemicals Travancore Limited	8,479.88	7,279.56	1,200.32
22	Rail Vikas Nigam Limited	6,818.02	6,067.41	750.61
23	Rashtriya Chemicals and Fertilizers Limited	4,943.13	4,275.58	667.55
24	SJVN Limited	10,787.29	10,237.12	550.17
25	Mazagon Dock Shipbuilders Limited	4,832.49	4,287.93	544.56
26	RITES Limited	6,315.13	5,782.86	532.27
27	Garden Reach Shipbuilders and Engineers Limited	2,592.88	2,119.21	473.67
28	Mangalore Refinery and Petrochemicals Limited	7,273.28	6,800.08	473.2
29	Chennai Petroleum Corporation Limited	1,901.60	1,490.60	411
30	Madras Fertilizers Limited	798.26	407.59	390.67
31	MMTC Limited	6,622.50	6,360	262.50
32	Mahanagar Telephone Nigam Limited	1,420.65	1,185.03	235.62
33	The Orissa Minerals Development Company Limited	1,709.79	1,477.44	232.35
34	Bharat Heavy Electricals Limited	17,183.98	16,975.06	208.92
35	The Shipping Corporation of India Limited	5,363.68	5,158.72	204.96
36	MOIL Limited	3,753.28	3,568.22	185.06

Sl. No.	Name of CPSE	Market Capitalization 2021-22	Market Capitalization 2020-21	Difference
37	The State Trading Corporation of India Limited	582.60	445.80	136.80
38	MSTC Limited	2,156.35	2,101.09	55.26
39	IFCI Limited	2,334.32	2,280.88	53.44
40	Andrew Yule and Company Limited	987.68	965.68	22
41	Hindustan Fluorocarbons Limited	18.76	14.78	3.98
42	India Tourism Development Corporation Limited	3,251.09	3,293.97	-42.88
43	Scooters India Limited	274.47	317.67	-43.20
44	Hindustan Copper Limited	10,990.23	11,056.36	-66.13
45	Bharat Immunologicals and Biologicals Corporation Limited	121.34	196.47	-75.13
46	Hindustan Organic Chemicals Limited	187.75	266.34	-78.59
47	National Fertilizers Limited	2,602.52	2,761.96	-159.44
48	Mishra Dhatu Nigam Limited	3,098.60	3,310.30	-211.70
49	Balmer Lawrie Investment Company Limited	819.97	1,038.39	-218.42
50	Balmer Lawrie and Company Limited	1,928.07	2,205.09	-277.02
51	Power Finance Corporation Limited	29,687.72	30,004.53	-316.81
52	IRCON International Limited	3,738.55	4,154.73	-416.18
53	HMT Limited	3,124.62	3,696.56	-571.94
54	Hemisphere Properties India Limited	3,258.98	3,910.20	-651.22
55	Engineers India Limited	3,597.07	4,330.54	-733.47
56	Cochin Shipyard Limited	3,866.63	4,936.71	-1,070.08
57	RailTel Corporation of India Limited	2,699.09	4,069.5	-1,370.41
58	REC Limited	24,291.49	25,920.8	-1,629.31
59	I T I Limited	9,027.17	10,744.85	-1,717.68
60	NBCC (India) Limited	6,534	8,388	-1,854
61	Indian Railway Finance Corporation Limited	28,031.95	29,992.22	-1,960.27
62	Housing and Urban Development Corporation Limited	6,546.21	8,788.34	-2,242.13
63	The New India Assurance Company Limited	18,391.68	25,436.88	-7,045.20
64	Bharat Petroleum Corporation Limited	77,919.56	92,833.17	-14,913.61
65	General Insurance Corporation of India	19,982.62	35,009.05	-15,026.43

## Annexure-VI (Refer Para No. 1.3.1)

## List of Government companies and corporations which were added to the profit making CPSEs during 2021-22 in comparison to loss in 2020-21

Sl. No.	Name of CPSE	Whether operating profit is the reason for earning profit in 2021-22
1.	Airports Authority of India	Yes
2.	AI Airport Services Limited	Yes
3.	AI Engineering Services Limited	Yes
4.	Powergrid Ajmer Phagi Transco Limited	Yes
5.	Pondicherry Ashok Hotel Corporation Limited	Yes
6.	Armoured Vehicles Nigam Limited*	Yes
7.	Advanced Weapons and Equipment India Limited*	Yes
8.	Bharat Coking Coal Limited	Yes
9.	Bharat Heavy Electricals Limited	Yes
10.	Bharat Oman Refineries Limited	No
11.	Chandigarh Industrial and Tourism Development Corporation Limited	No
12.	Chandigarh Smart City Limited	No
13.	Central Transmission Utility of India Limited	Yes
14.	Powergrid Bhadla Transmission Limited	Yes
15.	Powergrid Fategarh Transmission Limited	Yes
16.	Government e- Market Place	Yes
17.	Gliders India Limited*	Yes
18.	HLL Biotech Limited	Yes
19.	HLL Medipark Limited	No
20.	Hindustan Shipyard Limited	Yes
21.	High Speed Rail Corridor Corporation Limited	Yes
22.	IFCI Financial Services Limited	No
23.	IFIN Credit Limited	No
24.	India Optel Limited*	Yes
25.	India Ports Global Private Limited	No
26.	India Tourism Development Corporation Limited	No
27.	Powergrid Khetri Transmission System Limited	Yes
28.	Kolkata Metro Rail Corporation Limited	No
29.	MJSJ Coal Limited	No
30.	Digital India Corporation	No
31.	Mangalore Refinery and Petrochemicals Limited	Yes
32.	Munitions India Limited*	Yes
33.	NCRTC Express Transit Limited	No
34.	New Delhi Municipal Council Smart City Limited	No
35.	NMDC CSR Foundation Limited	No
36.	Powergrid NM Transmission Limited	Yes
37.	NSIC Venture Capital Fund Limited	Yes
38.	NTPC Renewable Energy Limited	No
39.	Rashtriya Ispat Nigam Limited	Yes

Sl. No.	Name of CPSE	Whether operating profit is the reason for earning profit in 2021-22
40.	Sidcul Concor Infra Company Limited	Yes
41.	Scooters India Limited	No
42.	Stock Holding Documents Management Services Limited	Yes
43.	Powergrid Sikar Transmission Limited	Yes
44.	Troop Comforts Limited*	Yes
45.	Tungabhadra Steel Products Limited	No

\* Six companies at Sl. No.6, 7, 17, 24, 32 and 44 were new and reported profit in the first year of their operation during 2021-22.

## Annexure-VII (Refer Para No. 1.3.1)

## List of Government companies excluded from the list of profit making companies in 2021-22

Sl. No.	Name of CPSE	Whether operating loss is the reason for suffering loss in 2021-22
1.	AI Assets Holding Limited	Yes
2.	Andrew Yule and Company Limited	Yes
3.	Baster Railway Private Limited	Yes
4.	Bharat Broadband Network Limited	Yes
5.	Bharat Gold Mines Limited	No
6.	Bidar Transmission Limited	Yes
7.	Bihar Mega Power Limited	Zero Profit
8.	Bharat Petro Resources JPDA Limited	Yes
9.	Dedicated Freight Corridor Corporation Limited	No
10.	Deoghar Mega Power Limited	Zero Profit
11.	Eastern Investments Limited	No
12.	Health Insurance TPA of India Limited	No
13.	Hindustan Organic Chemicals Limited	Yes
14.	Hindustan Prefab Limited	Yes
15.	IFCI Venture Capital Funds Limited	No
16.	Ircon Gurgaon Rewari Highway Limited	Yes
17.	The Jute Corporation of India Limited	No
18.	National Film Development Corporation Limited	Yes
19.	Orissa Integrated Power Limited	Zero Profit
20.	ONGC Videsh Rovuma Limited	Yes
21.	Prize Petroleum Company Limited	Yes
22.	Powergrid Southern Interconnector Transmission System Limited	No
23.	Rajgarh Transmission Limited	Yes
24.	Sethusamudram Corporation Limited	Yes
25.	SJVN Thermal Private Limited	Yes
26.	Talcher Fertilizer Limited	Yes

## Annexure-VIII (Refer Para No. 1.3.3)

## List of Government companies having zero or negative net worth as on 31 March 2022

(₹ in crore)

Sl. No.	Name of CPSE	Profit After Tax	Net worth	Paid up capital
1.	AI Assets Holding Limited	-1,057.47	-6,266.13	62,365.45
2.	Alliance Air Aviation Limited	-447.76	-3,098.55	402.25
3.	AI Engineering Services Limited	837.12	-1,381.51	166.67
4.	Andaman Fisheries Limited	-7.22	-47.78	1
5.	Andaman & Nicobar Islands Forest and Plantation Development Corporation Limited	-2.61	-24.52	3.59
6.	Pondicherry Ashok Hotel Corporation Limited	0.16	-1.71	1.6
7.	Ranchi Ashok Bihar Hotel Corporation Limited	-0.75	-15.63	4.9
8.	Utkal Ashok Hotel Corporation Limited	-0.88	-27.31	1.3
9.	Bharat Gold Mines Limited	-68.88	-1,982.54	51.06
10.	Bharat Pumps and Compressors Limited	-53.69	-90.42	53.53
11.	BHEL Electrical Machines Limited	-4.41	-25.07	10.5
12.	The British India Corporation Limited	-79.05	-1,304.44	31.71
13.	Bihar Drugs and Organic Chemicals Limited	-0.49	-45.69	7.77
14.	Biecco Lawrie Limited	0.89	-114.11	74.76
15.	Birds Jute and Exports Limited	-5.40	-147.36	0.39
16.	The Bisra Stone Lime Company Limited	7.81	-141.1	87.29
17.	BPCL- KIAL Fuel Farm Private Limited	-3.85	-4.65	9
18.	Bharat Petro Resources JPDA Limited	-0.31	-56.52	60
19.	BSNL Tower Corporation Limited	0.00	-2.79	0
20.	Brahmaputra Valley Fertilizer Corporation Limited	-97.64	-348.92	365.83
21.	Chandil Transmission Limited	0.00	-2.15	0.05
22.	Coastal Karnataka Power Limited	-0.01	-0.01	0.05
23.	Coastal Maharashtra Mega Power Limited	0.00	0	0.05
24.	Chhattisgarh Mega Steel Limited	-0.01	0	0.05
25.	Central Cottage Industries Corporation Limited	-24.38	-68.66	10.85
26.	Chhattisgarh Surguja Power Limited	0.00	0	0.05
27.	Dumka Transmission Limited	0.00	-2.1	0.05
28.	Powergrid ER NER Transmission Limited	-0.31	-0.26	0.05
29.	FACT RCF Building Products Limited	-8.58	-137.71	70.45

Sl. No.	Name of CPSE	Profit After Tax	Net worth	Paid up capital
30.	Goa Antibiotics and Pharmaceuticals Limited	-6.67	-11.38	19.02
31.	Hindustan Antibiotics Limited	-16.21	-623.45	71.72
32.	Heavy Engineering Corporation Limited	-256.07	-844.07	606.08
33.	Hindustan Fluorocarbons Limited	-6.13	-78.81	19.61
34.	HLL Mother and Child Care Hospitals Limited	-0.01	0	0.1
35.	HMT Machine Tools Limited	-145.73	-1,684.73	276.6
36.	HMT Watches Limited	1.05	-2,682.28	6.49
37.	Hooghly Printing Company Limited	-0.04	-5.82	1.03
38.	Hotel Corporation of India Limited	-84.81	-613.86	137.6
39.	Hindustan Photo Films (Manufacturing) Company Limited	-1.88	-23,738.9	206.87
40.	Hindustan Shipyard Limited	50.78	-547.31	301.99
41.	Inland Coastal Shipping Limited	-0.89	-0.19	1.05
42.	Instrumentation Limited	22.26	-367.63	146.05
43.	The Industrial Credit Company Limited	0.00	-0.05	0.05
44.	Jharkhand National Mineral Development Corporation Limited	-0.01	-0.08	0.01
45.	Koderma Transmission Limited	0.00	-1.92	0.05
46.	Karnataka Vijaynagar Steel Limited	-0.70	-1.91	0.1
47.	Lakshadweep Tourism Development Corporation	-0.29	-0.25	0.05
48.	Lucknow Solar Power Development Corporation Limited	1.28	-0.18	1
49.	Manipur State Drugs and Pharmaceuticals Limited	-250.31	-470.99	0.85
50.	Maharashtra Antibiotics and Pharmaceuticals Limited	-625.87	-757.51	1.24
51.	Mahanadi Basin Power Limited	-0.02	-5.99	0.05
52.	Madras Fertilizers Limited	162.05	-505.39	162.14
53.	MP Power Transmission Package-I Limited	-0.80	-1.62	0.05
54.	Mandar Transmission Limited	0.00	-1.87	0.05
55.	Mahanagar Telephone Nigam Limited	-2,602.59	-18,656.5	630
56.	Naini Aerospace Limited	-12.82	-8.26	50
57.	National Bicycle Corporation of India Limited	-21.26	-671.48	5.65
58.	North Eastern Handicrafts and Handlooms Development Corporation Limited	-28.33	-40.77	8.5
59.	North Eastern Regional Agricultural Marketing Corporation Limited	-4.63	-21.98	35.85
60.	National Investment & Infrastructure Fund Trustee Limited	0.03	-0.1	0.02

Sl. No.	Name of CPSE	Profit After Tax	Net worth	Paid up capital
61.	National Jute Manufacturers Corporation Limited	-8.13	-228.52	55.8
62.	NTPC EDMC Waste Solution Private Limited	-2.05	-2.76	0.2
63.	Orissa Integrated Power Limited	0.00	-0.07	0.05
64.	PEC Limited	-314.29	-2,223.98	60
65.	Rajasthan Drugs and Pharmaceuticals Limited	-2.13	-101.4	4.99
66.	Rajgarh Transmission Limited	-0.20	-0.1	0.05
67.	Rohini Heliport Limited	0.00	-0.02	0.01
68.	Sambhar Salts Limited	10.85	-30.52	1
69.	Silvassa Smart City Limited	-0.16	-1.9	0.05
70.	Shongtong Karcham Wangtoo Transmission Limited	0.00	0	0.01
71.	The State Trading Corporation of India Limited	-93.97	-197.57	60
72.	STCL Limited	7.12	-4,557.11	1.5
73.	Suuti Tech Options Limited	-0.01	-0.32	0.5
74.	Tatiya Andhra Mega Power Limited	0.00	0	0.05
	Tanda Transmission Limited	0.00	0	0
75.	TCIL Bina Toll Road Limited	0.08	-40.65	19.57
76.	Tungabhadra Steel Products Limited	9.57	-98.81	8.44
77.	Powergrid Vemagiri Transmission System Limited	-0.01	-19.42	0.05
78.	Yule Electrical Limited	-0.01	-0.08	0.05
79.	Yule Engineering Limited	-0.01	-0.04	0.05
	<b>Total</b>	<b>-5,239.69</b>	<b>-75,186.19</b>	<b>66,682.49</b>

## Annexure-IX (Refer Para No. 1.3.4)

## Shortfall in dividend declared by Government companies

(₹ in crore)

Sl. No.	Name of CPSE	Net Worth	Profit After Tax	Dividend declared	5% of Net worth	30% of Profit after Tax	Minimum Dividend to be declared	Shortfall
<b>Listed Government Companies</b>								
1.	Chennai Petroleum Corporation Limited	2,790.14	1,342.42	29.78	139.51	402.73	402.73	372.94
2.	HMT Limited	426.66	38.36	0.00	21.33	11.51	21.33	21.33
3.	Indian Railway Finance Corporation Limited	40,996.34	6,089.84	1,829.60	2,049.82	1,826.95	2,049.82	220.22
4.	Mishra Dhatu Nigam Limited	1,190.72	176.31	58.08	59.54	52.89	59.54	1.46
5.	Mangalore Refinery and Petrochemicals Limited	7,196.34	2,955.27	0.00	359.82	886.58	886.58	886.58
6.	NLC India Limited	13,806.64	1,236.78	416.00	690.33	371.03	690.33	274.33
7.	The Shipping Corporation of India Limited	8,820.58	794.79	15.51	441.03	238.44	441.03	425.52
<b>Unlisted Government Companies</b>								
8.	Andaman and Nicobar Islands Integrated Development Corporation Limited	209.14	23.93	7.15	10.46	7.18	10.46	3.30
9.	Andhra Pradesh Solar Power Corporation Limited	286.58	71.98	0.00	14.33	21.59	21.59	21.59
10.	Broadcast Engineering Consultants India Limited	21.14	11.09	1.67	1.06	3.33	3.33	1.66
11.	BEL-Thales Systems Limited	62.85	5.21	1.56	3.14	1.56	3.14	1.58
12.	Bharat Gas Resources Limited	1,799.94	149.84	0.00	90.00	44.95	90.00	90.00
13.	Bharat Oman Refineries Limited	4,435.73	892.17	0.00	221.79	267.65	267.65	267.65
14.	Bridge and Roof Company (India) Limited	395.84	21.28	6.43	19.79	6.38	19.79	13.36
15.	Braithwaite and Company Limited	150.55	42.42	0.00	7.53	12.73	12.73	12.73
16.	Chhattisgarh East Railway Limited	819.62	62.33	0.00	40.98	18.70	40.98	40.98

Sl. No.	Name of CPSE	Net Worth	Profit After Tax	Dividend declared	5% of Net worth	30% of Profit after Tax	Minimum Dividend to be declared	Shortfall
17.	Chandigarh Industrial and Tourism Development Corporation Limited	60.82	4.61	0.00	3.04	1.38	3.04	3.04
18.	Central Transmission Utility of India Limited	40.05	40.03	0.00	2.00	12.01	12.01	12.01
19.	DNH Power Distribution Corporation Limited	877.43	105.84	0.00	43.87	31.75	43.87	43.87
20.	Dadra & Nagar Haveli, Daman and Diu SC/ST Financial and Development Corporation Limited	15.16	4.47	0.00	0.76	1.34	1.34	1.34
21.	ECGC Limited	15,375.28	875.16	276.50	768.76	262.55	768.76	492.26
22.	Electronics Corporation of India Limited	1,255.73	220.78	33.12	62.79	66.24	66.24	33.12
23.	GAIL Gas Limited	2,430.75	283.36	0.00	121.54	85.01	121.54	121.54
24.	HLL Biotech Limited	636.42	547.34	0.00	31.82	164.20	164.20	164.20
25.	HSCC (India) Limited	143.61	25.18	6.18	7.18	7.55	7.55	1.37
26.	IIFCL Asset Management Company Limited	27.14	2.16	0.00	1.36	0.65	1.36	1.36
27.	IIFCL Projects Limited	22.93	3.74	0.00	1.15	1.12	1.15	1.15
28.	IRCON Vadodara Kim Expressway Limited	239.90	60.16	0.00	12.00	18.05	18.05	18.05
29.	Karnataka Antibiotics and Pharmaceuticals Limited	239.09	24.66	4.05	11.95	7.40	11.95	7.91
30.	Kanti Bijlee Utpadan Nigam Limited	1,865.75	131.84	25.06	93.29	39.55	93.29	68.23
31.	Kumarakruppa Frontier Hotels Private Limited	27.29	4.16	0.97	1.36	1.25	1.36	0.39
32.	Lakshadweep Development Corporation Limited	388.64	23.56	0.00	19.43	7.07	19.43	19.43

Sl. No.	Name of CPSE	Net Worth	Profit After Tax	Dividend declared	5% of Net worth	30% of Profit after Tax	Minimum Dividend to be declared	Shortfall
33.	National Credit Guarantee Trustee Company Limited	24.39	7.49	0.00	1.22	2.25	2.25	2.25
34.	NMDC CSR Foundation Limited	6.04	1.02	0.00	0.30	0.31	0.31	0.31
35.	New Space India Limited	1,441.77	342.99	0.00	72.09	102.90	102.90	102.90
36.	NTPC Vidyut Vyapar Nigam Limited	562.57	150.26	30.00	28.13	45.08	45.08	15.08
37.	Nuclear Power Corporation of India Limited	46,147.08	6,394.78	1,897.00	2,307.35	1,918.43	2,307.35	410.35
38.	Omnibus Industrial Development Corporation of Daman, Diu & Dadra and Nagar Haveli Limited	232.93	24.50	0.00	11.65	7.35	11.65	11.65
39.	ONGC Videsh Limited	35,681.78	3,247.53	480.00	1,784.09	974.26	1,784.09	1,304.09
40.	Projects and Development India Limited	167.40	10.81	3.24	8.37	3.24	8.37	5.13
41.	Railtel Enterprises Limited	21.39	1.30	0.00	1.07	0.39	1.07	1.07
42.	Richardson and Cruddas (1972) Limited	247.31	19.35	0.00	12.37	5.80	12.37	12.37
43.	Renewable Power Corporation of Kerala Limited	5.74	1.99	0.00	0.29	0.60	0.60	0.60
44.	Telecommunications Consultants of India Limited	612.79	30.33	12.13	30.64	9.10	30.64	18.51
45.	Western Coalfields Limited	1,505.82	942.41	0.00	75.29	282.72	282.72	282.72
	<b>Total</b>	<b>1,93,711.79</b>	<b>27,445.81</b>	<b>5,134.03</b>	<b>9,685.59</b>	<b>8,233.74</b>	<b>10,945.54</b>	<b>5,811.51</b>

## Annexure-X (Refer Para No. 1.3.4)

## Details of CPSEs not required to declare dividend

		(₹ in crore)
Sl. No.	Name of CPSE	Profit After Tax
1	Artificial Limbs Manufacturing Corporation of India	64.15
2	Biotechnology Industry Research Assistance Council	9.00
3	Central Registry of Securitisation Asset Reconstruction and Security Interest of India	65.57
4	Creative Museum Designers	4.16
5	Defence Innovation Organisation	0.00
6	Digital India Corporation	1.43
7	Government e- Market Place	104.07
8	Higher Education Financing Agency	447.52
9	India International Convention and Exhibition Centre Limited	0.94
10	India Trade Promotion Organisation	-52.83
11	Karnataka Trade Promotion Organisation	1.32
12	Karmayogi Bharat	First Accounts not due
13	National Backward Classes Finance and Development Corporation	30.56
14	National Handicapped Finance and Development Corporation	6.20
15	National Informatics Centre Services Inc.	46.17
16	National Minorities Development and Finance Corporation	67.64
17	National Research Development Corporation of India Limited	0.05
18	National Safai Karmacharis Finance and Development Corporation	15.92
19	National Scheduled Castes Finance and Development Corporation	48.78
20	National Scheduled Tribes Finance and Development Corporation	24.45
21	Tamil Nadu Trade Promotion Organisation	3.89

## Annexure-XI (Refer Para No. 1.4.1)

## Return on Capital Employed of Government companies and corporations

(₹ in crore)

Sl. No.	CPSE	2019-20			2020-21			2021-22		
		Capital Employed	EBIT	ROCE in %	Capital Employed	EBIT	ROCE in %	Capital Employed	EBIT	ROCE in %
1	Advanced Weapons and Equipment India Limited							2,573.47	6.16	0.24
2	Agrinnovative India Limited	69.68	3.76	5.40	71.07	1.86	2.62	72.61	2.06	2.84
3	AI Airport Services Limited	403.18	133.86	33.20	184.40	-223.09	-120.98	361.65	-1.94	-0.54
4	AI Engineering Services Limited	-2,178.67	107.20	-4.92	-2,218.34	-9.58	-0.43	776.78	575.28	74.06
5	AI Assets Holding Limited	22,119.07	3,808.64	17.22	22,162.77	2,327.83	10.50	8,718.88	1,974.15	22.64
6	Airports Authority of India	15,544.36	3,817.08	24.56	14,747.17	-2,726.42	-18.49	15,379.24	97.16	0.63
7	Alliance Air Aviation Limited	-2,256.66	-56.01	-2.48	-2,651.16	-198.69	-7.49	-3,098.55	-262.71	-8.48
8	Ananthpuram Kurnool Transmission Limited				0.01	0.00	0.00	0.01	0.00	0.00
9	Andaman & Nicobar Islands Forest and Plantation Development Corporation Limited	-21.02	-1.03	-4.90	-21.91	-0.89	-4.06	-24.52	-2.61	-10.64
10	Andaman and Nicobar Islands Integrated Development Corporation Limited	180.03	46.71	25.95	192.35	26.41	13.73	209.14	32.77	15.67
11	Andaman Fisheries Limited	-0.04	-0.02	-50.00	-0.06	-0.02	-33.33	-0.09	-0.02	-22.22

Sl. No.	CPSE	2019-20			2020-21			2021-22		
		Capital Employed	EBIT	ROCE in %	Capital Employed	EBIT	ROCE in %	Capital Employed	EBIT	ROCE in %
12	Andhra Pradesh Solar Power Corporation Limited	159.18	88.03	55.30	215.12	83.06	38.61	286.58	97.59	34.05
13	Andrew Yule and Company Limited	168.28	-13.81	-8.21	190.68	22.80	11.96	189.97	17.02	8.96
14	Angul Sukinda Railway Limited	1,160.30	-0.08	-0.01	1,649.81	0.00	0.00	2,240.49	0.64	0.03
15	Antrix Corporation Limited	1,596.57	297.04	18.60	1,567.31	77.22	4.93	1,513.87	36.24	2.39
16	Anushakti Vidyut Nigam Limited	0.02	0.00	0.00	0.02	0.00	0.00	0.01	0.00	0.00
17	Apollo Design Apparel Parks Limited	123.49	13.59	11.00	122.50	-0.99	-0.81	122.50	-0.99	-0.81
18	Armoured Vehicles Nigam Limited							12,302.08	73.65	0.60
19	Artificial Limbs Manufacturing Corporation of India	483.29	85.68	17.73	533.64	52.26	9.79	599.26	64.15	10.70
20	Aurangabad Textile and Apparel Parks Limited	14.05	-0.79	-5.62	13.30	-0.78	-5.86	13.30	-0.78	-5.86
21	Balmer Lawrie and Company Limited	1,328.21	229.71	17.29	1,310.66	159.57	12.17	1,319.86	171.98	13.03
22	Balmer Lawrie Investment Company Limited	176.31	85.80	48.66	167.16	86.13	51.53	159.96	67.80	42.39
23	Bangalore Metro Rail Corporation Limited	26,274.39	-486.70	-1.85	30,693.07	-797.12	-2.60	34,473.66	-519.32	-1.51
24	Baster Railway Private Limited	294.06	1.44	0.49	294.60	0.73	0.25	293.71	-1.18	-0.40
25	BEL Optronics Devices Limited	236.27	4.45	1.88	240.52	7.57	3.15	244.32	7.91	3.24
26	BEL-Thales Systems Limited	54.50	4.64	8.51	57.65	3.98	6.90	62.85	5.60	8.91

Sl. No.	CPSE	2019-20			2020-21			2021-22		
		Capital Employed	EBIT	ROCE in %	Capital Employed	EBIT	ROCE in %	Capital Employed	EBIT	ROCE in %
27	BEML Land Assets Limited							0.00	-0.01	0.00
28	BEML Limited	2,382.59	33.18	1.39	2,273.39	105.22	4.63	2,280.73	233.90	10.26
29	Bengal Chemicals and Pharmaceuticals Limited	139.99	15.04	10.74	146.08	7.74	5.30	76.96	9.24	12.01
30	Bengal Gas Company Limited	48.91	-1.09	-2.23	71.82	-2.09	-2.91	250.31	-5.78	-2.31
31	Bhadla Sikar Transmission Limited				0.01	0.00	0.00	0.01	0.00	0.00
32	Bharat Broadband Network Limited	85.96	3.21	3.73	87.41	2.17	2.48	84.92	-2.49	-2.93
33	Bharat Coking Coal Limited	4,297.66	1,180.59	27.47	3,088.81	-1,512.16	-48.96	3,273.77	191.31	5.84
34	Bharat Dynamics Limited	2,606.83	742.45	28.48	2,684.75	340.88	12.70	3,030.56	709.91	23.43
35	Bharat Electronics Limited	9,852.94	2,479.17	25.16	10,761.20	2,934.81	27.27	11,984.26	3,157.80	26.35
36	Bharat Gas Resources Limited	299.74	2.94	0.98	900.10	0.35	0.04	1,799.94	205.25	11.40
37	Bharat Gold Mines Limited	-102.76	30.52	-29.70	-120.16	217.63	-181.12	-123.04	1.02	-0.83
38	Bharat Heavy Electricals Limited	29,221.40	-590.52	-2.02	26,448.87	-3,571.49	-13.50	2,6971.16	484.34	1.80
39	Bharat Immunologicals and Biologicals Corporation Limited	20.47	-10.15	-49.58	41.04	-19.85	-48.37	50.18	-4.59	-9.15
40	Bharat Oman Refineries Limited				11,272.86	405.93	3.60	11,240.31	2,766.18	24.61
41	Bharat Petro Resources JPDA Limited	-68.44	-4.10	-5.99	-1.67	12.24	-732.93	-1.97	-0.31	-15.74
42	Bharat Petro Resources Limited	5,771.80	-798.95	-13.84	4380.12	-1,600.31	-36.54	5,582.33	131.14	2.35

Sl. No.	CPSE	2019-20			2020-21			2021-22		
		Capital Employed	EBIT	ROCE in %	Capital Employed	EBIT	ROCE in %	Capital Employed	EBIT	ROCE in %
43	Bharat Petroleum Corporation Limited	58,431.48	3,221.76	5.51	70,333.31	22,393.64	31.84	63,837.42	12,176.00	19.07
44	Bharat Pumps and Compressors Limited	-188.84	-0.26	-0.14	-202.49	-70.77	-34.95	-90.42	-46.84	-51.80
45	Bharat Sanchar Nigam Limited	48,306.21	-13,985.50	-28.95	46,012.06	-5,372.42	-11.68	34,441.88	-4,825.16	-14.01
46	Bharatiya Nabhikiya Vidyut Nigam Limited	5,891.95	0.10	0.00	5,518.93	0.29	0.01	5,869.04	0.24	0.00
47	Bhartiya Rail Bijlee Company Limited	8,191.89	667.18	8.14	6,309.35	757.24	12.00	7,681.85	820.15	10.68
48	BHEL Electrical Machines Limited	-20.65	-5.42	-26.25	-25.07	-2.79	-11.13	-25.07	-2.79	-11.13
49	Bidar Transmission Limited				0.07	0.03	42.86	0.07	-0.01	-14.29
50	Biecco Lawrie Limited	-3.26	-3.34	-102.45	10.66	11.59	108.72	11.55	0.89	7.71
51	Bihar Drugs and Organic Chemicals Limited	-30.16	-0.49	-1.62	-30.16	-0.49	-1.62	-30.16	-0.49	-1.62
52	Bihar Infra power Limited	0.06	0.00	0.00	0.06	0.00	0.00	0.06	0.00	0.00
53	Bihar Mega Power Limited	48.63	0.00	0.00	49.48	0.00	0.00	50.27	0.00	0.00
54	Bijawar Vidarbha Transmission Limited	0.01	0.00	0.00	0.01	0.00	0.00	0.00	-0.01	0.00
55	Biotechnology Industry Research Assistance Council	112.53	7.95	7.06	120.65	6.79	5.63	130.13	9.00	6.92
56	Birds Jute and Exports Limited	-11.13	0.19	-1.71	-11.92	-0.71	-5.96	-12.16	-0.60	-4.93
57	BPCL- KIAL Fuel Farm Private Limited	13.35	-0.89	-6.67	9.72	-5.05	-51.95	5.32	-2.90	-54.51
58	Brahmaputra Cracker and Polymer Limited	4,424.17	2,097.87	47.42	4,747.07	1,244.12	26.21	3,390.03	994.53	29.34

Sl. No.	CPSE	2019-20			2020-21			2021-22		
		Capital Employed	EBIT	ROCE in %	Capital Employed	EBIT	ROCE in %	Capital Employed	EBIT	ROCE in %
59	Brahmaputra Valley Fertilizer Corporation Limited	459.22	-129.70	-28.24	321.47	-137.75	-42.85	223.83	-97.64	-43.62
60	Braithwaite and Company Limited	93.81	24.13	25.72	118.13	31.23	26.44	150.55	46.70	31.02
61	Bridge and Roof Company (India) Limited	377.75	85.07	22.52	376.67	44.70	11.87	395.84	62.99	15.91
62	Broadcast Engineering Consultants India Limited	7.58	3.13	41.29	11.32	9.60	84.81	111.85	25.86	23.12
63	BSNL Tower Corporation Limited	-2.80	-0.03	-1.07	-2.79	0.01	-0.36	-2.79	-0.01	-0.36
64	Bundelkhand Saur Urja Limited	9.41	-0.01	-0.11	48.67	-0.18	-0.37	155.03	-0.88	-0.57
65	Burn Standard Company Limited	184.63	0.47	0.25	184.63	-0.05	-0.03	184.63	-0.05	-0.03
66	Cement Corporation of India Limited	128.81	-50.94	-39.55	121.10	13.15	10.86	162.34	40.20	24.76
67	Central Coalfields Limited	6,391.53	2,932.72	45.88	7,548.53	1,913.18	25.35	8,411.98	2,094.73	24.90
68	Central Cottage Industries Corporation Limited	-13.58	-9.27	-68.26	-44.33	-29.81	-67.25	-68.66	-23.96	-34.90
69	Central Electronics Limited	84.39	10.55	12.50	107.71	36.57	33.95	122.34	36.62	29.93
70	Central Inland Water Transport Corporation Limited	42.42	2.85	6.72	56.17	14.85	26.44	56.50	1.32	2.34
71	Central Mine Planning and Design Institute Limited	570.31	312.62	54.82	784.47	414.49	52.84	995.62	366.04	36.77

Sl. No.	CPSE	2019-20			2020-21			2021-22		
		Capital Employed	EBIT	ROCE in %	Capital Employed	EBIT	ROCE in %	Capital Employed	EBIT	ROCE in %
72	Central Registry of Securitisation Asset Reconstruction and Security Interest of India	825.33	114.90	13.92	869.95	62.56	7.19	935.51	88.66	9.48
73	Central Transmission Utility of India Limited				0.02	-0.03	-150.00	40.05	53.49	133.56
74	Central Warehousing Corporation	2,789.26	409.67	14.69	2,868.61	565.54	19.71	3,088.15	589.73	19.10
75	Certification Engineers International Limited	78.60	13.98	17.79	80.67	15.02	18.62	79.30	11.25	14.19
76	Chandigarh Industrial and Tourism Development Corporation Limited	58.23	0.57	0.98	56.53	3.97	7.02	60.82	0.84	1.38
77	Chandigarh Smart City Limited	0.10	-1.59	-1590.00	200.00	-0.55	-0.28	203.44	1.78	0.87
78	Chandil Transmission Limited	-2.14	-0.44	-20.56	-2.15	-0.01	-0.47	-2.15	0.00	0.00
79	Chennai Metro Rail Limited	17,576.46	-396.93	-2.26	17,195.61	-477.99	-2.78	18,705.29	-539.73	-2.89
80	Chennai Petroleum Corporation Limited	4,144.96	-2,664.84	-64.29	4,442.43	1,651.58	37.18	5181.69	2,244.08	43.31
81	Cheyyur Infra Limited	0.08	0.00	0.00	0.09	0.00	0.00	0.09	0.00	0.00
82	Chhattisgarh Surguja Power Limited	0.00	-0.05	0.00	0.00	0.00	0.00	0.00	0.00	0.00
83	Chhattisgarh Copper Limited	-0.04	-0.04	-100.00	0.06	-0.11	-183.33	0.05	-0.10	-200.00
84	Chhattisgarh East Railway Limited	2,299.31	8.79	0.38	2,675.20	21.59	0.81	3,084.81	5.98	0.19
85	Chhattisgarh East West Railway Limited	671.92	-0.11	-0.02	1,029.87	-0.27	-0.03	1,500.41	-0.28	-0.02

Sl. No.	CPSE	2019-20			2020-21			2021-22		
		Capital Employed	EBIT	ROCE in %	Capital Employed	EBIT	ROCE in %	Capital Employed	EBIT	ROCE in %
86	Chhattisgarh Mega Steel Limited	0.01	-0.01	-100.00	0.00	-0.01	0.00	0.00	-0.01	0.00
87	CIL Navikarniya Urja Limited							0.05	0.00	0.00
88	CIL Solar PV Limited							0.05	0.00	0.00
89	Coal India Limited	16,813.30	11,299.26	67.20	1,6751.71	7,673.98	45.81	16,357.95	11,358.34	69.44
90	Coastal Karnataka Power Limited	0.00	-0.05	0.00	0.00	0.00	0.00	-0.01	-0.01	-100.00
91	Coastal Maharashtra Mega Power Limited	0.00	-0.05	0.00	0.00	0.00	0.00	0.00	0.00	0.00
92	Coastal Tamilnadu Power Limited	141.39	0.00	0.00	149.29	0.00	0.00	157.58	0.00	0.00
93	Cochin Shipyard Limited	3,835.48	863.43	22.51	4,081.25	810.59	19.86	4,462.86	794.39	17.80
94	Concor Air Limited	36.84	11.81	32.06	33.91	-2.07	-6.10	24.24	-9.21	-38.00
95	Container Corporation of India Limited	10,064.74	530.14	5.27	10,203.74	679.10	6.66	10,777.30	1,407.02	13.06
96	Creative Museum Designers	17.78	2.94	16.54	20.91	3.41	16.31	10.19	4.16	40.82
97	Cross Border Power Transmission Company Limited	244.33	36.37	14.89	236.53	28.80	12.18	235.66	29.63	12.57
98	Dadra & Nager Haveli, Daman and Diu SC/ST Financial and Development Corporation Limited	10.37	1.33	12.83	11.60	0.33	2.84	15.16	4.47	29.49
99	Damodar Valley Corporation	22,072.80	3,192.79	14.46	21,621.75	2,821.45	13.05	23,413.91	2,552.13	10.90
100	Dedicated Freight Corridor Corporation Limited	36,713.51	978.93	2.67	41,109.34	1,369.35	3.33	48,416.84	1,521.39	3.14

Sl. No.	CPSE	2019-20			2020-21			2021-22		
		Capital Employed	EBIT	ROCE in %	Capital Employed	EBIT	ROCE in %	Capital Employed	EBIT	ROCE in %
101	Defence Innovation Organisation	61.82	0.00	0.00	85.81	0.00	0.00	123.77	0.00	0.00
102	Delhi Metro Last Mile Services Limited	-0.01	-0.01	100.00	0.08	-0.01	-12.50	0.07	-0.01	-14.29
103	Delhi Metro Rail Corporation Limited	71,277.51	-193.90	-0.27	69,613.92	-3,117.90	-4.48	67,461.06	-4,288.10	-6.36
104	Delhi Police Housing Corporation Limited	12.33	0.80	6.49	12.82	0.67	5.23	12.98	0.22	1.69
105	Deochar Infra Limited	0.32	0.00	0.00	0.36	0.00	0.00	0.40	0.00	0.00
106	Deochar Mega Power Limited	20.32	0.00	0.00	23.16	0.00	0.00	23.85	0.00	0.00
107	Digital India Corporation	42.24	0.00	0.00	36.27	0.00	0.00	33.35	1.43	4.29
108	Diu Smart City Limited	1.96	0.00	0.00	1.99	0.03	1.51	2.02	0.03	1.49
109	DNH Power Distribution Corporation Limited	541.68	18.50	3.42	771.58	270.19	35.02	877.43	118.45	13.50
110	Dumka Transmission Limited	-2.08	-0.19	9.13	-2.09	-0.01	0.48	-2.10	0.00	0.00
111	Eastern Coalfields Limited	3,842.69	1,501.35	39.07	2,980.50	-907.26	-30.44	1,964.75	-1,437.37	-73.16
112	Eastern Investments Limited	269.64	-0.72	-0.27	270.43	0.46	0.17	269.99	0.27	0.10
113	ECGC Limited	12,687.73	399.97	3.15	13,765.91	582.65	4.23	15,375.28	1,131.02	7.36
114	EdCIL (India) Limited	148.73	56.19	37.78	173.00	49.44	28.58	211.79	71.33	33.68
115	Electronics Corporation of India Limited	1,011.88	89.86	8.88	1,078.42	156.42	14.50	1,255.73	301.66	24.02
116	Engineering Projects (India) Limited	198.54	14.05	7.08	148.52	-35.77	-24.08	83.46	-59.83	-71.69
117	Engineers India Limited	2,345.46	675.51	28.80	1,701.01	350.57	20.61	1,925.05	447.84	23.26
118	FACT RCF Building Products Limited	-76.61	-66.67	-87.03	-77.23	-0.61	-0.79	-79.87	-2.58	-3.23

Sl. No.	CPSE	2019-20			2020-21			2021-22		
		Capital Employed	EBIT	ROCE in %	Capital Employed	EBIT	ROCE in %	Capital Employed	EBIT	ROCE in %
119	Ferro Scrap Nigam Limited	216.92	47.28	21.80	226.68	32.32	14.26	212.00	54.18	25.56
120	Fertilizer Corporation of India Limited	580.81	53.89	9.28	631.86	61.46	9.73	666.50	42.97	6.45
121	Food Corporation of India	2,88,068.65	19,615.34	6.81	42,500.33	29,067.72	68.39	45,004.55	3,715.06	8.25
122	Fresh and Healthy Enterprises Limited	36.39	-5.95	-16.35	31.56	-4.84	-15.34	33.29	-3.73	-11.20
123	GAIL (India) Limited	47,493.40	8,048.96	16.95	51,333.45	6,656.33	12.97	60,416.88	13,895.52	23.00
124	Gail Gas Limited	1,863.69	212.84	11.42	2,511.28	233.52	9.30	3,065.96	416.42	13.58
125	Garden Reach Shipbuilders and Engineers Limited	1,040.23	225.15	21.64	1,137.12	207.12	18.21	1,248.60	257.24	20.60
126	General Insurance Corporation of India Limited	1,09,624.35	-445.97	-0.41	1,27,917.40	3163.38	2.47	1,39,087.47	3,560.14	2.56
127	Ghogarpalli Integerated Power Company Limited	15.01	0.00	0.00	15.01	0.00	0.00	15.01	0.00	0.00
128	Gliders India Limited							529.96	0.96	0.18
129	Goa Antibiotics and Pharmaceuticals Limited	8.50	-6.11	-71.88	-3.80	-10.88	286.32	-10.06	-5.69	56.56
130	Goa Shipyard Limited	1,025.24	282.51	27.56	1,098.26	172.33	15.69	1,148.40	135.43	11.79
131	Goldmohur Design & Apparel Parks Limited	117.55	11.60	9.87	116.03	-1.63	-1.40	116.03	-1.63	-1.40
132	Government e- Market Place	0.01	-3.14	-31,400.00	0.01	-4.76	-47,600.00	98.83	140.24	141.90
133	Grid Controller of India Limited	451.79	74.72	16.54	468.36	26.92	5.75	508.19	60.13	11.83
134	Haridaspur Paradeep Railway Company Limited	2,370.78	0.20	0.01	2,664.53	98.60	3.70	2,558.30	164.37	6.42

Sl. No.	CPSE	2019-20			2020-21			2021-22		
		Capital Employed	EBIT	ROCE in %	Capital Employed	EBIT	ROCE in %	Capital Employed	EBIT	ROCE in %
135	Haridwar Natural Gas Private Limited	107.94	-2.62	-2.43	169.16	1.24	0.73	155.99	5.77	3.70
136	Hassan Mangalore Rail Development Company Limited	379.63	23.27	6.13	347.60	-26.00	-7.48	307.60	-34.79	-11.31
137	Health Insurance TPA of India Limited	97.18	4.45	4.58	116.19	26.38	22.70	100.29	-12.19	-12.15
138	Heavy Engineering Corporation Limited	-400.73	-381.13	-95.11	-582.25	-165.01	-28.34	-844.07	-245.31	-29.06
139	Hemisphere Properties India Limited	285.08	-0.79	-0.28	417.63	-8.77	-2.10	440.25	-12.82	-2.91
140	High Speed Rail Corridor Corporation Limited	0.13	0.06	46.15	2.42	-0.19	-7.85	46.71	2.50	5.35
141	Higher Education Financing Agency	6,465.87	321.46	4.97	8,043.15	551.05	6.85	7,861.84	551.06	7.01
142	Himachal Renewables Limited	4.40	0.06	1.36	4.52	0.13	2.88	4.59	0.10	2.18
143	Hindustan Aeronautics Limited	13,189.93	3,928.35	29.78	15,356.55	4,270.89	27.81	19,264.00	5,289.29	27.46
144	Hindustan Antibiotics Limited	-178.83	-0.01	-0.01	-217.08	-24.96	-11.50	-91.63	-2.91	-3.18
145	Hindustan Cables Limited	-300.79	13.88	-4.61	-31.23	269.56	-863.14	57.16	88.39	154.64
146	Hindustan Copper Limited	949.38	-477.56	-50.30	1297.92	149.60	11.53	998.73	410.70	41.12
147	Hindustan Fertilizers Corporation Limited	138.23	12.64	9.14	147.65	11.01	7.46	150.16	3.20	2.13
148	Hindustan Fluorocarbons Limited	-47.32	-2.38	-5.03	-72.64	-24.07	-33.14	-78.81	-5.49	-6.97
149	Hindustan Insecticides Limited	104.43	19.80	18.96	185.41	22.70	12.24	172.52	28.50	16.52

Sl. No.	CPSE	2019-20			2020-21			2021-22		
		Capital Employed	EBIT	ROCE in %	Capital Employed	EBIT	ROCE in %	Capital Employed	EBIT	ROCE in %
150	Hindustan Organic Chemicals Limited	511.18	-38.42	-7.52	526.46	68.74	13.06	505.80	27.83	5.50
151	Hindustan Petroleum Corporation Limited	52,719.30	2,289.78	4.34	62,630.83	15,082.64	24.08	73,028.96	8,991.03	12.31
152	Hindustan Photo Films (Manufacturing) Company Limited	-23,499.17	-2.35	-0.01	-23,499.54	-0.37	0.00	-23,501.42	-1.88	-0.01
153	Hindustan Prefab Limited	19.20	-15.45	-80.47	20.88	1.08	5.17	8.63	-12.25	-141.95
154	Hindustan Salts Limited	48.39	2.18	4.51	50.64	8.81	17.40	52.06	4.14	7.95
155	Hindustan Shipyard Limited	-26.41	14.52	-54.98	-53.95	-79.45	147.27	-6.10	68.15	-1117.21
156	Hindustan Steel Works Construction Limited	115.22	39.01	33.86	125.61	32.57	25.93	146.06	37.65	25.78
157	Hindustan Urvarak and Rasayan Limited	6,660.10	0.07	0.00	13,598.89	-15.93	-0.12	17,697.59	-18.83	-0.11
158	Hindustan Vegetable Oils Corporation Limited	9.88	1.02	10.32	10.14	0.41	4.04	10.14	0.41	4.04
159	HLL Biotech Limited	433.86	-59.01	-13.60	397.03	7.14	1.80	636.42	671.72	105.55
160	HLL Infratech Services Limited	19.05	42.20	221.52	19.81	15.41	77.79	30.70	24.04	78.31
161	HLL Lifecare Limited	616.96	155.68	25.23	408.58	172.84	42.30	768.91	572.10	74.40
162	HLL Medipark Limited	4.37	-0.77	-17.62	3.52	-0.76	-21.59	3.19	1.64	51.41
163	HLL Mother and Child Care Hospitals Limited	-1.90	-2.79	-146.84	0.00	-0.01	0.00	0.00	-0.01	0.00
164	HMT (International) Limited	36.33	3.88	10.68	37.17	1.20	3.23	36.78	0.28	0.76
165	HMT Limited	977.06	248.18	25.40	1,020.42	48.80	4.78	1,068.27	46.82	4.38
166	HMT Machine Tools Limited	-1,408.05	-19.10	-1.36	-1,539.84	-49.67	-3.23	-1,684.73	-61.49	-3.65
167	HMT Watches Limited	7.76	1.85	23.84	10.46	2.70	25.81	11.50	1.05	9.13

Sl. No.	CPSE	2019-20			2020-21			2021-22		
		Capital Employed	EBIT	ROCE in %	Capital Employed	EBIT	ROCE in %	Capital Employed	EBIT	ROCE in %
168	Hooghly Cochin Shipyard Limited	61.81	-2.52	-4.08	142.65	-4.08	-2.86	170.82	-3.82	-2.24
169	Hooghly Dock and Port Engineers Limited	-2.52	162.75	-6,458.33	0.28	3.90	1,392.86	2.82	6.58	233.33
170	Hooghly Printing Company Limited	-5.05	-1.48	-29.31	-5.78	-0.73	-12.63	-5.82	-0.04	-0.69
171	Hotel Corporation of India Limited	-432.99	-29.47	-6.81	-529.61	-62.18	-11.74	-110.90	-36.53	-32.94
172	Housing and Urban Development Corporation Limited	63,588.64	7,022.34	11.04	64,153.67	6,993.46	10.90	58,986.01	6,878.47	11.66
173	HPCL Bio Fuels Limited	250.25	-38.67	-15.45	400.89	-40.98	-10.22	310.18	-44.04	-14.20
174	HPCL LNG Limited							1,522.53	-14.03	-0.92
175	HPCL Rajasthan Refinery Limited	3,269.63	30.74	0.94	6,724.37	178.96	2.66	15,505.44	514.58	3.32
176	HSCC (India) Limited	109.78	64.24	58.52	117.74	13.61	11.56	143.61	33.21	23.13
177	I T I Limited	1,105.12	277.25	25.09	1,233.52	155.42	12.60	1,232.92	286.78	23.26
178	IFCI Factors Limited	283.80	21.93	7.73	273.97	5.81	2.12	264.35	6.22	2.35
179	IFCI Financial Services Limited	69.57	-1.17	-1.68	68.39	-1.59	-2.32	69.74	1.08	1.55
180	IFCI Infrastructure Development Limited	513.74	16.15	3.14	505.04	8.66	1.71	506.80	10.15	2.00
181	IFCI Limited	13,827.87	1,275.44	9.22	8,895.01	-1,028.26	-11.56	6,540.74	-862.22	-13.18
182	IFCI Venture Capital Funds Limited	268.72	7.64	2.84	242.03	12.17	5.03	179.79	1.83	1.02
183	IFIN Commodities Limited	5.15	-0.27	-5.24	4.74	-0.38	-8.02	4.13	-0.66	-15.98
184	IFIN Credit Limited	1.98	0.04	2.02	1.97	-0.01	-0.51	1.98	0.00	0.00
185	IFIN Securities Finance Limited	28.59	-0.22	-0.77	28.66	0.23	0.80	28.96	0.43	1.48

Sl. No.	CPSE	2019-20			2020-21			2021-22		
		Capital Employed	EBIT	ROCE in %	Capital Employed	EBIT	ROCE in %	Capital Employed	EBIT	ROCE in %
186	IIFCL Asset Management Company Limited	23.24	1.09	4.69	24.74	1.98	8.00	27.14	2.89	10.65
187	IIFCL Projects Limited	16.22	2.10	12.95	18.55	3.32	17.90	22.93	5.14	22.42
188	India Infrastructure Finance Company Limited	46,477.54	1,897.30	4.08	49,700.55	2544.61	5.12	51,537.78	2,935.32	5.70
189	India International Convention and Exhibition Centre Limited	1,920.32	8.14	0.42	2,353.21	0.82	0.03	3,051.17	1.33	0.04
190	India Optel Limited							5,778.55	84.80	1.47
191	India Ports Global Private Limited	10.00	-1.16	-11.60	10.00	-0.99	-9.90	10.00	6.51	65.10
192	India Post Payment Bank Limited	574.01	-446.47	-77.78	461.61	-326.89	-70.82	473.06	-169.47	-35.82
193	India Tourism Development Corporation Limited	346.49	42.68	12.32	319.87	-23.79	-7.44	319.26	10.43	3.27
194	India Trade Promotion Organisation	2,346.34	92.00	3.92	2,367.04	-81.37	-3.44	2,371.44	-52.83	-2.23
195	India United Textile Mills Limited	163.25	13.27	8.13	173.54	13.74	7.92	173.54	13.74	7.92
196	Indian Medicines and Pharmaceuticals Corporation Limited	74.98	0.46	0.61	85.90	15.71	18.29	117.89	45.41	38.52
197	Indian Oil Corporation Limited	1,43,492.05	2,285.34	1.59	1,56,130.19	32,175.58	20.61	1,92,637.33	34,200.93	17.75
198	Indian Railway Catering and Tourism Corporation Limited	1,327.82	745.35	56.13	1,466.95	269.04	18.34	1,883.88	889.51	47.22
199	Indian Railway Finance Corporation Limited	2,59,213.85	17,803.46	6.87	3,51,407.03	21,953.71	6.25	4,12,985.23	14,654.16	3.55

Sl. No.	CPSE	2019-20			2020-21			2021-22		
		Capital Employed	EBIT	ROCE in %	Capital Employed	EBIT	ROCE in %	Capital Employed	EBIT	ROCE in %
200	Indian Rare Earths Limited	957.10	402.93	42.10	1,167.47	415.08	35.55	1,548.15	746.63	48.23
201	Indian Renewable Energy Development Agency Limited	24,115.76	1,590.02	6.59	26,275.93	2,008.72	7.64	32,374.35	2,360.64	7.29
202	Indian Strategic Petroleum Reserves Limited	3,441.03	-100.46	-2.92	3,340.52	-100.51	-3.01	3,255.38	-99.31	-3.05
203	Indian Vaccines Company Limited	8.28	-0.45	-5.43	8.24	-0.04	-0.49	4.54	-2.42	-53.30
204	Indo-Russian Helicopters Limited	8.71	-0.34	-3.90	7.92	-0.80	-10.10	7.59	-0.33	-4.35
205	Indradhanush Gas Grid Limited	42.57	-7.18	-16.87	289.60	2.82	0.97	577.55	2.45	0.42
206	Inland Coastal Shipping Limited	-0.05	0.00	0.00	0.70	-0.25	-35.71	0.31	-0.89	-287.10
207	Instrumentation Limited	159.92	45.72	28.59	194.68	34.79	17.87	204.43	26.75	13.09
208	Ircon Akloli-Shirsad Expressway Limited							0.05	0.00	0.00
209	Ircon Davangere Haveri Highway Limited	436.82	18.64	4.27	506.80	26.15	5.16	560.97	35.45	6.32
210	Ircon Gurgaon Rewari Highway Limited				0.06	0.00	0.00	18.40	0.00	0.00
211	IRCON Infrastructure Limited	153.89	14.86	9.66	159.64	14.11	8.84	164.94	13.39	8.12
212	IRCON International Limited	6,007.05	690.98	11.50	4,406.48	574.02	13.03	4,620.96	610.50	13.21
213	Ircon Ludhiana Rupnagar Highway Limited							0.05	0.00	0.00
214	IRCON PB Tollway Limited	528.91	2.78	0.53	425.28	-13.10	-3.08	410.07	-9.18	-2.24

Sl. No.	CPSE	2019-20			2020-21			2021-22		
		Capital Employed	EBIT	ROCE in %	Capital Employed	EBIT	ROCE in %	Capital Employed	EBIT	ROCE in %
215	IRCON Shiv Puri Guna Limited	628.68	22.08	3.51	599.75	27.44	4.58	554.76	29.46	5.31
216	IRCON Vadodara Kim Expressway Limited	317.06	6.62	2.09	707.52	18.15	2.57	760.44	122.31	16.08
217	IREL IDCOL Limited	0.08	-0.01	-12.50	1.01	-0.03	-2.97	1.87	-0.05	-2.67
218	ITPO Services Limited				0.05	0.00	0.00	0.05	0.00	0.00
219	J&K Development Finance Corporation Limited	161.09	8.53	5.30	163.11	3.90	2.39	165.42	3.81	2.30
220	J&K Mineral Development Corporation Limited	10.08	-3.65	-36.21	8.74	-1.35	-15.45	7.83	-0.90	-11.49
221	Jal Power Corporation Limited				0.00	-1120.36		281.49	-0.35	-0.12
222	Jharkhand Central Railway Limited	56.94	1.77	3.11	90.86	2.16	2.38	448.77	3.03	0.68
223	Jharkhand Infra Power Limited	0.06	0.00	0.00	0.06	0.00	0.00	0.06	0.00	0.00
224	Jharkhand National Mineral Development Corporation Limited	-0.07	-0.01	-14.29	-0.07	-0.01	-14.29	-0.08	-0.01	-12.50
225	Jogighopa Logistics Park Limited							0.01	0.00	0.00
226	Kanti Bijlee Utpadan Nigam Limited	3,697.85	392.19	10.61	3,719.96	407.77	10.96	3,477.90	367.59	10.57
227	Karnataka Antibiotics and Pharmaceuticals Limited	205.62	32.65	15.88	222.72	31.48	14.13	239.84	33.16	13.83
228	Karnataka Solar Power Development Corporation Limited	97.41	60.54	62.15	178.90	61.04	34.12	210.36	67.15	31.92
229	Karnataka Trade Promotion Organisation	140.06	6.79	4.85	143.14	3.08	2.15	144.46	1.32	0.91

Sl. No.	CPSE	2019-20			2020-21			2021-22		
		Capital Employed	EBIT	ROCE in %	Capital Employed	EBIT	ROCE in %	Capital Employed	EBIT	ROCE in %
230	Karnataka Vijaynagar Steel Limited	641.24	-0.49	-0.08	640.77	-0.68	-0.11	640.42	-0.70	-0.11
231	Kavaratti Smart City Limited	0.05	0.00	0.00	0.05	0.00	0.00	0.04	0.00	0.00
232	KIOCL Limited	1,915.93	63.68	3.32	1,985.99	410.23	20.66	2,152.64	412.75	19.17
233	Kishtwar Transmission Limited							0.01	0.00	0.00
234	Kochi Metro Rail Limited	5,554.47	-153.84	-2.77	6,442.58	-147.69	-2.29	6,701.44	-152.57	-2.28
235	Koderma Transmission Limited	-1.91	-0.41	-21.47	-1.92	-0.01	-0.52	-1.92	0.00	0.00
236	Kolkata Metro Rail Corporation Limited	5,605.13	-236.89	-4.23	7,446.57	0.00	0.00	8,298.10	0.06	0.00
237	Konkan Railway Corporation Limited	4,243.26	161.47	3.81	4,250.91	-161.94	-3.81	4,609.97	102.34	2.22
238	Kumarakruppa Frontier Hotels Private Limited	26.55	12.41	46.74	24.70	6.87	27.81	27.29	5.84	21.40
239	Lakshadweep Development Corporation Limited	335.94	42.50	12.65	365.08	34.34	9.41	388.64	28.61	7.36
240	Lakshadweep Tourism Development Corporation	4.70	-0.28	-5.96	4.70	-0.28	-5.96	4.70	-0.28	-5.96
241	Lanco Teesta Hydro Power Limited	921.76	-2,818.13	-305.73	997.16	-0.21	-0.02	1,440.50	-0.20	-0.01
242	Loktak Down Stream Hydroelectric Corporation Limited	143.27	0.13	0.09	151.88	0.01	0.01	160.21	0.01	0.01
243	Lucknow Solar Power Development Corporation Limited	-3.11	1.91	-61.41	-1.46	2.28	-156.16	-0.18	1.78	-988.89
244	Madras Fertilizers Limited	-76.65	-62.89	-82.05	-139.93	79.18	-56.59	49.92	235.12	470.99

Sl. No.	CPSE	2019-20			2020-21			2021-22		
		Capital Employed	EBIT	ROCE in %	Capital Employed	EBIT	ROCE in %	Capital Employed	EBIT	ROCE in %
245	Mahanadi Basin Power Limited	-5.94	-0.03	-0.51	-5.97	-0.03	-0.50	-5.99	-0.02	-0.33
246	Mahanadi Coal Railway Limited	-0.81	-0.83	-102.47	-0.87	-0.06	-6.90	89.07	-0.02	-0.02
247	Mahanadi Coalfields Limited	3,884.30	8,646.24	222.59	5,538.07	9,328.56	168.44	8,216.86	11,462.43	139.50
248	Mahanagar Telephone Nigam Limited	-1,031.50	-1,810.30	-175.50	2,132.30	-460.63	-21.60	-2,090.91	-598.55	-28.63
249	Maharashtra Antibiotics and Pharmaceuticals Limited	-131.37	-0.03	--0.02	-131.40	-0.03	0.02	-757.51	-523.77	-69.14
250	Maharashtra Metro Rail Corporation Limited	9,890.01	-61.96	-0.63	12,986.25	-164.72	-1.27	14,206.69	-260.27	-1.83
251	Maharashtra Rail Infrastructure Development Corporation Limited	92.86	0.31	0.33	101.43	1.81	1.78	614.18	5.69	0.93
252	Mandar Transmission Limited	-1.86	-0.40	-21.51	-1.87	-0.01	-0.53	-1.87	0.00	0.00
253	Mangalore Refinery and Petrochemicals Limited	15,751.05	-3,212.84	-20.40	17,450.61	-345.10	-1.98	21,411.84	3,573.81	16.69
254	Manipur State Drugs and Pharmaceuticals Limited	-183.77	-30.86	-16.79	-220.68	0.00	0.00	-470.99	-172.01	-36.52
255	Mazagon Dock Shipbuilders Limited	2,590.88	766.69	29.59	2,919.01	629.92	21.58	3,321.31	772.69	23.26
256	MECON Limited	398.24	87.49	21.97	371.09	19.63	5.29	382.93	20.16	5.26
257	Millennium Telecom Limited	5.37	0.35	6.52	5.50	0.19	3.45	5.69	0.27	4.75
258	Mineral Exploration Corporation Limited	567.04	198.61	35.03	674.06	201.07	29.83	679.06	28.49	4.20

Sl. No.	CPSE	2019-20			2020-21			2021-22		
		Capital Employed	EBIT	ROCE in %	Capital Employed	EBIT	ROCE in %	Capital Employed	EBIT	ROCE in %
259	Mishra Dhatu Nigam Limited	958.57	202.40	21.11	1072.63	238.09	22.20	1,190.72	243.75	20.47
260	MJSJ Coal Limited	74.48	-19.61	-26.33	74.04	-0.44	-0.59	74.13	0.09	0.12
261	MMTC Limited	1,350.84	-88.55	-6.56	422.46	-896.23	-212.15	193.40	326.43	168.78
262	MNH Shakti Limited	89.41	2.86	3.20	90.69	1.71	1.89	41.55	1.15	2.77
263	Mohanlal Ganj Transmission Limited							0.01	0.00	0.00
264	MOIL Limited	2,763.38	340.49	12.32	2,819.90	240.11	8.51	2,141.51	523.29	24.44
265	MP Power Transmission Package-I Limited				-0.82	-0.87	106.10	-1.62	-0.80	49.38
266	MSTC Limited	283.22	156.95	55.42	359.28	115.52	32.15	471.36	222.69	47.24
267	Mumbai Metro Rail Corporation Limited	13,296.01	-28.09	-0.21	15,051.22	-20.11	-0.13	17,746.05	-24.37	-0.14
268	Mumbai Rail Vikas Corporation Limited	244.34	19.60	8.02	240.30	23.25	9.68	235.19	7.57	3.22
269	Munitions India Limited							6,549.75	25.40	0.39
270	Nabinagar Power Generating Company Private Limited	14,597.07	384.28	2.63	15,382.27	1,278.51	8.31	16,323.38	1,675.33	10.26
271	Naini Aerospace Limited	15.34	-9.08	-59.19	4.76	-11.04	-231.93	-8.26	-12.82	155.21
272	National Aluminium Company Limited	9,988.07	226.24	2.27	10,680.70	1,316.52	12.33	12,184.34	3,954.87	32.46
273	National Backward Classes Finance and Development Corporation	1,947.75	26.45	1.36	2,036.30	34.21	1.68	2,068.65	30.56	1.48
274	National Bicycle Corporation of India Limited	3.90	-0.29	-7.44	3.85	0.14	3.64	3.52	-0.33	-9.38

Sl. No.	CPSE	2019-20			2020-21			2021-22		
		Capital Employed	EBIT	ROCE in %	Capital Employed	EBIT	ROCE in %	Capital Employed	EBIT	ROCE in %
275	National Capital Region Transport Corporation Limited	1,993.41	34.49	1.73	4,983.18	74.87	1.50	8,999.05	136.00	1.51
276	National Credit Guarantee Trustee Company Limited	13.98	0.94	6.72	16.89	3.87	22.91	24.39	10.00	41.00
277	National Fertilizers Limited	2,687.27	139.40	5.19	2,921.34	612.96	20.98	3,013.16	268.48	8.91
278	National Film Development Corporation Limited	27.86	-8.15	-29.25	28.50	0.64	2.25	21.76	-6.74	-30.97
279	National Financial Holding Company Limited	1.17	0.04	3.42	1.20	0.04	3.33	1.21	0.03	2.48
280	National Handicapped Finance and Development Corporation	478.90	11.99	2.50	490.06	9.21	1.88	496.22	6.20	1.25
281	National Handloom Development Corporation Limited	88.42	-11.13	-12.59	78.59	-9.81	-12.48	76.76	-2.64	-3.44
282	National High Speed Rail Corporation Limited	7,700.74	70.41	0.91	10,721.35	25.40	0.24	13,351.85	105.14	0.79
283	National Highways & Infrastructure Development Corporation Limited	265.11	117.73	44.41	323.09	113.53	35.14	410.39	152.21	37.09
284	National Informatics Centre Services Inc.	592.14	132.99	22.46	695.69	131.52	18.90	741.86	61.80	8.33
285	National Insurance Company Limited	-1,272.80	-4,033.61	-316.91	1484.78	-488.28	-32.89	3,661.32	-1,599.95	-43.70

Sl. No.	CPSE	2019-20			2020-21			2021-22		
		Capital Employed	EBIT	ROCE in %	Capital Employed	EBIT	ROCE in %	Capital Employed	EBIT	ROCE in %
286	National Investment & Infrastructure Fund Trustee Limited	-0.19	0.04	-21.05	-0.13	0.06	-46.15	-0.10	0.03	-30.00
287	National Jute Manufacturers Corporation Limited	8.26	-0.29	-3.51	6.27	-2.03	-32.38	-9.99	-7.77	77.78
288	National Minorities Development and Finance Corporation	2,686.50	64.18	2.39	2,870.68	65.66	2.29	3,039.34	67.64	2.23
289	National Projects Construction Corporation Limited	189.66	45.49	23.99	216.05	34.10	15.78	241.48	50.45	20.89
290	National Research Development Corporation of India Limited	9.27	-0.04	-0.43	9.45	0.31	3.28	9.50	0.20	2.11
291	National Safai Karmacharis Finance and Development Corporation	798.32	6.41	0.80	854.25	23.62	2.76	875.22	15.92	1.82
292	National Scheduled Castes Finance and Development Corporation	2,088.66	60.98	2.92	2,136.24	47.82	2.24	2,185.31	48.78	2.23
293	National Scheduled Tribes Finance and Development Corporation	1,077.55	37.52	3.48	1,103.82	26.35	2.39	1,128.22	24.45	2.17
294	National Seeds Corporation Limited	672.69	68.28	10.15	660.84	8.41	1.27	668.26	17.57	2.63
295	National Small Industries Corporation Limited	1,040.54	256.94	24.69	1,108.53	216.72	19.55	1,180.06	208.03	17.63

Sl. No.	CPSE	2019-20			2020-21			2021-22		
		Capital Employed	EBIT	ROCE in %	Capital Employed	EBIT	ROCE in %	Capital Employed	EBIT	ROCE in %
296	National Textile Corporation Limited	1,547.99	-299.66	-19.36	1,204.12	-297.79	-24.73	1,204.12	-297.79	-24.73
297	NBCC (India) Limited	1,523.61	241.28	15.84	1,691.50	244.45	14.45	1,774.75	236.73	13.34
298	NBCC Environment Engineering Limited	1.01	0.03	2.97	1.02	0.01	0.98	1.03	0.01	0.97
299	NBCC International Limited	1.01	0.04	3.96	1.03	0.03	2.91	1.04	0.02	1.92
300	NBCC Services Limited	23.30	6.69	28.71	31.45	12.20	38.79	32.97	6.12	18.56
301	NCRTE Express Transit Limited				0.96	-0.05	-5.21	0.98	0.03	3.06
302	NEPA Limited	103.85	-42.36	-40.79	202.78	-16.87	-8.32	238.95	-16.05	-6.72
303	New City of Bombay Manufacturing Mills Limited	63.27	-1.34	-2.12	61.94	-1.39	-2.24	61.94	-1.39	-2.24
304	New Delhi Municipal Council Smart City Limited	276.51	-53.24	-19.25	100.35	-176.03	-175.42	135.96	2.35	1.73
305	New Space India Limited	61.29	68.57	111.88	167.74	163.33	97.37	1,441.77	459.15	31.85
306	Neyveli Uttar Pradesh Power Limited	8,225.41	443.63	5.39	10,573.84	-0.96	-0.01	12,450.56	-0.33	0.00
307	NHDC Limited	5,563.59	496.01	8.92	5,692.53	862.11	15.14	5,644.67	725.95	12.86
308	NHPC Limited	48,925.17	4,944.41	10.11	51,246.58	5,364.54	10.47	55,286.46	3,305.69	5.98
309	NLC India Limited	24,009.67	3,016.15	12.56	23,272.58	2,730.29	11.73	22,632.70	3,390.20	14.98
310	NLC Tamilnadu Power Limited	4,886.49	678.04	13.88	4,693.67	908.45	19.35	4,063.94	538.58	13.25
311	NMDC CSR Foundation Limited	8.91	-2.92	-32.77	5.02	-3.90	-77.69	6.04	1.02	16.89
312	NMDC Limited	27,533.95	6,132.31	22.27	30,302.57	8,911.23	29.41	36,512.19	13,013.67	35.64
313	NMDC Steel Limited	0.01	-0.01	-100.00	0.00	-0.01		0.04	-0.01	-25.00
314	NMDC-CMDC Limited	186.75	-3.34	-1.79	184.49	-3.60	-1.95	181.66	-4.03	-2.22

Sl. No.	CPSE	2019-20			2020-21			2021-22		
		Capital Employed	EBIT	ROCE in %	Capital Employed	EBIT	ROCE in %	Capital Employed	EBIT	ROCE in %
315	North Eastern Electric Power Company Limited	12,982.45	332.90	2.56	12,396.63	220.94	1.78	13,096.80	490.46	3.74
316	North Eastern Handicrafts and Handlooms Development Corporation Limited	3.69	-4.39	-118.97	5.37	-1.16	-21.60	3.85	-28.18	-731.95
317	North Eastern Regional Agricultural Marketing Corporation Limited	-27.92	-4.14	-14.83	-30.70	-2.32	-7.56	-19.98	-2.38	-11.91
318	Northern Coalfields Limited	4,382.57	6,985.45	159.39	6,616.08	6,267.78	94.74	7,871.34	6,937.64	88.14
319	NPCIL Indian Oil Nuclear Energy Corporation Limited	1.35	0.08	5.93	1.41	0.08	5.67	1.45	0.05	3.45
320	NSIC Venture Capital Fund Limited				5.39	-0.58	-10.76	7.29	2.31	31.69
321	NTPC EDMC Waste Solution Private Limited				-0.71	-0.91	-128.17	-2.76	-2.05	-74.28
322	NTPC Electric Supply Company Limited	49.76	10.17	20.44	55.28	6.27	11.34	55.58	-0.25	-0.45
323	NTPC Limited	2,60,340.57	28,682.00	11.02	2,70,165.03	23,013.70	8.52	2,94,382.14	30,489.82	10.36
324	NTPC Mining Limited	0.05	0.00	0.00	0.05	0.00	0.00	0.04	0.00	0.00
325	NTPC Renewable Energy Limited				291.54	-3.47	-1.19	767.78	0.17	0.02
326	NTPC Vidyut Vyapar Nigam Limited	370.29	25.97	7.01	442.31	128.20	28.98	562.57	201.08	35.74
327	Nuclear Power Corporation of India Limited	84,238.79	9,111.89	10.82	97,366.67	8,837.09	9.08	1,08,783.01	11,533.23	10.60

Sl. No.	CPSE	2019-20			2020-21			2021-22		
		Capital Employed	EBIT	ROCE in %	Capital Employed	EBIT	ROCE in %	Capital Employed	EBIT	ROCE in %
328	Numaligarh Refinery Limited	5,204.38	1,735.93	33.36	5,496.03	4,091.43	74.44	9,237.72	4,849.68	52.50
329	Odisha Infra Power Limited	0.31	0.00	0.00	0.35	0.00	0.00	0.38	0.00	0.00
330	Oil and Natural Gas Corporation Limited	1,96,567.24	20,888.14	10.63	2,10,870.13	16,709.40	7.92	2,435,29.03	41,344.74	16.98
331	Oil India Limited	32,739.82	2,560.17	7.82	37,096.68	1,160.71	3.13	40,994.16	5,558.83	13.56
332	Omnibus Industrial Development Corporation of Daman, Diu & Dadra and Nagar Haveli Limited	183.52	39.10	21.31	209.08	35.57	17.01	232.93	32.92	14.13
333	ONGC Videsh Limited	52,183.74	-2,584.25	-4.95	55,710.31	3,294.77	5.91	65,365.11	6,177.21	9.45
334	ONGC Videsh Rovuma Limited	17,746.36	-801.69	-4.52	19,776.43	51.23	0.26	22,067.20	-419.58	-1.90
335	Orissa Integrated Power Limited	130.63	0.00	0.00	145.69	0.00	0.00	153.17	0.00	0.00
336	Patratu Vidyut Utpadan Nigam Limited	2,572.72	159.51	6.20	3,934.80	205.59	5.22	5,750.81	278.78	4.85
337	Pawan Hans Limited	979.07	-95.54	-9.76	982.23	-17.94	-1.83	970.01	-3.94	-0.41
338	PEC Limited	-1,780.12	-30.57	-1.72	-1,909.21	-15.28	-0.80	-2,223.98	-5.27	-0.24
339	PFC Consulting Limited	59.97	78.45	130.82	87.18	36.96	42.40	120.83	51.11	42.30
340	Pondicherry Ashok Hotel Corporation Limited	-0.48	-1.59	-331.25	-1.83	-1.35	-73.77	-1.71	0.16	-9.36
341	Port Blair Smart Project Limited, Port Blair	212.85	0.00	0.00	212.85	0.00	0.00	212.85	0.00	0.00
342	Power Finance Corporation Limited	3,53,400.41	29,839.10	8.44	3,90,567.53	33,401.80	8.55	3,91,999.26	34,898.95	8.90

Sl. No.	CPSE	2019-20			2020-21			2021-22		
		Capital Employed	EBIT	ROCE in %	Capital Employed	EBIT	ROCE in %	Capital Employed	EBIT	ROCE in %
343	Power Grid Corporation of India Limited	1,99,860.83	24,079.66	12.05	1,98,658.91	23,677.43	11.92	2,08,298.61	27,649.90	13.27
344	Power grid Unchahar Transmission Limited	60.76	17.23	28.36	57.67	14.07	24.40	59.61	21.34	35.80
345	Powergrid Ajmer Phagi Transco Limited	162.42	-0.46	-0.28	543.98	-0.02	0.00	582.36	32.96	5.66
346	Powergrid Aligarh Sikar Transmission Limited				0.01	0.00	0.00	633.59	-0.02	0.00
347	Powergrid Bhadla Transmission Limited				-0.67	-0.72	107.46	299.47	8.86	2.96
348	Powergrid Bhind Guna Transmission Limited	47.45	0.25	0.53	291.31	0.00	0.00	456.08	20.86	4.57
349	Powergrid Bhuj Transmission Limited	83.02	0.00	0.00	429.23	0.00	0.00	945.72	-0.04	0.00
350	Powergrid Bikaner Transmission System Limited				0.01	0.00	0.00	448.82	-0.03	-0.01
351	Powergrid ER NER Transmission Limited							-0.26	-0.31	-119.23
352	Powergrid Fategarh Transmission Limited	146.80	0.00	0.00	572.43	21.40	3.74	660.32	36.85	5.58
353	Powergrid Jawaharpur Firozabad Transmission Limited	211.39	0.00	0.00	403.89	21.61	5.35	447.26	46.86	10.48
354	Powergrid Khetri Transmission System Limited	212.19	2.76	1.30	794.00	-0.05	-0.01	994.58	57.40	5.77
355	Powergrid Medinipur Jeerat Transmission Limited	2,371.58	0.00	0.00	2,941.79	188.65	6.41	3,215.88	430.54	13.39

Sl. No.	CPSE	2019-20			2020-21			2021-22		
		Capital Employed	EBIT	ROCE in %	Capital Employed	EBIT	ROCE in %	Capital Employed	EBIT	ROCE in %
356	Powergrid Meerut Simbhavali Transmission Limited	30.99	0.00	0.00	194.00	0.00	0.00	751.45	-0.02	0.00
357	Powergrid Mithilanchal Transmission Limited	767.96	0.00	0.00	1,096.93	55.85	5.09	1,181.91	113.62	9.61
358	Powergrid Narela Transmission Limited				0.01	0.00	0.00	0.01	0.00	0.00
359	Powergrid NM Transmission Limited	1,172.18	47.96	4.09	1,144.22	86.23	7.54	1,155.63	80.60	6.97
360	Powergrid Ramgarh Transmission Limited				5.36	-0.66	-12.31	92.86	-0.01	-0.01
361	Powergrid Rampur Sambhal Transmission Limited	14.31	-1.24	-8.67	126.02	2.84	2.25	551.40	-0.01	0.00
362	Powergrid Sikar Transmission Limited				-0.54	-0.59	109.26	525.86	16.37	3.11
363	Powergrid Southern Interconnector Transmission System Limited	3,496.76	230.06	6.58	3,570.06	356.43	9.98	3,291.11	141.21	4.29
364	Powergrid Teleservices Limited							8.67	-0.44	-5.07
365	Powergrid Varanasi Transmission System Limited	661.30	0.00	0.00	826.11	0.02	0.00	934.60	75.85	8.12
366	Powergrid Vemagiri Transmission System Limited	-19.40	-0.01	-0.05	-19.41	-0.01	-0.05	-19.42	-0.01	-0.05
367	Prize Petroleum Company Limited	111.68	-16.96	-15.19	115.30	3.59	3.11	109.53	-5.79	-5.29
368	Projects and Development India Limited	154.95	45.86	29.60	157.54	26.25	16.66	167.40	14.84	8.86

Sl. No.	CPSE	2019-20			2020-21			2021-22		
		Capital Employed	EBIT	ROCE in %	Capital Employed	EBIT	ROCE in %	Capital Employed	EBIT	ROCE in %
369	Punjab Ashok Hotel Company Limited	2.28	-0.01	-0.44	2.27	-0.01	-0.44	2.26	-0.01	-0.44
370	Punjab Logistics Infrastructure Limited	239.42	-1.79	-0.75	233.55	-7.07	-3.03	221.25	-3.89	-1.76
371	Rail Vikas Nigam Limited	8,756.42	1,013.18	11.57	10,637.09	1,155.67	10.86	11,946.84	1,935.82	16.20
372	RailTel Corporation of India Limited	1,361.28	181.14	13.31	1,402.73	196.44	14.00	1,516.02	282.77	18.65
373	Railtel Enterprises Limited	18.04	6.75	37.42	20.09	4.81	23.94	21.39	1.76	8.23
374	Rajasthan Drugs and Pharmaceuticals Limited	-39.23	-26.21	-66.81	-46.17	-9.34	-20.23	-27.30	-2.06	-7.55
375	Rajasthan Electronics and Instruments Limited	94.54	-28.60	-30.25	81.09	-18.20	-22.44	72.94	-7.49	-10.27
376	Rajgarh Transmission Limited				0.10	0.06	60.00	-0.10	-0.20	200.00
377	Ranchi Ashok Bihar Hotel Corporation Limited	-11.84	-1.75	-14.78	-14.88	-2.75	-18.48	-15.63	-0.53	-3.39
378	Rashtriya Chemicals and Fertilizers Limited	3,932.42	406.29	10.33	4,585.74	682.59	14.89	5,250.46	1,049.52	19.99
379	Rashtriya Ispat Nigam Limited	13,031.56	-2,865.92	-21.99	12,580.24	414.88	3.30	11,947.06	2,363.94	19.79
380	Ratle Hydroelectric Power Corporation Limited							186.27	-0.53	-0.28
381	Real Estate Development & Construction Corporation of Rajasthan Limited	3.59	0.21	5.85	3.74	0.20	5.35	3.82	0.10	2.62

Sl. No.	CPSE	2019-20			2020-21			2021-22		
		Capital Employed	EBIT	ROCE in %	Capital Employed	EBIT	ROCE in %	Capital Employed	EBIT	ROCE in %
382	REC Limited	3,18,666.12	25,980.34	8.15	3,72,650.28	32,245.21	8.65	3,83,528.83	34,477.81	8.99
383	REC Power Development and Consultancy Limited	168.20	20.34	12.09	297.98	32.62	10.95	328.58	68.87	20.96
384	REMC Limited	198.87	53.53	26.92	204.56	37.55	18.36	233.22	66.43	28.48
385	Renewable Power Corporation of Kerala Limited	3.39	1.48	43.66	5.31	2.41	45.39	5.74	2.45	42.68
386	Rewa Ultra Mega Solar Limited	127.38	28.55	22.41	141.00	27.05	19.18	185.04	28.37	15.33
387	Richardson and Cruddas (1972) Limited	214.56	24.07	11.22	227.97	18.42	8.08	247.31	25.44	10.29
388	RITES Limited	2,576.62	822.61	31.93	2,321.93	562.35	24.22	2,399.26	674.56	28.12
389	Rohini Heliport Limited	-0.02	-0.01	-50.00	-0.02	-0.03	-150.00	-0.02	-0.01	-50.00
390	Sagarmala Development Company Limited	556.78	8.95	1.61	687.99	1.22	0.18	794.77	9.38	1.18
391	SAIL RITES Bengal Wagon Industries Limited	87.28	23.51	26.94	79.82	18.50	23.18	68.98	5.99	8.68
392	SAIL Refractory Company Limited	94.98	20.34	21.42	105.71	16.31	15.43	120.38	27.75	23.05
393	Sakhigopal Integrated Power Company Limited	16.39	0.00	0.00	16.39	0.00	0.00	16.39	0.00	0.00
394	Sambhar Salts Limited	-10.92	5.13	-46.98	-5.59	10.98	-196.42	5.25	15.15	288.57
395	Scooters India Limited	66.02	-15.73	-23.83	57.50	-48.65	-84.61	65.08	13.16	20.22
396	Security Printing and Minting Corporation of India Limited	3,971.39	1,057.80	26.64	4,469.97	858.44	19.20	4,854.23	923.09	19.02
397	Sethusamudram Corporation Limited	799.99	2.60	0.33	800.80	1.23	0.15	800.70	-0.10	-0.01

Sl. No.	CPSE	2019-20			2020-21			2021-22		
		Capital Employed	EBIT	ROCE in %	Capital Employed	EBIT	ROCE in %	Capital Employed	EBIT	ROCE in %
398	SHCIL Services Limited	69.35	6.46	9.32	79.22	23.09	29.15	91.73	28.60	31.18
399	Shipping Corporation of India Land and Assets Limited							0.01	0.00	0.00
400	Shongtong Karcham Wangtoo Transmission Limited	0.00	-0.01		0.00	0.00		0.00	0.00	
401	Sidcul Concor Infra Company Limited	90.49	-2.22	-2.45	90.08	-0.59	-0.65	90.29	0.02	0.02
402	Silvassa Smart City Limited	6.07	7.71	127.02	-1.90	-0.16	8.42	-1.90	-0.16	8.42
403	SJVN Limited	13,731.50	2,028.40	14.77	14,617.52	2,165.82	14.82	17,925.56	1,460.96	8.15
404	SJVN Thermal Private Limited	996.29	-0.31	-0.03	2,147.43	1.18	0.05	3,689.50	-0.81	-0.02
405	Solar Energy Corporation of India	695.72	232.80	33.46	873.58	237.59	27.20	2,060.46	320.00	15.53
406	South Eastern Coalfields Limited	3,064.35	2524.01	82.37	4,308.00	2,044.50	47.46	5,442.08	2,137.34	39.27
407	STCL Limited	-4,565.09	-0.47	-0.01	-4,564.22	0.97	-0.02	-4,557.11	7.16	-0.16
408	Steel Authority of India Limited	72,960.64	6,657.42	9.12	60,315.55	9,696.17	16.08	59,620.23	17,736.60	29.75
409	Stock Holding Corporation of India Limited	2,235.62	44.86	2.01	2,684.20	86.41	3.22	4,552.99	161.70	3.55
410	Stock Holding Documents Management Services Limited	63.49	-35.18	-55.41	65.70	-11.95	-18.19	66.33	6.82	10.28
411	Stock Holding Securities IFSC Limited	14.19	-1.57	-11.06	12.00	-1.85	-15.42	12.93	-2.30	-17.79

Sl. No.	CPSE	2019-20			2020-21			2021-22		
		Capital Employed	EBIT	ROCE in %	Capital Employed	EBIT	ROCE in %	Capital Employed	EBIT	ROCE in %
412	Surat Integrated Transportation Development Limited	7.28	0.41	5.63	7.48	0.42	5.61	7.73	0.33	4.27
413	Suuti Tech Options Limited	0.00	-0.01	0.00	-0.31	-0.01	-3.23	-0.32	-0.01	-3.13
414	Talcher Fertilizer Limited	456.79	-3.04	-0.67	1,591.29	7.85	0.49	2,394.30	-5.87	-0.25
415	Tamil Nadu Trade Promotion Organisation	325.29	36.02	11.07	306.87	6.33	2.06	310.20	3.89	1.25
416	Tanda Transmission Limited	0.00	0.00		0.00	0.00		0.00	0.00	
417	Tatiya Andhra Mega Power Limited	0.00	-0.05		0.00	0.00		0.00	0.00	
418	TCIL Bina Toll Road Limited	56.49	1.54	2.73	45.83	9.71	21.19	42.31	8.02	18.96
419	TCIL LTR Limited	81.50	3.73	4.58	78.31	2.67	3.41	76.66	0.82	1.07
420	Telecommunications Consultants of India Limited	585.88	94.79	16.18	611.19	74.06	12.12	612.79	47.75	7.79
421	THDC India Limited	13,450.43	1,411.53	10.49	15,558.49	1,572.42	10.11	16,832.13	1,586.44	9.43
422	The Bisra Stone Lime Company Limited	-152.71	-9.34	-6.12	-146.72	7.55	-5.15	-141.10	8.44	-5.98
423	The Braithwaite Burn and Jessop Construction Company Limited	208.31	2.54	1.22	209.49	16.03	7.65	211.99	5.12	2.42
424	The British India Corporation Limited	-1,050.42	-38.01	-3.62	-1,155.47	-24.26	-2.10	-1,234.52	-3.21	-0.26
425	The Cotton Corporation of India Limited	367.45	557.75	151.79	372.64	1371.37	368.01	363.38	491.37	135.22
426	The FCI Aravali Gypsum and Minerals India Limited	250.20	21.06	8.42	251.61	18.22	7.24	250.82	15.57	6.21

Sl. No.	CPSE	2019-20			2020-21			2021-22		
		Capital Employed	EBIT	ROCE in %	Capital Employed	EBIT	ROCE in %	Capital Employed	EBIT	ROCE in %
427	The Fertilizer and Chemicals Travancore Limited	1,304.56	1,263.36	96.84	1,615.90	594.79	36.81	1,975.16	595.21	30.13
428	The Handicrafts and Handlooms Export Corporation of India Limited	23.79	-8.78	-36.91	20.82	-8.49	-40.78	87.03	-18.05	-20.74
429	The Industrial Credit Company Limited	-0.04	0.00	0.00	-0.05	0.00	0.00	-0.05	0.00	0.00
430	The Jute Corporation of India Limited	147.70	21.36	14.46	155.24	15.99	10.30	133.69	-13.78	-10.31
431	The New India Assurance Company Limited	25,971.51	1,638.83	6.31	36,450.64	2,036.72	5.59	38,191.19	159.91	0.42
432	The Oriental Insurance Company Limited	4,399.66	-1,498.70	-34.06	8,552.36	-1,512.06	-17.68	7,533.32	-3,146.87	-41.77
433	The Orissa Minerals Development Company Limited	57.08	-29.02	-50.84	296.15	-20.96	-7.08	131.47	16.42	12.49
434	The Shipping Corporation of India Limited	8,823.51	543.46	6.16	10,413.75	728.32	6.99	10,966.77	899.90	8.21
435	The State Trading Corporation of India Limited	-61.51	-113.63	-184.73	-109.20	-51.23	-46.91	-197.57	-48.60	-24.60
436	Troop Comforts Limited							4,573.67	23.04	0.50
437	Tungabhadra Steel Products Limited	-45.37	-4.69	-10.34	-54.46	-0.30	-0.55	-44.89	-0.18	-0.40
438	TUSCO Limited				9.74	-0.35	-3.59	18.71	-1.46	-7.80
439	Udupi Cochin Shipyard Limited				141.53	-1.31	-0.93	139.32	-17.52	-12.58

Sl. No.	CPSE	2019-20			2020-21			2021-22		
		Capital Employed	EBIT	ROCE in %	Capital Employed	EBIT	ROCE in %	Capital Employed	EBIT	ROCE in %
440	United India Insurance Company Limited	2,341.66	-1,411.30	-60.27	7,674.79	-910.61	-11.86	6,047.69	-2,061.30	-34.08
441	Uranium Corporation of India Limited	3,208.27	607.43	18.93	3,557.25	623.21	17.52	3,944.70	777.48	19.71
442	Urvarak Videsh Limited	0.07	-0.01	-14.29	0.06	-0.01	-16.67	0.06	-0.01	-16.67
443	Utkal Ashok Hotel Corporation Limited	-22.23	-0.12	-0.54	-22.93	-0.12	-0.52	-23.81	-0.18	-0.76
444	Utkarsha Aluminium Dhatu Nigam Limited	36.75	-3.64	-9.90	37.01	0.38	1.03	37.63	0.65	1.73
445	Vignyan Industries Limited	-0.01	-4.49	-44,900.00	-5.90	-5.48	-92.88	53.85	-4.95	-9.19
446	Visakhapatnam Port Logistics Park Limited	189.29	-9.23	-4.88	186.60	-5.79	-3.10	180.24	-0.49	-0.27
447	WAPCOS Limited	626.04	212.53	33.95	617.14	58.30	9.45	659.28	65.36	9.91
448	Western Coalfields Limited	381.29	12.12	3.18	548.88	383.53	69.88	1,505.82	1259.73	83.66
449	Yantra India Limited							2,577.89	-123.12	-4.78
450	Yule Electrical Limited	-0.06	0.00	0.00	-0.07	0.00	0.00	-0.08	-0.01	12.50
451	Yule Engineering Limited	-0.03	0.00	0.00	-0.03	-0.01	33.33	-0.04	-0.01	25.00
452	Zenith Securities and Investments Limited	14.73	-2.02	-13.71	17.85	3.35	18.77	22.65	43.70	192.94
		<b>35,35,015.69</b>	<b>2,70,219.36</b>	<b>7.64</b>	<b>36,62,023.72</b>	<b>3,63,926.72</b>	<b>9.94</b>	<b>40,09,375.79</b>	<b>4,19,293.97</b>	<b>10.46</b>

## Annexure-XII (Refer Para No. 1.4.2)

## Return on Equity of Government companies and corporations

(₹ in crore)

Sl. No.	CPSE	2019-20			2020-21			2021-22		
		Net profit after tax & preference dividend	Equity	ROE (in %)	Net profit after tax & preference dividend	Equity	ROE (in %)	Net profit after tax & preference dividend	Equity	ROE (in %)
1	Advanced Weapons and Equipment India Limited							4.71	2,573.47	0.18
2	Agrinnovative India Limited	2.81	69.68	4.03	1.39	71.07	1.96	1.54	72.61	2.12
3	AI Airport Services Limited	66.21	403.18	16.42	-203.66	184.40	-110.44	15.33	361.65	4.24
4	AI Engineering Services Limited	107.19	-2,178.67	-4.92	-9.58	-2,218.34	0.43	837.12	-1,381.51	-60.59
5	AI Assets Holding Limited	134.02	134.07	99.96	43.70	177.77	24.58	-1,057.47	-6,266.13	16.88
6	Airports Authority of India	1,985.09	15,452.80	12.85	-1,962.06	12,849.96	-15.27	8.76	12,227.30	0.07
7	Alliance Air Aviation Limited	-200.63	-2,256.66	-8.89	-360.09	-2651.16	-13.58	-447.76	-3,098.55	-14.45
8	Ananthpuram Kurnool Transmission Limited				0.00	0.01	0.00	0.00	0.01	0.00
9	Andaman & Nicobar Islands Forest and Plantation Development Corporation Limited	-1.03	-21.02	-4.90	-0.89	-21.91	-4.06	-2.61	-24.52	-10.64
10	Andaman and Nicobar Islands Integrated Development Corporation Limited	33.77	180.03	18.76	19.30	192.35	10.03	23.93	209.14	11.44
11	Andaman Fisheries Limited	-4.28	-35.66	-12.00	-4.91	-40.56	-12.11	-7.22	-47.78	-15.11

Sl. No.	CPSE	2019-20			2020-21			2021-22		
		Net profit after tax & preference dividend	Equity	ROE (in %)	Net profit after tax & preference dividend	Equity	ROE (in %)	Net profit after tax & preference dividend	Equity	ROE (in %)
12	Andhra Pradesh Solar Power Corporation Limited	73.70	159.18	46.30	56.74	215.12	26.38	71.98	286.58	25.12
13	Andrew Yule and Company Limited	-20.52	168.28	-12.19	21.20	190.14	11.15	-0.90	183.14	-0.49
14	Angul Sukinda Railway Limited	0.28	714.69	0.04	0.70	851.41	0.08	0.53	867.07	0.06
15	Antrix Corporation Limited	220.69	1,596.57	13.82	55.71	1,567.31	3.55	24.96	1,513.87	1.65
16	Anushakti Vidyut Nigam Limited	0.00	0.02	0.00	0.00	0.02	0.00	0.00	0.01	0.00
17	Apollo Design Apparel Parks Limited	10.39	123.49	8.41	-1.03	122.50	-0.84	-1.03	122.50	-0.84
18	Armoured Vehicles Nigam Limited							54.19	12,302.08	0.44
19	Artificial Limbs Manufacturing Corporation of India	85.68	483.29	17.73	52.26	533.64	9.79	64.15	599.26	10.70
20	Aurangabad Textile and Apparel Parks Limited	-0.76	14.05	-5.41	-0.76	13.30	-5.71	-0.76	13.30	-5.71
21	Balmer Lawrie and Company Limited	170.65	1,319.67	12.93	116.45	1,307.73	8.90	122.81	1,319.86	9.30
22	Balmer Lawrie Investment Company Limited	83.58	176.31	47.41	84.62	167.16	50.62	66.62	159.96	41.65
23	Bangalore Metro Rail Corporation Limited	-595.67	6,276.61	-9.49	-902.54	7,545.44	-11.96	-476.92	11,147.71	-4.28
24	Baster Railway Private Limited	1.19	294.06	0.40	0.54	294.60	0.18	-0.89	293.71	-0.30
25	BEL Optronic Devices Limited	3.01	235.28	1.28	4.90	240.52	2.04	5.16	244.32	2.11

Sl. No.	CPSE	2019-20			2020-21			2021-22		
		Net profit after tax & preference dividend	Equity	ROE (in %)	Net profit after tax & preference dividend	Equity	ROE (in %)	Net profit after tax & preference dividend	Equity	ROE (in %)
26	BEL-Thales Systems Limited	3.34	54.50	6.13	3.15	57.65	5.46	5.21	62.85	8.29
27	BEML Land Assets Limited							-0.01	0.00	0.00
28	BEML Limited	68.38	2,181.09	3.14	74.80	2,173.39	3.44	134.59	2,280.73	5.90
29	Bengal Chemicals and Pharmaceuticals Limited	13.07	-53.71	-24.33	6.08	-47.63	-12.77	7.47	76.96	9.71
30	Bengal Gas Company Limited	-1.09	48.91	-2.23	-2.09	71.82	-2.91	-3.82	250.31	-1.53
31	Bhadla Sikar Transmission Limited				0.00	0.01	0.00	0.00	0.01	0.00
32	Bharat Broadband Network Limited	3.24	85.96	3.77	1.45	87.41	1.66	-2.49	84.92	-2.93
33	Bharat Coking Coal Limited	918.68	4,297.66	21.38	-1202.48	3,088.81	-38.93	111.62	3,273.77	3.41
34	Bharat Dynamics Limited	534.90	2,606.83	20.52	257.77	2,684.75	9.60	499.92	3,030.56	16.50
35	Bharat Electronics Limited	1,793.83	9,852.94	18.21	2,065.42	10,761.20	19.19	2,348.93	11,984.26	19.60
36	Bharat Gas Resources Limited	1.51	299.74	0.50	0.36	900.10	0.04	149.84	1,799.94	8.32
37	Bharat Gold Mines Limited	-79.42	-2,061.05	-3.85	147.39	-1,913.66	-7.70	-68.88	-1,982.54	-3.47
38	Bharat Heavy Electricals Limited	-1,472.97	29,146.03	-5.05	-2,717.14	26,448.87	-10.27	410.24	26,971.16	1.52
39	Bharat Immunologicals and Biologicals Corporation Limited	-10.21	20.47	-49.88	-18.11	34.04	-53.20	-8.75	43.18	-20.26
40	Bharat Oman Refineries Limited				-76.35	3,543.07	-2.15	892.17	4,435.73	20.11

Sl. No.	CPSE	2019-20			2020-21			2021-22		
		Net profit after tax & preference dividend	Equity	ROE (in %)	Net profit after tax & preference dividend	Equity	ROE (in %)	Net profit after tax & preference dividend	Equity	ROE (in %)
41	Bharat Petro Resources JPDA Limited	-4.10	-68.44	-5.99	12.24	-56.21	-21.78	-0.31	-56.52	-0.55
42	Bharat Petro Resources Limited	-915.03	3,209.39	-28.51	-1,796.85	2,290.12	-78.46	-22.81	3,392.33	-0.67
43	Bharat Petroleum Corporation Limited	2,683.19	32,158.78	8.34	19,041.67	53,300.47	35.73	8,788.73	48,355.45	18.18
44	Bharat Pumps and Compressors Limited	-26.99	-213.61	-12.64	-83.89	-204.95	-40.93	-53.69	-90.42	-59.38
45	Bharat Sanchar Nigam Limited	-15,499.58	18,931.47	-81.87	-7,441.12	11,478.46	-64.83	-6,981.62	5,000.00	-139.63
46	Bharatiya Nabhikiya Vidyut Nigam Limited	0.07	4,766.17	0.00	0.22	4,806.39	0.00	0.19	4,806.58	0.00
47	Bhartiya Rail Bijlee Company Limited	258.46	2,742.79	9.42	282.48	2,770.13	10.20	328.70	2,921.98	11.25
48	BHEL Electrical Machines Limited	-6.92	-20.65	-33.51	-4.41	-25.07	-17.59	-4.41	-25.07	-17.59
49	Bidar Transmission Limited				0.02	0.07	28.57	-0.01	0.07	-14.29
50	Biecco Lawrie Limited	-3.36	-126.84	-2.65	11.84	-115.00	-10.30	0.89	-114.11	-0.78
51	Bihar Drugs and Organic Chemicals Limited	-0.49	-45.69	-1.07	-0.49	-45.69	-1.07	-0.49	-45.69	-1.07
52	Bihar Infra power Limited	0.00	0.05	0.00	0.00	0.05	0.00	0.00	0.05	0.00
53	Bihar Mega Power Limited	0.00	0.05	0.00	0.00	0.05	0.00	0.00	0.05	0.00
54	Bijawar Vidarbha Transmission Limited	0.00	0.01	0.00	0.00	0.01	0.00	-0.01	0.00	0.00
55	Biotechnology Industry Research Assistance Council	7.95	112.53	7.06	6.72	120.65	5.57	9.00	130.13	6.92

Sl. No.	CPSE	2019-20			2020-21			2021-22		
		Net profit after tax & preference dividend	Equity	ROE (in %)	Net profit after tax & preference dividend	Equity	ROE (in %)	Net profit after tax & preference dividend	Equity	ROE (in %)
56	Birds Jute and Exports Limited	-4.71	-136.53	-3.45	-5.43	-141.96	-3.83	-5.40	-147.36	-3.66
57	BPCL- KIAL Fuel Farm Private Limited	-1.97	5.26	-37.45	-6.06	-0.80	757.50	-3.85	-4.65	82.80
58	Brahmaputra Cracker and Polymer Limited	1507.60	2073.05	72.72	739.89	2811.26	26.32	690.53	3280.79	21.05
59	Brahmaputra Valley Fertilizer Corporation Limited	-129.70	-113.53	-114.24	-137.75	-251.28	-54.82	-97.64	-348.92	-27.98
60	Braithwaite and Company Limited	19.78	83.42	23.71	24.72	108.13	22.86	42.42	150.55	28.18
61	Bridge and Roof Company (India) Limited	31.42	377.75	8.32	7.80	376.67	2.07	21.28	395.84	5.38
62	Broadcast Engineering Consultants India Limited	-4.85	7.58	-63.98	2.55	10.17	25.07	11.09	21.14	52.46
63	BSNL Tower Corporation Limited	-0.03	-2.80	-1.07	0.01	-2.79	-0.36	0.00	-2.79	0.00
64	Bundelkhand Saur Urja Limited	-0.17	9.41	-1.81	-0.13	48.67	-0.27	-0.70	95.03	-0.74
65	Burn Standard Company Limited	0.47	184.63	0.25	-0.14	184.63	-0.08	-0.14	184.63	-0.08
66	Cement Corporation of India Limited	-50.94	-22.09	-230.60	13.15	-29.80	-44.13	40.20	11.44	351.40
67	Central Coalfields Limited	1,847.75	6,391.53	28.91	1221.28	7,548.53	16.18	1,696.92	8,411.98	20.17
68	Central Cottage Industries Corporation Limited	-9.25	-14.38	-64.33	-29.92	-44.33	-67.49	-24.38	-68.66	-35.51

Sl. No.	CPSE	2019-20			2020-21			2021-22		
		Net profit after tax & preference dividend	Equity	ROE (in %)	Net profit after tax & preference dividend	Equity	ROE (in %)	Net profit after tax & preference dividend	Equity	ROE (in %)
69	Central Electronics Limited	3.13	80.76	3.88	23.26	105.82	21.98	23.78	122.34	19.44
70	Central Inland Water Transport Corporation Limited	2.48	42.42	5.85	13.75	56.17	24.48	0.34	56.50	0.60
71	Central Mine Planning and Design Institute Limited	193.39	570.31	33.91	316.96	784.47	40.40	282.12	995.62	28.34
72	Central Registry of Securitisation Asset Reconstruction and Security Interest of India	85.76	825.33	10.39	44.62	869.95	5.13	65.57	935.51	7.01
73	Central Transmission Utility of India Limited				-0.03	0.02	-150.00	40.03	40.05	99.95
74	Central Warehousing Corporation	372.32	2,789.26	13.35	438.17	2,868.61	15.27	450.56	3,088.15	14.59
75	Certification Engineers International Limited	10.08	78.60	12.82	11.23	80.67	13.92	8.11	79.30	10.23
76	Chandigarh Industrial and Tourism Development Corporation Limited	-1.68	58.23	-2.89	-1.33	56.53	-2.35	4.61	60.82	7.58
77	Chandigarh Smart City Limited	-1.83	0.10	-1,830.00	-2.92	200.00	-1.46	1.29	203.44	0.63
78	Chandil Transmission Limited	-0.44	-2.14	-20.56	-0.01	-2.15	-0.47	0.00	-2.15	0.00
79	Chennai Metro Rail Limited	-525.20	5,100.08	-10.30	-613.37	4,487.07	-13.67	-722.98	5,967.43	-12.12
80	Chennai Petroleum Corporation Limited	-2,077.58	1,192.19	-174.27	237.56	1,424.48	16.68	1,342.42	2,790.14	48.11

Sl. No.	CPSE	2019-20			2020-21			2021-22		
		Net profit after tax & preference dividend	Equity	ROE (in %)	Net profit after tax & preference dividend	Equity	ROE (in %)	Net profit after tax & preference dividend	Equity	ROE (in %)
81	Cheyur Infra Limited	0.00	0.05	0.00	0.00	0.05	0.00	0.00	0.05	0.00
82	Chhattisgarh Surguja Power Limited	-0.05	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
83	Chhattisgarh Copper Limited	-0.04	-0.04	-100.00	-0.11	0.06	-183.33	-0.10	0.05	-200.00
84	Chhattisgarh East Railway Limited	-22.48	539.27	-4.17	7.76	656.03	1.18	62.33	819.62	7.60
85	Chhattisgarh East West Railway Limited	-0.11	503.36	-0.02	-0.27	503.09	-0.05	-0.28	592.81	-0.05
86	Chhattisgarh Mega Steel Limited	-0.01	0.01	-100.00	-0.01	0.00	0.00	-0.01	0.00	0.00
87	CIL Navikarniya Urja Limited							0.00	0.05	0.00
88	CIL Solar PV Limited							0.00	0.05	0.00
89	Coal India Limited	11,280.88	16,813.30	67.09	7,640.10	16,751.71	45.61	11,201.57	16,357.95	68.48
90	Coastal Karnataka Power Limited	-0.05	0.00	0.00	0.00	0.00	0.00	-0.01	-0.01	100.00
91	Coastal Maharashtra Mega Power Limited	-0.05	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
92	Coastal Tamilnadu Power Limited	0.00	0.08	0.00	0.00	0.08	0.00	0.00	0.08	0.00
93	Cochin Shipyard Limited	637.69	3,712.48	17.18	610.10	3,958.25	15.41	586.57	4,339.86	13.52
94	Concor Air Limited	7.20	36.84	19.54	-2.93	33.91	-8.64	-9.65	24.24	-39.81
95	Container Corporation of India Limited	375.78	10,064.74	3.73	503.33	10,203.74	4.93	1,062.34	10,777.30	9.86
96	Creative Museum Designers	2.94	17.78	16.54	3.41	20.91	16.31	4.16	10.19	40.82

Sl. No.	CPSE	2019-20			2020-21			2021-22		
		Net profit after tax & preference dividend	Equity	ROE (in %)	Net profit after tax & preference dividend	Equity	ROE (in %)	Net profit after tax & preference dividend	Equity	ROE (in %)
97	Cross Border Power Transmission Company Limited	21.47	109.97	19.52	15.19	114.97	13.21	17.26	126.90	13.60
98	Dadra & Nager Haveli, Daman and Diu SC/ST Financial and Development Corporation Limited	1.33	10.37	12.83	0.33	11.60	2.84	4.47	15.16	29.49
99	Damodar Valley Corporation	185.32	5,269.45	3.52	301.96	5,817.69	5.19	634.89	6,738.82	9.42
100	Dedicated Freight Corridor Corporation Limited	-90.52	14,256.29	-0.63	112.45	14,370.56	0.78	-16.15	15,994.76	-0.10
101	Defence Innovation Organisation	0.00	61.82	0.00	0.00	85.81	0.00	0.00	123.77	0.00
102	Delhi Metro Last Mile Services Limited	-0.01	-0.01	100.00	-0.01	0.08	-12.50	-0.01	0.07	-14.29
103	Delhi Metro Rail Corporation Limited	-468.27	28,118.43	-1.67	-2,368.74	26,735.32	-8.86	-3,815.11	24,130.39	-15.81
104	Delhi Police Housing Corporation Limited	0.60	12.33	4.87	0.48	12.82	3.74	0.17	12.98	1.31
105	Deoghar Infra Limited	0.00	0.05	0.00	0.00	0.05	0.00	0.00	0.05	0.00
106	Deoghar Mega Power Limited	0.00	0.05	0.00	0.00	0.05	0.00	0.00	0.05	0.00
107	Digital India Corporation	0.00	42.24	0.00	0.00	36.27	0.00	1.43	33.35	4.29
108	Diu Smart City Limited	-0.09	1.96	-4.59	0.03	1.99	1.51	0.03	2.02	1.49
109	DNH Power Distribution Corporation Limited	11.40	541.68	2.10	229.91	771.58	29.80	105.84	877.43	12.06
110	Dumka Transmission Limited	-0.43	-2.08	-20.67	-0.01	-2.09	-0.48	0.00	-2.10	0.00

Sl. No.	CPSE	2019-20			2020-21			2021-22		
		Net profit after tax & preference dividend	Equity	ROE (in %)	Net profit after tax & preference dividend	Equity	ROE (in %)	Net profit after tax & preference dividend	Equity	ROE (in %)
111	Eastern Coalfields Limited	997.65	1,882.88	52.99	-759.58	888.82	-85.46	-1,060.66	1,813.71	-58.48
112	Eastern Investments Limited	-0.56	269.64	-0.21	0.79	270.43	0.29	-0.44	269.99	-0.16
113	ECGC Limited	323.84	12,687.73	2.55	460.30	13,765.91	3.34	875.16	15,375.28	5.69
114	EdCIL (India) Limited	40.92	148.73	27.51	36.89	173.00	21.32	50.41	211.79	23.80
115	Electronics Corporation of India Limited	50.43	1,011.88	4.98	112.17	1,078.42	10.40	220.78	1,255.73	17.58
116	Engineering Projects (India) Limited	0.92	198.54	0.46	-49.74	148.52	-33.49	-65.06	83.46	-77.95
117	Engineers India Limited	430.24	2,345.46	18.34	259.50	1,701.01	15.26	344.41	1,925.05	17.89
118	FACT RCF Building Products Limited	-71.49	-123.08	-58.08	-5.99	-129.07	-4.64	-8.58	-137.71	-6.23
119	Ferro Scrap Nigam Limited	30.58	216.92	14.10	22.75	226.68	10.04	40.36	212.00	19.04
120	Fertilizer Corporation of India Limited	52.77	580.81	9.09	51.05	631.86	8.08	35.74	666.50	5.36
121	Food Corporation of India	0.00	4,468.65	0.00	0.00	5,500.33	0.00	0.00	8,004.55	0.00
122	Fresh and Healthy Enterprises Limited	-6.45	36.39	-17.72	-4.84	31.56	-15.34	-3.73	33.29	-11.20
123	GAIL (India) Limited	6,620.63	43,881.28	15.09	4,890.18	46,506.37	10.52	10,363.97	55,586.79	18.64
124	Gail Gas Limited	156.25	1,707.85	9.15	157.70	2,100.96	7.51	283.36	2,430.75	11.66
125	Garden Reach Shipbuilders and Engineers Limited	163.48	1,040.23	15.72	153.47	1,137.12	13.50	189.53	1,248.60	15.18
126	General Insurance Corporation of India Limited	-359.09	1,09,624.35	-0.33	1,920.44	1,27,917.40	1.50	2,005.74	1,39,087.47	1.44

Sl. No.	CPSE	2019-20			2020-21			2021-22		
		Net profit after tax & preference dividend	Equity	ROE (in %)	Net profit after tax & preference dividend	Equity	ROE (in %)	Net profit after tax & preference dividend	Equity	ROE (in %)
127	Ghogarpalli Integrated Power Company Limited	0.00	0.05	0.00	0.00	0.05	0.00	0.00	0.05	0.00
128	Gliders India Limited							0.71	529.96	0.13
129	Goa Antibiotics and Pharmaceuticals Limited	-5.43	7.09	-76.59	-11.55	-5.39	214.29	-6.67	-11.38	58.61
130	Goa Shipyard Limited	197.77	1,025.24	19.29	127.91	1,098.26	11.65	101.09	1,148.40	8.80
131	Goldmohur Design & Apparel Parks Limited	8.59	117.55	7.31	-1.59	116.03	-1.37	-1.59	116.03	-1.37
132	Government e- Market Place	-2.37	0.01	-23,700.00	-4.02	0.01	-40,200.00	104.07	98.83	105.30
133	Grid Controller of India Limited	57.55	451.79	12.74	20.50	468.36	4.38	44.39	508.19	8.73
134	Haridaspur Paradeep Railway Company Limited	0.49	1,064.58	0.05	38.84	1,227.43	3.16	31.20	1,358.27	2.30
135	Haridwar Natural Gas Private Limited	-1.99	39.37	-5.05	0.67	40.04	1.67	3.34	43.14	7.74
136	Hassan Mangalore Rail Development Company Limited	21.46	379.63	5.65	-32.04	347.60	-9.22	-40.00	307.60	-13.00
137	Health Insurance TPA of India Limited	3.29	97.18	3.39	19.00	116.19	16.35	-12.19	100.29	-12.15
138	Heavy Engineering Corporation Limited	-405.37	-400.73	-101.16	-175.78	-582.25	-30.19	-256.07	-844.07	-30.34
139	Hemisphere Properties India Limited	-0.76	284.08	-0.27	-7.45	376.63	-1.98	-14.86	372.33	-3.99
140	High Speed Rail Corridor Corporation Limited	0.04	0.13	30.77	-0.21	2.42	-8.68	1.91	46.71	4.09

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		Net profit after tax & preference dividend	Equity	ROE (in %)	Net profit after tax & preference dividend	Equity	ROE (in %)	Net profit after tax & preference dividend	Equity	ROE (in %)
141	Higher Education Financing Agency	315.82	5,470.16	5.77	441.59	6,131.75	7.20	447.52	6,579.27	6.80
142	Himachal Renewables Limited	0.06	4.40	1.36	0.11	4.52	2.43	0.07	4.59	1.53
143	Hindustan Aeronautics Limited	2,832.36	13,189.93	21.47	3,232.96	15,356.55	21.05	5,086.50	19,264.00	26.40
144	Hindustan Antibiotics Limited	-0.01	-568.99	0.00	-38.26	-607.24	-6.30	-16.21	-623.45	-2.60
145	Hindustan Cables Limited	13.88	-300.79	-4.61	269.56	-31.23	-863.14	88.39	57.16	154.64
146	Hindustan Copper Limited	-569.35	313.21	-181.78	109.98	528.04	20.83	373.78	805.61	46.40
147	Hindustan Fertilizers Corporation Limited	10.43	126.47	8.25	9.42	135.89	6.93	2.52	138.40	1.82
148	Hindustan Fluorocarbons Limited	-3.63	-47.32	-7.67	-24.83	-72.64	-34.18	-6.13	-78.81	-7.78
149	Hindustan Insecticides Limited	0.59	104.43	0.56	1.15	105.58	1.09	2.21	107.80	2.05
150	Hindustan Organic Chemicals Limited	-94.68	29.02	-326.26	15.47	59.85	25.85	-23.24	53.23	-43.66
151	Hindustan Petroleum Corporation Limited	2,637.26	28,337.36	9.31	10,663.88	35,561.11	29.99	6,382.63	38,052.04	16.77
152	Hindustan Photo Films (Manufacturing) Company Limited	-2.35	-23,736.69	-0.01	-0.37	-23,737.06	0.00	-1.88	-23,738.94	-0.01
153	Hindustan Prefab Limited	-14.98	19.20	-78.02	1.67	20.88	8.00	-12.25	8.63	-141.95
154	Hindustan Salts Limited	-1.85	47.19	-3.92	5.80	50.04	11.59	1.52	52.06	2.92
155	Hindustan Shipyard Limited	13.03	-567.62	-2.30	-14.01	-595.16	2.35	50.78	-547.31	-9.28

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		Net profit after tax & preference dividend	Equity	ROE (in %)	Net profit after tax & preference dividend	Equity	ROE (in %)	Net profit after tax & preference dividend	Equity	ROE (in %)
156	Hindustan Steel Works Construction Limited	44.20	115.22	38.36	29.48	125.61	23.47	27.77	146.06	19.01
157	Hindustan Urvarak and Rasayan Limited	0.05	2,540.70	0.00	-16.32	3,807.43	-0.43	-19.84	5,356.35	-0.37
158	Hindustan Vegetable Oils Corporation Limited	0.72	9.88	7.29	0.25	10.14	2.47	0.25	10.14	2.47
159	HLL Biotech Limited	-58.32	121.22	-48.11	-31.99	89.09	-35.91	547.34	636.42	86.00
160	HLL Infratech Services Limited	31.63	19.05	166.04	10.86	19.81	54.82	17.60	30.70	57.33
161	HLL Lifecare Limited	109.80	572.96	19.16	112.33	385.74	29.12	408.23	768.91	53.09
162	HLL Medipark Limited	-0.77	4.37	-17.62	-0.85	3.52	-24.15	1.37	3.19	42.95
163	HLL Mother and Child Care Hospitals Limited	-2.79	-3.00	-93.00	-0.01	0.00	0.00	-0.01	0.00	0.00
164	HMT (International) Limited	2.71	36.33	7.46	0.97	37.17	2.61	0.21	36.78	0.57
165	HMT Limited	248.18	361.00	68.75	27.49	387.14	7.10	38.36	426.66	8.99
166	HMT Machine Tools Limited	-98.72	-1,408.05	-7.01	-132.79	-1,539.84	-8.62	-145.73	-1,684.73	-8.65
167	HMT Watches Limited	0.96	-2,686.03	-0.04	2.70	-2,683.33	-0.10	1.05	-2,682.28	-0.04
168	Hooghly Cochin Shipyard Limited	-2.49	17.81	-13.98	-3.16	42.65	-7.41	-2.84	39.82	-7.13
169	Hooghly Dock and Port Engineers Limited	117.58	-2.52	-4,665.87	2.80	0.28	1,000.00	2.50	2.82	88.65
170	Hooghly Printing Company Limited	-1.16	-5.05	-22.97	-0.73	-5.78	-12.63	-0.04	-5.82	-0.69
171	Hotel Corporation of India Limited	-55.55	-432.99	-12.83	-97.37	-529.61	-18.39	-84.81	-613.86	-13.82

Sl. No.	CPSE	2019-20			2020-21			2021-22		
		Net profit after tax & preference dividend	Equity	ROE (in %)	Net profit after tax & preference dividend	Equity	ROE (in %)	Net profit after tax & preference dividend	Equity	ROE (in %)
172	Housing and Urban Development Corporation Limited	1,708.42	8,906.45	19.18	1,578.58	9,312.17	16.95	1,716.60	11,343.13	15.13
173	HPCL Bio Fuels Limited	-85.55	-34.50	-247.97	-80.07	265.86	-30.12	-66.95	206.92	-32.36
174	HPCL LNG Limited							-14.09	1,230.54	-1.15
175	HPCL Rajasthan Refinery Limited	1.81	1,742.87	0.10	-33.41	2,334.12	-1.43	-22.37	5,646.75	-0.40
176	HSCC (India) Limited	37.63	109.78	34.28	9.82	117.74	8.34	25.18	143.61	17.53
177	I T I Limited	150.86	925.12	16.31	11.20	933.52	1.20	121.06	933.52	12.97
178	IFCI Factors Limited	-5.38	126.20	-4.26	-9.80	116.22	-8.43	-9.67	106.44	-9.08
179	IFCI Financial Services Limited	-1.17	69.57	-1.68	-1.32	68.39	-1.93	1.07	69.74	1.53
180	IFCI Infrastructure Development Limited	13.11	513.74	2.55	6.14	505.04	1.22	8.32	506.80	1.64
181	IFCI Limited	-277.88	3,859.84	-7.20	-1,957.81	2,124.17	-92.17	-1,991.33	445.45	-447.04
182	IFCI Venture Capital Funds Limited	0.60	166.99	0.36	2.47	169.57	1.46	-2.97	166.74	-1.78
183	IFIN Commodities Limited	-0.27	5.15	-5.24	-0.38	4.74	-8.02	-0.66	4.13	-15.98
184	IFIN Credit Limited	0.04	1.98	2.02	-0.01	1.97	-0.51	0.00	1.98	0.00
185	IFIN Securities Finance Limited	-0.22	28.59	-0.77	0.20	28.66	0.70	0.31	28.96	1.07
186	IIFCL Asset Management Company Limited	0.82	23.24	3.53	1.46	24.74	5.90	2.16	27.14	7.96
187	IIFCL Projects Limited	1.56	16.22	9.62	2.46	18.55	13.26	3.74	22.93	16.31

Sl. No.	CPSE	2019-20			2020-21			2021-22		
		Net profit after tax & preference dividend	Equity	ROE (in %)	Net profit after tax & preference dividend	Equity	ROE (in %)	Net profit after tax & preference dividend	Equity	ROE (in %)
188	India Infrastructure Finance Company Limited	50.92	9,999.92	0.51	285.27	9,999.92	2.85	514.26	10,731.19	4.79
189	India International Convention and Exhibition Centre Limited	5.91	1,859.44	0.32	0.49	2,207.34	0.02	0.94	2,453.86	0.04
190	India Optel Limited							60.11	5,778.55	1.04
191	India Ports Global Private Limited	-1.25	10.00	-12.50	-1.16	10.00	-11.60	6.38	10.00	63.80
192	India Post Payment Bank Limited	-334.01	574.01	-58.19	-320.54	444.61	-72.09	-159.62	473.06	-33.74
193	India Tourism Development Corporation Limited	22.48	346.49	6.49	-27.20	319.87	-8.50	6.86	319.26	2.15
194	India Trade Promotion Organisation	92.00	2,114.12	4.35	-81.37	2,030.78	-4.01	-52.83	1,971.87	-2.68
195	India United Textile Mills Limited	10.08	163.25	6.17	10.29	173.54	5.93	10.29	173.54	5.93
196	Indian Medicines and Pharmaceuticals Corporation Limited	0.45	74.98	0.60	11.05	85.90	12.86	33.76	117.89	28.64
197	Indian Oil Corporation Limited	1,313.23	90,433.15	1.45	21,836.04	1,07,164.32	20.38	24,184.10	1,29,321.49	18.70
198	Indian Railway Catering and Tourism Corporation Limited	528.57	1327.82	39.81	189.90	1466.95	12.95	663.69	1883.88	35.23
199	Indian Railway Finance Corporation Limited	3,692.42	30,962.43	11.93	4,416.13	35,913.38	12.30	6,089.84	40,996.34	14.85

Sl. No.	CPSE	2019-20			2020-21			2021-22		
		Net profit after tax & preference dividend	Equity	ROE (in %)	Net profit after tax & preference dividend	Equity	ROE (in %)	Net profit after tax & preference dividend	Equity	ROE (in %)
200	Indian Rare Earths Limited	291.74	957.10	30.48	315.66	1,167.47	27.04	555.51	1,548.15	35.88
201	Indian Renewable Energy Development Agency Limited	214.55	2,262.22	9.48	346.41	2,736.08	12.66	633.53	4,962.72	12.77
202	Indian Strategic Petroleum Reserves Limited	-101.60	3,441.03	-2.95	-100.51	3,340.52	-3.01	-99.31	3,255.38	-3.05
203	Indian Vaccines Company Limited	-0.45	8.28	-5.43	-0.04	8.24	-0.49	-3.70	4.54	-81.50
204	Indo-Russian Helicopters Limited	-0.34	8.71	-3.90	-0.80	7.92	-10.10	-0.33	7.59	-4.35
205	Indradhanush Gas Grid Limited	-5.31	42.57	-12.47	2.03	289.60	0.70	1.95	577.55	0.34
206	Inland Coastal Shipping Limited	0.00	-0.05	0.00	-0.25	0.70	-35.71	-0.89	-0.19	468.42
207	Instrumentation Limited	35.58	-424.65	-8.38	34.76	-389.89	-8.92	22.26	-367.63	-6.06
208	Ircon Akloli-Shirsad Expressway Limited							0.00	0.05	0.00
209	Ircon Davangere Haveri Highway Limited	0.77	167.60	0.46	0.65	168.25	0.39	5.87	196.92	2.98
210	Ircon Gurgaon Rewari Highway Limited				0.01	0.06	16.67	-0.01	18.40	-0.05
211	IRCON Infrastructure Limited	11.51	153.89	7.48	5.75	159.64	3.60	5.30	164.94	3.21
212	IRCON International Limited	489.79	4,161.13	11.77	404.56	4,406.48	9.18	544.32	4,620.96	11.78
213	Ircon Ludhiana Rupnagar Highway Limited							0.00	0.05	0.00

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		Net profit after tax & preference dividend	Equity	ROE (in %)	Net profit after tax & preference dividend	Equity	ROE (in %)	Net profit after tax & preference dividend	Equity	ROE (in %)
214	IRCON PB Tollway Limited	-17.18	149.62	-11.48	-21.39	128.24	-16.68	-24.62	169.41	-14.53
215	IRCON Shiv Puri Guna Limited	-30.83	87.81	-35.11	-14.06	73.75	-19.06	-12.05	61.70	-19.53
216	IRCON Vadodara Kim Expressway Limited	0.24	136.06	0.18	0.28	136.34	0.21	60.16	239.90	25.08
217	IREL IDCOL Limited	-0.02	0.08	-25.00	-0.03	1.01	-2.97	-0.05	1.87	-2.67
218	ITPO Services Limited				0.00	0.05	0.00	0.00	0.05	0.00
219	J&K Development Finance Corporation Limited	6.13	161.09	3.81	2.02	163.11	1.24	2.31	165.42	1.40
220	J&K Mineral Development Corporation Limited	-3.80	10.08	-37.70	-1.35	8.74	-15.45	-0.90	7.83	-11.49
221	Jal Power Corporation Limited				-1,120.36	0.00	0.00	-0.48	281.49	-0.17
222	Jharkhand Central Railway Limited	1.33	56.94	2.34	1.28	90.86	1.41	2.02	92.87	2.18
223	Jharkhand Infra Power Limited	0.00	0.05	0.00	0.00	0.05	0.00	0.00	0.05	0.00
224	Jharkhand National Mineral Development Corporation Limited	-0.01	-0.07	-14.29	-0.01	-0.07	-14.29	-0.01	-0.08	-12.50
225	Jogighopa Logistics Park Limited							0.00	0.01	0.00
226	Kanti Bijlee Utpadan Nigam Limited	103.98	1,561.01	6.66	134.53	1,755.60	7.66	131.84	1,865.75	7.07
227	Karnataka Antibiotics and Pharmaceuticals Limited	22.99	198.87	11.56	23.18	218.97	10.59	24.66	239.09	10.31

Sl. No.	CPSE	2019-20			2020-21			2021-22		
		Net profit after tax & preference dividend	Equity	ROE (in %)	Net profit after tax & preference dividend	Equity	ROE (in %)	Net profit after tax & preference dividend	Equity	ROE (in %)
228	Karnataka Solar Power Development Corporation Limited	44.16	97.41	45.33	45.43	178.90	25.39	49.92	210.36	23.73
229	Karnataka Trade Promotion Organisation	2.68	140.06	1.91	3.08	143.14	2.15	1.32	144.46	0.91
230	Karnataka Vijaynagar Steel Limited	-0.49	-0.54	-90.74	-0.68	-1.21	-56.20	-0.70	-1.91	-36.65
231	Kavaratti Smart City Limited	-0.01	0.05	-20.00	0.00	0.05	0.00	0.00	0.04	0.00
232	KIOCL Limited	43.48	1,915.93	2.27	301.17	1,985.99	15.16	313.41	2,143.64	14.62
233	Kishtwar Transmission Limited							0.00	0.01	0.00
234	Kochi Metro Rail Limited	-309.80	2,325.60	-13.32	-334.18	2,541.87	-13.15	-339.73	2,551.88	-13.31
235	Koderma Transmission Limited	-0.41	-1.91	-21.47	-0.01	-1.92	-0.52	0.00	-1.92	0.00
236	Kolkata Metro Rail Corporation Limited	-236.92	1,185.08	-19.99	0.00	1,402.92	0.00	0.06	3,758.62	0.00
237	Konkan Railway Corporation Limited	5.96	1,911.32	0.31	-366.41	1,570.18	-23.34	-135.08	1,458.68	-9.26
238	Kumarakruppa Frontier Hotels Private Limited	9.23	26.55	34.76	5.17	24.70	20.93	4.16	27.29	15.24
239	Lakshadweep Development Corporation Limited	37.78	335.94	11.25	29.14	365.08	7.98	23.56	388.64	6.06
240	Lakshadweep Tourism Development Corporation	-0.29	-0.25	-116.00	-0.29	-0.25	-116.00	-0.29	-0.25	-116.00
241	Lanco Teesta Hydro Power Limited	-2,955.75	920.50	-321.10	-0.21	995.50	-0.02	-0.20	1,440.50	-0.01

Sl. No.	CPSE	2019-20			2020-21			2021-22		
		Net profit after tax & preference dividend	Equity	ROE (in %)	Net profit after tax & preference dividend	Equity	ROE (in %)	Net profit after tax & preference dividend	Equity	ROE (in %)
242	Loktak Down Stream Hydroelectric Corporation Limited	0.10	143.27	0.07	0.00	151.88	0.00	0.01	160.21	0.01
243	Lucknow Solar Power Development Corporation Limited	-3.76	-3.11	-120.90	1.65	-1.46	-113.01	1.28	-0.18	-711.11
244	Madras Fertilizers Limited	-134.88	-630.89	-21.38	2.87	-695.23	-0.41	162.05	-505.39	-32.06
245	Mahanadi Basin Power Limited	-0.03	-5.94	-0.51	-0.03	-5.97	-0.50	-0.02	-5.99	-0.33
246	Mahanadi Coal Railway Limited	-0.83	-0.81	-102.47	-0.06	-0.87	-6.90	-0.02	89.07	-0.02
247	Mahanadi Coalfields Limited	6,427.39	3,878.82	165.70	6,872.35	5,533.04	124.21	8,480.51	8,212.55	103.26
248	Mahanagar Telephone Nigam Limited	-3,695.68	-13,585.65	-27.20	-2,461.79	-16,039.88	-15.35	-2,602.59	-18,656.46	-13.95
249	Maharashtra Antibiotics and Pharmaceuticals Limited	-0.03	-131.61	-0.02	-0.03	-131.64	-0.02	-625.87	-757.51	-82.62
250	Maharashtra Metro Rail Corporation Limited	-62.56	4,151.13	-1.51	-161.78	4,626.35	-3.50	-237.42	4,868.78	-4.88
251	Maharashtra Rail Infrastructure Development Corporation Limited	-0.38	92.86	-0.41	1.28	101.43	1.26	3.41	514.13	0.66
252	Mandar Transmission Limited	-0.40	-1.86	21.51	-0.01	-1.87	0.53	0.00	-1.87	0.00
253	Mangalore Refinery and Petrochemicals Limited	-2,707.64	7,799.53	-34.72	-240.46	7,528.37	-3.19	2,955.27	7,196.34	41.07
254	Manipur State Drugs and Pharmaceuticals Limited	-30.86	-183.77	-16.79	-36.91	-220.68	-16.73	-250.31	-470.99	-53.15

Sl. No.	CPSE	2019-20			2020-21			2021-22		
		Net profit after tax & preference dividend	Equity	ROE (in %)	Net profit after tax & preference dividend	Equity	ROE (in %)	Net profit after tax & preference dividend	Equity	ROE (in %)
255	Mazagon Dock Shipbuilders Limited	415.02	2,590.88	16.02	479.57	2,919.01	16.43	586.47	3,321.31	17.66
256	MECON Limited	69.00	398.24	17.33	6.24	371.09	1.68	13.70	382.93	3.58
257	Millennium Telecom Limited	0.26	5.37	4.84	0.14	5.50	2.55	0.20	5.69	3.51
258	Mineral Exploration Corporation Limited	146.13	567.04	25.77	149.79	674.06	22.22	20.21	679.06	2.98
259	Mishra Dhatu Nigam Limited	159.73	958.39	16.67	166.29	1,072.63	15.50	1,76.31	1,190.72	14.81
260	MJSJ Coal Limited	-19.61	74.48	-26.33	-0.44	74.04	-0.59	0.09	74.13	0.12
261	MMTC Limited	-227.11	1,184.14	-19.18	-769.69	422.46	-182.19	-241.93	193.40	-125.09
262	MNH Shakti Limited	1.41	89.41	1.58	1.28	90.69	1.41	0.86	41.55	2.07
263	Mohanlal Ganj Transmission Limited							0.00	0.01	0.00
264	MOIL Limited	248.22	2,763.38	8.98	176.63	2,819.90	6.26	376.98	2,141.51	17.60
265	MP Power Transmission Package-I Limited				-0.87	-0.82	106.10	-0.80	-1.62	49.38
266	MSTC Limited	75.20	279.83	26.87	101.07	354.96	28.47	200.09	465.48	42.99
267	Mumbai Metro Rail Corporation Limited	-20.19	3,362.89	-0.60	-21.39	3,741.37	-0.57	-19.49	4,313.71	-0.45
268	Mumbai Rail Vikas Corporation Limited	19.60	244.34	8.02	23.25	240.30	9.68	7.57	235.19	3.22
269	Munitions India Limited							18.10	6,549.75	0.28
270	Nabinagar Power Generating Company Private Limited	111.33	4,575.00	2.43	182.57	5,035.77	3.63	436.99	5,188.10	8.42
271	Naini Aerospace Limited	-9.08	15.34	-59.19	-11.04	4.76	-231.93	-12.82	-8.26	155.21

Sl. No.	CPSE	2019-20			2020-21			2021-22		
		Net profit after tax & preference dividend	Equity	ROE (in %)	Net profit after tax & preference dividend	Equity	ROE (in %)	Net profit after tax & preference dividend	Equity	ROE (in %)
272	National Aluminium Company Limited	138.23	9,988.07	1.38	1,299.53	10,680.70	12.17	2,951.97	12,184.34	24.23
273	National Backward Classes Finance and Development Corporation	26.29	1,947.75	1.35	34.21	2,036.30	1.68	30.56	2,068.65	1.48
274	National Bicycle Corporation of India Limited	-21.37	-629.26	-3.40	-20.96	-650.22	-3.22	-21.26	-671.48	-3.17
275	National Capital Region Transport Corporation Limited	26.85	805.41	3.33	43.41	1,490.31	2.91	47.04	1,829.50	2.57
276	National Credit Guarantee Trustee Company Limited	0.68	13.98	4.86	2.91	16.89	17.23	7.49	24.39	30.71
277	National Fertilizers Limited	-171.01	1,918.43	-8.91	249.63	2,168.93	11.51	108.20	2,279.03	4.75
278	National Film Development Corporation Limited	-8.15	27.86	-29.25	0.64	28.50	2.25	-6.74	21.76	-30.97
279	National Financial Holding Company Limited	0.03	1.17	2.56	0.03	1.20	2.50	0.02	1.21	1.65
280	National Handicapped Finance and Development Corporation	11.99	478.90	2.50	9.21	490.06	1.88	6.20	496.22	1.25
281	National Handloom Development Corporation Limited	-11.19	88.42	-12.66	-9.63	78.59	-12.25	-1.57	76.76	-2.05

Sl. No.	CPSE	2019-20			2020-21			2021-22		
		Net profit after tax & preference dividend	Equity	ROE (in %)	Net profit after tax & preference dividend	Equity	ROE (in %)	Net profit after tax & preference dividend	Equity	ROE (in %)
282	National High Speed Rail Corporation Limited	55.92	7,700.74	0.73	22.43	10,721.35	0.21	83.93	13,351.85	0.63
283	National Highways & Infrastructure Development Corporation Limited	87.62	265.11	33.05	84.35	323.09	26.11	113.29	410.39	27.61
284	National Informatics Centre Services Inc.	90.76	592.14	15.33	98.23	695.69	14.12	46.17	741.86	6.22
285	National Insurance Company Limited	-4,108.34	-2,167.80	-189.52	-561.87	589.78	-95.27	-1,674.72	2,766.32	-60.54
286	National Investment & Infrastructure Fund Trustee Limited	0.04	-0.19	-21.05	0.06	-0.13	-46.15	0.03	-0.10	-30.00
287	National Jute Manufacturers Corporation Limited	-0.62	-222.59	-0.28	-2.39	-224.98	-1.06	-8.13	-228.52	-3.56
288	National Minorities Development and Finance Corporation	64.18	2,686.50	2.39	65.66	2,870.68	2.29	67.64	3,039.34	2.23
289	National Projects Construction Corporation Limited	19.29	189.66	10.17	24.51	216.05	11.34	35.10	241.48	14.54
290	National Research Development Corporation of India Limited	-0.17	9.27	-1.83	0.19	9.45	2.01	0.05	9.50	0.53
291	National Safai Karmacharis Finance and Development Corporation	6.41	798.32	0.80	23.62	854.25	2.76	15.92	875.22	1.82

Sl. No.	CPSE	2019-20			2020-21			2021-22		
		Net profit after tax & preference dividend	Equity	ROE (in %)	Net profit after tax & preference dividend	Equity	ROE (in %)	Net profit after tax & preference dividend	Equity	ROE (in %)
292	National Scheduled Castes Finance and Development Corporation	60.98	2,088.66	2.92	47.82	2,136.24	2.24	48.78	2,185.31	2.23
293	National Scheduled Tribes Finance and Development Corporation	37.52	1,077.55	3.48	26.35	1,103.82	2.39	24.45	1,128.22	2.17
294	National Seeds Corporation Limited	29.92	671.83	4.45	2.44	659.90	0.37	10.76	668.26	1.61
295	National Small Industries Corporation Limited	99.19	987.13	10.05	101.59	1,056.33	9.62	108.23	1,131.70	9.56
296	National Textile Corporation Limited	-346.55	1,547.99	-22.39	-344.66	1,204.12	-28.62	-344.66	1,204.12	-28.62
297	NBCC (India) Limited	79.87	1,523.61	5.24	201.74	1,691.50	11.93	182.86	1,774.75	10.30
298	NBCC Environment Engineering Limited	0.02	1.01	1.98	0.01	1.02	0.98	0.01	1.03	0.97
299	NBCC International Limited	0.03	1.01	2.97	0.02	1.03	1.94	0.02	1.04	1.92
300	NBCC Services Limited	4.13	23.30	17.73	9.55	31.45	30.37	4.26	32.97	12.92
301	NCRTC Express Transit Limited				-0.04	0.96	-4.17	0.02	0.98	2.04
302	NEPA Limited	-71.26	62.16	-114.64	-53.90	101.21	-53.26	-59.90	119.72	-50.03
303	New City of Bombay Manufacturing Mills Limited	-1.29	63.27	-2.04	-1.33	61.94	-2.15	-1.33	61.94	-2.15

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		Net profit after tax & preference dividend	Equity	ROE (in %)	Net profit after tax & preference dividend	Equity	ROE (in %)	Net profit after tax & preference dividend	Equity	ROE (in %)
304	New Delhi Municipal Council Smart City Limited	-53.36	276.51	-19.30	-176.17	100.35	-175.56	2.36	135.96	1.74
305	New Space India Limited	51.29	61.29	83.68	121.84	167.74	72.64	342.99	1,441.77	23.79
306	Neyveli Uttar Pradesh Power Limited	-1.28	3,047.63	-0.04	-0.97	3,245.89	-0.03	-0.33	3,870.14	-0.01
307	NHDC Limited	919.97	5,562.79	16.54	664.63	5,692.53	11.68	512.96	5,644.67	9.09
308	NHPC Limited	3,007.17	28,035.43	10.73	3,233.37	30,005.36	10.78	3,537.71	32,119.85	11.01
309	NLC India Limited	1,413.85	12,639.51	11.19	1,041.79	13,574.68	7.67	1,236.78	13,806.64	8.96
310	NLC Tamilnadu Power Limited	143.15	2,491.24	5.75	363.00	2,785.08	13.03	211.28	2,625.16	8.05
311	NMDC CSR Foundation Limited	-2.92	8.91	-32.77	-3.90	5.02	-77.69	1.02	6.04	16.89
312	NMDC Limited	3,610.12	27,533.95	13.11	6,253.05	29,756.14	21.01	9,398.48	34,843.97	26.97
313	NMDC Steel Limited	-0.01	0.01	-100.00	-0.01	0.00	0.00	-0.01	0.04	-25.00
314	NMDC-CMDC Limited	-3.31	186.75	-1.77	-2.80	184.49	-1.52	-2.52	181.66	-1.39
315	North Eastern Electric Power Company Limited	165.84	5,754.31	2.88	47.91	5,802.98	0.83	148.89	5,908.70	2.52
316	North Eastern Handicrafts and Handlooms Development Corporation Limited	-4.39	-12.31	-35.66	-1.16	-12.63	-9.18	-28.33	-40.77	-69.49
317	North Eastern Regional Agricultural Marketing Corporation Limited	-7.75	-45.15	-17.17	-6.54	-47.93	-13.64	-4.63	-21.98	-21.06
318	Northern Coalfields Limited	4,971.43	4,382.57	113.44	4,398.39	6,616.08	66.48	4,857.05	7,871.34	61.71

Sl. No.	CPSE	2019-20			2020-21			2021-22		
		Net profit after tax & preference dividend	Equity	ROE (in %)	Net profit after tax & preference dividend	Equity	ROE (in %)	Net profit after tax & preference dividend	Equity	ROE (in %)
319	NPCIL Indian Oil Nuclear Energy Corporation Limited	0.06	1.35	4.44	0.06	1.41	4.26	0.04	1.45	2.76
320	NSIC Venture Capital Fund Limited				-0.61	5.39	-11.32	1.90	7.29	26.06
321	NTPC EDMC Waste Solution Private Limited				-0.91	-0.71	-128.17	-2.05	-2.76	-74.28
322	NTPC Electric Supply Company Limited	7.38	49.76	14.83	5.52	55.28	9.99	0.29	55.58	0.52
323	NTPC Limited	10,112.81	1,06,507.93	9.49	13,769.52	1,18,935.41	11.58	16,111.42	1,28,000.99	12.59
324	NTPC Mining Limited	0.00	0.05	0.00	0.00	0.05	0.00	0.00	0.04	0.00
325	NTPC Renewable Energy Limited				-3.51	291.54	-1.20	0.11	727.78	0.02
326	NTPC Vidyut Vyapar Nigam Limited	17.53	370.29	4.73	92.02	442.31	20.80	150.26	562.57	26.71
327	Nuclear Power Corporation of India Limited	4,458.98	39,031.99	11.42	4,370.73	42,933.90	10.18	6,394.78	46,147.08	13.86
328	Numaligarh Refinery Limited	1,381.32	5,204.38	26.54	3,036.10	5,496.03	55.24	3,561.56	8,288.08	42.97
329	Odisha Infra Power Limited	0.00	0.05	0.00	0.00	0.05	0.00	0.00	0.05	0.00
330	Oil and Natural Gas Corporation Limited	13,444.54	1,94,322.15	6.92	11,246.44	2,04,542.61	5.50	40,305.74	2,37,132.13	17.00
331	Oil India Limited	2,584.06	23,854.68	10.83	1,741.59	25,678.65	6.78	3,887.31	29,358.52	13.24
332	Omnibus Industrial Development Corporation of Daman, Diu & Dadra and Nagar Haveli Limited	24.24	183.52	13.21	26.16	209.08	12.51	24.50	232.93	10.52

Sl. No.	CPSE	2019-20			2020-21			2021-22		
		Net profit after tax & preference dividend	Equity	ROE (in %)	Net profit after tax & preference dividend	Equity	ROE (in %)	Net profit after tax & preference dividend	Equity	ROE (in %)
333	ONGC Videsh Limited	-7,264.48	27,268.87	-26.64	1,826.95	30,561.36	5.98	3,247.53	35,681.78	9.10
334	ONGC Videsh Rovuma Limited	-790.74	-103.04	-767.41	151.31	2,948.80	5.13	-610.63	5,402.20	-11.30
335	Orissa Integrated Power Limited	0.00	-0.08	0.00	0.00	-0.07	0.00	0.00	-0.07	0.00
336	Patraru Vidyut Utpadan Nigam Limited	-0.41	671.31	-0.06	-0.21	1,197.45	-0.02	-0.03	1,670.39	0.00
337	Pawan Hans Limited	-23.08	970.54	-2.38	-8.87	981.56	-0.90	-13.13	970.01	-1.35
338	PEC Limited	-147.27	-1,780.12	-8.27	-129.62	-1,909.21	-6.79	-314.29	-2,223.98	-14.13
339	PFC Consulting Limited	58.15	59.97	96.97	27.10	87.18	31.09	37.68	111.31	33.85
340	Pondicherry Ashok Hotel Corporation Limited	-1.52	-0.48	316.67	-1.37	-1.83	74.86	0.16	-1.71	-9.36
341	Port Blair Smart Project Limited, Port Blair	0.00	212.85	0.00	0.00	212.85	0.00	0.00	212.85	0.00
342	Power Finance Corporation Limited	5,655.14	45,164.11	12.52	8,444.01	52,393.12	16.12	10,021.90	59,350.28	16.89
343	Power Grid Corporation of India Limited	10,811.18	64,439.72	16.78	11,935.78	69,578.84	17.15	17,093.76	7,6151.57	22.45
344	Power grid Unchahar Transmission Limited	9.64	24.45	39.43	4.94	21.61	22.86	16.76	25.02	66.99
345	Powergrid Ajmer Phagi Transco Limited	-0.33	-0.28	-117.86	-0.01	111.66	-0.01	0.91	115.57	0.79
346	Powergrid Aligarh Sikar Transmission Limited				0.00	0.01	0.00	-0.01	62.34	-0.02
347	Powergrid Bhadla Transmission Limited				-0.72	-0.67	-107.46	0.15	19.75	0.76
348	Powergrid Bhind Guna Transmission Limited	0.12	-0.60	-20.00	0.00	49.40	0.00	-0.07	89.43	-0.08

Sl. No.	CPSE	2019-20			2020-21			2021-22		
		Net profit after tax & preference dividend	Equity	ROE (in %)	Net profit after tax & preference dividend	Equity	ROE (in %)	Net profit after tax & preference dividend	Equity	ROE (in %)
349	Powergrid Bhuj Transmission Limited	0.00	0.01	0.00	0.00	97.71	0.00	-0.03	179.97	-0.02
350	Powergrid Bikaner Transmission System Limited				0.00	0.01	0.00	-0.02	22.19	-0.09
351	Powergrid ER NER Transmission Limited							-0.31	-0.26	-119.23
352	Powergrid Fategarh Transmission Limited	0.00	0.01	0.00	0.00	113.41	0.00	2.26	143.26	1.58
353	Powergrid Jawaharpur Firozabad Transmission Limited	0.00	0.05	0.00	1.04	78.24	1.33	17.12	101.60	16.85
354	Powergrid Khetri Transmission System Limited	-0.33	-0.28	-117.86	-0.04	161.03	-0.02	5.96	203.84	2.92
355	Powergrid Medinipur Jeerat Transmission Limited	0.00	289.33	0.00	19.15	568.78	3.37	191.62	692.24	27.68
356	Powergrid Meerut Simbhavali Transmission Limited	0.00	0.01	0.00	0.00	32.01	0.00	-0.02	129.69	-0.02
357	Powergrid Mithilanchal Transmission Limited	0.00	119.99	0.00	0.95	214.44	0.44	38.09	254.51	14.97
358	Powergrid Narela Transmission Limited				0.00	0.01	0.00	0.00	0.01	0.00
359	Powergrid NM Transmission Limited	-29.48	83.27	-35.40	-37.05	252.87	-14.65	7.50	264.27	2.84
360	Powergrid Ramgarh Transmission Limited				-0.51	-0.46	-110.87	-0.01	0.58	-1.72

Sl. No.	CPSE	2019-20			2020-21			2021-22		
		Net profit after tax & preference dividend	Equity	ROE (in %)	Net profit after tax & preference dividend	Equity	ROE (in %)	Net profit after tax & preference dividend	Equity	ROE (in %)
361	Powergrid Rampur Sambhal Transmission Limited	-0.88	-0.83	-106.02	0.00	20.64	0.00	-0.06	108.06	-0.06
362	Powergrid Sikar Transmission Limited				-0.59	-0.54	109.26	0.12	46.88	0.26
363	Powergrid Southern Interconnector Transmission System Limited	8.68	716.10	1.21	108.68	824.77	13.18	-37.51	639.79	-5.86
364	Powergrid Teleservices Limited							-0.33	8.67	-3.81
365	Powergrid Varanasi Transmission System Limited	0.00	125.04	0.00	0.01	168.06	0.01	20.16	195.00	10.34
366	Powergrid Vemagiri Transmission System Limited	-0.01	-19.40	-0.05	-0.01	-19.41	-0.05	-0.01	-19.42	-0.05
367	Prize Petroleum Company Limited	-16.96	111.68	-15.19	3.59	115.30	3.11	-5.79	109.53	-5.29
368	Projects and Development India Limited	31.83	154.95	20.54	19.07	157.54	12.10	10.81	167.40	6.46
369	Punjab Ashok Hotel Company Limited	-0.01	2.28	-0.44	-0.01	2.27	-0.44	-0.01	2.26	-0.44
370	Punjab Logistics Infrastructure Limited	0.95	175.79	0.54	-9.13	166.65	-5.48	-5.93	160.69	-3.69
371	Rail Vikas Nigam Limited	753.32	4,499.77	16.74	940.55	4,965.57	18.94	1,087.21	5,631.41	19.31
372	RailTel Corporation of India Limited	138.35	1,361.28	10.16	140.41	1,402.73	10.01	208.34	1,516.02	13.74

Sl. No.	CPSE	2019-20			2020-21			2021-22		
		Net profit after tax & preference dividend	Equity	ROE (in %)	Net profit after tax & preference dividend	Equity	ROE (in %)	Net profit after tax & preference dividend	Equity	ROE (in %)
373	Railtel Enterprises Limited	2.70	18.04	14.97	2.05	20.09	10.20	1.30	21.39	6.08
374	Rajasthan Drugs and Pharmaceuticals Limited	-26.21	-89.93	-29.14	-9.34	-99.27	-9.41	-2.13	-101.40	-2.10
375	Rajasthan Electronics and Instruments Limited	-17.07	93.93	-18.17	-12.78	81.09	-15.76	-8.46	72.94	-11.60
376	Rajgarh Transmission Limited				0.05	0.10	50.00	-0.20	-0.10	200.00
377	Ranchi Ashok Bihar Hotel Corporation Limited	-2.15	-11.84	-18.16	-3.02	-14.88	-20.30	-0.75	-15.63	-4.80
378	Rashtriya Chemicals and Fertilizers Limited	208.15	3,186.27	6.53	373.11	3,338.47	11.18	704.36	3,889.23	18.11
379	Rashtriya Ispat Nigam Limited	-3,910.17	3,271.79	-119.51	-789.10	2,464.25	-32.02	913.19	3,174.55	28.77
380	Ratle Hydroelectric Power Corporation Limited							-0.43	186.27	-0.23
381	Real Estate Development & Construction Corporation of Rajasthan Limited	0.18	3.59	5.01	0.15	3.74	4.01	0.08	3.82	2.09
382	REC Limited	4,886.16	35,076.56	13.93	8,361.78	42,867.97	19.51	10,045.92	50,427.20	19.92
383	REC Power Development and Consultancy Limited	12.47	168.20	7.41	25.62	297.98	8.60	53.03	328.58	16.14
384	REMC Limited	35.02	166.28	21.06	24.13	179.91	13.41	45.32	216.24	20.96
385	Renewable Power Corporation of Kerala Limited	1.14	3.39	33.63	1.92	5.31	36.16	1.99	5.74	34.67

Sl. No.	CPSE	2019-20			2020-21			2021-22		
		Net profit after tax & preference dividend	Equity	ROE (in %)	Net profit after tax & preference dividend	Equity	ROE (in %)	Net profit after tax & preference dividend	Equity	ROE (in %)
386	Rewa Ultra Mega Solar Limited	16.16	27.72	58.30	13.45	40.88	32.90	12.75	49.93	25.54
387	Richardson and Cruddas (1972) Limited	29.47	214.56	13.74	13.41	227.97	5.88	19.35	247.31	7.82
388	RITES Limited	596.39	2,576.62	23.15	424.35	2,321.93	18.28	497.10	2,399.26	20.72
389	Rohini Heliport Limited	-0.01	-0.02	-50.00	-0.02	-0.02	-100.00	0.00	-0.02	0.00
390	Sagarmala Development Company Limited	6.67	556.78	1.20	0.88	687.99	0.13	6.98	794.77	0.88
391	SAIL RITES Bengal Wagon Industries Limited	15.53	57.54	26.99	2.48	60.02	4.13	1.62	61.63	2.63
392	SAIL Refractory Company Limited	14.22	94.98	14.97	11.88	105.71	11.24	19.66	120.38	16.33
393	Sakhigopal Integrated Power Company Limited	0.00	0.05	0.00	0.00	0.05	0.00	0.00	0.05	0.00
394	Sambhar Salts Limited	-2.59	-46.69	-5.55	5.35	-41.36	-12.94	10.85	-30.52	-35.55
395	Scooters India Limited	-15.73	50.02	-31.45	-48.65	0.50	-9730.00	7.58	8.08	93.81
396	Security Printing and Minting Corporation of India Limited	527.60	3,971.39	13.29	423.81	4,469.97	9.48	689.19	4,854.23	14.20
397	Sethusamudram Corporation Limited	1.65	799.99	0.21	0.81	800.80	0.10	-0.10	800.70	-0.01
398	SHCIL Services Limited	6.00	69.35	8.65	17.16	79.22	21.66	21.35	91.73	23.27
399	Shipping Corporation of India Land and Assets Limited							0.00	0.01	0.00
400	Shongtong Karcham Wangtoo Transmission Limited	-0.01	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

Sl. No.	CPSE	2019-20			2020-21			2021-22		
		Net profit after tax & preference dividend	Equity	ROE (in %)	Net profit after tax & preference dividend	Equity	ROE (in %)	Net profit after tax & preference dividend	Equity	ROE (in %)
401	Sidcul Concor Infra Company Limited	6.60	90.37	7.30	-0.29	90.08	-0.32	0.21	90.28	0.23
402	Silvassa Smart City Limited	5.35	6.07	88.14	-0.16	-1.90	8.42	-0.16	-1.90	8.42
403	SJVN Limited	1,651.89	11,759.31	14.05	1,633.04	12,761.84	12.80	977.52	13,128.61	7.45
404	SJVN Thermal Private Limited	-0.37	996.29	-0.04	1.14	2147.43	0.05	-1.14	2,511.29	-0.05
405	Solar Energy Corporation of India	178.94	695.72	25.72	177.71	873.58	20.34	240.32	2,060.46	11.66
406	South Eastern Coalfields Limited	1,734.92	3,064.35	56.62	1439.95	4,308.00	33.43	1,544.87	5,442.08	28.39
407	STCL Limited	-0.47	-4,565.09	0.01	0.77	-4,564.22	-0.02	7.12	-4,557.11	-0.16
408	Steel Authority of India Limited	2,021.54	38,400.61	5.26	3,850.02	42,408.98	9.08	12,015.04	51,484.42	23.34
409	Stock Holding Corporation of India Limited	40.85	2,235.62	1.83	68.84	2,684.20	2.56	136.55	4,552.99	3.00
410	Stock Holding Documents Management Services Limited	-29.62	48.02	-61.68	-13.00	35.03	-37.11	1.57	36.63	4.29
411	Stock Holding Securities IFSC Limited	-1.57	13.92	-11.28	-1.85	11.74	-15.76	-2.30	12.93	-17.79
412	Surat Integrated Transportation Development Limited	0.41	7.28	5.63	0.20	7.48	2.67	0.24	7.73	3.10
413	Suuti Tech Options Limited	-0.01	-0.30	3.33	-0.01	-0.31	3.23	-0.01	-0.32	3.13
414	Talcher Fertilizer Limited	-3.02	456.79	-0.66	6.57	1,591.29	0.41	-5.94	2,394.30	-0.25

Sl. No.	CPSE	2019-20			2020-21			2021-22		
		Net profit after tax & preference dividend	Equity	ROE (in %)	Net profit after tax & preference dividend	Equity	ROE (in %)	Net profit after tax & preference dividend	Equity	ROE (in %)
415	Tamil Nadu Trade Promotion Organisation	36.02	325.29	11.07	6.33	306.87	2.06	3.89	310.20	1.25
416	Tanda Transmission Limited	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
417	Tatiya Andhra Mega Power Limited	-0.05	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
418	TCIL Bina Toll Road Limited	-21.04	-42.11	-49.96	1.39	-40.73	-3.41	0.08	-40.65	-0.20
419	TCIL LTR Limited	-7.56	9.01	-83.91	-3.00	6.02	-49.83	-5.20	0.82	-634.15
420	Telecommunications Consultants of India Limited	44.43	585.88	7.58	52.77	611.19	8.63	30.33	612.79	4.95
421	THDC India Limited	920.25	9,493.47	9.69	1,092.41	9,837.93	11.10	894.78	10,178.15	8.79
422	The Bisra Stone Lime Company Limited	-10.28	-155.72	6.60	6.91	-148.23	-4.66	7.81	-141.10	-5.54
423	The Braithwaite Burn and Jessop Construction Company Limited	1.96	203.48	0.96	11.68	204.84	5.70	3.15	209.37	1.50
424	The British India Corporation Limited	-113.23	-1,120.34	-10.11	-105.06	-1,225.39	-8.57	-79.05	-1,304.44	-6.06
425	The Cotton Corporation of India Limited	38.07	367.45	10.36	26.12	372.64	7.01	13.29	363.38	3.66
426	The FCI Aravali Gypsum and Minerals India Limited	14.91	250.20	5.96	13.48	251.61	5.36	11.59	250.82	4.62
427	The Fertilizer and Chemicals Travancore Limited	975.52	-491.43	-198.51	351.98	-174.98	-201.15	353.28	189.37	186.56
428	The Handicrafts and Handlooms Export	-10.27	13.82	-74.31	-10.21	13.82	-73.88	-19.37	13.82	-140.16

Sl. No.	CPSE	2019-20			2020-21			2021-22		
		Net profit after tax & preference dividend	Equity	ROE (in %)	Net profit after tax & preference dividend	Equity	ROE (in %)	Net profit after tax & preference dividend	Equity	ROE (in %)
	Corporation of India Limited									
429	The Industrial Credit Company Limited	0.00	-0.04	0.00	0.00	-0.05	0.00	0.00	-0.05	0.00
430	The Jute Corporation of India Limited	15.40	147.70	10.43	12.15	155.24	7.83	-13.78	133.69	-10.31
431	The New India Assurance Company Limited	1,417.75	25,971.51	5.46	1604.69	36,450.64	4.40	164.27	38,191.19	0.43
432	The Oriental Insurance Company Limited	-1,524.11	3,649.66	-41.76	-1,525.44	7,802.36	-19.55	-3,115.16	6,783.32	-45.92
433	The Orissa Minerals Development Company Limited	-76.69	57.08	-134.36	-39.65	18.07	-219.42	-14.49	3.53	-410.48
434	The Shipping Corporation of India Limited	302.35	7,146.13	4.23	618.10	7,749.97	7.98	794.79	8,820.58	9.01
435	The State Trading Corporation of India Limited	-113.63	-61.51	-184.73	-51.23	-109.20	-46.91	-93.97	-197.57	-47.56
436	Troop Comforts Limited							16.38	4,573.67	0.36
437	Tungabhadra Steel Products Limited	-1.69	-100.60	1.68	-7.78	-108.38	7.18	9.57	-98.81	-9.69
438	TUSCO Limited				-0.26	9.74	-2.67	-1.03	18.71	-5.51
439	Udupi Cochin Shipyard Limited				-1.36	136.53	-1.00	-12.94	124.32	-10.41
440	United India Insurance Company Limited	-1,485.85	1,441.66	-103.07	-984.68	6,774.79	-14.53	-2,135.55	5,147.69	-41.49
441	Uranium Corporation of India Limited	482.05	3,208.27	15.03	470.74	3,557.25	13.23	576.72	3,944.70	14.62

Sl. No.	CPSE	2019-20			2020-21			2021-22		
		Net profit after tax & preference dividend	Equity	ROE (in %)	Net profit after tax & preference dividend	Equity	ROE (in %)	Net profit after tax & preference dividend	Equity	ROE (in %)
442	Urvarak Videsh Limited	-0.01	0.07	-14.29	-0.01	0.06	-16.67	-0.01	0.06	-16.67
443	Utkal Ashok Hotel Corporation Limited	-0.81	-25.73	3.15	-0.64	-26.43	2.42	-0.88	-27.31	3.22
444	Utkarsha Aluminium Dhatu Nigam Limited	-3.26	36.75	-8.87	0.26	37.01	0.70	0.62	37.63	1.65
445	Vignyan Industries Limited	-4.70	-0.01	-47,000.00	-6.12	-5.90	-103.73	-6.00	53.85	-11.14
446	Visakhapatnam Port Logistics Park Limited	-16.05	110.42	-14.54	-12.59	97.83	-12.87	-8.21	89.62	-9.16
447	WAPCOS Limited	143.43	626.04	22.91	40.52	617.14	6.57	40.85	619.45	6.59
448	Western Coalfields Limited	-528.28	381.29	-138.55	234.29	548.88	42.69	942.41	1,505.82	62.58
449	Yantra India Limited							-123.12	2,577.89	-4.78
450	Yule Electrical Limited	0.00	-0.06	0.00	0.00	-0.07	0.00	-0.01	-0.08	12.50
451	Yule Engineering Limited	0.00	-0.03	0.00	-0.01	-0.03	33.33	-0.01	-0.04	25.00
452	Zenith Securities and Investments Limited	-2.02	14.73	-13.71	3.15	17.85	17.65	41.20	22.65	181.90
	<b>Grand Total</b>	<b>82,746.63</b>	<b>14,22,646.39</b>	<b>5.82</b>	<b>1,59,537.80</b>	<b>15,98,295.45</b>	<b>9.98</b>	<b>2,37,960.84</b>	<b>18,25,434.09</b>	<b>13.04</b>

## Annexure-XIII (Refer Para No. 2.5.1.1)

## List of CPSEs which amended their Financial Statements

Sl. No.	Name of CPSE	Government Company (GC) / Government Controlled Other Company (GCOC)
1	Maharashtra Executor & Trustee Company Private Limited	GCOC
2	National Financial Holding Company Limited	GC
3	RINL Powergrid TLT Limited	GC
4	SUUTI Tech Options Limited	GC
5	UBI Services Limited	GCOC
6	Yule Electricals Limited	GC
7	Yule Engineering Limited	GC

## Annexure-XIV (Refer Para No. 2.5.1.2)

## List of CPSEs where Statutory Auditors revised their Audit Reports

Sl. No.	Name of CPSE	Government (GC) / Government Controlled Other Company (GCOC)
1	Andhra Bank Financial Services Limited	GCOC
2	Andrew Yule & Co. Limited	GC
3	Aravali Power Company Private Limited	GCOC
4	Bank Note Paper Mill India Pvt Limited	GCOC
5	Bastar Railway Private Limited	GC
6	BEML Land Assets Limited	GC
7	Bharat Dynamics Limited	GC
8	Bharat Petro Resources Limited	GC
9	Bhartiya Nabhikiya Vidyut Nigam Limited	GC
10	Bhartiya Rail Bijlee Company Limited	GC
11	Bhor Sagar Port Limited	GCOC
12	Bokaro Power Supply Company (P) Limited	GCOC
13	Canbank Computer Services Limited	GCOC
14	Canbank Venture Capital Fund Limited	GCOC
15	Central Coalfields Limited	GC
16	Central Mine Planning & Design Institute Limited	GC
17	Chandigarh International Airport Limited	GCOC
18	Chhattisgarh Copper Limited	GC
19	Chhattisgarh East Railway Limited	GC
20	Coal India Limited	GC
21	CONCOR Air Limited	GC
22	Cross Border Power Transmission Company Limited	GCOC
23	Dredging Corporation of India Limited	GC
24	Ghogarpalli Integrated Power Company Limited	GC
25	Government E-marketplace	GC
26	Haridaspur Paradip Railway Company Limited	GCOC
27	HMT International Limited	GC
28	HMT Limited	GC
29	HMT Machine Tools Limited	GC
30	HSCC (India) Limited	GC
31	HSRC Infra Company Limited	GC
32	IFCI Factors Limited	GC
33	IFCI Venture Capital Funds Limited	GC
34	IFIN Credit Limited	GC
35	Indbank Housing Limited	GCOC
36	India Tourism Development Corporation	GC

Sl. No.	Name of CPSE	Government (GC) / Government Controlled Other Company (GCOC)
37	Indian Railway Finance Corporation Limited	GC
38	Indian Railway Stations Development Corporation Limited	GC
39	Ircon Davangere Haveri Highway Limited	GC
40	Ircon International Limited	GC
41	ITPO Services Limited	GC
42	J & K Mineral Development Corporation Limited	GC
43	Jal Power Corporation Limited	GC
44	Jharkhand Central Railway Limited	GC
45	Karnataka Vijaynagara Steel Limited	GC
46	Kolkata Port Accretion Limited	GCOC
47	Mahanadi Coalfields Limited	GC
48	Maharashtra Executor & Trustee Company Private Limited	GCOC
49	Maharashtra Natural Gas Limited	GCOC
50	Meja Urja Nigam Private Limited	GCOC
51	Mishra Dhatu Nigam Limited	GC
52	NABFINS Limited	GCOC
53	Nabsamruddhi Finance Limited	GCOC
54	National Financial Holding Company Limited	GC
55	National High Power Test Laboratory Private Limited	GCOC
56	National Small Industries Corporation Limited	GC
57	NBCC Services Limited	GC
58	NITCON Limited	GC
59	NMDC Limited	GC
60	NMDC Steel Limited	GC
61	NRTU Foundation	GC
62	NTPC Tamil Nadu Energy Company Limited	GCOC
63	NTPC Vidyut Vyapar Nigam Limited	GC
64	Numaligarh Refinery Limited	GC
65	ONGC Petro Additions Limited	GC
66	PNB Cards & Services Limited	GC
67	Pondicherry Ashok Hotel Corporation Limited	GC
68	Powergrid Jawaharpur Firozabad Transmission Limited	GC
69	Powergrid Medinipur Jeerat Transmission Limited	GC
70	Powergrid NM Transmission Limited	GC
71	Ratle Hydroelectric Power Corporation Limited	GC
72	Renewable Power Corporation of Kerala Limited	GC
73	RINL Powergrid TLT Limited	GC
74	SAIL Refractory Company Limited	GC

Sl. No.	Name of CPSE	Government (GC) / Government Controlled Other Company (GCOC)
75	SAIL-RITES Bengal Wagon Industries Pvt. Limited	GCOC
76	SJVN Limited	GC
77	State Trading Corporation of India Limited (CFS)	GC
78	SUUTI Tech Options Limited	GC
79	Synd Bank Services Limited	GCOC
80	Tamil Nadu Trade Promotion Organisation	GC
81	The Bisra Stone Lime Company Limited	GC
82	Tungabhadra Steel Products Limited	GC
83	TUSCO Limited	GC
84	Ujjwala Plus Foundation	GCOC
85	Utkarsha Dhatu Nigam Limited	GC
86	Vignyan Industries Limited	GC
87	Visakhapatnam Port Logistics Park Limited	GC
88	Western Coalfields Limited	GC

## Annexure-XV (Refer Para No. 2.5.1.3)

## List of CPSEs where comments were issued by CAG

Sl. No.	Name of CPSE	Government Company (GC) / Government Controlled Other Company (GCOC)
1	AI Airport Services Limited (FY 2020-21)	GC
2	Air India Limited (FY 2020-21)	GC
3	Alliance Air Aviation Limited (FY 2020-21)	GC
4	Andhra Pradesh Solar Power Corporation Private Limited	GC
5	Angul Sukinda Railway Limited	GCOC
6	Balmer Lawrie & Company Limited	GC
7	Balmer Lawrie Investments Limited	GC
8	Bengaluru Metro Rail Corporation Limited	GC
9	Bharat Coking Coal Limited	GC
10	Bharat Sanchar Nigam Limited	GC
11	Bhor Sagar Port Limited	GCOC
12	Braithwaite and Company Limited	GC
13	Broadcast Engineering Consultants India Limited	GC
14	Calcutta Haldia Port Road Company Limited (FY 2020-21)	GCOC
15	Central Coalfields Limited	GC
16	Central Mine Planning & Design Institute Limited	GC
17	Coal India Limited	GC
18	Concor Air Limited	GC
19	Container Corporation of India Limited	GC
20	Cross Border Power Transmission Company Limited	GCOC
21	Dedicated Freight Corridor Corporation of India Limited	GC
22	Deogarh Airport Limited (FY 2020-21)	GC
23	Dhalbhumgarh Airport Limited (FY 2019-2020)	GC
24	Dholera International Airport Company Limited (FY 2020-21)	GC
25	Diu Smart City Limited (FY 2020-21)	GC
26	DME Development Limited (FY 2020-21)	GCOC
27	Eastern Coalfields Limited	GC
28	FACT RCF Building Products Limited	GC
29	Government E-marketplace	GC
30	Handicraft and Handlooms Exports Corporation of India Limited (FY 2020-21)	GC
31	Hassan Mangalore Rail Development Company Limited	GC
32	Health Insurance TPA of India Limited	GC
33	Higher Education Financing Agency	GC

Sl. No.	Name of CPSE	Government Company (GC) / Government Controlled Other Company (GCOC)
34	IFCI Factors Limited	GC
35	IFCI Limited	GC
36	IFCI Venture Capital Fund Limited	GC
37	India Infrastructure Finance Company Limited	GC
38	Indian Railway Finance Corporation Limited	GC
39	Instrumentation Limited (FY 2020-21)	GC
40	ITI Ltd	GC
41	Kanataka Vijayanagar Steel Limited	GC
42	Kanniyakumari Port Limited	GCOC
43	Kochi Metro Rail Limited	GC
44	Kolkata Metro Rail Corporation Limited	GC
45	Krishnapatnam Railway Company Limited	GCOC
46	Kutch Railway Company Limited	GCOC
47	Madras Fertilizers Limited	GC
48	Mahanadi Coalfields Limited	GC
49	Mahanagar Telephone Nigam Limited	GC
50	MECON Limited	GC
51	Mishra Dhatu Nigam Limited	GC
52	MPCON Limited	GC
53	Mumbai Metro Rail Corporation Limited	GC
54	Nabinagar Power Generating Company Limited	GC
55	National Fertilizers Limited	GC
56	National High Speed Railway Company Limited	GC
57	National Highways Infra Projects Private Limited (FY 2020-21)	GCOC
58	National Highways Logistics Management Limited	GCOC
59	National Informatics Centre Services Inc	GC
60	National Insurance Company Limited	GC
61	NCRTC Express Transit Limited	GC
62	NEPA Limited	GC
63	New Mangalore Port Road Company Limited	GCOC
64	NLC India Limited	GC
65	NMDC Limited	GC
66	North East Transmission Company Limited	GCOC
67	Northern Coalfields Limited	GC
68	NRTU Foundation	GC
69	NSIC Venture Capital Funds Limited	GC
70	Oil & Natural Gas Corporation Limited	GC

Sl. No.	Name of CPSE	Government Company (GC) / Government Controlled Other Company (GCOC)
71	Oil India Limited	GC
72	Oriental Insurance Company Limited	GC
73	PNB Cards & Services Limited	GC
74	PNB Gilts Limited	GCOC
75	Pondicherry Ashok Hotel Corporation Limited	GC
76	Punjab Logistics Infrastructure Limited	GC
77	RailTel Corporation of India Limited	GC
78	RailTel Enterprises Limited	GC
79	Rashtriya Ispat Nigam Limited	GC
80	Rohini Heliport Limited (FY 2020-21)	GC
81	SAIL RITES Bengal Wagon Industries Pvt. Ltd.	GCOC
82	SBI General Insurance Company Limited	GCOC
83	South Eastern Coalfields Limited	GC
84	Steel Authority of India Limited	GC
85	THDC India Limited	GC
86	The Fertilisers and Chemicals Travancore Limited	GC
87	The Orissa Minerals Development Company Limited	GC
88	TUSCO Limited	GC
89	Tuticorin Port Road Company Limited	GCOC
90	Udupi Cochin Shipyard Limited	GC
91	United India Insurance Company Ltd	GC
92	Western Coalfields Limited	GC

## Annexure-XVI (Refer Para No. 2.6)

## Details of CPSEs where non-compliance with Accounting Standard/Ind AS were reported by Statutory Auditors

Sl. No.	Name of CPSE	Category (Listed/ Unlisted)	Government Company (GC) / Government Controlled Other Company (GCOC)	Number of Accounting Standard (AS)/Ind AS
1	Andhra bank Financial Services Limited	Unlisted	GCOC	AS 29
2	APITCO Limited	Unlisted	GCOC	AS 29
3	Bangalore Metro Rail Corporation Limited	Unlisted	GC	Ind AS 20 and Ind AS 21
4	Bharat Immunological & Biologicals Corporation Limited	Listed	GC	Ind AS 16, Ind AS 20 and Ind AS 36
5	Bharat Sanchar Nigam Limited	Unlisted	GC	Ind AS 16, Ind AS 109, Ind AS 115 and Ind AS 116
6	Canbank Computer Services Limited	Unlisted	GCOC	AS 5
7	FACT RCF Building Products Limited	Unlisted	GC	Ind AS 36
8	Hindustan Fluorocarbons Limited	Listed	GC	Ind AS 37 and Ind AS 105
9	HMT Bearings Limited	Unlisted	GC	Ind AS 37
10	HMT Limited	Listed	GC	Ind AS 2, Ind AS 16, Ind AS 19, Ind AS 36 and Ind AS 109
	HMT Limited (Consolidated Financial Statement)	Listed	GC	Ind AS 2, Ind AS 16, Ind AS 19, Ind AS 36, Ind AS 37, Ind AS 40 and Ind AS 109
11	HMT Watches Limited	Unlisted	GC	Ind AS 37
12	Indian Renewable Energy Development Agency	Unlisted	GC	Ind AS 20, Ind AS 37 and Ind AS 109
13	Karnataka Trade Promotion Organisation	Unlisted	GC	AS 29
14	Mahanagar Telephone Nigam Limited	Listed	GC	Ind AS 16 and Ind AS 36
15	Millennium Telecom Limited	Unlisted	GCOC	Ind AS 16 and Ind AS 36

Sl. No.	Name of CPSE	Category (Listed/Unlisted)	Government Company (GC) / Government Controlled Other Company (GCOC)	Number of Accounting Standard (AS)/Ind AS
16	National Informatics Centre Services Inc	Unlisted	GC	Ind AS 8 and Ind AS 115
17	NTPC BHEL Power Projects Limited	Unlisted	GCOC	Ind AS 36 and Ind AS 37
18	Tamilnadu Telecommunications Limited	Listed	GCOC	Ind AS 109
19	The Fertilisers and Chemicals Travancore Limited	Listed	GC	Ind AS 16

**Annexure-XVII (Refer Para No. 2.7)**

**Details of CPSEs where significant improvement was made on the basis of Management Letters issued by CAG**

Sl. No.	Name of CPSE	Government Company (GC) / Government Controlled Other Company (GCOC)	Deficiency highlighted in the Management Letter	Improvement made
1.	Bangalore Metro Rail Corporation Limited	GC	<ul style="list-style-type: none"> <li>• The Company did not have an accounting policy for capitalization and depreciation of spares having useful life more than one year. Also, the Company did not have an accounting policy for componentization of PPE and calculation of depreciation as per the provisions of Ind AS 16.</li> <li>• The Company did not have an accounting policy for accounting of financial leases where the Company is a lessor.</li> </ul>	<ul style="list-style-type: none"> <li>• The company revised its significant accounting policy on depreciation/amortization including componentization of spares during the financial year 2021-22.</li> <li>• The company framed the accounting policy and disclosed.</li> </ul>
2.	Bharat Coking Coal Limited	GC	The Company booked as receivables such expenditure for the MCP activity which was not considered as mine closure activity.	The Company revised the mine closure plans of nine projects till March 2022.

Sl. No.	Name of CPSE	Government Company (GC) / Government Controlled Other Company (GCOC)	Deficiency highlighted in the Management Letter	Improvement made
3.	Bharat Heavy Electricals Limited	GC	<ul style="list-style-type: none"> <li>• Completeness of disclosure required under Para 17 of Ind AS 24 on "Related Party Disclosures" needed to be ensured.</li> <li>• Statement of Cash Flows ensured to be in line with the provisions of Ind AS 7, especially with regard to calculation of net cash flow from operating activities considering unrealized foreign currency gain and losses.</li> <li>• Calculation of depreciation/amortization needed to be ensured in line with Ind AS-2.</li> <li>• Detailed disclosures as required under Ind AS 108 - Operating Segments, needed to be ensured.</li> </ul>	<ul style="list-style-type: none"> <li>• Adequate disclosure given by the Company.</li> <li>• The Company complied with the improvement suggested by audit.</li> <li>• The Company complied with the improvement suggested by audit.</li> <li>• Detailed disclosure made by the Company.</li> </ul>
4.	Bharat Sanchar Nigam Limited	GC	<ul style="list-style-type: none"> <li>• Non-compliance of provisions of Ind AS 37 related to Contingent Liabilities.</li> <li>• Specific utilization of Funds received for the specific projects.</li> </ul>	<ul style="list-style-type: none"> <li>• Necessary corrections were made.</li> <li>• Separate accounts for each project were opened and improvement was made.</li> </ul>
5.	Centbank Financial Services Limited	GCOC	Plant, Property and Equipment was mentioned as Fixed Assets, which was not in accordance with the requirement of schedule III of Companies Act, 2013.	The Company corrected the same in 2021-22.
6.	Central Coalfields Limited	GC	In deviation of CAS-23, Stripping Ratio of Dakra OCP was not revised and OR accountal was done on the basis of old Stripping Ratio.	The Company conducted technical evaluation of Average Stripping Ratio of Dakra OCP. As a result of the revision of

Sl. No.	Name of CPSE	Government Company (GC) / Government Controlled Other Company (GCOC)	Deficiency highlighted in the Management Letter	Improvement made
				Standard Ratio, Profit of the company for the year 2021-22 was reduced by ₹23 crore.
7.	Cotton Corporation of India Limited	GC	Incomplete disclosure with regard to the description and nature of contingent liabilities.	The company incorporated the relevant descriptions and nature of contingent liabilities in the notes to the financial statements.
8.	Dedicated Freight Corridor Corporation of India Limited	GC	The Company has not formulated any accounting policy regarding accounting of Dividend/Interim Dividend to be paid declared by the Company.	The Company formulated accounting policy for accounting of Dividend/ Interim Dividend to be paid/declared and suitably disclosed in the Note to the financial statements.
9.	Dredging Corporation of India Limited	GC	The Company did not disclose foreign exchange risk of imported spares.	Necessary disclosure has been made in the financial statements for the year 2021-22.
10.	Electronics Corporation of India Limited	GC	Disclosure requirements as per Ind AS 116, Ind AS 19 and Ind AS 107 needed to be complied with.	Disclosures as required in Ind AS 116, Ind AS 19 and Ind AS 107 complied with.
11.	Engineers India Limited	GC	Significant Accounting Policy in respect of Contingent Assets needed to be suitably modified in terms of Ind AS 37.	The Company complied with the audit suggestion.
12.	General Insurance Corporation of India Limited	GC	Non-disclosure regarding the Solvency Deficit of GIC Re Dubai Branch.	The Company made necessary disclosures in the Notes.

Sl. No.	Name of CPSE	Government Company (GC) / Government Controlled Other Company (GCOC)	Deficiency highlighted in the Management Letter	Improvement made
13.	Hindustan Fluorocarbons Limited	GC	The Company did not obtain fair value of assets held for sale and valued these assets at carrying value, in violation of the provisions of para 15 of Ind AS 105.	Fair value of assets held for disposal was obtained and disclosed in the financial statements for the financial year 2021-22.
14.	HP Oil Gas Limited	GC	The Revenue Recognition policy of the company needed to be revisited and revised in accordance with Ind AS 115. The Borrowing Cost Accounting Policy of the promoter companies i.e., HPCL & OIL needed to be reviewed and adopted accordingly with proper policy disclosure in the Notes forming part of the Financial Statements.	The Company suitably modified the accounting policies on revenue recognition and borrowing cost.
15.	IHB Limited	GCOC	Adjustment of non-cash items viz unrealized foreign exchange capital for the calculation of net cash flow from operating activities needed to be ensured.	The Company did the adjustment of non-cash items viz unrealized foreign exchange capital for the calculation of net cash flow from operating activities.
16.	India Trade Promotion Organisation	GC	The company amortized certain intangible assets considering their legal right of five years which was not in line with its accounting Policy.	During the financial year 2021-22, the Company modified its accounting policy as, 'Intangible assets are fully amortized equally over the period of legal right to use. Where the period of legal right to use is not available, the assets are amortized over three financial years, from the year in which the asset is available for use'.
17.	Indian Oil Corporation Limited	GC	Depreciation/amortization of assets needed to be ensured to provide as per the provisions of Ind AS 16 and guidance note on Schedule II of Companies Act in respect of charging of depreciation on pro-rata basis.	The Company amended charging of depreciation to sort a time period of monthly grouping with disclosure of impact on Statement of Profit and Loss in the Financial Statements for the year 2021-22.

Sl. No.	Name of CPSE	Government Company (GC) / Government Controlled Other Company (GCOC)	Deficiency highlighted in the Management Letter	Improvement made
18.	Indian Renewable Energy Development Agency	GC	Suitable changes needed to be made in the accounting policy to include the fact of netting of revenue from sale of power.	The Company inserted the same in the Accounting Policy.
19.	Konkan LNG Limited	GCOC	<ul style="list-style-type: none"> <li>• Calculation of Earning Per Share needed to be reviewed and corrected by considering the dividends to be paid on Compulsory Cumulative Convertible Preference Shares, as per Ind AS 33.</li> <li>• Accounting of Cash and Cash Equivalents needed to be aligned with the requirements of Ind AS 7.</li> </ul>	<ul style="list-style-type: none"> <li>• The Company complied with the audit suggestion.</li> <li>• The Company complied with the audit suggestion.</li> </ul>
20.	Konkan Railway Corporation Limited	GC	The Company needed to review its operating cycle for its varied operating activities like passenger services, project revenue, goods transport etc.	The Company reviewed its operating cycle and revenue from operation is accounted for as per Ind AS 115.
21.	Mahanadi Coalfields Limited	GC	The company did not consider the sampling result, as per the directions of Coal India Limited, which resulted in incorrect accounting of Coal Quality Variance during 2020-21.	Uniform methodology of calculation of Coal Quality Variance circulated by Coal India Limited was duly followed by the Company while preparing the annual accounts for the year 2021-2022.
22.	Mumbai Metro Rail Corporation Limited	GC	<ul style="list-style-type: none"> <li>• Non-disclosure of release of Sub-Ordinate Loan amounting to ₹100 crore in terms of Para No. 135(b) of Ind AS-1.</li> </ul>	Necessary disclosures were made during the financial year 2021-22.

Sl. No.	Name of CPSE	Government Company (GC) / Government Controlled Other Company (GCOC)	Deficiency highlighted in the Management Letter	Improvement made
			<ul style="list-style-type: none"> <li>• Non-recognition of lease liability for all lease agreements below ₹1 crore and non-disclosure of the lease liability as per Ind AS 116.</li> <li>• Non-disclosure pertaining to the current status of Aarey depot work.</li> </ul>	
23.	Nabsamruddhi Finance Limited	GCOC	<ul style="list-style-type: none"> <li>• The Company did not have a specific accounting policy in respect of (i) Investments made in Pass through Certificates. (ii) Income recognised by way of prepayment charges and (iii) Order of Appropriation of recovery of Non – Performing Assets.</li> <li>• The Company did not obtain the valuation of investment in Securitization – Pass through Certificate for which fair value was not done, in violation of the Company’s Accounting policy and provisions of AS – 13.</li> </ul>	<ul style="list-style-type: none"> <li>• Specific accounting policies on Investments, Income recognized by way of prepayment charges and Order of appropriation of recovery of Non – Performing Assets were disclosed under Note 1 - Significant Accounting Policies.</li> <li>• The correction in disclosure of Investments in Pass Through Certificates was undertaken while preparation of financial statements for the financial year 2021-22.</li> </ul>
24.	National Informatics Centre Services Inc	GC	Non-compliance of provisions of GST Act related to LD.	The provisions were complied with.
25.	National Insurance Company Limited	GC	Disclosure of Age-wise analysis of Unclaimed Amount of Policyholders was not in conformity with the format given by IRDAI.	The Company changed its format during 2021-22 as per the requirements of IRDAI.

Sl. No.	Name of CPSE	Government Company (GC) / Government Controlled Other Company (GCOC)	Deficiency highlighted in the Management Letter	Improvement made
26.	National Research Development Corporation	GC	Accounting policy relating to intangible assets needed to be reviewed and updated.	The Company reviewed and updated accounting policy relating to intangible assets.
27.	National Safai Karamcharis Finance Development Corporation	GC	Unspent amount of CSR fund was not disclosed in the notes to account.	The same was complied in the financial statements for the year 2021-22.
28.	National Schedule Tribe Finance Development Corporation	GC	<ul style="list-style-type: none"> <li>• A portion of flexi deposit was treated in bank balances as Cash and Cash Equivalent instead of normal FDR contrary to the explanation of Cash and Cash Equivalent as given in Ind AS 7.</li> <li>• Contingent Liabilities and Capital Commitments were not disclosed as per Schedule-III of the Companies Act 2013.</li> </ul>	<ul style="list-style-type: none"> <li>• The flexi deposits treated as par with normal FDR in the financial statement for the year 2021-22.</li> <li>• The details under each head disclosed in the financial statement for the year 2021-22.</li> </ul>
29.	NBCC Limited (India)	GC	Accounting Policy No. 1.10 on leases of the company states that in lease agreement where the company is a lessor and the company does not transfer substantially all the risks and rewards of ownership of an asset the same are classified as operating leases. Accordingly, Real Estate Projects at certain locations needed to be classified as assets leased under operating leases and capitalized.	Accounting policy modified in line with para 88 of Ind AS 116 as, 'Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Assets leased out under operating leases are recognized & presented according to the nature of the underlying asset'.

Sl. No.	Name of CPSE	Government Company (GC) / Government Controlled Other Company (GCOC)	Deficiency highlighted in the Management Letter	Improvement made
30.	NHDC Limited	GC	Accounting and disclosure of CSR expenditure in compliance to provision of section 135 (5) needed to be reviewed and corrected suitably.	The Company complied with the audit suggestion.
31.	NMDC Limited	GC	The company did not have a specific accounting policy for capital spare parts, standby equipment and services equipment that meet the definition of PPE capitalized during the year.	The Company included the following accounting policy under PPE "Spare parts, Standby equipment and service equipment meeting the definition of PPE and having value of more than `20 lakh in each case are capitalized as and when available for use."
32.	North East Transmission Company Limited	GCOC	Earning per Share needed to be recognized and measured in compliance with the requirements of Ind AS 33.	Earning per Share has been recognized and measured complying with the requirements of Ind AS 33
33.	Oil India Limited	GC	The Company had no defined policy for accounting of salvage of abandoned wells.	The Company changed its policy for accounting of salvage of abandoned wells and added in the accounting policy that "cost of production well and production facilities net of salvage value are depleted over proved developed reserves".

Sl. No.	Name of CPSE	Government Company (GC) / Government Controlled Other Company (GCOC)	Deficiency highlighted in the Management Letter	Improvement made
34.	Power Grid Corporation of India Limited	GC	<ul style="list-style-type: none"> <li>• Correct information regarding inflow and outflow of cash in the Statement of Cash Flows, needed to be ensured in line with Ind AS-7.</li> <li>• Currency risk depicted under Note 61 needed to be correctly disclosed by adopting the value of foreign currency in INR as per reference rate of exchange as on reference date.</li> <li>• Adequate disclosure for prior period items needed to be ensured in line with Ind AS-8.</li> </ul>	<ul style="list-style-type: none"> <li>• Statement of Cash Flow prepared after considering the remarks of audit.</li> <li>• The financial statement has been prepared considering the remarks of the audit.</li> <li>• The financial statement has been prepared considering the remarks of audit.</li> </ul>
35.	Power System Operation Corporation Limited	GC	Due care in the accounting of tax impact on the actuarial gain as per Ind AS 12 needed to be ensured.	The accounting of tax impact on the actuarial gain as per Ind AS 12 has been done in the Financial statements for the year 2021-22.

Sl. No.	Name of CPSE	Government Company (GC) / Government Controlled Other Company (GCOC)	Deficiency highlighted in the Management Letter	Improvement made
36.	REC Limited	GC	<ul style="list-style-type: none"> <li>The Company needed to correctly disclose the Corporate Responsibility Expenses in compliance with the requirements of the Companies Act, 2013 and Companies (Corporate Social Responsibility) Rules, 2014.</li> <li>Adequate disclosure regarding Corporate Governance requirements of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) regulations 2015, needed to be ensured.</li> </ul>	<ul style="list-style-type: none"> <li>The Company made the necessary changes in the notes forming the part of financial statements.</li> <li>The Company made the necessary disclosure.</li> </ul>
37.	RITES Limited	GC	The accounting policy relating to inventories did not cover the valuation of Raw Material, stores and spares and work in progress.	The accounting policy relating to inventories suitably modified/ reworded and necessary disclosure has also been modified/ reworded.
38.	SBI Cards & Payment Services Limited	GCOC	The Company did not disclose the requirements as stipulated under para 118 of Ind AS 38 - Intangible Assets.	The Company complied with the disclosure requirements of Para 118 of Ind AS 38 in notes forming part of the Financial Statements.
39.	Securities Printing and Minting Corporation of India Limited	GC	Non-compliance of provisions of Ind AS 37 related to Contingent Liabilities.	Necessary corrections were made.

Sl. No.	Name of CPSE	Government Company (GC) / Government Controlled Other Company (GCOC)	Deficiency highlighted in the Management Letter	Improvement made
40.	Solar Energy Corporation of India Limited	GC	<ul style="list-style-type: none"> <li>• To ensure that the separate accounting policy for BG encashment be framed for Wind power Project.</li> <li>• To ensure that matter regarding unbilled sales/purchase for the month of March may be reviewed and concerned accounting policy may be revised/modify accordingly.</li> <li>• To ensure that matter regarding unbilled transmission charges for the month of March may be reviewed and concerned accounting policy may be revised/modify accordingly.</li> </ul>	The Company made separate accounting policies for the issues raised and disclosed the same.
41.	Stock Holding Corporation of India Limited	GC	<ul style="list-style-type: none"> <li>• Incorrect Classification of investment in Fixed Deposits as non-current assets instead of current assets, in non-compliance to para no. 66(c) of Ind AS1.</li> <li>• The Company's significant accounting policy stated that depreciation is charged on pro rata basis from the month of acquisition in case of addition, however, it did not mention if it is the date of installation or date of invoice.</li> </ul>	<ul style="list-style-type: none"> <li>• Classification of deposits which are free and maturing within 12 months from the end of reporting date is included in Current Assets instead of Non-current Assets.</li> <li>• The same has been incorporated in the significant accounting policies.</li> </ul>

## Annexure-XVIII (Refer Para No. 2.7)

## Details of CPSEs where Management Letters were issued by CAG

Sl. No.	Name of CPSE
1	Aavantika Gas Limited
2	ACUITE Ratings and Research Limited
3	Agriculture Insurance Company Limited
4	Andhra Pradesh Solar Power Corporation Private Limited
5	Antrix Corporation Limited
6	ASREC (India) Limited
7	Bangalore Metro Rail Corporation Limited
8	Bank of India Investment Managers Pvt. Ltd.
9	Bank of India Trustee Services Limited
10	Baroda Global Shared Services Limited
11	Bastar Railway Private Limited
12	Bhagyanagar Gas Limited
13	Bharat Coking Coal Limited
14	Bharat Electronics Limited
15	Bharat Gas Resources Limited
16	Bharat Heavy Electricals Limited
17	Bharat Oman Refinery Limited
18	Bharat Petroleum Corporation Limited
19	Bharat PetroResources Limited
20	Bhartiya Nabhikiya Vidyut Nigam Limited
21	Bhartiya Rail Bijlee Company Limited
22	Bidar Transmission Limited
23	Bihar Infra Power Limited
24	Biotechnology Industry Research Assistance Council
25	Birds Jute & Export Limited
26	BOB Capital Markets Limited
27	BOB Financial Solutions Limited
28	BOI Merchant Bankers Limited
29	BOI Shareholding Limited
30	Bokaro Power Supply Company (P) Limited
31	Broadcast Engineering Consultants India Limited
32	Canara Bank Securities Limited
33	Canara Robeco Asset Management Company Limited
34	Canbank Computer Services Limited
35	Canbank Financial Services Limited
36	Cent Bank Home finance Limited

Sl. No.	Name of CPSE
37	Centbank Financial Services Limited
38	Central Coalfields Limited
39	Central Registry of Securitization Asset Reconstruction and Security Interest of India
40	Chennai Ennore Road Company Limited
41	Chennai Metro Rail Limited
42	Chennai Petroleum Corporation Limited
43	Cheyur Infra Limited
44	Coal India Limited
45	CONCOR Air Limited
46	Cross Border Power Transmission Company Limited
47	Delhi Metro Rail Corporation Limited
48	DNH Power Distribution Corporation Limited
49	Eastern Coalfields Limited
50	ECGC Limited
51	Electronics Corporation of India Limited
52	Energy Efficiency Services Limited
53	Engineering Projects (India) Limited
54	Engineers India Limited
55	ESG Risk Assessment and Insights Limited
56	Ferro Scrap Nigam Limited
57	Fresh and Healthy Enterprises Limited
58	GAIL (India) Limited
59	Gail Gas Limited
60	General Insurance Corporation of India Limited
61	Government E-Marketplace
62	Handicrafts and Handloom Export Corporation Limited (FY 2020-21)
63	HARDICON Limited
64	Health Insurance TPA of India Limited
65	Heavy Engineering Corporation Limited
66	Hemisphere Properties India Limited
67	Higher Education Financing Agency
68	Hindustan Aeronautics Limited
69	Hindustan Petroleum Corporation Limited
70	Hindustan Shipyard Limited
71	Hindustan Steelworks Construction Limited
72	Hindustan Urvarak & Rasayan Limited
73	HMT International Limited
74	HMT Limited
75	HMT Machine Tools Limited

Sl. No.	Name of CPSE
76	HP LNG Limited
77	HP Oil Gas Pvt Limited
78	HPCL Rajasthan Refinery Limited
79	HSCC (India) Limited
80	IDBI Asset Management Limited
81	IDBI Capital Markets & Securities Limited
82	IDBI Intech Limited
83	IDBI MF Trustee Company Limited
84	IDBI Trusteeship Services Limited
85	IFCI Factors Limited
86	IFCI Financial Services Limited
87	IFCI Infrastructure Development Limited
88	IFCI Limited
89	IFCI Venture Capital Funds Limited
90	IFIN Credit Limited
91	IFIN Securities Finance Limited
92	IHB Limited
93	IIDL Realtors Private Limited
94	India First Life Insurance Company Limited
95	India Infrastructure Finance Company Limited
96	India SME Asset Reconstruction Company Limited
97	India Tourism Development Corporation
98	Indian Oil Corporation Limited
99	Indian Railway Catering and Tourism Corporation Limited
100	Indian Railway Finance Corporation Limited
101	Indian Railway Stations Development Corporation Limited
102	Indian Rare Earth Limited
103	Indian Renewable Energy Development Agency
104	Indian Strategic Petroleum Reserves Limited
105	Instrumentation Limited
106	IRCON Infrastructure & Services Limited
107	J&K Development Finance Corporation Limited
108	Jal Power Corporation Limited
109	Karnataka Solar Power Development Corporation Limited
110	Karnataka Vijaynagara Steel Limited
111	KIOCL Limited
112	Konkan LNG Limited
113	LIC Pension Fund Limited
114	Mahanadi Coalfields Limited
115	Maharashtra Executor & Trustee Company Private Limited

Sl. No.	Name of CPSE
116	Maharashtra Metro Rail Corporation Limited
117	Maharashtra Natural Gas Limited
118	Mangalore Refineries and Petrochemicals Limited
119	Meja Urja Nigam Private Limited
120	Micro Units Development and Refinance Agency Limited
121	Mineral Exploration Corporation Limited
122	MMTC Limited
123	MOIL Limited
124	MPCON Limited
125	Mumbai Aviation Fuel Farm Facility Private Limited
126	Mumbai Metro Rail Corporation Limited
127	NABSanrakshan
128	Nabventures Ltd.
129	National Asset Reconstruction Company Limited
130	National Credit Guarantee Trustee Company Limited
131	National E-Governance Services Limited
132	National Fertilizers Limited
133	National Financial Holding Company Limited
134	National High Speed Rail Corporation Limited
135	National Highways Logistics Management Limited
136	National Insurance Company Limited
137	National Payments Corporation of India
138	National Small Industries Corporation
139	NBCC (India) Limited
140	NCRTC Express Transit Limited
141	NEPA Limited
142	NESL Asset Data Limited
143	NESL E-Infrastructure Limited
144	New Mangalore Port Road Company Limited
145	New Space India Limited
146	Neyveli Uttar Pradesh Power Limited
147	NHDC Limited
148	NHPC Limited
149	NITCON Limited
150	NITCON Social Foundation
151	NLC India Limited
152	NMDC Limited
153	North East Transmission Company Limited
154	Northern Coalfields Limited
155	NPCI Bharat Bill Pay Limited

Sl. No.	Name of CPSE
156	NPCI International Payments Limited
157	NSIC Venture Capital Funds Limited
158	NTPC Electric Supply Company Limited
159	NTPC Limited
160	NTPC Vidyut Vyapar Nigam Limited
161	NTPL Tamil Nadu Energy Company Limited
162	Nuclear Power Corporation of India Limited
163	Oil & Natural Gas Corporation Limited
164	Oil India Limited
165	ONGC Petro Additions Limited
166	ONGC Videsh Limited
167	Oriental Insurance Company Limited
168	Patratu Vidyut Utpadan Nigam Limited
169	PFC Consulting Limited
170	PNB Cards & Services Limited
171	PNB Gilts Limited
172	PNB Investment Services Limited
173	Pondicherry Ashok Hotel Corporation Limited
174	Power Finance Corporation Limited
175	Power Grid Corporation of India Limited
176	Power System Operation Corporation Limited
177	Powergrid Himachal Transmission Limited
178	Powergrid Jawaharpur Firozabad Transmission Limited
179	Powergrid Medinipur Jeerat Transmission Limited
180	Powergrid Mithilanchal Transmission Limited
181	Powergrid Southern Interconnector Transmission System Limited
182	PSB Alliance Private Limited
183	Rail Tel Corporation of India Limited
184	Rail Vikas Nigam Limited
185	Railtel Enterprises Limited
186	Ramagundam Fertilizers and Chemicals Limited
187	Rashtriya Ispat Nigam Limited
188	Ratle Hydroelectric Power Corporation Limited
189	Ratnagiri Gas and Power Private Limited
190	REC Limited
191	Renewable Power Corporation of Kerala Limited
192	Reserve Bank Information Technology Private Limited
193	Rewa Ultra Mega Solar Limited
194	RITES Limited
195	SAIL RITES Bengal Wagon Industries Limited

Sl. No.	Name of CPSE
196	SBI Capital Markets Limited
197	SBI Cards & Payment Services Limited
198	SBI DFHI Limited
199	SBI Foundation
200	SBI Funds Management India Limited
201	SBI General Insurance Company Limited
202	SBI Global Factors Limited
203	SBI Life Insurance Company Limited
204	SBI Mutual Fund Trustee Company Pvt. Ltd
205	SBI Payments Services Private Limited
206	SBI Pension Funds Pvt. Limited
207	SBICAP Securities Limited
208	SBICAP Trustee Company Limited
209	SBICAP Ventures Limited
210	SBI-SG Global Securities Services Private Limited
211	Sethusamudram Corporation Limited
212	SHCIL Services Limited
213	SIDBI Trustee Company Limited
214	SIDBI Venture Capital Limited
215	SJVN Limited
216	SMERA Ratings Private Limited
217	Solar Energy Corporation of India Limited
218	South Eastern Coalfields Limited
219	Star Union Dai-Ichi Life Insurance Company Limited
220	STCI Finance Limited
221	STCI Primary Dealer Limited
222	Steel Authority of India Limited
223	Stock Holding Corporation of India Limited
224	Stock Holding Document Management Services Limited
225	Stockholding Securities IFSC Limited
226	THDC India Limited
227	The Cotton Corporation of India Limited
228	The New India Assurance Company Limited
229	The Shipping Corporation of India Limited
230	The State Trading Corporation of India Limited
231	TUSCO Limited
232	Tuticorin Port Road Company Limited
233	Union Asset Management Company Private Limited
234	Union Trustee Company Private Limited
235	Unit Trust of India Investment Advisory Services Ltd

Sl. No.	Name of CPSE
236	United India Insurance Company Limited
237	UTI Infrastructure Technology & Services Limited
238	Vadhavan Port Project Limited
239	Western Coalfields Limited
240	Zenith Securities and Investment Limited

## Annexure-XIX (Refer Para No. 3.1.2)

## List of 71 CPSEs whose shares/bonds were listed on stock exchange and covered in audit

Sl. No.	Name of CPSE
1	Bharat Immunologicals and Biologicals Corporation Limited
2	Coal India Limited
3	Oil India Limited
4	NBCC (India) Limited
5	Housing and Urban Development Corporation Limited
6	Hemisphere Properties India Limited
7	Bharat Petroleum Corporation Limited
8	Hindustan Petroleum Corporation Limited
9	Oil and Natural Gas Corporation Limited
10	New India Assurance Limited
11	General Insurance Corporation of India Limited
12	SBI Life Insurance Company Limited
13	Hindustan Organic Chemicals Limited
14	Mahanagar Telephone Nigam Limited
15	ITI Limited
16	Tamilnadu Telecommunication Limited
17	Bharat Dynamics Limited
18	Bharat Electronics Limited
19	BEML Limited
20	Garden Reach Shipbuilders and Engineers Limited
21	Hindustan Aeronautics Limited
22	Mazagon Dock Shipbuilders Limited
23	Mishra Dhatu Nigam Limited
24	NLC India Limited
25	Chennai Petroleum Corporation Limited
26	Cochin Shipyard Limited
27	Mangalore Refinery and Petrochemicals Limited
28	Indbank Housing Limited
29	Indbank Merchant Banking Services Limited
30	HMT Limited
31	Dredging Corporation of India Limited
32	KIOCL Limited
33	NMDC Limited
34	The Fertilizer and Chemicals Travancore Limited
35	Madras Fertilizers Limited
36	National Fertilizers Limited
37	Rashtriya Chemicals and Fertilizers Limited

Sl. No.	Name of CPSE
38	Bharat Heavy Electricals Limited
39	Engineers India Limited
40	GAIL (India) Limited
41	Indian Oil Corporation Limited
42	NHPC Limited
43	Satluj Jal Vidyut Nigam Limited
44	Powergrid Corporation of India Limited
45	NTPC Limited
46	Power Finance Corporation Limited
47	Rural Electrification Corporation Limited
48	Indraprastha Gas Limited
49	Manganese Ore (India) Limited
50	SBI Cards & Payments Services Limited
51	India Tourism Development Corporation Limited
52	MMTC Limited
53	The State Trading Corporation of India Limited
54	PNB Gilts Limited
55	IFCI Limited
56	Rail Vikas Nigam Limited
57	RailTel Corporation of India Limited
58	RITES Limited
59	Indian Railway Finance Corporation Limited
60	Indian Railway Catering and Tourism Corporation Limited
61	Container Corporation of India Limited
62	IRCON International Limited
63	Steel Authority of India Limited
64	Eastern Investments Limited
65	The Bisra Stone Lime Company Limited
66	Metal Scrap Trade Corporation Limited (MSTC)
67	Balmer Lawrie and Company Limited
68	National Aluminium Company Limited
69	Hindustan Copper Limited
70	Andrew Yule and Company Limited
71	Balmer Lawrie Investment Company Limited

## Annexure-XX (Refer Para No. 3.1.2)

## List of 35 CPSEs/Statutory Corporations whose bonds/debentures were listed on stock exchange

Sl. No.	Name of CPSE/ Statutory Corporation
1	National Mineral Development Corporation Limited
2	Inland Waterways Authority of India (Statutory Corporation)
3	Housing & Urban Development Corporation Limited
4	AI Assets Holding Limited
5	National Highway Authority of India (Statutory Corporation)
6	DME Development Limited
7	Steel Authority of India Limited
8	NTPC- SAIL (JV)
9	Indian Railway Finance Corporation Limited
10	Mahanagar Telephone Nigam Limited
11	Bharat Sanchar Nigam Limited
12	Indian Renewable Energy Development Agency Limited
13	Nuclear Power Corporation of India Limited
14	NTPC Limited
15	Power Grid Corporation of India Limited
16	India Oil Corporation Limited
17	Power Finance Corporation Limited
18	Rural Electrification Corporation Limited
19	Satluj Jal Vidyut Nigam Limited
20	NHPC Limited
21	Energy Efficiency Services Limited
22	THDC India Limited
23	National Insurance Company Limited
24	United India Insurance Company Limited
25	Chennai Petroleum Corporation Limited
26	Mangalore Refinery & Petrochemicals Limited
27	Industrial Finance Corporation of India Limited
28	SBI Cards and Payment Services Limited
29	Oriental Insurance Company Limited
30	India Infrastructure Finance Company Limited
31	Food Corporation of India (Statutory Corporation)
32	Oil and Natural Gas Corporation Limited
33	Bharat Petroleum Corporation Limited
34	Bharat Oman Refinery Limited
35	ONGC Petro Additions Limited

**Annexure-XXI (Refer Para No. 3.1.2)****List of 18 CPSEs whose both shares and bonds were listed on stock exchange**

<b>Sl. No.</b>	<b>Name of CPSE</b>
1	National Mineral Development Corporation Limited
2	Housing & Urban Development Corporation Limited
3	Steel Authority of India Limited
4	Indian Railway Finance Corporation Limited
5	Mahanagar Telephone Nigam Limited
6	NTPC Limited
7	Power Grid Corporation of India Limited
8	India Oil Corporation Limited
9	Power Finance Corporation Limited
10	Rural Electrification Corporation Limited
11	Satluj Jal Vidyut Nigam Limited
12	NHPC Limited
13	Chennai Petroleum Corporation Limited
14	Manglore Refinery & Petrochemical Limited
15	Industrial Finance Corporation of India Limited
16	SBI Cards and Payment Services Limited
17	Oil and Natural Gas Corporation Limited
18	Bharat Petroleum Corporation Limited

## Annexure-XXII (Refer Para No. 4.10)

## Status of Strategic Disinvestment

Status of Strategic Disinvestment	Name of CPSE
<b>Ongoing Transactions being processed by DIPAM wherein EoI has been issued</b>	1. BEML Limited
	2. The Shipping Corporation of India Limited
	3. HLL Life care Limited
	4. Project & Development India Limited
	5. Ferro Scrap Nigam Limited (subsidiary of MSTC Limited)
	6. Indian Medicines Pharmaceuticals Corporation Limited
	7. NMDC Steel Limited
	8. IDBI Bank
<b>Transactions where EoI has not been issued or transactions called off after issuance of EoI/RFP</b>	1. Bharat Petroleum Corporation Limited (except Numaligarh Refinery Limited)
	2. Pawan Hans Limited
	3. Central Electronics Limited
	4. Alloy Steel Plant, Durgapur; Salem Steel Plant; Bhadrawati Steel Plant - units of Steel Authority of India Limited
	5. Container Corporation of India Limited
	6. Rashtriya Ispat Nigam Ltd.
<b>Transaction being processed by respective Administrative Ministries</b>	1. Hindustan Antibiotics Limited
	2. Bengal Chemicals & Pharmaceuticals Limited
	3. Various Units of India Tourism Development Corporation Limited
<b>Transactions held up due to litigation</b>	1. Hindustan Newsprint Limited (subsidiary of Hindustan Paper Corporation Limited)
	2. Karnataka Antibiotics & Pharmaceuticals Limited
<b>Transactions halted as the CPSE recommended/approved for closure; or any other reason</b>	1. Hindustan Fluorocarbons Chemicals Limited)*(Subsidiary of Hindustan Chemical Organics Limited)
	2. Scooters India Limited*
	3. Bharat Pumps & Compressors Limited*
	4. Hindustan Prefab Limited (CPSE is under closure)
	5. Units of Cement Corporation of India Limited (Nayagaon Unit) (Transaction not feasible and the units are being returned to the State Governments).
<b>Transactions not feasible</b>	1. Engineering Project (India ) Limited
	2. Bridge and Roof Company (India) Limited
<b>Transactions completed</b>	1. Hindustan Petroleum Corporation Limited
	2. Rural Electrification Corporation Limited
	3. HSCC (India) Limited
	4. National Projects Construction Corporation Limited
	5. Dredging Corporation of India Limited

Status of Strategic Disinvestment	Name of CPSE
	6. THDC India Limited
	7. North Eastern Electric Power Corporation Limited
	8. Kamarajar Port Limited
	9. Air India Limited, AIXL and 50 <i>per cent</i> stake in AISATS^
	10. Neelachal Ispat Nigam Limited

\* Subsequently Government approved for closure of these CPSEs.

^ Subsidiaries which are now with AIAHL are still to be divested

## Annexure-XXIII (Refer Para No. 5.3)

## List of CPSEs selected for Audit

Sl. No.	Name of CPSE	Profit (₹ in lakh)	Whether selected for review
<b>Above ₹500 Crore</b>			
1	Indian Oil Corporation Limited	21,83,604	Yes
2	Bharat Petroleum Corporation Limited	19,04,167	Yes
3	NTPC Limited	13,76,952	Yes
4	Power Grid Corporation of India Limited	11,93,578	Yes
5	Oil & Natural Gas Corporation Limited	11,24,644	Yes
6	Hindustan Petroleum Corporation Limited	10,66,388	Yes
7	Power Finance Corporation Limited	8,44,401	Yes
8	REC Limited	8,36,178	Yes
9	Coal India Limited	7,64,010	Yes
10	Mahanadi Coalfields Limited	6,87,235	Yes
11	NMDC Limited	6,25,305	Yes
12	GAIL (India) Limited	4,89,019	Yes
13	Indian Railway Finance Corporation Limited	4,41,613	Yes
14	Northern Coalfields Limited	4,39,839	Yes
15	Nuclear Power Corporation of India Limited	4,37,067	Yes
16	Steel Authority of India Limited	3,85,002	Yes
17	NHPC Limited	3,23,337	Yes
18	Hindustan Aeronautics Limited	3,23,296	Yes
19	Numaligarh Refinery Limited	303610	Yes
20	Bharat Electronics Limited	2,06,542	Yes
21	ONGC Videsh Limited	1,88,588	Yes
22	OIL India Limited	1,74,159	Yes
23	SJVN Limited	1,63,304	Yes
24	Housing & Urban Development Corporation Limited	1,57,858	Yes
25	South Eastern Coalfields Limited	1,43,995	Yes
26	National Aluminium Company Limited	1,29,953	Yes
27	Central Coalfields Limited	1,22,128	Yes
28	THDC India Limited	1,09,241	Yes
29	NLC India Limited	1,04,179	Yes

Sl. No.	Name of CPSE	Profit (₹ in lakh)	Whether selected for review
30	Rail Vikas Nigam Limited	94,055	Yes
31	Brahamputra Crackers & Polymer Limited	73,990	Yes
32	NHDC Limited	66463	Yes
33	Shipping Corporation of India Limited	61,810	Yes
34	Cochin Shipyard Limited	61,010	Yes
35	Container Corporation of India Limited	50,333	Yes
<b>Above ₹100 crore - ₹500 crore</b>			
36	Mazagon Dock Shipbuilders Limited	47,958	Yes
37	Uranium Corporation of India Limited	47,074	No
38	ECGC Limited	46,030	No
39	Central warehousing Corporation	43,817	No
40	RITES Limited	42,435	Yes
41	Security Printing & Minting Corporation of India Limited	42,381	Yes
42	IRCON International Limited	40,456	No
43	Rashtriya Chemicals and Fertilizers Limited	37,311	No
44	NLC Tamil Nadu Power Limited	36,300	Yes
45	Fertilizers & Chemicals (Travancore) Limited	35,198	Yes
46	Indian Renewable Energy Development Agency Limited	34,641	Yes
47	Central Mine Planning & Design Institute Limited	31,696	No
48	IREL (India) Limited	31,569	No
49	KIOCL Limited	30,117	Yes
50	India Infrastructure Finance Company Limited	28,527	Yes
51	Bhartiya Rail Bijlee Company Limited	28,248	No
52	Engineers India Limited	25,950	No
53	Bharat Dynamics Limited	25,777	Yes
54	National Fertilizers Limited	24,963	Yes
55	Chennai Petroleum Corporation Limited	23,756	No
56	Western Coalfields Limited	23,429	No
57	NBCC (India) Limited	20,174	Yes
58	Indian Railway Catering and Tourism Corporation Limited	18,990	No
59	Nabinagar Power Generating Company Limited	18,257	Yes

Sl. No.	Name of CPSE	Profit (₹ in lakh)	Whether selected for review
60	Solar Energy Corporation of India	17,771	Yes
61	MOIL Limited	17,663	No
62	Mishra Dhatu Nigam Limited	16,629	No
63	GAIL Gas Limited	15,770	Yes
64	Garden Reach Shipbuilders & Engineers Limited	15,347	Yes
65	Mineral Exploration Corporation Limited	14,979	No
66	Railtel Corporation India Limited	14,041	No
67	Power Grid Warora Transmission Limited	14,028	No
68	Power Grid Parli Transmission Limited	13,653	No
69	Kanti Bijlee Utpadan Nigam Limited	13,453	No
70	Goa Shipyard Limited	12,791	Yes
71	Newspace India Limited	12,184	No
72	Balmer Lawrie & Company Limited	11,645	Yes
73	Dedicated Fright Corridor Corporation of India Limited	11,245	Yes
74	HLL Lifecare Limited	11,233	Yes
75	Hindustan Copper Limited	10,998	Yes
76	Powergrid Vizag Transmission Limited	10,920	No
77	Electronics Corporation of India Limited	10,915	No
78	Power Grid Southern Interconnector Transmission System Limited	10,868	Yes
79	National Small Industries Corporation Limited	10,159	Yes
80	M S T C Limited	10,107	Yes
81	Air India Express Limited	10,010	No
<b>Above ₹50 crore - ₹100 crore</b>			
82	National Informatics Centre Services Incorporated	9,823	Yes
83	Ntpc Vidyut Vyapar Nigam Limited	9,202	No
84	Power Grid Jabalpur Transmission Limited	8,970	No
85	Balmer Lawrie Investments Limited	8,462	No

Sl. No.	Name of CPSE	Profit (₹ in lakh)	Whether selected for review
86	National Highways & Infrastructure Development Corporation Limited	8,435	No
87	BEML Limited	7,480	No
88	AAI Cargo Logistics & Allied Services Company Limited	7,226	No
89	National Minorities Development & Finance Corporation	6,547	No
90	Antrix Corporation Limited	5,571	Yes
91	Telecommunications Consultants (India) Limited	5,277	No
92	Artificial Limbs Manufacturing Corporation of India	5,226	Yes
93	The Fertilizer Corporation of India Limited	5,105	No
<b>₹10 crore - ₹50 crore</b>			
94	North Eastern Electric Power Corporation Limited	4,790	No
95	National Scheduled Castes Finance & Development Corporation	4,782	No
96	Central Registry Of Securitization Asset Reconstruction and Security Interest of India	4,462	No
97	AI Assets Holding Limited	4,369	No
98	WAPCOS Limited	4,053	No
99	EDCIL(India) Limited	3,689	No
100	National Backward Classes Finance & Development Corporation	3,424	No
101	Powergrid Himachal Transmission Limited	3,000	No
102	Hindustan Steelworks Construction Limited	2,948	No
103	Richardson & Cruddas (1972) Limited	2,947	No
104	Powergrid Kala Amb Transmission Limited	2,947	No
105	PFC Consulting Limited	2,856	No
106	HMT Limited	2,749	No
107	National Scheduled Tribes Finance & Development Corporation	2,634	No
108	The Cotton Corporation of India Limited	2,612	No

Sl. No.	Name of CPSE	Profit (₹ in lakh)	Whether selected for review
109	REC Power Development & Consultancy Limited	2,561	No
110	Braithwaite & Company Limited	2,472	No
111	National Projects Construction Corporation Limited	2,451	No
112	Railway Energy Management Company Limited	2,413	No
113	National Safai Karamcharis Finance & Development Corporation	2,359	No
114	Central Electronics Limited	2,326	No
115	Mumbai Railway Vikas Corporation Limited	2,325	No
116	Karnataka Antibiotics & Pharmaceuticals Limited	2,318	No
117	Ferro Scrap Nigam Limited	2,275	No
118	Andrew Yule & Company Limited	2,120	No
119	Power System Operation Corporation Limited	2,050	No
120	Central Railside Warehouse Company Limited	1,936	No
121	Power Grid Medinipur Jeerat Transmission Limited	1,915	No
122	Projects & Development India Limited	1,907	No
123	Hindustan Organic Chemicals Limited	1,547	No
124	Chandigarh International Airport Limited	1,476	Yes
125	Instrumentation Limited	1,384	No
126	FCI Aravali Gypsum & Minerals (India) Limited	1,348	Yes
127	Cement Corporation of India Limited	1,315	No
128	The Jute Corporation of India Limited	1,215	No
129	SAIL Refractory Company Limited	1,188	Yes
130	Braithwaite Burn & Jessop Construction Company Limited	1,168	No
131	Certification Engineers International Limited	1,123	No
132	ITI Limited	1,120	Yes
133	Indian Medicines & Pharmaceutical Corporation Limited	1,105	No

Sl. No.	Name of CPSE	Profit (₹ in lakh)	Whether selected for review
134	HLL Infra Tech Services Limited	1,086	No
135	Hindustan Fertilizer Corporation Limited	1,043	No
136	India United Textile Mills Limited	1,028	No
<b>Below ₹10 crore</b>			
137	HSCC (INDIA) Limited	982	No
138	NBCC Services Limited	955	No
139	Kumarakruppa Frontier Hotels Private Limited	923	No
140	National Handicapped Finance & Development Corporation	921	No
141	Bridge & Roof Company (india) Limited	780	No
142	Chhattisgarh East Railways Limited	776	No
143	The Bisra Stone Lime Company Limited	690	No
144	Biotechnology Industry Research Assistance Council	672	No
145	Tamil Nadu Trade Promotion Organisation	633	No
146	MECON Limited	624	No
147	Bengal Chemicals & Pharmaceuticals Limited	608	No
148	Hindustan Salts Limited	580	No
149	IRCON Infrastructure & Services Limited	575	No
150	NTPC Electric Supply Company Limited	552	No
151	Sambhar Salts Limited	535	No
152	Powergrid Unchahar Transmission Limited	494	No
153	BEL Optronics Devices Limited	490	No
154	Prize Petroleum Company Limited	359	No
155	BEL-Thales Systems Limited	315	No
156	Karnataka Trade Promotion Organisation	308	No
157	Madras Fertilizers Limited	287	No
158	Broadcast Engineering Consultants India Limited	255	No
159	IIFCL Projects Limited	246	No
160	National Seeds Corporation Limited	244	No
161	Railtel Enterprises Limited	205	No

Sl. No.	Name of CPSE	Profit (₹ in lakh)	Whether selected for review
162	Jammu & Kashmir Development Finance Corporation Limited	202	No
163	IIFCL Asset Management Company Limited	146	No
164	Bharat Broadband Network Limited	145	No
165	Agrinnovate India Limited	139	No
166	TCIL Bina Toll Road Limited	139	No
167	HIL (INDIA) Limited	115	No
168	Powergrid Jawaharpur Firozabad Transmission Limited	104	No
169	HMT (International) Limited	97	No
170	Power Grid Mithilanchal Transmission Limited	95	No
171	Eastern Investment Limited	79	No
172	National Film Development Corporation Limited	69	No
173	IRCON Davanagere Haveri Highway Limited	65	No
174	Delhi Police Housing Corporation Limited	49	No
175	IRCON Vadodara Kim Expressway Limited	28	No
176	National Research Development Corporation	19	No
177	Millennium Telecom Limited	14	No

## Annexure-XXIV (Refer Para No. 5.5.1.1)

## List of 38 listed CPSEs having Independent Director

Sl. No.	Name of CPSE
1	Bharat Dynamic Limited
2	Bharat Electronic Limited
3	Balmer Lawrie Company Limited
4	Bharat Petroleum Corporation Limited
5	Container Corporation of India Limited
6	Coal India Limited
7	Cochin Shipyard Limited
8	Fertilizers & Chemical Travancore Limited
9	GAIL (India) Limited
10	Garden Research Shipbuilders & Engineers Limited
11	Hindustan Aeronautics Limited
12	Hindustan Copper Limited
13	Hindustan Petroleum Corporation Limited
14	Housing and Urban Development Corporation
15	Indian Oil Corporation Limited
16	Indian Railway Finance Corporation
17	ITI Limited
18	KIOCL Limited
19	Mazgaon Dock Shipyard Limited
20	MSTC Limited
21	National Aluminium Company Limited
22	NBCC (India) Limited
23	National Fertilizers Limited
24	NHPC Limited
25	NLC India Limited
26	NMDC Limited
27	NTPC Limited
28	Oil India Limited
29	Oil & National Gas Corporation Limited
30	Power Finance Corporation Limited
31	Power Grid Corporation India Limited
32	REC Limited
33	RITES Limited
34	Rail Vikas Nigam Limited
35	Steel Authority of India Limited
36	Shipping Corporation of India Limited
37	SJVN Limited
38	THDC India Limited

Source: Data as received from CPSEs and as available in Annual Report of CPSEs.

## Annexure-XXV (Refer Para No. 5.5.2.1 and 5.7)

## CPSE wise total CSR spending

Sl. No.	Name of CPSE	2% to be spent (₹ in lakh)	Actual expenditure (₹ in lakh)	Type of Company	Sector	Whether the Company is a Listed Company	Total number of Directors	Number of Independent Directors	Administrator Overhead (₹ in lakh)
1	Bharat Petroleum Corporation Limited	16,673	13,778	Maharatna	Petroleum	Yes	5	2	328
2	Oil & Natural Gas Corporation Limited	45,031.70	45,799.00	Maharatna	Petroleum	Yes	5	3	2,180.90
3	Hindustan Petroleum Corporation Limited	16,186.00	12,606.00	Maharatna	Petroleum	Yes	4	1	305
4	Hindustan Aeronautics Limited	7,884.00	7,827.00	Navratna	Defence	Yes	4	1	373
5	Bharat Electronics Limited	5,329.19	3,072.87	Navratna	Defence	Yes	5	2	253.77
6	Mazagon Dock Shipbuilders Limited	1,413.00	1,111.00	Miniratna	Defence	Yes	5	3	52
7	Bharat Dynamics Limited	1169.8	1812.61	Miniratna	Defence	Yes	6	5	45.25
8	Goa Shipyard Limited	431.8	447.33	Miniratna	Defence	No	5	2	20.40
9	Garden Reach Shipbuilders & Engineers Limited	405.5	410	Miniratna	Defence	Yes	3	1	0
10	Neyveli Lignite Corporation India Limited	4,080.00	4,080.00	Navratna	Power	Yes	2	2	204

Sl. No.	Name of CPSE	2% to be spent (₹ in lakh)	Actual expenditure (₹ in lakh)	Type of Company	Sector	Whether the Company is a Listed Company	Total number of Directors	Number of Independent Directors	Administrator Overhead (₹ in lakh)
11	Cochin Shipyard Limited	1,616.93	1,619.47	Miniratna	Shipping	Yes	4	2	79.32
12	Neyveli Lignite Corporation Tamil Nadu Power Limited	808.65	254.21	Other	Power	No	4	0	40.43
13	NMDC Limited	14,815.00	28,733.00	Navratna	Mining	Yes	3	1	358
14	KIOCL Limited	438.7	1,341.47	Miniratna	Mining	Yes	5	3	0
15	Numaligarh Refinery Limited	5,905.00	7,415.00	Miniratna	Petroleum	No	6	4	164
16	National Aluminium Company Limited	2,860.00	3,691.38	Navratna	Mining	Yes	5	3	134.99
17	Brahmaputra Crackers & Polymer Limited	1,910.00	1,454.82	Other	Petroleum	No	4	1	0
18	Hindustan Copper Limited	0	77.19	Miniratna	Mining	Yes	4	3	0
19	MSTC Limited	0	17.83	Miniratna	Other	Yes	4	2	0
20	Balmer Lawrie & Company Limited	441	1,048.16	Miniratna	Petroleum	Yes	6	3	26
21	Coal India Limited	681	7,764.33	Maharatna	Mining	Yes	4	3	0
22	Mahanadi Coalfields Limited	18,162.22	25,175.81	Miniratna	Mining	No	6	1	0
23	Northern Coalfields Limited	13,275.00	12,352.00	Miniratna	Mining	No	6	3	587

Sl. No.	Name of CPSE	2% to be spent (₹ in lakh)	Actual expenditure (₹ in lakh)	Type of Company	Sector	Whether the Company is a Listed Company	Total number of Directors	Number of Independent Directors	Administrator Overhead (₹ in lakh)
24	South Eastern Coalfields Limited	6,758.00	6,933.69	Miniratna	Mining	No	5	3	269.55
25	Oil India Limited	2,591.00	16,374.00	Navratna	Petroleum	Yes	6	4	0
26	Central Coalfields Limited	5,025.00	2,481.68	Miniratna	Mining	No	6	2	80.84
27	Indian Railway Finance Corporation Limited	7,006.00	4,501.79	Miniratna	Railway	Yes	3	1	0
28	Container Corporation of India Limited	2,571.00	1,517.16	Navratna	Railway	Yes	5	3	0
29	Rail Vikas Nigam Limited	1,936.55	1,315.28	Miniratna	Railway	Yes	4	1	0
30	RITES Limited	1,387.00	982.75	Miniratna	Railway	Yes	3	1	66.18
31	Dedicated Freight Corridor Corporation of India Limited	0	85.75	Other	Railway	No	3	2	0
32	Housing & Urban Development Corporation Limited	4,199.00	2,947.07	Miniratna	Other	Yes	6	4	0
33	NBCC (India) Limited	580.17	255.53	Navratna	Other	Yes	4	2	29
34	Chandigarh International Airport Limited	62.92	63.13	Other	Aviation	No	3	0	0
35	Indian Oil Corporation Limited	32,314.00	29,829.00	Maharatna	Petroleum	Yes	6	2	1420

Sl. No.	Name of CPSE	2% to be spent (₹ in lakh)	Actual expenditure (₹ in lakh)	Type of Company	Sector	Whether the Company is a Listed Company	Total number of Directors	Number of Independent Directors	Administrator Overhead (₹ in lakh)
36	NTPC Limited	28,180.00	35,672.00	Maharatna	Power	Yes	5	3	0
37	Power Grid Corporation of India Limited	25,707.00	27,113.88	Maharatna	Power	Yes	5	3	1,036
38	Power Finance Corporation Limited	17,043.00	7,618.00	Maharatna	Power	Yes	4	2	441
39	GAIL (India) Limited	13,646.00	20,497.00	Maharatna	Petroleum	Yes	4	2	826
40	REC Limited	17,067.00	16,762.00	Maharatna	Power	Yes	3	2	524
41	NHPC Limited	6,545.00	10,529.00	Miniratna	Power	Yes	6	4	385.71
42	SJVN limited	3,944.00	5,167.00	Miniratna	Power	Yes	2	2	8.85
43	THDC India Limited	2,623.32	2,720.55	Miniratna	Power	Yes	3	1	73.95
44	National Handloom Development Corporation Limited	1,855.00	1,991.00	Other	Power	No	4	0	94
45	GAIL Gas Limited	362	146.84	Other	Petroleum	No	3	0	0
46	Power Grid Southern Interconnector Transmission System Limited	103.15	103.15	Other	Power	No	3	0	0
47	National Fertilizers Limited	345.21	216.44	Miniratna	Fertilizer	Yes	5	4	0
48	FCI Aravali Gypsum & Minerals (India) Limited	46.12	46.14	Miniratna	Fertilizer	No	5	2	0

Sl. No.	Name of CPSE	2% to be spent (₹ in lakh)	Actual expenditure (₹ in lakh)	Type of Company	Sector	Whether the Company is a Listed Company	Total number of Directors	Number of Independent Directors	Administrator Overhead (₹ in lakh)
49	Fertilizers & Chemicals (Travancore) Limited	56.07	106.28	Other	Fertilizer	Yes	3	1	0
50	National Informatics Centre Services Incorporated	112	0	Other	Other	No	4	0	0
51	ITI Limited	110.55	99.09	Other	Other	Yes	4	1	0
52	Security Printing & Minting Corporation of India Limited	1,754.47	133.35	Miniratna	Other	No	3	1	6
53	HLL Lifecare Limited	164.7	153.6	Miniratna	Other	No	4	1	0
54	Artificial Limbs Manufacturing Corporation of India	142.05	113.21	Miniratna	Other	No	4	2	0
55	Nuclear Power Corporation of India Limited	10,190.00	10,196.00	Other	Power	No	5	2	0
56	Indian Renewable Energy Development Agency Limited	685.34	872.93	Miniratna	Power	No	3	1	1.23
57	Solar Energy Corporation of India Limited	424.86	447.04	Other	Power	No	3	1	0
58	Antrix Corporation Limited	549	574.86	Miniratna	Other	No	2	1	0.04

Sl. No.	Name of CPSE	2% to be spent (₹ in lakh)	Actual expenditure (₹ in lakh)	Type of Company	Sector	Whether the Company is a Listed Company	Total number of Directors	Number of Independent Directors	Administrator Overhead (₹ in lakh)
59	India Infrastructure Finance Company Limited	285.78	15.93	Other	Other	No	5	0	0.12
60	National Small Industries Corporation Limited	223.53	224.1	Miniratna	Other	No	4	1	0
61	Shipping Corporation of India Limited	604.95	398.13	Navratna	Shipping	Yes	5	3	0
62	SAIL Refractory Company Limited	45.2	13.25	Other	Other	No	6	2	0
63	Steel Authority of India Limited	8,821	9,424.00	Maharatna	Mining	Yes	4	3	31
	<b>Total</b>	<b>3,65,584.43</b>	<b>4,00,530.08</b>						<b>10,445.53</b>

Source: Data as received from CPSEs and as available in Annual Report of CPSEs.

## Annexure-XXVI (Refer Para No. 5.5.2.2 and 5.5.2.3)

## CPSE wise mandatory CSR expenditure by the Act vis-à-vis actual allocation

(₹ in lakh)

Sl. No. (1)	Name of CPSE (2)	Net profit as per Section 198 of the Companies Act, 2013	2% to be spent (3)	Allocated from 2% (4)	Actual expenditure (5)	Actual Expenditure Incurred More than 2%(+)/Less than 2%(-) (6)=(5)-(3) (Unspent Amount)	Allocated from More than 2% and Less than 2%
1	Antrix Corporation Limited	27,463.88	549.00	574.86	574.86	25.86	25.86
2	Artificial Limbs Manufacturing Corporation of India	7,102.64	142.05	142.10	113.21	-28.84	0.05
3	Balmer Lawrie & Company Limited	22,049.96	441.00	Data Not Available	1,048.16	607.16	Data Not Available
4	Bharat Dynamics Limited	58,489.99	1,169.80	Data Not Available	1,812.61	642.81	Data Not Available
5	Bharat Electronics Limited	2,66,459.69	5,329.19	5,329.20	3,072.87	-2,256.32	0.01
6	Bharat Petroleum Corporation Limited	8,33,649.00	16,673.00	16,673.00	13,778.00	-2,895.00	0.00
7	Brahmaputra Crackers & Polymer Limited	95,473.00	1,910.00	1,910.00	1,454.82	-455.18	0.00
8	Central Coalfields Limited	2,51,270.00	5,025.00	5,025.40	2,481.68	-2,543.32	0.40
9	Chandigarh International Airport Limited	3,146.23	62.92	62.90	63.13	0.21	-0.02
10	Coal India Limited	34,042.00	681.00	10,531.00	7,764.33	7,083.33	9,850.00
11	Cochin Shipyard Limited	80,846.25	1,616.93	1,616.90	1,619.47	2.54	-0.03
12	Container Corporation of India Limited	1,28,564.00	2,571.00	2,571.00	1,517.16	-1,053.84	0.00

Sl. No. (1)	Name of CPSE (2)	Net profit as per Section 198 of the Companies Act, 2013	2% to be spent (3)	Allocated from 2% (4)	Actual expenditure (5)	Actual Expenditure Incurred More than 2%(+)/Less than 2%(-) (6)=(5)-(3) (Unspent Amount)	Allocated from More than 2% and Less than 2%
13	Dedicated Frigate Corridor Corporation of India Limited	0.00	0.00	0.00	85.75	85.75	0
14	FCI Aravali Gypsum & Minerals (India) Limited	2,305.78	46.12	46.10	46.14	0.02	-46.12
15	Fertilizers & Chemicals (Travancore) Limited	2,803.00	56.07	56.00	106.28	50.21	-0.07
16	GAIL (India) Limited	6,82,302.00	13,646.00	20,496.90	20,497.00	6,851.00	6,850.90
17	GAIL Gas limited	18,095.00	362.00	320.40	146.84	-215.16	-41.60
18	Garden Reach Shipbuilders & Engineers Limited	20,275.00	405.50	410.00	410.00	4.50	4.50
19	Goa Shipyard Limited	21,590.33	431.8	431.8	447.33	15.53	0.00
20	Hindustan Aeronautics Limited	3,94,208.00	7,884.00	7,884.00	7,827.00	-57.00	0.00
21	Hindustan Copper Limited	0.00	0.00	0.00	77.19	77.19	0.00
22	Hindustan Petroleum Corporation Limited	8,09,317.00	16,186.00	16,186.00	12,606.00	-3,580.00	-2,629.00
23	HLL Lifecare Limited	8,234.89	164.70	164.70	153.60	-11.1	0
24	Housing & Urban Development Corporation Limited	2,09,957.00	4,199.00	2,500.00	2,947.07	-1,251.93.00	-1,,699.00
25	ITI Limited	5,527.26	110.55	110.50	99.09	-11.46	-0.05
26	India Infrastructure Finance Company Limited	14,288.99	285.78	285.8	15.93	-269.85	0.02
27	Indian Oil Corporation Limited	16,15,705	32,314.00	32,314.00	29,829.00	-2,485.00	0.00

Sl. No. (1)	Name of CPSE (2)	Net profit as per Section 198 of the Companies Act, 2013	2% to be spent (3)	Allocated from 2% (4)	Actual expenditure (5)	Actual Expenditure Incurred More than 2%(+)/Less than 2%(-) (6)=(5)-(3) (Unspent Amount)	Allocated from More than 2% and Less than 2%
28	Indian Railway Finance Corporation Limited	3,50,282	7,006.00	7,006.00	4,501.79	-2,504.21	0.00
29	Indian Renewable Energy Development Agency Limited	34,267.13	685.34	685.30	872.93	187.59	-0.04
30	KIOCL Limited	21,934.41	438.7	1,438.70	1,341.47	902.77	1,000
31	MSTC Limited	0.00	0.00	0.00	17.83	17.83	0.00
32	Mahanadi Coalfields Limited	9,08,111	18,162.22	18,162.20	25,175.81	7,013.59	-0.02
33	Mazagon Dock Shipbuilders Limited	70,629.00	1,413.00	1,413.00	1,111	-302.00	0.00
34	National Aluminium Company Limited	1,42,987.00	2,860.00	4,672.60	3,691.38	831.38	1,812.60
35	National Fertilizers Limited	17,260.54	345.21	345.21	216.44	-128.77	0.00
36	National Informatics Centre Services Incorporated	5,556.00	112.00	112.00	0.00	-112.00	0.00
37	National Small Industries Corporation Limited	11,176.73	223.53	223.50	224.10	0.57	-0.03
38	NBCC (India) Limited	29,008.65	580.17	705.8	255.53	-324.64	125.63
39	NHDC Limited	92,735.00	1,855.00	1,991.60	1,991.00	136.00	136.60
40	NHPC Limited	3,27,230.00	6,545.00	6,544.60	10,529.00	3,984.00	-0.40
41	NLC India Limited	2,04,023.00	4,080.00	4,080.00	4,080.00	0.00	0.00
42	NLC Tamil Nadu Power Limited	40,432.38	808.65	808.60	254.21	-554.44	-0.05
43	NMDC Limited	7,40,749	14,815.00	24,412.00	28,733	13,918	9,597

Sl. No. (1)	Name of CPSE (2)	Net profit as per Section 198 of the Companies Act, 2013	2% to be spent (3)	Allocated from 2% (4)	Actual expenditure (5)	Actual Expenditure Incurred More than 2%(+)/Less than 2%(-) (6)=(5)-(3) (Unspent Amount)	Allocated from More than 2% and Less than 2%
44	Northern Coalfields Limited	6,63,746.00	13,275.00	13,275.00	12,352.00	-923.00	0.00
45	NTPC Limited	14,08,980.00	28,180.00	28,180.00	35,672.00	7,492.00	0.00
46	Nuclear Power Corporation of India Limited	5,09,487.00	10,190.00	10,057.00	10,196.00	6.00	-133.00
47	Numaligarh Refinery Limited	2,95,264.00	5,905.00	5,905.30	7,415.00	1,510.00	0.30
48	Oil & Natural Gas Corporation Limited	22,51,583.00	45,031.70	45,032.00	45,799.00	7,67.30	0.30
49	Oil India Limited	1,29,556.00	2,591.00	16,374.00	16,374	13,783.00	13,783.00
50	Power Finance Corporation Limited	8,52,150.00	17,043.00	17,044.00	7,618	-9,425.00	1.00
51	Power Grid Corporation of India Limited	12,85,350.00	25,707.00	25,706.40	27,113.88	1,406.88	-0.60
52	Power Grid Southern Interconnector Transmission System Limited	5,157.43	103.15	103.20	103.15	0.00	0.05
53	Rail Vikas Nigam Limited	96,827.58	1,936.55	1,958.70	1,315.28	-621.27	22.15
54	REC Limited	8,53,362	17,067.00	17,067.00	16,762	-305.00	0.00
55	RITES Limited	69,340.00	1,387.00	1,387.00	982.75	-404.25	0.00
56	SAIL Refractory Company Limited	2,261.00	45.20	47.40	13.25	-31.95	2.20
57	Security Printing & Minting Corporation of India Limited	87,723.67	1,754.47	2,100.50	133.35	-1,621.12	346.03

Sl. No. (1)	Name of CPSE (2)	Net profit as per Section 198 of the Companies Act, 2013	2% to be spent (3)	Allocated from 2% (4)	Actual expenditure (5)	Actual Expenditure Incurred More than 2%(+)/Less than 2%(-) (6)=(5)-(3) (Unspent Amount)	Allocated from More than 2% and Less than 2%
58	Shipping Corporation of India Limited	30,248.00	604.95	605.00	398.13	-206.82	0.05
59	SJVN Limited	1,97,222.00	3,944.00	3,944.40	5,167.00	1,223.00	0.40
60	Solar Energy Corporation of India Ltd.	21,243.11	424.86	424.90	447.04	22.18	0.04
61	South Eastern Coalfields Limited	3,37,888.00	6,758.00	6,758.00	6,933.69	175.69	0.00
62	Steel Authority of India Limited	4,41,037.00	8,821.00	8,047.00	9,424.00	603.00	-774.00
63	THDC India Limited	1,31,166.00	2,623.32	2,720.60	2,720.55	97.23	97.28
	<b>Total</b>	<b>1,82,79,139.52</b>	<b>3,65,584.43</b>	<b>4,04,934.97</b>	<b>4,00,530.08</b>		<b>40,961.34</b>
	<b>Excess of Actual Expenditure over prescribed 2% to be spent (₹ 4,005.30 crore - ₹ 3,655.84 crore)</b>						<b>₹ 349.46 crore</b>

Source: Data as received from the field offices and as available in Annual Reports of CPSEs.

## Annexure-XXVII (Refer Para No. 5.5.2.5)

## List of CPSEs claiming set-off the excess CSR expenditure

Sl. No.	Name of CPSE	Whether excess amount spent on CSR set-off against the requirement Section 135 (5) of the Companies Act, 2013	Whether the Board of the company passed a resolution to that effect
1	Oil & Natural Gas Corporation Limited	Yes	Yes
2	Hindustan Petroleum Corporation Limited	Yes	Yes
3	Hindustan Aeronautics Limited	Yes	Yes
4	Cochin Shipyard Limited	Yes	Yes
5	Northern Coalfields Limited	Yes	Yes
6	Central Coalfields Limited	Yes	Yes
7	Rail Vikas Nigam Limited	Yes	Yes
8	Indian Oil Corporation Limited	Yes	Yes
9	GAIL (India) Limited	Yes	Yes
10	REC Limited	Yes	Yes
11	NHPC Limited	Yes	Yes
12	Security Printing & Minting Corporation India Limited	Yes	Yes
13	Nuclear Power Corporation of India Limited	Yes	Yes
14	Steel Authority of India Limited	Yes	Yes
15	Antrix Corporation Limited	Yes	No
16	Power Finance Corporation Limited	Yes	No
17	Bharat Dynamics Limited	Yes	Not Available
18	HLL Lifecare Limited	Yes	Not Available
19	GAIL Gas limited	Yes	No

Source: Data as received from CPSEs and as available in Annual Report in CPSEs.

## Annexure-XXVIII (Refer Para No.5.5.2.6)

## CPSE wise unspent CSR amount

Sl. No.	Name of CPSE	Amount unspent for the financial year (₹ in lakh)	Unspent CSR amount related to ongoing project transferred within 30 days to Unspent CSR Account	Whether unspent CSR amount related to ongoing project transferred within 30 days to Unspent CSR Account
1	Artificial Limbs Manufacturing Corporation of India	28.84	28.84	Yes
2	Bharat Electronics Limited	2,256.32	2,256.32	Yes
3	Bharat Petroleum Corporation Limited	4,596.00	3,940.00	Yes
4	Brahmaputra Crackers & Polymer Limited	455.18	455.18	Yes
5	Central Coalfields Limited	1,529.32	1,818.67	Yes
6	Container Corporation of India Limited	2,404.84	1,778.00	Yes
7	GAIL Gas Limited	216.36	173.58	Yes
8	Hindustan Aeronautics Limited	273.00	300.00	Yes
9	Hindustan Copper Limited	-	18.07*	Yes
10	Hindustan Petroleum Corporation Limited	942.00	951.00	Yes
11	India Infrastructure Finance Company Limited	269.85	269.85	Yes
12	Indian Railway Finance Corporation Limited	2,504.21	2,504.21	Yes
13	Mazagon Dock Shipbuilders Limited	456.00	456.00	Yes
14	National Fertilizers Limited	128.77	125.21	Yes
15	NBCC (India) Limited	324.64	443.52	Yes
16	NLC Tamil Nadu Power Limited	554.44	554.44	Yes
17	Oil & Natural Gas Corporation Limited	-	1307.3*	Yes
18	Power Finance Corporation Limited	5,487.00	5,487.00	Yes
19	RITES Limited	404.25	427.40	Yes
20	Security Printing & Minting Corporation India Limited	1,523.46	1,967.11	Yes
21	Shipping Corporation of India Limited	206.82	206.82	Yes
22	SAIL Refractory Company Limited	31.95	34.19	Yes
23	Housing & Urban Development Corporation Limited	1,251.93	0	-

Sl. No.	Name of CPSE	Amount unspent for the financial year (₹ in lakh)	Unspent CSR amount related to ongoing project transferred within 30 days to Unspent CSR Account	Whether unspent CSR amount related to ongoing project transferred within 30 days to Unspent CSR Account
24	ITI Limited	11.46	0	-
25	National Informatics Centre Services Incorporated	112.00	0	-
26	MSTC Limited	-	6.15*	Yes
	<b>Total</b>	<b>25,968.64</b>	<b>25,523.93</b>	

Source: Data as received from CPSEs and as available in Annual Report of CPSEs.

\* Amount pertains to previous financial year.

## Annexure-XXIX (Refer Para No.5.6.2)

## CSR Expenditure on Common Theme

CSR Expenditure on Common Theme More than 60% (as reported by CPSEs)		
Sl. No.	Name of CPSE	Expenditure incurred on Common Theme (%)
1	Bharat Petroleum Corporation Limited	82.25
2	Hindustan Petroleum Corporation Limited	79.38
3	Bharat Dynamics Limited	67.00
4	Goa Shipyard Limited	70.79
5	Garden Reach Shipbuilders & Engineers Limited	92.38
6	NLC India Limited	61.00
7	NMDC Limited	72.00
8	KIOCL Limited	91.80
9	Numaligarh Refinery Limited	76.17
10	National Aluminium Company Limited	97.53
11	Brahmaputra Crackers & Polymer Limited	76.18
12	Hindustan Copper Limited	77.99
13	Coal India Limited	77.98
14	Mahanadi Coalfields Limited	82.19
15	South Eastern Coalfields Limited	60.24
16	Central Coalfields Limited	61.00
17	Indian Railway Finance Corporation Limited	85.97
18	RITES Limited	63.91
19	Dedicated Freight Corridor Corporation of India Limited	100.00
20	Power Grid Corporation of India Limited	61.00
21	Power Finance Corporation Limited	69.28
22	GAIL (India) Limited	70.07
23	REC Limited	62.00
24	SJVN Limited	60.03
25	NHDC Limited	76.67
26	National Fertilizers Limited	74.31
27	Fertilizers & Chemicals (Travancore) Limited	86.56
28	National Informatics Centre Services Incorporated	100.00
29	ITI Limited	69.65
30	HLL Lifecare Limited	81.00
31	Artificial Limbs Manufacturing Corporation of India	73.92

CSR Expenditure on Common Theme More than 60% (as reported by CPSEs)		
Sl. No.	Name of CPSE	Expenditure incurred on Common Theme (%)
32	Indian Renewable Energy Development Agency Limited	80.72
33	Antrix Corporation Limited	73.13
34	Shipping Corporation of India Limited	75.00
35	Steel Authority of India Limited	63.27
36	NLC Tamil Nadu Power Limited	83.97
37	Housing & Urban Development Corporation Limited	93.00
38	Oil India Limited	75.00
39	Power Grid Southern Interconnector Transmission System Limited	100.00
CSR Expenditure on Common Theme Less than 60% (as reported by CPSEs)		
Sl. No.	Name of CPSE	Expenditure incurred on Common Theme (%)
1	Oil & Natural Gas Corporation Limited	49.45
2	Hindustan Aeronautics Limited	37.82
3	Bharat Electronics Limited	40.00
4	Mazagaon Dock Shipbuilders Limited	53.00
5	Cochin Shipyard Limited	57.67
6	Chandigarh International Airport Limited	20.00
7	Indian Oil Corporation Limited	51.86
8	Northern Coalfields Limited	35.00
9	Container Corporation of India Limited	48.25
10	NBCC (India) Limited	32.33
11	THDC India Limited	22.53
12	GAIL Gas Limited	20.27
13	FCI Aravali Gypsum & Minerals (India) Limited	52.84
14	Solar Energy Corporation of India	52.57
15	National Small Industries Corporation Limited	40.16
16	SAIL Refractory Company Limited	27.93
17	Rail Vikas Nigam Limited	24.63
28	NHPC Limited	56.00
19	Nuclear Power Corporation of India Limited	50.00
20	Security Printing & Minting Corporation of India Limited	20.51

Source: Data as received from CPSEs and as available in Annual Report of CPSEs.

## Annexure-XXX (Refer Para No.5.7)

## CSR spending on Impact Assessment

(₹ in lakh)

Sl. No.	Name of CPSE	Amount spent on Impact Assessment
1	South Eastern Coalfields Limited	0.68
2	Balmer Lawrie & Company Limited	0.70
3	Hindustan Copper Limited	1.65
4	Power Grid Corporation of India Limited	2.78
5	Hindustan Aeronautics Limited	4.00
6	Coal India Limited	4.59
7	Bharat Petroleum Corporation Limited	6.00
8	Indian Oil Corporation Limited	6.00
9	Numaligarh Refinery Limited	12.00
10	NHDC Limited	12.00
11	Mahanadi Coalfields Limited	14.26
12	Nuclear Power Corporation of India Limited	17.00
13	Bharat Electronics Limited	17.91
14	REC Limited	23.00
15	Mazagon Dock Shipbuilders Limited	23.00
16	GAIL (India) Limited	26.00
	<b>Total</b>	<b>171.57</b>

Source: Data as received from CPSEs and as available in Annual Reports of CPSEs.

**Annexure-XXXI (Refer Para No.5.8.1)**  
**Status of conducting Baseline/ Need Assessment Survey**

Sl. No.	Name of CPSE	Baseline/ Need assessment survey conducted (2021-22)	Sl. No.	CPSEs where Baseline/ Need assessment survey not conducted (2021-22)
1	Bharat Petroleum Corporation Limited	76	1	Hindustan Aeronautics Limited
2	Oil & Natural Gas Corporation Limited	564	2	Bharat Dynamics Limited
3	Hindustan Petroleum Corporation Limited	87	3	Goa Shipyard Limited
4	Bharat Electronics Limited	29	4	Garden Reach Shipbuilders & Engineers Limited
5	Mazagon Dock Shipbuilders Limited	2	5	NLC India Limited
6	Cochin Shipyard Limited	48	6	National Mineral Development Corporation Limited
7	KIOCL Limited	28	7	Brahmaputra Crackers & Polymer Limited
8	Numaligarh Refinery Limited	45	8	Coal India Limited
9	National Aluminium Company Limited	25	9	Oil India Limited
10	Hindustan Copper Limited	14	10	Indian Railway Finance Corporation Limited
11	Mahanadi Coalfields Limited	217	11	Dedicated Freight Corridor Corporation of India Limited
12	Northern Coalfields Limited	52	12	Housing & Urban Development Corporation Limited
13	South Eastern Coalfields Limited	53	13	Chandigarh International Airport Limited
14	Central Coalfields Limited	135	14	GAIL Gas Limited
15	Container Corporation of India Limited	35	15	Fertilizers & Chemicals (Travancore) Limited
16	Rail Vikas Nigam Limited	5	16	National Informatics Centre Services Incorporated
17	Rail India Technical Economic Service Limited	31	17	Industrail Training Institute Limited
18	NBCC (India) Limited	8	18	Hindustan Latex Limited Lifecare Limited
19	Indian Oil Corporation Limited	362	19	Artificial Limbs Manufacturing Corporation of india
20	NTPC Limited	699	20	Solar Energy Corporation of India
21	Power Grid Corporation of India Limited	162	21	Antrix Corporation Limited
22	Power Finance Corporation Limited	29	22	India Infrastructure Finance Company Limited
23	REC Limited	40	23	National Small Industries Corporation Limited

Sl. No.	Name of CPSE	Baseline/ Need assessment survey conducted (2021-22)	Sl. No.	CPSEs where Baseline/ Need assessment survey not conducted (2021-22)
24	NHPC Limited	106	24	NLC Tamil Nadu Power Limited
25	SJVN Limited	12	25	Power Grid Southern Interconnector Transmission System Limited
26	THDC India Limited	113		<b>Data Not Available</b>
27	National Fertilizers Limited	2	<b>Sl. No.</b>	<b>CPSE</b>
28	Security Printing & Minting Corporation India Limited	15	1	Balmer Lawrie & Company Limited
29	FCI Aravali Gypsum & Minerals (India) Limited	6	2	SAIL Refractory Company Limited
30	Indian Renewable Energy Development Agency Limited	12	3	MSTC Limited
31	Shipping Corporation of India Limited	7	4	Nuclear Power Corporation of India Limited
32	GAIL (India) Limited	25	5	Steel Authority of India Limited
33	NHDC Limited	17		
<b>Total</b>		<b>3,055</b>		

Source: Data as received from CPSEs and as available in Annual Reports of CPSEs.

## Annexure-XXXII (Refer Para No.5.11)

## Status of monitoring of CSR activities

Sl. No.	Name of CPSE
<b>Monthly Monitoring</b>	
1	Oil & Natural Gas Corporation Limited
2	Hindustan Aeronautics Limited
3	Hindustan Copper Limited
4	Mahanadi Coalfields Limited
5	Northern Coalfields Limited
6	Dedicated Freight Corridor Corporation of India Limited
7	Indian Oil Corporation Limited
8	NTPC Limited
9	National Aluminium Company Limited
10	Power Grid Corporation of India Limited
11	NHDC Limited
12	National Fertilizers Limited
13	ITI Limited
14	Nuclear Power Corporation of India Limited
<b>Bi-monthly/Quarterly Monitoring</b>	
1	THDC India Limited
2	Indian Renewable Energy Development Agency Limited
3	Bharat Electronics Limited
4	Bharat Dynamics Limited
5	Goa Shipyard Limited
6	NLC Tamil Nadu Power Limited
7	Central Coalfields Limited
8	Container Corporation of India Limited
9	Rail Vikas Nigam Limited
10	SJVN Limited
11	GAIL Gas Limited
12	National Informatics Centre Services Incorporated
13	Shipping Corporation of India Limited
14	SAIL Refractory Company Limited
15	Steel Authority of India Limited
16	India Infrastructure Finance Company Limited
17	NHPC Limited
<b>Half Yearly Monitoring</b>	
1	NMDC Limited
2	Numaligarh Refinery Limited
3	Housing & Urban Development Corporation Limited

Sl. No.	Name of CPSE
4	HLL Lifecare Limited
<b>Yearly Monitoring</b>	
1	Chandigarh International Airport Limited
2	Fertilizers & Chemicals (Travancore) Limited
<b>As per Project / MOU Basis Monitoring</b>	
1	Bharat Petroleum Corporation Limited
2	M S T C Limited
3	South Eastern Coalfields Limited
4	Indian Railway Finance Corporation Limited
5	RITES Limited
6	Power Finance Corporation Limited
7	REC Limited
8	Oil India Limited
<b>Regular/Periodical Monitoring</b>	
1	Hindustan Petroleum Corporation Limited
2	Garden Reach Shipbuilders & Engineers Limited
3	NLC India Limited
4	Cochin Shipyard Limited
5	Coal India Limited
6	GAIL (India) Limited
7	Mazagon Dock Shipbuilders Limited
8	Artificial Limbs Manufacturing Corporation of India
9	Solar Energy Corporation of India
10	KIOCL Limited
<b>No specified Periodicity</b>	
1	NBCC (India) Limited
2	Antrix Corporation Limited
3	Power Grid Southern Interconnector Transmission System Limited
4	Brahmaputra Crackers & Polymer Limited
<b>Data not furnished</b>	
1	Balmer Lawrie & Company Limited
2	FCI Aravali Gypsum & Minerals (India) Limited
3	Security Printing & Minting Corporation of India Limited
4	National Small Industries Corporation Limited

Source: Data as received from CPSEs.

## Annexure-XXXIII (Refer Para No.5.11)

## Status of conducting Impact Assessment

List of 33 CPSEs - Impact Assessment (Obligation More than ₹ 10 crore)			
Sl. No.	Name of CPSE	Whether CSR obligation more than ₹10 crore	Whether the company has taken impact assessment, through an independent agency, of their CSR projects having outlays of ₹ 1 crore or more and which have been completed not less than one year before undertaking the impact study
1	Bharat Petroleum Corporation Limited	Yes	Yes
2	Oil & Natural Gas Corporation Limited	Yes	Yes
3	Hindustan Petroleum Corporation Limited	Yes	No
4	Hindustan Aeronautics Limited	Yes	Yes
5	Bharat Electronics Limited	Yes	Yes
6	Mazagon Dock Shipbuilders Limited	Yes	Yes
7	Bharat Dynamics Limited	Yes	Yes
8	NMDC Limited	Yes	No
9	Numaligarh Refinery Limited	Yes	Yes
10	Brahmaputra Crackers & Polymer Limited	Yes	No
11	Coal India Limited	Yes	Yes
12	Mahanadi Coalfields Limited	Yes	Yes
13	Northern Coalfields Limited	Yes	No
14	South Eastern Coalfields Limited	Yes	Yes
15	Oil India Limited	Yes	No
16	Container Corporation of India Limited	Yes	Yes
17	Rail Vikas Nigam Limited	Yes	Yes
18	RITES Limited	Yes	Yes
19	Indian Oil Corporation Limited	Yes	Yes
20	NTPC Limited	Yes	No
21	Power Grid Corporation of India Limited	Yes	Yes

Sl. No.	Name of CPSE	Whether CSR obligation more than ₹10 crore	Whether the company has taken impact assessment, through an independent agency, of their CSR projects having outlays of ₹ 1 crore or more and which have been completed not less than one year before undertaking the impact study
22	Power Finance Corporation Limited	Yes	No
23	GAIL (India) Limited	Yes	Yes
24	REC Limited	Yes	Yes
25	NHPC Limited	Yes	Yes
26	SJVN Limited	Yes	No
27	THDC India Limited	Yes	No
28	NHDC Limited	Yes	Yes
29	Security Printing & Minting Corporation of India Limited	Yes	Yes
30	Nuclear Power Corporation of India Limited	Yes	Yes
31	Steel Authority of India Limited	Yes	No
32	NLC India Limited	Yes	No
33	National Aluminium Company Limited	Yes	NA
34	Central Coalfields Limited	Yes	Yes
35	Cochin Shipyard Limited	Yes	No
36	Housing & Urban Development Corporation Limited	Yes	No
37	Indian Railway Finance Corporation Limited	Yes	No
<b>List of 22 CPSEs - Impact Assessment (CSR projects having outlays of ₹ 1 crore)</b>			
Sl. No.	Name of CPSE	Whether CSR obligation more than ₹ 10 crore	Whether the company has taken impact assessment, through an independent agency, of their CSR projects having outlays of ₹ 1 crore or more and which have been completed not less than one year before undertaking the impact study
1	Bharat Petroleum Corporation Limited	Yes	Yes
2	Oil & Natural Gas Corporation Limited	Yes	Yes
3	Hindustan Aeronautics Limited	Yes	Yes

Sl. No.	Name of CPSE	Whether obligation more than ₹10 crore	CSR	Whether the company has taken impact assessment, through an independent agency, of their CSR projects having outlays of ₹ 1 crore or more and which have been completed not less than one year before undertaking the impact study
4	Numaligarh Refinery Limited	Yes		Yes
5	Coal India Limited	Yes		Yes
6	Mahanadi Coalfields Limited	Yes		Yes
7	South Eastern Coalfields Limited	Yes		Yes
8	Container Corporation of India Limited	Yes		Yes
9	Rail Vikas Nigam Limited	Yes		Yes
10	RITES Limited	Yes		Yes
11	Indian Oil Corporation Limited	Yes		Yes
12	Power Grid Corporation of India Limited	Yes		Yes
13	GAIL (India) Limited	Yes		Yes
14	REC Limited	Yes		Yes
15	NHPC Limited	Yes		Yes
16	Central Coalfields Limited	Yes		Yes
17	NHDC Limited	Yes		Yes
18	Security Printing & Minting Corporation of India Limited	Yes		Yes
19	Nuclear Power Corporation of India Limited	Yes		Yes
20	Bharat Electronics Limited	Yes		Yes
21	Mazagon Dock Shipbuilders Limited	Yes		Yes
22	Bharat Dynamics Limited	Yes		Yes

<b>List of 15 CPSEs - Impact Assessment (CPSEs had not undertaken impact assessment)</b>			
<b>Sl. No.</b>	<b>Name of CPSE</b>	<b>Whether CSR obligation more than ₹ 10 crore</b>	<b>Whether the company has taken impact assessment, through an independent agency, of their CSR projects having outlays of ₹ 1 crore rupees or more and which have been completed not less than one year before undertaking the impact study</b>
1	Hindustan Petroleum Corporation Limited	Yes	No
2	NMDC Limited	Yes	No
3	Brahmaputra Crackers & Polymer Limited	Yes	No
4	Northern Coalfields Limited	Yes	No
5	Oil India Limited	Yes	No
6	NTPC Limited	Yes	No
7	Power Finance Corporation Limited	Yes	No
8	SJVN Limited	Yes	No
9	Steel Authority of India Limited	Yes	No
10	NLC India Limited	Yes	No
11	National Aluminium Company Limited	Yes	Not Applicable
12	THDC India Limited	Yes	No
13	Cochin Shipyard Limited	Yes	No
14	Housing & Urban Development Corporation Limited	Yes	No
15	Indian Railway Finance Corporation Limited	Yes	No

Source: Data as received from CPSEs.

## Annexure-XXXIV (Refer Para No.5.12)

## Status of capital assets created/acquired through CSR activities

Sl. No.	Name of CPSE	Whether any Capital assets created/acquired through CSR activities
1	Hindustan Petroleum Corporation Limited	Yes
2	Bharat Dynamics Limited	Yes
3	Goa Shipyard Limited	Yes
4	Garden Reach Shipbuilders & Engineers Limited	Yes
5	Coal India Limited	Yes
6	Mahanadi Coalfields Limited	Yes
7	Northern Coalfields Limited	Yes
8	South Eastern Coalfields Limited	Yes
9	Central Coalfields Limited	Yes
10	RITES Limited	Yes
11	NBCC (India) Limited	Yes
12	NHPC Limited	Yes
13	THDC India Limited	Yes
14	Nuclear Power Corporation of India Limited	Yes
15	Solar Energy Corporation of India	Yes
16	Antrix Corporation Limited	Yes
17	Shipping Corporation of India Limited	Yes
18	Bharat petroleum Corporation Limited	Yes
19	Oil & Natural Gas Corporation Limited	Yes
20	Security Printing & Minting Corporation of India Limited	Yes
21	Steel Authority of India Limited	Yes

Source: Data as available in Annual Reports of CPSEs.

**Annexure-XXXV (Refer Para No. 6.5.2.3)**

**MoU targets and achievements for production for Heavy Engineering Corporation Limited (HEC) for the period 2016-17 to 2020-21**

*(₹ in crore)*

<b>Particulars</b>	<b>2016-17</b>	<b>2017-18</b>	<b>2018-19</b>	<b>2019-20</b>	<b>2020-21</b>
MoU for production	610.01	704.15	628.20	559.32	440.80
Actual Production	364.84	393.38	340.21	158.29	252.44
Achievement (%)	59.81	55.87	54.16	28.30	57.27

*\*MoU target and achievement for 2021-22 was not available as the format of MoU was revised.*

## Annexure-XXXVI (Refer Para No. 6.5.2.3)

## Installed Capacity and Utilisation of plants and Machinery of HEC

*(Quantity in tonnes)*

Year	Foundry Forge Plant		Heavy Machine Building Plant		Heavy Machine Tools Plant		Total for the HEC	
	Installed Capacity 28,956 tonnes		Installed Capacity 17,658 tonnes		Installed Capacity 1,335 tonnes		Installed Capacity- 47,949 tonnes	
	Actual Production	Utilisation (in %)	Actual Production	Utilisation (in %)	Actual Production	Utilisation (in %)	Actual Production	Utilisation (in %)
2016-17	2,444	8.44	6,718	38.05	456	34.16	9,618	20.06
2017-18	3,559	12.29	3,813	21.59	106	7.94	7,478	15.60
2018-19	4,260	14.71	3,248	18.39	162	12.13	7,670	16.00
2019-20	3,716	12.83	1,942	11.00	200	14.98	5,858	12.22
2020-21	2,322	8.02	3,346	18.95	333	24.94	6,001	12.52
2021-22	864	2.98	1,031	5.84	12	0.93	1,907	3.98

Annexure-XXXVII (Refer Para No. 6.5.2.4)

Status of orders and execution in respect of HEC

(₹ in crore)

Year	Value of orders received	Value of Orders executed	Cumulative value of orders pending as on 31 March
2016-17	245.83	390.11	1,114.52
2017-18	159.01	399.02	900.66
2018-19	175.08	356.21	642.43
2019-20	861.53	132.68	1,166.70
2020-21	1,206.41	202.76	2,142.38
2021-22	188.18	184.69	1,451.40
<b>Total</b>	<b>2,836.04</b>	<b>1,665.47</b>	

## Annexure-XXXVIII (Refer Para No. 6.5.2.4)

Details of orders executed in schedule time and beyond time schedule by HEC during the period 2016-17 to 2021-22

*(₹ in crore)*

Particulars	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
Total Order Executed	169.66	99.19	108.02	63.19	38.11	101.28
Orders executed in Time	21.22 (12.51%)	45.99 (46.36%)	55.11 (51.02%)	30.27 (47.90%)	31.04 (81.44%)	64.18 (63.37%)
Orders executed in Time overrun	148.44 (87.49%)	53.21 (53.64%)	52.91 (48.98%)	32.92 (52.10%)	7.07 (18.56%)	37.10 (36.63%)

Annexure-XXXIX (Refer Para No. 6.5.2.5)

Working Capital of HEC during 2016-17 to 2021-22

(₹ in crore)

Year (1)	Current Assets (2)	Current Liabilities (3)	Working Capital (Col.2-Col.3) (4)
2016-17	455.36	994.87	-539.51
2017-18	607.41	674.81	-67.40
2018-19	519.31	653.76	-134.45
2019-20	371.42	882.07	-510.65
2020-21	428.51	1,095.95	-667.44
2021-22	392.48	1,330.17	-937.69

## Annexure-XL (Refer Para No. 6.6.3)

## Decisions taken in the meeting of August 2019 and action taken thereon by PEC Limited

Sl. No.	Decision taken in the meeting	Action taken as informed (April 2022) by the Company/Department of Commerce
1.	PEC shall start the winding up process immediately.	As per the direction of the Department, PEC discontinued pursuing fresh business since September 2019 and introduced VRS in phases wherein 20 employees were relieved under VRS. Further, the Board of Directors approved (October 2021) the next phase (Phase-IV) of VRS. As PEC was a loss-making PSU, approval of the Board of Directors as well as the Administrative Department was required for introducing VRS in line with the requirements of DPE guidelines. Accordingly, PEC sought approval from the Department of Commerce vide letter dated 12 November, 2021. Letters dated 06 April, 2022 and 13 April, 2022 were sent by the Company to Department of Commerce requesting for approval for implementation of VRS. However, no reply had been received as on 04 May, 2023. The VRS would be implemented once the approval is received.
2.	Department of Commerce will prepare and put up a comprehensive Note for the Cabinet recommending 'closure' of PEC within a definite time frame.	A Cabinet Note dated 26 October, 2021 was sent to Cabinet Secretariat for closure of PEC. However, the same was returned by the Cabinet Secretariat with the advice to process it as per the new guidelines issued by DPE vide OM dated 13 December, 2021. The updated status in this regard is given in Para 6.6.3.
3.	PEC could initiate the Voluntary Separation Scheme process through available funds and funds likely to become available (approx. ₹45 crore) following the surrender of space booked in NBCC project by PEC. PEC officers were directed to follow up with NBCC on priority.	Refund from NBCC had been received on 01 May, 2020 and when required the same would be used for Voluntary Separation Scheme.
4.	PEC management to consider transfer of pending contracts/business, if any, to other PSUs or organisations of Government of India which could undertake such operations.	There were no major contracts which could be transferred to other PSUs in August 2019. Only balance shipments in partly executed contracts were made by PEC in 2019-20 wherein a turnover of ₹8 crore was booked. Turnover in subsequent years was Nil.
5.	PEC management to aggressively follow up all ongoing recovery and payment cases, ongoing criminal investigations and legal and arbitration cases.	All efforts were being made to recover PEC's dues as well as all legal, criminal, civil, arbitration cases are being followed up. During 2021-22, a recovery of ₹5.34 crore was made. However, the progress in legal cases was limited because of Covid restrictions as Courts were working virtually.
6.	PEC management would ensure safety of all sensitive files/documents/papers so that neither criminal investigations nor	PEC has digitised necessary records (about 37.41 lakh pages) for easy retrieval. The hard drives containing digitised data have been kept in a fire-proof locker.

Sl. No.	Decision taken in the meeting	Action taken as informed (April 2022) by the Company/Department of Commerce
	recovery cases were adversely affected. They were directed to take all appropriate measures in this regard.	
7.	As regards Medical Scheme for retirees/VRS optees, PEC management was directed to examine taking up suitable Health Insurance Policy from any National Insurance Company by paying upfront from the available funds.	Subsequent to the meeting of 29 August, 2019, the Department of Commerce directed PEC to explore possibility of medical facility through CGHS, ESIC, Railways and National Health Authority. PEC has already submitted its details to the above organisations through the Department of Commerce. Moreover, PEC also floated (December 2021) a tender for Medical Insurance Policy. However, no bids were received. Hence, the tender notice was hosted again (March 2022) on the Company's website. As per reply (04 May, 2023) of the Company, the medical tender was floated twice but no bids were received by PEC.
8.	Department of Commerce to examine and propose a robust and effective mechanism, including proposal to set up a committee consisting of eminent persons and retired officers drawn from CVC/Banks etc. to monitor future recoveries and payments of PEC after its closure.	Steps were required to be taken in this regard after approval of closure of PEC Limited Recovery cases in any case are being pursued by PEC Limited Moreover, after issue of DPE guidelines dated 13 December 2021, the matter was to be processed as per these guidelines.
9.	The issue of outstanding dues of PEC to Tamil Nadu Civil Supplies Corporation to be taken up with State Government and see if there is any scope for reducing the outstanding amount. The principal amount due to the State Government will need to be paid from the realisation of sale of remaining properties of STC/PEC and any shortfall will have to be paid by Ministry of Finance, Government of India.	Against the claim of ₹154.52 crore made by the Tamil Nadu Civil Supplies Corporation, PEC had raised a counter claim of ₹63 crore under Administrative Mechanism for Resolution of CPSEs Disputes through the Department of Commerce. The last meeting of Administrative Mechanism for Resolution of CPSEs Disputes scheduled on 14 June 2021 was postponed. The new date was yet to be notified (May 2023).
10.	The entire process of closure of PEC must be undertaken quickly even while adhering to all administrative and legal processes involved.	The process of closure was being handled by the Department of Commerce. Whenever the Department needs any data/ input the same was provided by PEC.
11.	Department of Commerce will regularly review the progress made in implementation of decisions taken in the meeting and will submit regular report to the office of Minister of Commerce and Industry.	There was regular review of decisions taken in the meetings of the Minister of Commerce and Industry with regard to PEC's One Time Settlement with Banks, pending court cases, closure of PEC etc.

## Annexure-XLI (Refer Para No. 6.7.1)

## List of 23 operating mills of National Textile Corporation Limited (NTC)

Sl. No.	Name of the Mill/ State	Location
<b>Andhra Pradesh</b>		
1	Tirupathi Cotton Mills	Renigunta
<b>Gujarat</b>		
2	Rajnagar Textile Mill No. 1	Ahmedabad
<b>Karnataka</b>		
3	New Minerva Mills	Hassan
<b>Kerala</b>		
4	Algappa Textile Mills	Alagappanagar
5	Cannanore Spinning & Weaving Mills	Cannanore
6	Kerala Laxmi Mills	Trichur
7	Vijayamohini Mills	Thiruvananthapuram
<b>Madhya Pradesh</b>		
8	Burhanpur Tapti Mills	Burhanpur
9	New Bhopal Textile Mills	Bhopal
<b>Maharashtra</b>		
10	Podar Mills	Mumbai
11	Tata Mills	Mumbai
12	India United Mill No. 5	Mumbai
13	Barshi Textile Mills	Barshi
14	Finlay Mills	Achalpur
<b>Puducherry</b>		
15	Cannanore Spinning & Weaving Mills	Mahe
<b>Tamil Nadu</b>		
16	Pioneer Spinners Mills	Kamudakudi
17	Kaleeswarar Mills 'B' Unit	Kalayarkoil
18	Cambodia Mills	Coimbatore
19	Coimbatore Murugan Mills	Coimbatore
20	Pankaja Mills	Coimbatore
21	Sri Rangavilas Ginning, Spinning & Weaving Mills	Coimbatore
22	Coimbatore Spinning & Weaving Mills	Coimbatore
<b>West Bengal</b>		
23	Arati Cotton Mills	Dass Nagar

## Annexure-XLII {Refer Para No. 6.7.4.1(iv)}

**Status of Modernisation of 23 mills of NTC and cost incurred on modernisation  
(as on 31 March, 2022)**

(₹ in crore)

Sl. No.	Name of the mill	Percentage of modernisation envisaged	Cost envisaged for modernisation	*Percentage of modernisation achieved	Cost incurred on modernisation
1	Tirupathi Cotton Mills, Andhra Pradesh	19%	-	Nil	3.85
2	Rajnagar Textile Mill No. 1, Gujarat	100%	119.47	55%	142.41
3	New Minerva Mills, Karnataka	100%	152.92	55%	177.95
4	Algappa Textile Mills, Kerala	51%	19.59	35%	25.34
5	Cannanore Spinning & Weaving Mills, Kerala	100%	71.22	55%	130.00
6	Kerala Laxmi Mills, Kerala	45%	25.00	35%	26.83
7	Vijayamohini Mills, Kerala	63%	22.85	30%	26.09
8	Burhanpur Tapti Mills, Madhya Pradesh	100%	54.47	50%	125.59
9	New Bhopal Textile Mills, Madhya Pradesh	100%	47.43	35%	100.46
10	Podar Mills, Maharashtra	47%	45.85	35%	40.45
11	Tata Mills, Maharashtra	43%	68.63	35%	81.17
12	India United Mill No. 5, Maharashtra	66%	37.01	35%	32.29
13	Barshi Textile Mills, Maharashtra	49%	48.75	35%	25.27
14	Finlay Mills, Maharashtra	100%	188.95	55%	257.45
15	Cannanore Spinning & Weaving Mills, Puducherry	79%	21.10	35%	37.21
16	Pioneer Spinners Mills, Tamil Nadu	51%	26.22	48%	78.67
17	Kaleeswarar Mills 'B' Unit, Tamil Nadu	58%	16.94	48%	71.64
18	Cambodia Mills, Tamil Nadu	19%	10.72	10%	14.06

Sl. No.	Name of the mill	Percentage of modernisation envisaged	Cost envisaged for modernisation	*Percentage of modernisation achieved	Cost incurred on modernisation
19	Coimbatore Murugan Mills, Tamil Nadu	58%	14.44	50%	16.88
20	Pankaja Mills, Tamil Nadu	40%	16.61	35%	22.59
21	Sri Rangavilas Ginning, Spinning & Weaving Mills, Tamil Nadu	54%	25.21	50%	56.77
22	Coimbatore Spinning & Weaving Mills, Tamil Nadu	4%	-	Nil	0.96
23	Arati Cotton Mills, West Bengal	100%	57.13	45%	48.69
	<b>Total</b>		<b>1,090.51</b>		<b>1,542.62</b>

Source: Information provided by NTC.

\* Modernization percentage calculated based on the life of machinery (period taken from year of machine manufacturing to March 2020)

## Annexure-XLIII {Refer Para No. 6.7.4.1(v)}

## Spinning Capacity Utilisation of 23 mills of NTC during 2016-17 to 2019-20

*(in per cent)*

Sl. No.	Name of the mill	2016-17	2017-18	2018-19	2019-20	Average
1	Tirupathi Cotton Mills, Andhra Pradesh	81.83	89.30	90.01	74.66	84
2	Rajnagar Textile Mill No. 1, Gujarat	93.54	87.17	90.16	83.40	89
3	New Minerva Mills, Karnataka	91.83	91.81	83.09	10.33	69
4	Algappa Textile Mills, Kerala	76.13	75.18	74.35	81.42	77
5	Cannanore Spinning & Weaving Mills, Kerala	87.02	90.57	89.40	89.93	89
6	Kerala Laxmi Mills, Kerala	83.20	87.06	80.03	81.08	83
7	Vijayamohini Mills, Kerala	87.80	90.84	88.20	76.36	86
8	Burhanpur Tapti Mills, Madhya Pradesh	95.19	93.80	96.03	91.82	94
9	New Bhopal Textile Mills, Madhya Pradesh	87.27	90.24	93.53	89.44	90
10	Podar Mills, Maharashtra	97.43	95.92	96.36	75.54	91
11	Tata Mills, Maharashtra	87.25	87.10	88.10	71.38	83
12	India United Mill No. 5, Maharashtra	89.49	94.60	94.37	80.07	90
13	Barshi Textile Mills, Maharashtra	90.70	95.90	95.74	82.23	91
14	Finlay Mills, Maharashtra	94.02	91.72	93.97	95.61	94
15	Cannanore Spinning & Weaving Mills, Puducherry	81.35	82.74	84.45	74.91	81
16	Pioneer Spinners Mills, Tamil Nadu	79.26	85.86	82.43	76.63	81
17	Kaleeswarar Mills 'B' Unit, Tamil Nadu	84.64	90.40	87.83	80.49	86
18	Cambodia Mills, Tamil Nadu	81.87	86.44	80.32	70.92	80
19	Coimbatore Murugan Mills, Tamil Nadu	77.27	87.13	76.29	76.92	79
20	Pankaja Mills, Tamil Nadu	79.66	83.79	79.58	72.42	79
21	Sri Rangavilas Ginning, Spinning & Weaving Mills, Tamil Nadu	89.12	93.43	82.26	92.06	89
22	Coimbatore Spinning & Weaving Mills, Tamil Nadu	58.80	87.96	80.73	72.65	75
23	Arati Cotton Mills, West Bengal	69.28	67.93	68.07	38.14	61

## Annexure-XLIV (Refer Para No. 6.8.2)

## Operating Results of Hindustan Organic Chemicals Limited (HOCL)

(₹ in crore)

Particulars	2017-18	2018-19	2019-20	2020-21	2021-22
<b>INCOME</b>					
Sales Turnover	242.33	471.99	300.01	411.58	433.67
Other Income	66.30	115.71	21.95	19.27	31.43
<b>Total Income</b>	<b>308.63</b>	<b>587.70</b>	<b>321.96</b>	<b>430.85</b>	<b>465.10</b>
<b>EXPENSES</b>					
Cost of Materials Consumed	132.18	255.18	196.82	201.05	278.80
Changes in Inventories – Finished Goods and Work-in-Progress	(8.36)	9.44	(0.25)	0.55	(14.31)
Employee Benefits Expenses	175.97	55.13	52.66	45.7	45.20
Finance Costs	74.61	65.74	56.26	53.36	51.34
Depreciation	4.30	1.76	1.29	1.21	1.16
Provision for impairment loss on FA	2.51	0.00	0.00	0.00	0.00
Other Expenses					
Stores & Spares	6.37	9.77	8.86	9.85	11.67
Utilities (Power, Fuel and Water)	55.55	82.89	62.94	71.44	78.79
Repairs	4.02	3.50	6.89	4.65	6.57
Administrative Expenses	18.91	16.42	16.05	11.32	12.84
Prior Period Exp.	0.00	0.00	0.00	0.00	0.00
Selling Expenses (CD etc.)	3.84	8.07	6.06	7.87	7.53
Provisions	38.21	9.01	9.07	8.39	8.75
<b>Total Expenses</b>	<b>508.11</b>	<b>516.91</b>	<b>416.65</b>	<b>415.39</b>	<b>488.34</b>
<b>Profit / (Loss) before tax</b>	<b>(199.48)</b>	<b>70.79</b>	<b>(94.69)</b>	<b>15.46</b>	<b>(23.24)</b>
<b>Operating loss<sup>7</sup></b>	<b>(265.78)</b>	<b>(44.92)</b>	<b>(116.64)</b>	<b>(3.81)</b>	<b>(54.67)</b>

<sup>7</sup> Based on the finance performance criteria stated in MoU with Ministry, operational loss is derived by deducting Prior period expenses and Other income from Profit/loss before tax of each year .

## Annexure-XLV (Refer Para No. 6.8.2)

## Financial Position of HOCL

(₹ in crore)

Particulars	2017-18	2018-19	2019-20	2020-21	2021-22
<b>ASSETS</b>					
1 .Non-Current assets					
a) Property, Plant and equipment	102.40	118.72	124.52	134.47	153.48
b) Investment Property	0.05	0.95	0.88	0.88	0.89
c) Intangible assets	0.00	0.00	0.19	0.23	0.27
d) Financial Assets	37.52	15.13	3.29	8.39	10.63
e) Other Non-current assets	1.46	2.17	6.24	4.98	4.98
Total Non-current assets	141.43	136.97	135.12	148.95	170.25
2 .Current assets					
a) Inventories	57.31	47.35	46.20	50.81	75.11
b) Financial assets					
i) Trade Receivables	4.39	17.71	7.86	2.40	7.35
ii) Cash and bank balances	109.04	70.35	103.65	148.20	135.11
iii) Loans	5.40	12.57	20.42	20.66	32.18
iv) Other Financial assets	11.43	11.94	2.66	3.93	13.34
c) Non-current assets held for sale <sup>8</sup>	1,257.11	1,178.46	987.51	992.20	992.20
d) Other Current assets	58.67	42.36	34.13	25.97	28.59
Total Current Assets	1,503.35	1,380.74	1,202.43	1,244.17	1,283.88
<b>Total Assets</b>	<b>1,644.78</b>	<b>1,517.71</b>	<b>1,337.55</b>	<b>1,393.12</b>	<b>1,454.13</b>
<b>EQUITY AND LIABILITIES</b>					
1 .Equity					
a) Equity Share capital	67.27	67.27	67.27	67.27	67.27
b) Other equity					
i) Securities Premium	48.39	48.39	48.39	48.39	48.39
ii) Retained Earnings	(1,177.11)	(1,073.72)	(1,010.97)	(994.97)	(1,017.62)
iii) Other Comprehensive Income <sup>9</sup>	1,113.11	1,063.96	924.33	939.17	955.19
<b>Total</b>	<b>51.66</b>	<b>105.90</b>	<b>29.02</b>	<b>59.86</b>	<b>53.23</b>
2 .Liabilities					
Non-current liabilities:					
a) Financial liabilities (Net)					
i) Borrowings	245.57	245.62	158.82	76.95	0.00
b) Provisions (including employee benefit liabilities)	56.84	33.14	32.47	33.34	29.81
c) Deferred Tax liabilities	199.86	209.00	151.95	157.62	164.02
<b>Total</b>	<b>502.27</b>	<b>487.76</b>	<b>343.24</b>	<b>267.91</b>	<b>193.83</b>
Current liabilities:					
a) Financial liabilities					

<sup>8</sup> This comprises of Land, Building, Plant and Equipment, Furniture, Fixture & Equipment at Rasayani, which is to be disposed off as part of restructuring.

<sup>9</sup> This consist of Revaluation of Property, Plant & Equipment, Changes in Employees defined benefits plan etc.

Particulars	2017-18	2018-19	2019-20	2020-21	2021-22
i) Dues to Preference Share holders	270.00	270.00	270.00	270.00	270.00
ii) Trade payables	175.58	98.00	36.13	22.51	41.52
iii) Other current financial liabilities	86.82	86.79	86.79	81.87	76.95
b) Provisions (including employee benefit liabilities)	64.31	49.61	57.48	61.30	68.01
c) Other current liabilities	494.14	419.65	514.89	629.67	750.59
Current liabilities	1,090.85	924.05	965.29	1,065.35	1,207.07
<b>Total equity and liabilities</b>	<b>1,644.78</b>	<b>1,517.71</b>	<b>1,337.55</b>	<b>1,393.12</b>	<b>1,454.13</b>
<b>Working Capital (CA-CL)</b>	<b>412.50</b>	<b>456.69</b>	<b>237.14</b>	<b>178.82</b>	<b>76.81</b>
<b>Net worth (Share Capital + Security Premium + Reserves &amp; surplus)</b>	<b>(1,061.45)</b>	<b>(958.06)</b>	<b>(895.31)</b>	<b>(879.31)</b>	<b>(901.96)</b>

**Annexure-XLVI (Refer Para No. 6.8.4)**

**Restructuring plan of HOCL as per CCEA approval**

Taking date of receipt of CCEA approval as 'T' (22.05.2017)		Due date
i. Completion of formalities relating to sale of land to BPCL like registration, etc.	T+45 days.	06.07.2017
ii. Transfer of N <sub>2</sub> O <sub>4</sub> plant to ISRO along with 20 acres land and associated manpower	T+ 3 months	22.08.2017
iii. Settlement of salaries/ wages and statutory dues of employees and separation of employees through VRS (except skeletal staff and those not opting for VRS)	T+3 months	22.08.2017
iv. Retrenchment of employees not opting for VRS	T + 4 months	22.09.2017
v. Sale of leasehold/ freehold unencumbered land to Central Government departments/bodies/CPSEs, State Government departments/ bodies/ SPSEs through NBCC	T + 6 months	22.11.2017
vi. Auction of land to any entity after exhausting option at )v) above	T+12 months	22.5.2018
vii. Disposal of movable assets/ plant & machinery through e-auction by MSTC	T+ 3 months	22.08.2017
viii. Payment of ₹250 crore towards GoI guaranteed bonds to be made in August-September 2017 when the redemption of bonds was due.		

## Annexure-XLVII (Refer Para No. 6.8.4.2)

## Status of land sale at Rasayani units of HOCL

Sl. No.	Particulars of Land	Land disposal details	Remarks	Area in acres
1	<b>Land allotted/Transferred</b>			<b>704.39</b>
a	Land allotted to BPCL as per restructuring plan <b>(442 Acre)</b>	Sold in two tranches: (i) 251 acres )value: ₹351.40 crore) in Feb 2018. (ii) 38.68 acres )value: ₹54.16 crore) in March 2019.  <b>(Total: 289.69 acres worth ₹405.56 crore)</b>	This area of 442 acres marked the entire factory area. Sale of this first tranche was delayed by seven months due to the time taken for completing the survey and demarcation of the land. The second tranche delayed further by another one year due to the time taken for physical verification of the property by BPCL before takeover. Balance area of 152.32 acres, is pending sale due to protest by villagers against fencing of land already allotted in the name of BPCL. BPCL refused to take over the area without clearing encroachments and resistance of local villagers.	
b	Land allotted to BPCL by auction through NBCC @ ₹1.61 crore per acre <b>(242 Acre)</b>	85.27 acres )Value: ₹137.19 crore) sold in May 2019	The bid of BPCL was in November 2017. Out of 242 acres, 85.27 acres could be sold that too with delay of 1.5 years due to delay in getting NOC from GoM. Balance area of 156.73 acres valued ₹252.33 crore is still pending sale due to protest by villagers against fencing of already registered land. BPCL refused to take over the area without clearing encroachments and resistance of local villagers.	
c	Area transferred to ISRO <b>(20 Acre)</b>			
d	Sold to IOCL for petrol Pump <b>(0.386 Acre)</b>			
2	Identified by the Company as encroached	Efforts to relocate them have not yet borne fruit.		
3	Area under control of Mahatma Education Society	Illegal occupancy - matter sub-judice		<b>13.75</b>
4	Area occupied by various Govt. agencies	Efforts on to survey the occupied properties and make the agencies buy it at circle rates		<b>17.48</b>
5	Allotted for amenities			<b>1.32</b>
6	Unencumbered land available for sale	NBCC could not dispose of this land. As per Company (May 23), Govt agencies will purchase this land only after settlement of compensation issue to the encroachers		<b>252.70</b>
<b>Total Land at Rasayani unit</b>				<b>1,012.36</b>

## Annexure- XLVIII {(Refer Para No. 6.8.7.2(iii))}

## Production loss due to higher generation of Heavy Ends of Cumene of HOCL

Year	HEC Production (MT)	Rate (₹/MT)	Value (₹ in crore)	Equivalent production of Phenol <sup>10</sup> (MT)	Rate (₹/MT)	Value (₹ in crore)	Equivalent production of Acetone <sup>11</sup> (MT)	Rate (₹/MT)	Value (₹ in crore)	Loss (₹ in crore)
a	b	c	d (b*c)	e (b*62.50%)	f	g (e*f)	h (b*37.5%)	i	j (h*i)	k (g+j-d)
2017-18	1,314	36,019	4.73	821	81,091	6.66	493	53,100	2.62	4.54
2018-19	2,449	34,192	8.37	1531	1,02,772	15.73	918	46,064	4.23	11.59
2019-20	2,901	41,574	12.06	1813	72,541	13.15	1088	43,425	4.72	5.82
2020-21	3,648	31,545	11.51	2280	59,223	13.50	1368	74,927	10.25	12.25
2021-22	1917	45372	8.70	1198	1,20,806	14.47	719	62,416	4.49	10.26
<b>Total</b>	<b>12,229</b>		<b>45.37</b>	<b>7,643</b>		<b>63.52</b>	<b>4,586</b>		<b>26.31</b>	<b>44.46</b>

<sup>10</sup> Arrived at by applying cumene Phenol conversion ratio of 62.50 per cent

<sup>11</sup> Arrived at by applying cumene Acetone conversion ratio of 37.50 per cent

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