

REPORT NO.

307



सत्यमेव जयते

PARLIAMENT OF INDIA
RAJYA SABHA

**DEPARTMENT-RELATED PARLIAMENTARY STANDING COMMITTEE
ON INDUSTRY**

THREE HUNDRED AND SEVENTH REPORT

ON

**Impact of Covid-19 on the PSUs and the initiatives taken by the
PSUs Under "Atmanirbhar Bharat Abhiyaan"**

(Presented to the Rajya Sabha on 17th March, 2021)
(Laid on the Table of Lok Sabha on 17th March, 2021)



Rajya Sabha Secretariat, New Delhi
March, 2021/ Phalguna, 1942 (Saka)

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COMPOSITION OF THE COMMITTEE
(Constituted w.e.f. 13th September, 2020)

1. **Dr. K. Keshava Rao**

-

Chairman

RAJYA SABHA

2. Shri Birendra Prasad Baishya
3. Shri Subhasish Chakraborty
4. Shri Shwait Malik
5. Shrimati Ranee Narah
6. Shri Subhas Chandra Bose Pilli
7. Shri K.C. Ramamurthy
8. Shri Sanjay Seth
9. Dr. Ameer Yajnik
10. Vacant*

LOK SABHA

11. Shri Hanuman Beniwal
12. Ms. Mimi Chakraborty
13. Shri Bharatsinhji Shankarji Dabhi
14. Shrimati Annpurna Devi
15. Shri Hemant Tukaram Godse
16. Dr. S. T. Hasan
17. Ms. S. Jothimani
18. Shri Mohanbhai Kalyanjibhai Kundariya
19. Shri Ravindra Kushawaha
20. Shrimati Poonamben Hematbhai Maadam
21. Shri Bidyut Baran Mahato
22. Shri Rampreet Mandal
23. Shri Vincent H. Pala
24. Shri Chirag Paswan
25. Shri T. R. V. S. Ramesh
26. Shri Y. S. Avinash Reddy
27. Shrimati Gomati Sai
28. Shri Ravindra Shyamnarayan Shukla *alias* Ravi Kishan
29. Shri Sunil Soren
30. Shri Sunil Dattatray Tatkare
31. Shri Su Thirunavukkarasar

SECRETARIAT

1. Shri Jagdish Kumar, Additional Secretary
2. Shri Arun Sharma, Joint Secretary
3. Smt. M. Sasilekha Nair, Director
4. Shri J.K. Mallick, Additional Director
5. Smt. Sreeja. V, Deputy Secretary
6. Shri. Ajin J R, Under Secretary
7. Ms. Deepti Rana, Assistant Committee Officer

*Vacancy due to the resignation of Shri Jose K. Mani on 11th January, 2021 from the membership of Rajya Sabha.

INTRODUCTION

I, the Chairman of the Department-related Parliamentary Standing Committee on Industry, having been authorized by the Committee, do hereby present this Three Hundred and Seventh Report on Impact of Covid-19 on PSUs and the initiatives taken by the PSUs under “Atmanirbhar Bharat Abhiyaan” .

2. The Committee took up the subject for detailed examination. As part of examination of the subject, the Committee deliberated in detail in its meeting held on 16th October, 2020 wherein it heard the views of Secretary, the Department of Heavy Industry and CMDs of BHEL and HMT. The Committee also obtained information through its Questionnaires on the subject from the Department of Heavy Industry and the Department of Public Enterprises.

3. This Report is based on the submissions made by the Secretary of the Department of Heavy Industry and CMDs of BHEL and HMT and other materials such as the Background Notes, Presentation and replies to the questionnaire furnished by the Department of Heavy Industry and Department of Public Enterprises.

4 The Committee expresses its sincere gratitude to all the representatives of Department of Heavy Industry and Department of Public Enterprises for placing before it their valuable suggestions, Notes and information required in connection with the examination of the subject.

5. The Committee considered and adopted the Draft report at its meeting held on 16th March, 2021.

New Delhi
16th March, 2021/
Phalgun 25 , 1942 (Saka)

Dr. K. Keshava Rao
Chairman
Department -related Parliamentary
Standing Committee on Industry

ABBREVIATIONS

4G	-	4 th Generation
AC	-	Air Conditioner
AGM	-	Annual General Meeting
AUSC	-	Advanced Ultra Supercritical
AYCL	-	Andrew Yule & Co. Ltd.
B&R	-	Bridge & Roof Co. (I) Ltd.
B2B	-	Business to Business
BBJ	-	Braithwaite, Burn and Jessop Construction Ltd.
BBUNL	-	Bharat Bhari Udyog Nigam Ltd.
BEL	-	Bharat Electricals Ltd.
BHEL	-	Bharat Heavy Electrical Limited
BPCL	-	Bharat Pumps & Compressors Ltd.
BS-IV	-	Bharat Stage IV
BS-VI	-	Bharat Stage VI
CAPEX	-	Capital Expenditure
CCEA	-	Cabinet Committee on Economic Affairs
CCI	-	Cement Corporation of India Ltd.
CDA	-	Central Dearness Allowances
CMTI	-	Central Manufacturing Technology Institute
CNC	-	Computerised Numerical Control
CNG	-	Compressed Natural Gas
COVID	-	Corona Virus Disease
CPSE	-	Central Public Sector Enterprises
CSIO	-	Central Scientific Instruments Organisation
CSIR	-	Council of Scientific and Industrial Research
CSR	-	Corporate Social Responsibility
DA	-	Dearness Allowance
DHI	-	Department of Heavy Industry
DISCOM	-	Distribution Company
DoPT	-	Department of Personnel and Training
DPE	-	Department of Public Enterprise
DPIIT	-	Department for Promotion of Industry and Internal Trade
DRDO	-	Defence Research and Development Organisation
DVC	-	Damodar Valley Corporation
EMD	-	Earnest Money Deposit
EPC	-	Engineering Procurement and Construction
EPF	-	Employees Provident Fund
EPI	-	Engineering Projects (India) Ltd.
EV	-	Electric Vehicle
FDI	-	Foreign Direct Investment
FY	-	Financial year
GDP	-	Gross Domestic Product
GeM	-	Government e-Marketplace
GFR	-	General Financial Rules
GoI	-	Government of India

HEC	-	Heavy Engineering Corporation
HFC	-	Housing Finance Company
HMT	-	Hindustan Machine Tools
HR	-	Human Resource
HSL	-	Hindustan Salts Ltd.
HSN	-	Harmonized System of Nomenclature
IBC	-	Insolvency and Bankruptcy Code
IC	-	Internal Combustion
ICAT	-	International Centre for Automotive Technology
ICU	-	Intensive Care Unit
IEEMA	-	Indian Electrical and Electronics Manufacturers
Association		
IGCAR	-	Indira Gandhi Centre for Atomic Research
IISc	-	Indian Institute of Science
IIT	-	Indian Institute of Technology
IITH	-	Indian Institute of Technology Hyderabad
IJT	-	Isgec John Thompson
ILK	-	Instrumentation Limited Kota
INR	-	Indian Rupee
IR	-	Infra Red
ISRO	-	Indian Space Research Organisation
IT	-	Information Technology
LD	-	Liquidated Damages
MCFL	-	Mangalore Chemicals & Fertilizers Ltd.
MFE	-	Micro Food Enterprise
MFI	-	Monetary Financial Institutions
MHA	-	Ministry of Home Affairs
MII-BDG	-	Make in India- Business Development Group
MNC	-	Multinational Corporation
MORTH	-	Ministry of Road Transport and Highways
MOU	-	Memorandum of Understanding
MSE	-	Micro and Small Enterprises
MSME	-	Micro, Small and Medium Enterprise
MT PA	-	Million Tonnes per Annum
MUDRA	-	Micro Units Development and Refinance Agency Ltd.
MVA	-	Mega Volt Ampere
NBFC	-	Non-Banking Financial Company
NBT	-	Net Before Taxes
NTPC	-	National Thermal Power Corporation
OEM	-	Original Equipment Manufacturers
OM	-	Office Memorandum
PDC	-	Project Development Cell
PPE	-	Personal Protective Equipment
PSU	-	Public Sector Undertaking
PwD	-	Persons with Disabilities

R&D	-	Research and Development
REIL	-	Rajasthan Electronics & Instruments Ltd.
RERA	-	Real Estate Regulatory Authority
RIICO	-	Rajasthan State Industrial Development and
Investment		
RINL	-	Rashtriya Ispat Nigam Ltd.
RMDP	-	Revival & Mill Development Plan
SAIL	-	Steel Authority of India
SC/ST	-	Schedule Caste/Schedule Tribe
SIL	-	Scooters India Ltd.
SOP	-	Standard Operating Procedure
SPV	-	Solar Photovoltaic
SSL	-	Sambhar Salts Ltd.
TCS	-	Tax Collected at Source
TDS	-	Tax Deducted at Source
TIP-MT	-	Technology and Information Platform for Machine
Tool		
TRA	-	Tea Research Association
UP	-	Uttar Pradesh
UV	-	Ultra Violet
VC	-	Video Conference
VDP	-	Vendor Development Programmes
VPN	-	Virtual Private Network
WHO	-	World Health Organization
YoY	-	Year to Year

REPORT

Central Public Sector Enterprises (CPSEs) have been playing a unique and dominant role since independence, in the socio-economic development of the country. The objective of establishing CPSEs was to ensure self-reliance in industries, promote production within India particularly in the fields where Private Sector was reluctant or unable to venture due to involvement of high risk and huge cost of investment. CPSEs have immensely contributed towards steady and sustained growth of the Indian Economy, by income generation, capital formation, employment generation, building infrastructure, creating strong Industrial base, ensuring regional development, meeting social obligation, export promotion and import substitution, earning foreign exchange, contribution to Central Exchequer *etc.* CPSEs are engaged in a number of activities that include:

- Manufacture of heavy machinery, machine tools, heavy machine building equipment, heavy electrical equipment, transportation equipment, steel, fertilizers, ship building, pharmaceuticals, petrochemicals, textile, cement *etc.*,
- Extraction and refining of crude oil
- Mining of coal and minerals
- Air, sea, river and road transport
- Power Transmission
- Construction services
- Telecommunication services
- Newsprint, paper
- Financial services
- Trading and Marketing
- Logistic Services
- Hotel and Tourist Services
- Defence Productions

2. As informed by DHI, as on 31st March, 2019, 249 CPSEs (*Annexure-I*) were operational across the country. With a view to empower the paramount CPSEs to expand their operations and to emerge as competitive global giants, CPSEs have been classified and granted the status of Maharatna, Navratna and Miniratna. The list of Maharatna, Navratna and Miniratna is available in *Annexure-II, III and IV* respectively.

THE PANDEMIC (Origin and Spread of COVID-19)

3. The novel virus “Severe Acute Respiratory Syndrome Coronavirus-2” (SARS-CoV-2) that causes Corona Virus Disease (COVID-19) is an infectious disease. As widely known the new corona virus was first identified in human in Wuhan city of Hubei Province in China towards the end of December, 2019. The wholesale wet market in Wuhan, China is regarded as the source of this outbreak or played a role in the initial amplification of the out-break. Gradually the corona virus spread from China to other countries and Europe became the next epicentre followed by USA and Brazil. By the end of March, 2020, the virus spread to more than 180 countries. Consequently the World Health Organization (WHO) declared the Covid-19 outbreak a global Pandemic on 11th March, 2020.

4. India's first case of Covid-19 was confirmed on 30th January, 2020 in the State of Kerala when a University student from Wuhan, China travelled back to the state. In spite of travel restrictions and strict regulations, the virus entered the country through passengers travelling from abroad. Owing to the wide spread of the virus to various states of the country, the Government of India declared COVID-19 Pandemic as Notified Disaster on 14th March, 2020. The effective measure found to control the spread of contagious corona virus was to break the cycle of transmission through social-distancing. Italy was the first country that had imposed nationwide lockdown since the corona virus outbreak to contain the spread of the virus to other parts of the country.

NATIONWIDE LOCKDOWN

5. As the first priority was to save lives, taking cue from the global experience, particularly the European countries, the Government of India imposed nationwide lockdown with effect from 25th March, 2020. The lockdown was inevitable as movement of people would have spread the disease very rapidly among large population resulting in high fatality rates. Besides, the lockdown helped to ramp up the health infrastructure across the country and gear up the preparedness like setting up of dedicated separate Hospitals with sufficient beds, ICU facility with ventilators, training of doctors and paramedics, production of medical disposables *viz.*, PPE kits, ventilators, hand sanitizers, masks, *etc* to combat the Covid-19. The first phase of the nationwide lockdown was imposed for a period of 21 days *w.e.f.* 25th March, 2020 to 14th April, 2020 and it prohibited movement of the entire 1.3 billion population of the country. The first phase imposed a complete shutdown with certain exception as detailed below:

- Closure of all services and shops except pharmacies, hospitals, banks, grocery shops and essential services
- Closures of commercial and private establishments.
- Suspension of all education, training, research institutions
- Closure of all places of worship
- Suspension of all non-essential public and private transport
- Prohibition of all social, political, sport, entertainment, academic, cultural, religious activities

6. Due to rise in the Covid-19 case during the first phase, lockdown was extended thrice with phased relaxation in the restrictions, initially for 19 days from 15th April to 3rd May, 2020; for 14 days from 4th to 17th May, 2020 and again for another 14 days from 18th to 31st May, 2020.

GRADED UNLOCKING OF THE LOCKDOWN

7. The unlocking was done in a calibrated manner to bring normalcy through a gradual process as under:

- Unlock 1.0 (1st to 30th June, 2020)
- Unlock 2.0 (1st to 31st July, 2020)
- Unlock 3.0 (1st to 31st August, 2020)
- Unlock 4.0 (1st to 30th September, 2020)
- Unlock 5.0 (1st to 31st October, 2020)
- Unlock 6.0 (1st to 30th November, 2020)
- Unlock 7.0 (1st to 31st December, 2020)

IMPACT OF THE PANDEMIC ON THE ECONOMY:

8. India had already been experiencing a prolonged economic slowdown in the pre-pandemic period. The GDP growth rate had fallen from 8.2% in January-March 2018 to 3.1% in January-March 2020. In the first quarter of the financial year 2020-21, this number went into negative. The GDP growth rate for April-June 2020 was -23.9%, the worst ever. Crucial parameters like manufacturing, construction, trade declined and slid into negative growth.

9. The Department of Public Enterprises (DPE), in their written reply to the Questionnaire, informed that no specific study has been conducted to ascertain the actual impact of COVID-19 Pandemic and subsequent lockdowns on operations/productivity of CPSEs. However, DPE has provided data of production from around major 140 CPSEs operating in different sectors of the economy such as oil & gas, coal, steel, fertilizers, mining *etc.* during the first half (H1) of the FY 2020-21 *vis-à-vis* first half (H1) of the FY 2019-20; the year-to-year comparison is as under:

Production in select CPSEs during H1 of the FY 2019-20 and FY 2020-21					
Sr. No	Productivity	Unit	2019-20	2020-21	% change (YoY)
			H1	H1	
1	Production of Urea	lakh metric ton	30.85	32.34	+ 5%
2	Power Generation	billion unit	229.64	254.32	+ 11%
3	Crude Throughput	million metric ton	72.41	55.68	-23%
4	Crude Oil Production	million metric ton	13.34	12.85	-4%
5	Coal Production	million ton	240.93	236.05	-2%
6	Steel and allied products Production	million ton	11.50	9.13	-21%
7	Iron ore Production	lakh ton	134.33	122.32	-9%
8	Natural Gas Production	billion cubic meter	14.14	12.74	-10%

10. **The Committee takes note of the data furnished by DPE regarding production by CPSEs and recognizes the severity of operational disruptions in CPSEs due to complete lockdown. The Committee, therefore, is of the opinion that a detailed study needs to be conducted to comprehend at micro-level; the actual impact of COVID-19 Pandemic and consequent lockdowns on the performance of the CPSEs so that necessary timely intervention by the Government can be made to mitigate the economic fallout.**

11. Further, the Committee also takes note of the fact that DPE has been consistently issuing guidelines/passing down various instructions issued by DoPT, Ministry of Finance (Department of Expenditure), Department for Promotion of Industry and Internal Trade *etc.* in various matters concerning the CPSES and the 'Atmanirbhar Bharat' package.

12. **However, the Committee is of the concerted view that besides extending the instructions, the DPE, given its role as a policy maker for the CPSES, should develop a mechanism for close monitoring of the fact as to whether the instructions/guidelines are being followed in letter and spirit by the concerned CPSEs. This could be achieved by close co-ordination and working in tandem with respective Administrative Ministries of the CPSEs.**

13. From Para 9 above it is evident that CPSEs have been no exception to the adverse impacts of the Pandemic and subsequent lockdown(s). CPSEs being a major thread in the socio-economic fabric of our country, the Committee on Industry decided to assess the impact of the lockdowns on the CPSEs, their mitigation plans and the initiative taken by CPSEs to tide over the negative effect and accelerate the economic growth, rising to the clarion call of the Prime Minister to make the country self-reliant under the *Atmanirbhar Bharat Abhiyan*, particularly with respect to the CPSEs under the administrative control of the Department of Heavy Industry (Ministry of Heavy Industries and Public Enterprises) under its mandate.

14. The Department of Heavy Industry (DHI) is concerned with the Development of Heavy Engineering Equipment and Machine Tools Industry, Heavy Electrical Engineering Industry & Machine Tools Industry. DHI administers 26 CPSEs and 4 Autonomous Bodies. In addition, 14 CPSEs are under liquidation. The list of CPSEs under the administrative control of DHI is placed at *Annexure-V*. In the meeting held on 16th October, 2020, Secretary, DHI and CMDs of BHEL and HMT apprised the Committee on the impact of Covid-19 Pandemic and subsequent lockdowns and the initiative taken by the Department and the CPSEs to tide over the extraordinary situation. The Committee was apprised that the CPSEs faced multifarious operational constraints and challenges in the wake of the COVID-19 induced lockdown. The key challenges for CPSEs during the lockdown and post lockdown included halt/slowdown of activities or reduced scale of operations with consequent effect on production volumes; non-availability of adequate manpower due to migration of labourers/contractual workers; disruption in supply chains, restricted logistics & transportation, maintaining price-cost margins/profitability, payment of wages/salaries to employees, availability of working capital, et al.

15. The Table below indicates compiled details on the performance of CPSEs under DHI during the first and second quarters in comparison with the FY 2019-20 and the FY 2020-21:

(Rupees in Crores)

S. No.	Name of CPSEs	Turnover				Profit/Loss (PBT)			
		2019-20		2020-21		2019-20		2020-21	
		(Q1)	(Q2)	(Q1)	(Q2)	(Q1)	(Q2)	(Q1)	(Q2)
1	Bharat Heavy Electricals Ltd. (BHEL)	4410.29	6,028.99	1896.57	3,443.52	-343.97	164.51	-1196.41	-737.39
2	Andrew Yule & Co. Ltd. (AYCL)	61.06	109.44	34.76	130.98	-8.38	14.36	-9.16	45.73
3	Scooters India Ltd. (SIL)	13.99	17.67	0.81	1.76	-6.65	-3.41	-5.70	-5.82
4	Heavy Engineering Corporation Ltd. (HEC)	38.56	41.68	19.88	27.27	-84.55	-64.44	-85.39	-80.15
5	HMT Ltd.	2.57	4.41	1.70	5.90	3.50	12.42	3.53	14.15
6	HMT Machine Tools Ltd.	37.02	55.30	18.04	32.51	-40.03	-12.51	-47.30	-44.49
7	HMT (International) Ltd.	13.15	9.31	4.02	3.34	1.23	0.11	0.37	-0.08
8	Bharat Pumps & Compressors Ltd. (BPCL)	7.65	19.26	5.78	19.89	-17.78	-3.02	-16.41	-1.25

9	Rajasthan Electronics & Instruments Ltd. (REIL)	13.97	34.45	19.10	32.40	-11.50	-6.20	-7.30	-2.73
10	Nepa Ltd.	3.51	5.68	2.06	4.43	2.82	-8.61	-17.28	-11.92
11	Braithwaite, Burn and Jessop Construction Ltd. (BBJ)	30.68	33.42	8.64	31.43	2.48	0.96	-2.38	4.14
12	Bridge & Roof Co. (I) Ltd. (B&R)	633.8	650.81	224.97	540.74	4.2	1.14	-57.63	-16.38
13	Cement Corporation of India Ltd. (CCI)	84.01	54.97	85.65	99.27	1.42	-23.92	1.59	3.80
14	Engineering Projects (India) Ltd. (EPI)	377.47	258.22	63.24	150.47	-3.05	-7.90	-18.64	-13.33
15	Hindustan Salts Ltd. (HSL)	0.58	0.12	2.10	2.05	-0.30	-0.50	0.81	-0.19
16	Sambhar Salts Ltd. (SSL)	6.16	4.26	4.91	5.74	-0.63	-2.11	-0.83	0.41

EFFORTS MADE TO CONTAIN THE SPREAD OF COVID-19 :-

16. The SOPs on preventive measures to contain spread of COVID-19 mandated by the Government such as use of thermal scanning, sanitizers, masks, face shields, gloves, PPE kits, etc.; maintaining proper social distancing at workplace; ensuring prompt medical attention and medical insurance were followed meticulously by all CPSEs for safeguarding the lives of the employees/workers. Further the following instructions were also circulated by DPE to CPSEs to contain the Pandemic:

- (a) Directions on maintenance of hygiene at the workplace in CPSEs to contain the spread of Covid-19;
- (b) Compliance of the SOPs for fighting Covid-19 Pandemic prescribed by Ministry of Home Affairs, Department of Personnel and Training and Ministry of Health & Family Welfare;
- (c) Preparation of roster and staggered office timing, regulating the attendance of office by CPSEs employees during Covid-19 Pandemic to prevent its spread;
- (d) Instructions from Ministry of Home Affairs regarding timely payment to employees/workers etc. in view of outbreak of Covid-19 by CPSEs;
- (e) DOPTs instructions in respect of exempting physically handicapped category employees and pregnant women from roster duty during Covid-19;
- (f) Under the Welfare measures for workers of CPSEs during the outbreak of Covid-19, instructions of Ministry of Labour & Employment regarding non-termination & non-reduction of the salaries of workers especially casual & contractual worker and not terminating their services during Covid-19 Pandemic was extended to CPSEs;
- (g) Clarification on regularization of absence during Covid-19 Pandemic lockdown period to CPSEs; and

- (h) Instructions to CPSEs for effective use of *Aarogya Setu App* for breaking the chain of transmission of Covid-19.

COST MANAGEMENT BY CPSEs

17. The Committee was informed that in view of the prevailing financial crisis induced by Covid-19 Pandemic, the CPSEs have adopted various austerity measures to reduce the expenditure. In this regard, the DPE endorsed the Department of Expenditure's OM regarding freezing of Dearness allowance/Dearness Relief of Central Government employees and pensioners, to the employees of CPSEs following CDA pattern of pay scales. DPE also extended Government instructions on the subject matter of "Economy Instructions - Printing Activities", directing the CPSEs not to go for printing of wall calendars, desktop calendars, diaries, festival greeting cards, Coffee Table books and similar material to save funds. DPE has also reiterated the provision regarding review of the profitability of CPSEs under their respective jurisdiction for taking action on rationalization of PRP/ allowances, keeping in view the affordability of CPSEs. The instructions of Department of Personnel & Training regarding ban on foreign training during the year 2020-21 has also been extended to CPSEs for compliance.

18. In addition, DPE assured to take appropriate measures to augment the resources of the Government through CPSEs while ensuring suitable economic measures aimed at increasing their efficiency and profitability.

REVIVAL STRATEGY OF CPSEs

19. The Committee was informed that the key initiatives of the CPSEs in the post-lockdown period were intended to retain full workforce in their respective factories/offices, *etc.* so as to resume, restart and revive from the distressed times; cut the cost of their operations, enhance the competitiveness of their businesses and increase volume of their sales.

NEW AVENUES FOR DIGITAL TECHNOLOGIES

20. The Covid-19 Pandemic has opened new avenues for acceleration and promotion of the use of digital technologies to mitigate the constraints at work places. It led to re-alignment of Information & Communication Technology, including deployment of new approaches for maintaining business continuity and productivity, in the CPSEs. The CPSEs for achieving digital maturity and to integrate business with emerging technologies implemented concepts such as "Work from Home". Most of the employees across the CPSEs were enabled to work from home through Virtual Private Network (VPN). As a result, significant work was accomplished in areas like Design, Engineering, Human Resource (HR), Finance, *etc.*

21. The Committee was informed by DPE that the Ministry of Corporate Affairs relaxed the earlier requirement of holding Board meetings with the physical presence of Directors and provided that such meetings may be held through video conferencing over the cloud. Besides, during the lockdown, implementation of e-Office in the CPSEs is also being strengthened. Instructions were issued to CPSEs for effective use of *Aarogya Setu App* for breaking the chain of transmission of Covid-19. Adequate measures were also put in place to ensure data security and access control. Further, secure availability of hardware and network resources as well as access to engineering and business applications across all units/establishments of CPSEs over the Internet was ensured.

22. In their written submission, DPE has stated that CPSEs have been periodically advised to speedily adopt digital technologies. DPE has issued guidelines/ instructions to CPSEs for mandatory publication of tender enquiries on Central Public Procurement Portal. DPE has also

issued instructions to CPSEs on boarding the Government e-Marketplace (GeM) along with their vendors for procurement of common use goods and services. The Committee was informed that by 30th September, 2020, 205 CPSEs have boarded the *GeM Portal*.

POST-LOCKDOWN OPERATIONS:

23. The Committee was apprised that during the national lockdown period, only essential services could be carried out at various units/establishments of the CPSEs in compliance to the guidelines issued by the Government. After withdrawal of lockdowns, employees at different units/establishments of the CPSEs, workers/contractors at project sites and labours of vendors/suppliers are progressively coming back to the pre-lockdown situation. As a result, the recovery process has gained momentum. The Central Government has been gradually unlocking the economy in a calibrated manner to provide the required impetus for resumption of business as usual. At the prevailing pace of recovery, most of the CPSEs are reportedly expecting to attain normalcy by the end of FY 2020-21.

RECOVERY PROCESS:

24. CPSEs' role in fulfilling the developmental priorities of the country cannot be overstated. They contribute to both macroeconomic objectives such as growth, advancement in manufacturing and technology, price stabilisation etc. as well as to socio-economic objectives such as employment generation and skill development.

CPSEs SOCIAL RESPONSIBILITY

25. During the distressing times of Covid-19 Pandemic, CPSEs rose in solidarity shouldering the responsibility with regard to various measures by supplementing the efforts of the government in the battle against the disease. In the spirit of social service and nation building, CPSEs worked seamlessly to ensure that the people are not inconvenienced for lack of essential commodities/services such as power, fuel, oil & gas, food grains, communications, logistics, etc. The CPSEs ensured uninterrupted power supply to home, industries, hospitals, uninterrupted connectivity and internet services, continuous supply of LPG and fuel *etc.* A number of CPSEs with their own medical facilities including hospitals spread across many States, coordinated with the State Authorities for providing quarantine facilities and other medical assistance. The CPSEs dedicated their 201 medical facilities with 11,400 beds spread across major cities and remote locations of the country. Premises of several CPSEs were used by the District Administration for housing and treating Covid-19 patients. The CPSEs extended medical support by providing PPE kits, disposable caps, shoe cover etc. to *Corona-warriors* and front-line workers. Also extended their support to the hospitals through donation of ventilators, advanced life support ambulances, oxygen gas, IR thermometers etc. Besides, the CPSEs spread awareness through display of banners and hoardings regarding precautions and safety measures on Covid-19.

26. The CPSEs contributed to the PM CARES Fund (Prime Minister's Citizen Assistance and Relief in Emergency Situation Fund) set up with the primary objective of dealing with emergency or distress situations, like the one posed by Covid-19. The CPSEs employees also contributed approximately Rs.250 crore from their salaries towards the Fund.

ATMANIRBHAR BHARAT ABHIYAAN

27. Being a developing country with fragile economic and social fabric, India has been severely hit by the Covid-19 Pandemic and the subsequent lock-downs disrupting all the sectors of the economy. To mitigate the burden of the economic crisis brought about by the disruptions and with a view to stimulate growth and ensure continuity of businesses, the Prime Minister rising to the occasion announced a stimulus package of Rs. 20 lakh crores under *Atmanirbhar Bharat Abhiyan* on 12th May, 2020. The package is aimed to revive the economy by encouraging investment and boosting business sentiments through increased liquidity and other sector-specific steps. *Atmanirbhar Bharat* initiative will focus on five areas viz., **Economy** (shifting from incremental changes with quantum jumps in the economy); **Infrastructure** (building infrastructure for modern India); **System** (Technologically driven system and process); **Demography** (strengthening and engaging the youth); and **Demand** (integrated demand and supply chains to full capacity).

28. The highlights of the stimulus package announced in tranches under the *Atmanirbhar Bharat* initiative are summarised as under:

- Rs. 3 lakh crores Collateral free Automatic Loan for Businesses including MSMEs – a move likely to benefit 45 lakh Units.
- Rs. 20,000 crores Subordinate Debt for Stressed MSMEs – Beneficiaries are 2 lakh MSMEs.
- Rs. 50,000 crores Equity infusion for MSMEs through Fund of Funds. A Fund of Funds with corpus of Rs. 10,000 crores to help Units to expand capacity.
- New Definition of MSMEs (Manufacturing/Services) based on Annual Turnover and Investment criteria:

Existing and Revised Definition of MSMEs

Existing MSME Classification			
Criteria: Investment in Plant & Machinery or Equipment			
Classification	Micro	Small	Medium
Manufacturing Enterprise	Investment < Rs. 25 lakh	Investment < Rs. 5 crore	Investment < Rs. 10 crore
Services Enterprise	Investment < Rs. 10 lakh	Investment < Rs. 2 crore	Investment < Rs. 5 crore

Revised MSME Classification			
Composite Criteria: Investment And Annual Turnover			
Classification	Micro	Small	Medium
Manufacturing & Services	Investment < Rs. 1 crore and Turnover < Rs. 5 crore	Investment < Rs. 10 crore and Turnover < Rs. 50 crore	Investment < Rs. 20 crore and Turnover < Rs. 100 crore

- Global tender to be disallowed up to Rs. 200 crores in Government procurement.
- e-Market linkage for MSMEs to be promoted to act as a replacement for trade fairs and exhibitions.
- Liquidity relief of Rs. 2,500 crores EPF for Businesses and Workers for 3 more months – likely to benefit 72 lakh employees.

- Rs. 6,750 crores liquidity support through reduction in EPF contribution for business and workers for 3 months (statutory PF contribution of both employer and employee reduced to 10% each from existing 12% each for all establishments covered by EPFO for next 3 months).
- Rs. 30,000 crore Special Liquidity Scheme for NBFCs/HFCs/MFIs.
- Rs. 45,000 crore Partial Credit Guarantee Scheme 2.0 for NBFCs.
- Extension of up to 6 months for contractors (without costs to contractor) to be provided by all Central Agencies.
- Extension of Registration and completion date of Real Estate Projects under RERA.
- Rs. 50,000 crore liquidity through TDS/TCS reductions.
- Rs. 90,000 crore Liquidity Injection for DISCOMs.
- Due date of all income-tax return for FY 2019-20 extended from 31st July 2020 & 31st October, 2020 to 30th November 2020.
- Rs. 1,500 crore interest Subvention for *MUDRA Shishu* Loans. Interest subvention of 2% for prompt payees for a period of 12 months.
- Rs. 10,000 crores scheme for Formalization of Micro Food Enterprises (MFE) – like to benefit 2 lakh MFEs.
- Enhancement of Ease of Doing Business through IBC related measures.
- Decriminalization of Companies Act Violations involving minor technical and procedure defaults.
- Period of *Vivad se Vishwas* Scheme for making payment without additional amount will be extended to 31st December, 2020.

29. The Committee appreciates the stimulus package announced by the Central Government for the economic revival of the country during the Covid-19 Pandemic. However, it is observed that the package is not enough to boost the economy when it is set for double digit contraction in the FY 2020-21. Even the economists have projected that the economy will contract by 9.5% during the said period. Also the first stimulus package has been parsimonious as can be seen that even after lifting of lockdown across the country, demand continues to be elusive. It is high time for the Government to come out with a new stimulus package to strengthen the business needs of the economy. The Committee, therefore, is of the view that the Government should come out with a larger stimulus package to tide over the economic fallout of Covid-19 Pandemic.

OUTREACH INITIATIVES FOR ENGAGING MSMEs

30. The Committee was informed that the CPSEs have taken various initiatives for engaging and procuring the raw materials from MSMEs. The MSME Sector in India employs over 100 million people and accounts for 45% of manufacturing output and more than 40% of the country's exports. The disruptions caused by lockdowns made MSMEs confront unprecedented challenges related to debt repayments, wages/salaries, statutory dues, *etc.* Further, extended lockdown had also a negative impact on supply of finished goods, procurement of raw material and availability of employees to work in production and supply processes.

31. Under *Atmanirbhar Bharat Abhiyaan* it was emphasised that the payments due to MSMEs should be released within 45 days from the date of acceptance of the goods and service availed/received from them. The Committee was informed that CPSEs are scrupulously complying with these directions. In this regard, the DPE has written to the concerned administrative Ministries/Departments along with details of dues in respect of their CPSEs with a

request to expedite the release of pending payments to MSMEs. As per the information furnished by DPE, a sum of Rs.74.25 crores is outstanding against Bridge and Roof Ltd., under DHI for payment towards MSME vendors. The Committee was also informed that three PSUs, viz., BSNL and MTNL and Bridge and Roof Ltd., had outstanding dues to the tune of Rs.529 crore and Rs.53.99 and Rs.74.25 crores respectively.

32. The Committee recommends that the matter may be taken up with the concerned Ministries in right earnest and see to it that the pending dues to the MSMEs are released expeditiously. The Committee also desires to be updated of the action taken in this regard.

33. The Committee also recommends that the DHI should monitor the CPSEs under its administrative control to ensure timely payment to MSMEs i.e., within 45 days from the date of acceptance of goods and services from them.

CPSE-WISE CHALLENGES & STRATEGY BUILD-UP

34. CPSE wise details showing the impact of COVID-19 on economy, efforts made to check the pandemic, austerity measures adopted to reduce the expenditure, revival strategy measures undertaken in the post-lockdown period, CSR initiatives, contribution to PM Cares Fund and Atmanirbhar Bharat initiatives are given in the succeeding paragraphs:-

35. BHARAT HEAVY ELECTRICALS LTD. (BHEL)

35.1. BHEL, which was established on the 13th November, 1964, is an integrated power plant equipment manufacturer and one of the largest engineering and manufacturing companies of its kind engaged in the design, engineering, manufacture, construction, testing, commissioning and servicing of a wide range of products and service for the core sectors of the economy, viz., Power, Transmission, Industry, Transportation, including e-mobility, Water, Renewable Energy, Oil & Gas, Defence and Aerospace.

35.2. The Committee was informed by DHI that the business outlook of BHEL was challenging even prior to the outbreak of Covid-19 Pandemic. During the lockdowns, the Company's offices, manufacturing units and project sites remained closed for varying periods, except for a few permitted essential services. Covid-19 Pandemic impacted the operations of BHEL due to a combination of several factors including slowdown of processes due to labour migration; disruption in receipt of raw materials from foreign/indigenous supply chains and outsourced vendors who themselves were impacted by labour shortage as they operated with reduced manpower strength; constraints in logistics & transport causing restricted movement of labour and materials; delay in inspection of finished goods which were ready for dispatch; delayed/non-receipt of payments from some customers; *etc.*

35.3. The table below shows the comparative figures of Turnover and Profit/loss of first and second quarter along with the % of decline/increment of FY 2019-20 and FY 2020-21:

(Rupees in crores)

	2019-20 (Q1)	2020-21 (Q1)	Decline/increment (%)
Turnover	4410.29	1896.57	-57.00 %
Profit/Loss (PBT)	-343.97	-1196.41	-248.00 %

	2019-20 (Q2)	2020-21 (Q2)	Decline/increment (%)
Turnover	6028.99	3443.52	-42.88 %
Profit/Loss (PBT)	164.51	-737.39	-548.23 %

35.4 Austerity Measures of BHEL

- Deferment of 50% perks and allowance under Cafeteria Scheme.
- Abeyance/ deferment/ curtailment of few benefits such as closure of canteen, courtesy allowance, etc.
- Closure of subscription to holiday homes.
- Reduction in tour and travel.
- Optimisation in engagement of outsourced security personnel.

35.5 BHEL, by utilising and harnessing its IT infrastructure, enabled 'Work From Home' for many sections of employees to ensure continuity of office work through remote access to systems, digital documents and meetings through video conferencing. This facilitated work especially in areas such as design and engineering, training, knowledge sharing, HR-related activities, finance-related activities etc. There was a shift over from paper files to e-Office. The company also focused on budgetary control and cost optimization measures. During the lockdown/ initial unlock-down phase, some work was undertaken at critical project sites utilising limited available manpower & labour, and with support of local authorities. Subsequent to the directions of the Ministry of Home Affairs for restarting/unlocking, the Company's offices, manufacturing units and project sites were opened in conformance with the stipulations laid down by respective local administrations, including attendance of employees in a graded and staggered manner. However, full resumption of operations remained restrained owing to limitations on numbers of employees allowed to work at a time due to need for social distancing, supply chain disruptions both nationally as well as internationally and migration of labour from project sites. After gradual easing of restrictions, optimum work force was maintained at various units and offices keeping in view the applicable social distancing norms. BHEL made efforts for mobilisation of labour at project sites through dialogue with project developers. BHEL is also pursuing the matter contractually with its customers in line with the guidelines issued by the Government of India regarding applicability of Force Majeure conditions. As per guidelines for phased reopening issued by the Government, the Company took all measures to contain the spread of Covid-19, and also to ensure the health and safety of its employees, associates and other stakeholders. BHEL is continuously assessing the prevailing conditions for taking the best possible steps to adjust to the 'new normal' and reorient itself accordingly. It developed **BHELMister**, a machine for automizing and spraying sanitizing solutions for mass sanitization and over 130 units of this product have been supplied to different agencies/ establishments/municipalities. Major units of BHEL produced sanitizers & manufactured Automatic Sanitizer Unit for use in factories, offices and distribution to communities at large.

35.6. As per the specification of Defence Research and Development Organisation (DRDO), BHEL made a prototype of a Full Body Sanitization Chamber. After successful testing at its manufacturing Unit, the design of chamber and finalization of sanitization chemicals were shared for the public requirements. Electrostatic Disinfection Machine (COVID-SPRAY) has been successfully manufactured by BHEL with technology from CSIR-CSIO (Council of

Scientific and Industrial Research – Central Scientific Instruments Organisation), Chandigarh, for use in disinfection/sanitization of offices, hospitals etc. Such machines have been supplied to NTPC Ltd., Council of Scientific & Industrial Research (CSIR), Department for Promotion of Industry and Internal Trade (DPIIT), Damodar Valley Corporation (DVC) etc. It also developed Covid-19 Sample Collection Booth for use in Kasturba Hospital, Bhopal, design of which ensures complete safety for technicians from Covid-19 infection. Seven hospitals of BHEL – at Bhopal, Haridwar, Hyderabad, Trichy, Jhansi, Ranipet & Vizag - were designated as Level 1 Covid Care Center and 1 medical facility of BHEL at Bhopal was designated as Level 2 Dedicated Covid Health Center.

35.7 Covid-19 pandemic gave an opportunity to BHEL to test its resilience and adaptability to the changing circumstances. Utilizing its IT infrastructure, the Company instituted “Work From Home” for many sections of employees across its offices and units during the lockdown period. As a measure to overcome travel related constraints, innovative steps were taken, for example, Remote Inspection was carried out with support of customers.

35.8 BHEL Contributed an amount of Rs. 15.72 crore to PM CARES Fund comprising Rs. 7.00 crore from Company’s CSR Fund, and the balance amount was through contribution of one day’s salary by its employees.

35.9 In this unprecedented socio-economic world order, BHEL has taken up a three-pronged strategy for *Atmanirbhar Bharat viz.* Indigenise, Collaborate, and Catalyse. Under **Indigenisation**, it is focussing on import substitution through in-house design development & manufacturing and sourcing from Indian vendors. In-house initiatives are taken for development of components related to emission control equipment, transmission equipment and Railway propulsion systems. Indian vendors are also being developed/identified for procurement of items hitherto being imported into the country, including procurement from the GeM (Government e-Marketplace) Portal. BHEL has also examined the list of Top 100 engineering imports by Indian companies and categorised them using HSN (Harmonized System of Nomenclature) codes. A list of items have been identified that can be designed and manufactured. An import substitution of Rs. 1,000 crore per annum is possible through this step. A new business vertical *i.e. Make In India Business Development Group (MII-BDG)* has been formed in BHEL to spearhead indigenisation and import substitution efforts in the company/country.

35.10 BHEL is in collaboration with domestic players for indigenization of the manufacturing supply chain and global Original Equipment Manufacturers (OEMs) to Make-in-India for Indian and global market. In the workshop organised on Atmanirbhar Bharat, a number of public sector organisations, private players, trade associations and customers who are looking forward to indigenising their supply chains evinced interest in working with BHEL. BHEL has already interacted with many companies at the apex level. For areas having high synergy with BHEL’s existing business, capability building efforts are being taken to meet the requirements. For new areas - need, opportunity size and techno-commercial feasibility is being assessed. For trade associations, requirements of individual member companies under each trade association are being consolidated to achieve economies of scale. BHEL also floated an Expression of Interest(EoI) on 29th April 2020 seeking manufacturing and technological partnerships from Global OEMs looking to establish or expand their supply chains/manufacturing base in India, so that the manufacturing facilities available in BHEL can become centres for import substitution. It received favourable responses from 47 foreign and 22 Indian companies, especially in the areas of defence and aerospace, rail transportation and contract manufacturing. In this endeavour, BHEL has already signed Memorandum of Understandings with OEMs for marine gas turbines & gear boxes, maglev trains and armoured vehicles.

35.11 For **catalyzation**, BHEL is making efforts for development of technology and capability in core and strategic sectors. It is creating an ecosystem for self-sufficiency by enabling collaborative problem-solving through Technology Innovation Portal. BHEL, in collaboration with NTPC Ltd. and IGCAR (Indira Gandhi Centre for Atomic Research), and with funding support from DHI, is developing ‘Advanced Ultra Super-Critical Technology’ for thermal power generation. It is a higher-efficiency; lower-emissions indigenous technology being developed for the first time in the country and the R&D phase of the project is in final stages. BHEL has also signed a MoU with NTPC Ltd. for setting up of a technology demonstration plant based on AUSC technology. BHEL has developed capabilities and has also commissioned a facility to indigenously manufacture space grade Lithium-ion battery packs for ISRO. BHEL also has the distinction of being the only Indian organisation to be associated with all three stages of indigenous Nuclear power programme. It is working with Railways in innovative projects like track-side solar power generation to feed directly to the traction power, regenerative braking for locomotives for energy saving and is developing technologies in the fields of e-mobility, coal to methanol, fuel cells etc.

35.12 BHEL, as a part of its continuous efforts, organized vendor meets through webinars to sensitize them on import substitution, wherein details of Company’s requirements were shared. Various other interfaces undertaken by BHEL include the following:

- Interacted with members of the Indian Electrical and Electronics Manufacturers' Association (IEEMA) on 17.09.2020, wherein items being imported were highlighted and their support was sought towards indigenizing these items/products.
- Interacted with interested MSME suppliers across the country on 07.10.2020 to bring to their attention that BHEL is looking for more entrepreneurs to be a part of the supply chain aimed towards enhancing import substitution.
- Communicated with the domestic industry associations on 03.10.2020 seeking their active interest in supplying High Alloy Tubes and Pipes, which are presently being imported.

35.13 The Committee notes that BHEL has taken innovative measures to combat Covid-19 and developed/manufactured products such as (i) *BHELMister* (equipment for mass sanitization), (ii) Electrostatic Disinfection Machine for disinfection/sanitization of offices, hospitals etc., (iii) Full Body Sanitization Chamber etc. The Committee is of the view that BHEL should also take initiatives to cut its fixed costs and diversify beyond power into areas like defence, transportation, aerospace, e-mobility batteries, oil & gas etc. for revenue generation post-Covid-19 Pandemic to achieve the vision of *Atmanirbhar Bharat* and become a Global engineering organisation.

35.14 The Committee notes that BHEL in collaboration with NTPC & IGCAR, with funding support from DHI is developing Advanced Ultra Super Critical Technology for thermal power generation, which is an indigenous technology being developed for the first time in India. Since the R&D phase of the said project is in the final stages, as informed by DHI, the Committee is of the view that initiatives may be taken for exploring the domestic power market using the new technology to supplement the *Make in India* initiative.

36. ANDREW YULE & COMPANY LTD. (AYCL)

36.1 AYCL, which became a PSU in 1979, is engaged in manufacturing/production of bulk Tea, Industrial Fans, Ventilation Equipment, Air Pollution Control Equipment & Systems, Effluent Treatment Plants, Power & Distribution Transformers, High Tension and Low Tension Switchgear and Circuit Breakers, Auto Voltage Regulators and allied equipments.

36.2. All three divisions of AYCL - Tea, Engineering & Electrical - suffered business losses due to Covid-19 induced lockdowns. AYCL suffered an overall revenue loss of Rs 7.2 Crores (unaudited figures) for the period April-September 2020-21 compared to similar period in 2019-20 (Rs. 162.6 Crores *vis-à-vis* Rs. 169.8 Crores *i.e.* - 4.24%).

36.3. The table below shows the comparative figures of Turnover and Profit/Loss of first and second quarter of the FY 2019-20 and FY 2020-21:

(Rupees in crores)

	2019-20 (Q1)	2020-21 (Q1)	Decline/Increment (%)
Turnover	61.06	34.76	-43.07%
Profit/Loss (PBT)	-8.38	-9.16	-9.37%

	2019-20 (Q2)	2020-21 (Q2)	Decline/increment (%)
Turnover	109.44	130.98	19.68%
Profit/Loss (PBT)	14.36	45.73	218.45%

36.4 Austerity Measures of AYCL

- Rationalization of business tours.
- Reduced use of paper.
- Optimized use of power by controlled use of electrical equipment/ gadgets in offices & factories and switching off lights, fans, ACs etc. during idle periods.
- A 10kWp Solar power plant & a 3kW Wind power plant has been used to full capacity to reduce expenditure.

36.5 Nine Hospitals of AYCL Tea Estate (7 in Assam and 2 in West Bengal) were enrolled as L1 COVID Care Centres. Since mid-April, 2020 onwards these Hospitals have attended over 14,000 patients. There was no causality in Covid-19 related cases in AYCL Tea Estates. AYCL made sincere awareness campaigns to make people aware of Covid-19 threats and mitigation procedures. All Tea garden employees were regularly provided with masks, gloves, hand sanitizers, liquid soaps and were also monitored through thermal screening. Workers colonies were regularly sanitized as per Covid-19 protocol. Rapid Antigen Tests conducted periodically with the help of Government Agencies and positive cases were referred to L3/L4 COVID Care Centres by the local administration.

36.6 The Tea Division of AYCL is striving hard to shore up productivity of its Tea Gardens and improve the quality of its produce in order to make up for the revenue losses of the lockdown period. Engineering & Electrical Divisions, which make Capital Equipment, are closely following up with customers for taking delivery, lifting holds on orders for reasons of project delay and placing of new orders.

36.7. AYCL donated Rs. 36,000 from its CSR Fund, in addition to contribution of Rs. 6.75 lakh as one day's salary contribution of its employees.

36.8 AYCL has taken several initiatives to make *Atmanirbhar Bharat Abhiyaan* a profound success. Under **Import Substitution**, AYCL has indigenised production of critical Sinter Waste Gas Fan Rotor assembly for integrated steel plants (*viz.* RINL, SAIL-Bhilai, Bokaro and Durgapur), which were earlier imported. Further, to give impetus to **Make in India**, EPC contractors like ThyssenKrupp, Thermax, IJT etc. exported AYCL's industrial fans to 14 foreign countries. Also, it produced high quality tea for International buyers like Twinning who has bought 1.34 lakh kg so far in 2020-21. Besides, it undertook **Product Development Initiatives** wherein Engineering Division has developed high efficiency and economical Heavy & Medium-duty Industrial Fans through in-house R&D which now compete with International players in India. It also manufactured Auto Voltage regulators up to 3 MVA with indigenous technology. TEA Division of AYCL continues developing special quality tea like White Tea, Moon Drop Tea and many others, through in-house expertise and using inputs from Tea Research Association (TRA).

36.9 AYCL procures all its raw materials/accessories/products from the indigenous market. Following initiatives have also been taken for engaging/involving MSMEs to procure raw materials/accessories/products:

- Procured more than 50% of its total procurement from MSMEs so far in FY 2020-21.
- MSMEs are exempted from paying EMD in the tender process.
- Uploaded its Annual Procurement Plan for FY 2020-21 and tentative list of products to be procured on its website, which is linked to MSME's *Sambandh Portal* to facilitate the MSMEs participation.

37. SCOOTERS INDIA LTD. (SIL)

37.1 SIL, Lucknow, set up in 1972, with a second hand plant bought from M/s Innocenti of Italy initially manufactured two wheeler Scooters in brand name of *Vijai Super* and *Lambretta*. The manufacture of Scooters was discontinued in 1997 and is now engaged in manufacturing and marketing of *Vikram* Brand three wheelers with high pay load capacity and fuel efficiency.

37.2. The Committee was informed that as the emission norms in India changed from BS-IV to BS-VI *w.e.f.* 01.04.2020 as per MoRTH notification, SIL tried to restrict their production as per market demand and sell their BS-IV stock before 31.03.2020. As the COVID-19 lockdown was enforced before the end of March, 2020, nearly 200 nos. of BS-IV vehicles-stock could not be sold resulting in blockage of inventory worth Rs. 6.0 crores. Furthermore, SIL's plans of manufacturing Electric Vehicles got derailed because of disruption in supply of critical input components used in EV manufacturing namely Li-Ion Battery & Controllers from China & other neighbouring countries. SIL's BS-VI development also got delayed because of difficulties faced by engine manufacturers and other equipment suppliers. Further, the small working capital of the company got eroded during this period.

37.3. The table below shows the comparative figures of Turnover and Profit/Loss of first and second quarter of the FY 2019-20 and FY 2020-21:

(Rupees in crores)

	2019-20 (Q1)	2020-21 (Q1)	Decline/increment (%)
Turnover	13.99	0.81	-94.21%
Profit/Loss (PBT)	-6.65	-5.70	*14.29%

	2019-20 (Q2)	2020-21 (Q2)	Decline/increment (%)
Turnover	17.67	1.76	-90.04%
Profit/Loss (PBT)	-3.41	-5.82	-70.67%

* As there is improvement in the figures of the loss before tax, it has been shown positively.

37.4 Austerity Measures of SIL

- Non-renewal of the contractual engagement of manpower.
- Paying only 75% of the salary to employees since April, 2020.
- Controlled travelling of employees.
- Board of Directors meetings, AGM and all other business meetings are carried out mostly through VC.

37.5. All the precautionary measures issued by the government were regularly followed for checking the spread of Covid-19 including temperature-check of all employees, regular sanitization of the workplace, etc. Covid-19 health check-up of the staff was also conducted with the help of U.P. Government and employees are being called as per work requirement since May, 2020. However, the employees were paid only 75% salary since April, 2020 onwards.

37.6 The Committee also notes that SIL had put in strenuous efforts to combat the COVID-19 effect, like developing its market for Electric Vehicles in a number of States, tying up with Bharat Electronics Ltd. for procuring its Lithium Ion Battery etc., to cite a few.

37.7 In response to *Atmanirbhar Bharat Mission*, SIL tied up with M/s Bharat Electronics Ltd. to manufacture Lithium Ion Battery packs required for Electric Vehicles. SIL also encouraged BEL to develop and manufacture other major critical equipments for Electric Vehicles namely Controllers, Potentiometer and Electric Motors which is in advanced stage of developing all the components and shall supply the samples shortly to SIL. Till now Indian manufacturing companies in the field of manufacturing Lithium Ion battery packs, Controllers and Electric Motors are very much dependent on foreign countries for sourcing critical input material required for manufacturing. With development of all these components by BEL, the Government's mission and vision for a true *Atmanirbhar Bharat* shall be accomplished. SIL has successfully developed various models of Electric 3 Wheelers, whose all components are sourced from Indian suppliers, to promote the E-Mobility mission. It is making all efforts to engage Start-Ups to source critical items like Power train, Li-ion Battery on 'Battery swappable model' and 'Chassis supply' for its EVs. Further it entered into MoUs with BHEL, NTPC, REIL and ICAT to install Electric charging stations. IC Engine based 3Wheeler developed by SIL in CNG variant is

manufactured with 100% sourcing of components from Indian suppliers thereby fulfilling the Mission of being an Atmanirbhar State.

37.8 Under initiatives for engaging MSMEs, SIL has already relaxed tender conditions for MSMEs to encourage their participation in the procurement process.

37.9 The Committee notes that due to sudden imposition of nationwide lockdown before the end of March, 2020, nearly 200 BS-IV variant vehicles with SIL could not be sold out resulting in blockage of inventory worth Rs.6.0 crores. The Committee recommends that, keeping in view the Pandemic induced unexpected lockdowns, DHI in coordination with the Ministry concerned, may work out legally tenable suitable measures to sell the buffer stock of unsold 200 BS-IV vehicles left with SIL.

37.10. The Committee notes that only 75% salary has been paid by SIL to its employees since April, 2020. The Committee hopes that after the lifting of the lockdown, the payment of full salary to its employees would have been restored. The Committee recommends that as the lockdown has been eased almost completely throughout the country, DHI should ensure payment of full salary to the employees of CPSEs and apprise the Committee.

37.11. The Committee would like to be apprised of the status of 'Type Approval' of the new model of Electric Vehicle from ICAT and also as to whether the E-Rickshaw variant has been submitted to ICAT for obtaining 'Type Approval'.

37.12. The Committee notes the efforts being made by SIL to promote e-mobility mission of Government of India with all components sourced from Indian suppliers thereby fulfilling the vision of *Atmanirbhar Bharat*. Since BEL, with which SIL has tied up, is in advanced stage of developing/manufacturing all critical equipments/components, including Lithium Ion battery packs required for electrical vehicles and supplying the same to SIL shortly, the Committee may be apprised about the progress made in this regard.

38. HEAVY ENGINEERING CORPORATION LTD. (HEC)

38.1 HEC was incorporated on 31st December, 1958 with the primary objective of achieving self-sufficiency and self-reliance in the field of design and manufacture of equipment and machinery for mega steel plants. HEC is primarily engaged in manufacturing and supply of equipment & machinery for manufacturing capital goods for core economic sectors, particularly for mega steel plants, mining and mineral processing. Also contributed substantially for setting up and capacity augmentation of steel plants at Bokaro, Durgapur, Bhilai, Rourkela and Visakhapatnam.

38.2. The Committee was informed by DHI that the company has been hit in many ways due to the COVID-19 Pandemic. Due to lockdown restrictions and pressure from the labour unions to contain the spread of the disease, there was a massive shortage of labour at sites. The uncertainties in the logistics led to a cascading effect, negatively affecting the supply of raw materials as well as finished goods. This drastically reduced the scale of operations, affecting quality, cost and production volumes. Over a period, these operational problems adversely affected the turnover. There was also lower production due to slump in sales. Moreover, many customers extended their schedule of payments and the company had to provide longer credit days to maintain sales.

38.3. The table below shows the comparative figures of Turnover and Profit/loss of first and second quarter of the FY 2019-20 and FY 2020-21:

(Rupees in crores)

	2019-20 (Q1)	2020-21 (Q1)	Decline/increment (%)
Turnover	38.56	19.88	-48.45%
Profit/Loss (PBT)	-84.55	-85.39	-0.99%

	2019-20 (Q2)	2020-21 (Q2)	Decline/increment (%)
Turnover	41.68	27.27	-34.57%
Profit/Loss (PBT)	-64.44	-80.15	-24.38%

38.4 Austerity Measures of HEC

- Curtailed expenditure to the extent possible on tour/travels, meeting expenses, use of battery cars, *etc.*
- Digital facilities are being used to the maximum.

38.5 During complete lockdown, the company allowed the employees to work from home to the extent possible and only the essential services were permitted. Later as per government guidelines, manufacturing units were allowed to carry out production through employees who were residing in the adjoining premises of the company by introducing rotational shifts, following social distancing, reducing manpower concentration, ensuring compulsory use of masks and regular sanitization. To minimize person to person contact, maximum communication was done online and most of the meetings were conducted through video conferencing. The employees affected by COVID were provided immediate medical support.

38.6 Despite the pandemic situation, HEC made considerable effort towards bagging of orders and gained high valued orders. Vendors are being encouraged to make timely supply and as per government guidelines, LD is not being imposed for delayed supplies. Payments are also being made to the Vendors as per availability of funds at the earliest. Special attention is given to MSME firms. Transporters are encouraged to make timely deliveries to customers & their payments are being monitored regularly.

38.7 HEC plans to fulfil the vision of *Atmanirbhar Bharat* and make India as well as itself self-reliant. HEC is already contributing towards nation building by making equipment and machines for the industrial infrastructure as well as for the nuclear and space sector. After the announcement of government on disallowing global tenders in government procurement up to Rs 200 crore, HEC has put all its efforts to curtail its imports below Rs. 200 crore and has increased its efforts to meet the requirement of items which were being imported by other PSUs. As HEC is already catering to a few requirements of the Defence sector, it is now also trying to venture into other requirements of this sector so that it can become one of the potent suppliers, thus assisting indigenization of defence equipment & machineries. It has also entered into a MoU with *M/s Shladot*, Israel in July 2020 for joint cooperation in the field of Armoured Vehicle and, also signed a MoU with *M/s OZPV*, Russia, for joint manufacturing of Cast Rolls (a consumable item

used in Steel Rolling Mills) which is presently imported. HEC has contributed in all space programmes like *Mission to Mars*, *Chandrayaan Mission*, launching of satellites, nuclear submarines, etc.

38.8 For promoting MSMEs, HEC is regularly canvassing for wide circulation of its requirements and for maximizing the participation of MSMEs through online portals, GeM and video conferencing, etc. Payments are being made expeditiously to facilitate the MSME vendors on satisfactory completion of work & fund availability.

39. HINDUSTAN MACHINE TOOLS LTD. (HMT)

39.1. HMT Ltd. was incorporated by the Government of India in 1953 with the objective of producing machine tools required for building an industrial edifice for the country. HMT is engaged in manufacturing of Dairy machinery, Turnkey Dairy Project and other Auxiliary Business including sale of watches/watch spares, tractors spares. HMT Ltd has two operative subsidiaries viz., HMT Machine Tools Limited and HMT (International) Limited.

39.2. The Committee was informed that production in HMT Ltd. was affected due to lockdown and consequent absence of personnel as the manufacturing unit is located in Aurangabad which was a badly affected area for Covid-19 infection. Consequently the supply chain was affected which in turn affected the whole manufacturing cycle. Sales were impacted as machines could not be dispatched as final inspection could not be carried out due to lockdown restrictions. Supplier payments and payment of salary to the employees were also affected. However, the Units were reopened on 23rd May, 2020 with 50% staff.

39.3. The table below shows the comparative figures of Turnover and Profit/loss of first and second quarter of the FY 2019-20 and FY 2020-21:

(Rupees in crores)

	2019-20 (Q1)	2020-21 (Q1)	Decline/increment (%)
Turnover	2.57	1.70	-33.85%
Profit/Loss (PBT)	3.50	3.53	0.86%

	2019-20 (Q2)	2020-21 (Q2)	Decline/increment (%)
Turnover	4.41	5.90	33.79%
Profit/Loss (PBT)	12.42	14.15	13.93%

40. HINDUSTAN MACHINE TOOLS LTD. (HMT-MT)

40.1. The Machine Tools Business Group was incorporated as wholly owned subsidiary of HMT Limited in April 2000. The Machine Tool subsidiary has manufacturing units in Bangalore (Karnataka), Pinjore (Haryana), Kalamassery (Kerala), Hyderabad (Telangana) and Ajmer

(Rajasthan). HMT Machine Tools manufactures a wide range of machine tools viz. Computerised Numerical Control (CNC) and Non-CNC machines, Horizontal and Vertical Machining Centres, Grinding Machines, Gear Cutting Machines, Plastic Processing Machinery, Metal Forming Presses, Printing Machines, Naval Equipment, Space equipment etc.

40.2. The Committee was informed that during the lockdown, customers deferred their order placements due to which company's order in-flow declined. Besides user sectors of HMT's products have also deferred their new CAPEX plans. Production was impacted as imported items required to complete product assemblies were not received from abroad as ports were closed. There are no domestic manufacturers for 40% imported content required in HMT machines viz. CNC Controllers & Drives, Spindle Bearings, Linear Motion Guides, etc. The company was not able to depute personnel to complete international projects which were in final stages, due to the ban on international travel. The sales were impacted as machines were ready for final inspection, but dispatch could not take place as customer's representatives could not visit units for pre-dispatch final inspection. Further, erection & commissioning of dispatched machines, supply chain, collection of funds from sundry debtors & marketing offices was impacted. There was disruption in payment cycles, affecting cash flow, working capital and profitability. However, the company units reopened in May 2020 with 50% staff.

40.3. The table below shows the comparative figures of Turnover and Profit/loss of first and second quarter of the FY 2019-20 and FY 2020-21:

(Rupees in crores)

	2019-20 (Q1)	2020-21 (Q1)	Decline/increment (%)
Turnover	37.02	18.04	-51.00%
Profit/Loss (PBT)	-40.03	-47.30	-18.00%

	2019-20 (Q2)	2020-21 (Q2)	Decline/increment (%)
Turnover	55.30	32.51	-41.21%
Profit/Loss (PBT)	-12.51	-44.49	-255.64%

41. HMT (INTERNATIONAL) LTD. (Subsidiary of HMT)

41.1 HMT (International) Limited was set up in 1974 at Bangalore, as wholly owned subsidiary of HMT to undertake export of goods manufacture by HMT and International sales of Machine tools, Engineering Products & components, Agricultural, Industrial and marine products as well as setting up of turnkey projects and service, international trading etc.

41.2. The Committee was informed that post-lockdown, there was a decline in new CAPEX from customers all over the world. The User sectors deferred their investments. The supply chain was affected. The machines were ready, but dispatch could not take place due to closure of ports, thereby affecting sales. Various training projects were stalled due to the ban on international travel. Also, erection & commissioning of dispatched machines could not be completed and collection of funds from sundry debtors was affected.

41.3 The table below shows the comparative figures of Turnover and Profit/loss of first and second quarter of the FY 2019-20 and FY 2020-21:

(Rupees in crores)

	2019-20 (Q1)	2020-21 (Q1)	Decline/increment (%)
Turnover	13.15	4.02	-69.43%
Profit/Loss (PBT)	1.23	0.37	-0.86%

	2019-20 (Q2)	2020-21 (Q2)	Decline/increment (%)
Turnover	9.31	3.34	-64.12%
Profit/Loss (PBT)	0.11	-0.08	-172.73%

41.4 SOPs were released to ensure smooth functioning of operations at Unit level as per GoI and State Governments Directives. It included sanitization of premises at regular intervals, thermal scanning of employees, and maintaining social distancing at the workplace. The use of face masks was made compulsory. Meetings, interaction with customers and pre-dispatch inspection of machines by customers were being carried out through Video Conferencing. Efforts are being made to obtain consent letters from customers for delayed executions due to Pandemic. Applicability of in-built Force Majeure clause in the contracts/agreements was also being examined. Domestic manufacturers are encouraged to utilize HMT's Infrastructure Facilities. Efforts are being made to procure imported items from domestic manufacturers. Technical support is provided to domestic manufacturers for import-substituting products.

41.5 HMT has been making efforts under *Make in India* to promote self-reliance in various areas of manufacturing and production. HMT has been the partner in meeting specific machines/technology requirements of the strategic sectors and is in the forefront of efforts in indigenization of imported machines and equipment. In furtherance of Government's efforts to reduce the huge import bill, it is focussing on enhancing its capability to address technology gap and technology denial. It also developed new variants of Dairy Machinery to support the Dairy Industry. HMT Machine Tools has manufactured various medical equipment like UV disinfection tunnel (installed at Kochi Airport, Kannur Airport and other places), Isolation Pods for shifting Covid-19 patients. Three variants of ventilators are under progress, which are developed by HMT Machine Tools in collaboration with IITH. Eleven Machine Tool Mother Technologies identified under Capital Goods Sector have also been taken up for development to make India self reliant in these technologies. Design, development, implementation, hosting & maintenance of a Technology and Innovation Platform for Machine Tool Sector (TIP-MT) - *HMT TechPort* is under progress. Further, HMT (International) is increasingly focusing on technology sourcing from other countries. Technology transfer tie-ups have been done in the field of Robotics with Techno Development Corporation, Canada; High Precision Double Column Vertical Turning Centre with Schweiz; Ram Type Boring Machine with Italy; Rotary Table with Hydrostatic Bearing (Innse Berardi); Multi Spindle Automats with *M/s Tornado*, Switzerland & *M/s Tajmac*, Czech.

41.6 Austerity Measures of HMT

- Cutting down expenses by restricting tours/travels.

41.7 To meet up with the shortfall in production, discussions were made with the union, and it was decided to compensate the working hours in the coming months by working extra hours and attending the office on holidays.

41.8 It proposed to utilise Rs. 1.2 crore during FY 2020-21 under CSR to support the fight against the pandemic. Besides, the employees contributed one day salary amounting to Rs.18.66 lakh to the PM CARES Fund.

41.9 Under initiatives for engaging MSMEs, HMT extended its design, manufacture and marketing facilities to MSMEs.

41.10 The Committee notes that 40% of the component required for HMT Machines viz. CNC Controllers & Drivers, Spindle Bearings, Linear Motion Guides etc were imported. However, disruptions in import due to lockdowns and closure of ports have adversely affected the productions. Efforts have been made by HMT to provide technical support to Domestic Manufactures and utilize its infrastructure facilities for production of import substitutions. The Committee observes that the turnover and profit/loss for the 2nd quarter have been poorer than that of 1st quarter of the current FY 2020-21. The Committee recommends that new avenues may be explored for alternate manufacturing hubs for import substitution and technology transfer from other countries to meet the requirements of HMT so that the production process is back on track.

41.11. However, the Committee is given to understand that the impact of the Covid-19 was evidentially felt by the HMT Machines Tools Limited as it could not find domestic manufacturers for 40% imported content in HMT machines, viz. CNC Controllers and Drives, Spindle Bearings, Linear Motion Guides etc. The Committee hopes that with the easing of lockdowns in a graded manner, the Company is able to locate domestic manufacturers for its contents and accordingly desires that DHI may extend a helping hand in facilitating the Company to achieve this goal.

42. BHARAT PUMPS AND COMPRESSORS LTD. (BPCL)

42.1. BPCL, which was set up in 1970 with manufacturing facility at Allahabad in UP, is engaged in manufacturing and supply of heavy duty Pumps, Compressors and High Pressure Seamless CNG Gas Cylinders/Cascades to cater the need of Oil Exploration and Exploitation, Refineries, Petro-chemicals, Chemicals and Fertilizers and downstream industries.

42.2. In their written reply to the Questionnaire, DHI informed the Committee that the company was already facing financial crunch and the onset of COVID-19 Pandemic escalated the financial problems. Meanwhile the total shutdown of operations for a month (22.03.2020 to 22.04.2020) and working with a maximum of 50% manpower for another one month adversely affected revenue generation. There was disruption in the supply-chain cycle much beyond the lockdown period as many of the vendors and transporters were located in the containment zones. Further, there was disruption of courier services. Tour restrictions led to delays in inspection of incoming and out-going materials. Besides slow down of economy and limited operations at customer end resulted in fewer requirements of spares and reduction in order booking.

42.3 The table below shows the comparative figures of Turnover and Profit/loss of first and second quarter of the FY 2019-20 and FY 2020-21:

(Rupees in crores)

	2019-20 (Q1)	2020-21 (Q1)	Decline/increment (%)
Turnover	7.65	5.78	-24.44%
Profit/Loss (PBT)	-17.78	-16.41	7.71%

	2019-20 (Q2)	2020-21 (Q2)	Decline/increment (%)
Turnover	19.26	19.89	3.27%
Profit/Loss (PBT)	-3.02	-1.25	58.61%*

* As there is improvement in the figures of the loss before tax, it has been shown positively.

42.4 Austerity Measures of BPCL

- Ban on non-essential expenditure of capital nature/renovation work.
- Restriction on tour/travels.
- Strict budgeting in material procurement.
- Re-negotiation of payment terms with vendors for obtaining additional credit.

42.5 A number of activities were undertaken to combat the pandemic situation including mandatory thermal scanning and temperature recording at the entry/exit points for all employees; ensuring availability of sanitizers/hand wash at entry/exit and all prominent places within the factory premises; availability of face shield/gloves/PPE kits in the factory; prohibition on chewing/ spitting of Pan/Tobacco/Gutka in company premises; proper disposal of used masks, gloves and tissue paper; *etc.* Travel restrictions were imposed on all official tours. Further, use of information/digital technology such as conducting meetings through video conferencing and making payments through digital mode, were promoted. A ban on Capital Expenditure is imposed to manage cash crunch. Despite the effect of Covid-19 Pandemic, the Company has shown improved performance during the last 6 months ending 30.09.2020, compared to its performance for the corresponding period last year. The Company is trying to increase its order book position.

42.6. BPCL is utilising the opportunities created in the global market due to Covid-19 by encouraging promotion of local products. BPCL floated a tender seeking Expression of Interest from Global OEMs for Manufacturing Partnerships under Make in India. It secured an order worth Rs.55 lakh from MCFL (Mangalore Chemicals & Fertilizers Ltd) for spares of compressors of *Nuovo Pignone*, Italy. Earlier, MCFL used to procure these spares directly from the foreign OEM. Further, Government's decision of not resorting to global tender for values up to Rs.200 crores has created favourable market conditions for BPCL to secure orders from Oil sector PSUs. Presently, the Oil & Gas sector PSUs are buying large quantities of spares for their imported equipment from foreign OEMs. Under *Make In India*, these PSUs will be encouraged to buy from local sources. BPCL has assimilated technology from world's renowned manufacturers through technology transfer, collaboration and in-house development. Spares business for foreign equipment has been created and targeted.

42.7 It has sourced a minimum of 20% of its indigenous procurement from the MSME vendors. This percentage shall be gradually increased. Maximum efforts are being made for procurement of available items through the *GeM Portal*. Vendor meets are also being organized.

42.8. The Committee notes that BPCL has imposed a ban on Capital Expenditure to manage its cash crunch caused due to the Covid-19 Pandemic lockdowns. However, with the opening of lockdown, economic activities have resumed in a large scale improving the earnings. The Committee is of the view that as the Capital Expenditure is a critical driver for economic growth and employment generation; BPCL should strive to meet its targeted Capital Expenditure set for the FY 2020-21.

43. RAJASTHAN ELECTRONICS & INSTRUMENTS LTD. (REIL)

43.1 REIL was set up in 1981 as a Joint Venture of Instrumentation Limited, Kota (ILK) and Rajasthan State Industrial Development and Investment Corporation Limited (RIICO) with 51% and 49% ownership, respectively. The company's business extends to manufacture and supply of Agro Dairy Electronics items, Solar Photo Voltaic Modules/systems, electronic energy meters, Wind Power Energy and Information Technology Products and solutions. The CCEA on 3rd February, 2016 approved its delinking from its parent company, Instrumentation Ltd., and turned it into an independent CPSE under DHI.

43.2 The Company faced problems in meeting production targets and execution of existing purchase/work orders received from various customers due to the non-availability of various items which were being procured from China. From first week of January 2020, consignments of various items such as Solar Cells, Back Sheet, Junction Box, Aluminium Frame Extrusion, Thermal printer, 4G Modem, Integrated Circuits, Tablets, etc. were on hold in China initially due to the Chinese New Year holidays and thereafter due to Covid-19 Pandemic. As a result, production of Solar Photovoltaic Modules, Electronic Milk Analyzers and Advance Data Processor Units was adversely affected.

43.3 The table below shows the comparative figures of Turnover and Profit/loss of first and second quarter of the FY 2019-20 and FY 2020-21:

(Rupees in crores)

	2019-20 (Q1)	2020-21 (Q1)	Decline/increment (%)
Turnover	13.97	19.10	36.72%
Profit/Loss (PBT)	-11.50	-7.30	36.52%

	2019-20 (Q2)	2020-21 (Q2)	Decline/increment (%)
Turnover	34.45	32.40	-5.95
Profit/Loss (PBT)	-6.20	-2.73	55.97%*

* As there is improvement in the figures of the loss before tax, it has been shown positively.

43.4. From the information submitted by DHI, the Committee could decipher that REIL has been solely dependent on China for a major chunk of its raw materials for production and accordingly could not meet its production targets and execution of work orders during the lockdown period.

43.5 Austerity Measures of REIL

- Deferred payments on account of leave encashment and medical expenses.
- Administrative expenses like travelling, taxi, communication & staff welfare *etc.* curtailed.

43.6 It has contributed an amount of Rs.10.51 lakh, including Rs.4.51 lakh as one day salary of the employees to PM CARES Fund.

43.7 In the initial phase of lockdown, the Company followed the Government guidelines and SOPs were issued. Various urgent matters were resolved by taking decisions through meetings on the Virtual Platform. In the last week of April 2020, the Company restarted its operations with 33% staff and has gradually increased its work force as the lockdown was eased up with proper safety norms in place. REIL has adopted a multi pronged strategy and plans to accelerate the recovery process, including measures like retail marketing of its products.

43.8 In response to the *Atmanirbhar Bharat Mission*, REIL signed a MoU with *M/s Milkotronic Limited*, Bulgaria for transfer of technology to manufacture Milk Analyzers in India (during Hannover Messe) & started its production to support the *Make in India* mission. Solar PV Cells being used for manufacturing of SPV Modules were imported from other countries. REIL has now started manufacturing SPV Modules using indigenous SPV cells sourced from BHEL and other Indian manufacturers, which has resulted in reduction of the import bills to the tune of 8.6% in proportion to the previous year.

43.9 REIL emphasised development of support industries. It supports MSMEs for their technology upgradation, which in turn helps in their quality improvement and volume production. It is also fulfilling its requirement of raw materials and components from MSMEs.

43.10. The Committee recommends that DHI should make concerted efforts to uplift the company from its dependency on Chinese raw materials and co-ordinate with concerned Indian stakeholders, who would be able to provide the Company with the requisite raw-materials, so as to facilitate the Company to realise the vision of an ‘Atmanirbhar Bharat’.

44. NEPA LTD.

44.1 NEPA Ltd. is engaged in manufacturing newsprint. Currently this company is under Revival & Mill Development Plan (RMDP) through financial support provided by the Government of India.

44.2 The Committee was informed that RMDP of NEPA Ltd. was going smoothly till March 2020. However, after the announcement of lockdown, the Company’s Factory Premises and the Administrative office was completely closed from 23.03.2020 to 14.04.2020, due to which the progress of RMDP was adversely impacted and all the timelines/schedules got delayed. NEPA Ltd. is situated at Nepanagar under Burhanpur District, which was one of the hot spots for Covid-19. Many vendors were unable to remobilize their resources at the project site as all transport services were suspended. Further the supply of various components required for RMDP got delayed due to lockdown restrictions, as they were not covered under essential services. Besides manpower shortages were faced by the company due to a bar on movement of outstation labour and quarantine guidelines.

44.3. The table below shows the comparative figures of Turnover and Profit/loss of first and second quarter of the FY 2019-20 and FY 2020-21:

(Rupees in crores)

	2019-20 (Q1)	2020-21 (Q1)	Decline/increment (%)
Turnover	3.51	2.06	-41.31%
Profit/Loss (PBT)	2.82	-17.28	-712.77%

	2019-20 (Q2)	2020-21 (Q2)	Decline/increment (%)
Turnover	5.68	4.43	-22.01%
Profit/Loss (PBT)	-8.61	-11.92	-38.44%

44.4 During the initial lockdown, offices and factory premises were closed and only essential services were allowed to operate. Separate temporary Covid-19 wards were established in NEPA Ltd Hospital to provide immediate relief to Covid patients. Advisory regarding social distancing measures was circulated to all the employees to control the spread of Covid-19. Thermal Scanning of all the employees were done at entrance of the premises. Board Meetings and other committee meetings were organized through online mode to maintain social distancing. Official correspondence through email instead of physical files was encouraged. Proper sanitization of the office was carried out to disinfect the premises. All non-essential office travels were put on hold. RMDP is going on in full swing. All the vendors/contractors have remobilized their resources on the project site for completion of the RMDP at the earliest.

44.5. NEPA, on completion of its Revival & Mill Development Plan funded by the Central Government, is set to produce 1,00,000 MT PA, Writing & Printing Paper and Newsprint paper which will help in minimizing imports and increase in exports, thereby helping in achieving the vision of *Atmanirbhar Bharat*. The company is planning further strategies for improving the product quality, focussing on local innovation and use of domestic raw material for production.

44.6 The Committee notes that in October, 2018 the Government had approved the Revival and Mill Development Plan (RMDP) of NEPA Ltd. which was slated to be completed in December, 2019 with a total financial package of Rs.469.41 crores. However, the RMDP missed its first deadline and, as intimated by DHI, was likely to be completed in September, 2020 as it has been designed to boost production and support/generate local employment. On completion of RMDP, NEPA is expected to produce 1,00,000 MT p.a. of Writing & Printing Paper and Newsprint paper which will help minimise imports and increase exports. Since the lockdown has been eased almost completely, the manpower and other facilities are available for carrying out RMDP works in full swing. DHI had apprised the Committee that a Monitoring Committee under the Chairmanship of AS&FA, DHI has been constituted to regularly review the progress of the implementation of the RMDP. The Committee, therefore, recommends that efforts should be made on a priority basis to complete the RMDP of NEPA expeditiously. A compliance report on this aspect may be furnished to the Committee.

45. BRAITHWAITE, BURN AND JESSOP CONSTRUCTION LTD. (BBJ)

45.1. BBJ was promoted by Braithwaite, Burn and Jessop in 1935 for the erection of the Howrah Bridge. BBJ turned into a CPSE in 1987 when it became a subsidiary of Bharat Bhari Udyog Nigam Ltd. (BBUNL). BBJ is mainly engaged in construction of Steel Bridges all over India and adjoining countries for the past 78 years and has huge varied experience in the field of constructing of Steel Bridges for Railways. Later on BBJ and BBUNL have been merged into a unified entity.

45.2 The Committee was informed that the Covid-19 Pandemic led to negative profitability during the 1st Quarter *i.e.* April-June of the financial year 2020, mainly due to decreased production and highly restricted geographical movement of manpower and machinery. Consequently there was a delay in the award of work assigned to the Company by clients. Therefore the Company suffered time lag which adversely affected its profitability.

45.3 The table below shows the comparative figures of Turnover and Profit/loss of first and second quarter of the FY 2019-20 and FY 2020-21:

(Rupees in crores)

	2019-20 (Q1)	2020-21 (Q1)	Decline/increment (%)
Turnover	30.68	8.64	-72.00%
Profit/Loss (PBT)	2.48	-2.38	-195.00%

	2019-20 (Q2)	2020-21 (Q2)	Decline/increment (%)
Turnover	33.42	31.43	-5.95%
Profit/Loss (PBT)	0.96	4.14	331.25%

45.4 Austerity Measures of BBJ

- Rationalization of business tours and e-meeting via Video Conferencing.
- Reduced use of paper.
- Optimized use of power by controlled use of Electrical equipment/ gadgets in offices & factories and switching off lights, fans, ACs etc. during idle periods.

45.5 For personal safety of employees against Covid-19, they were advised to follow all SOPs/guidelines and download *Aarogya Setu App* as per directives issued by Central and State Government. Infrared Thermal Scanner for temperature checking was used and proper sanitization was ensured at every entry point of the premises. Besides, meetings were held through video conferencing. BBJ is focusing on accelerated production with least wastage of time, man and materials to meet its business targets.

45.6 BBJ contributed Rs.28.87 lakh to the PM CARES Fund for fighting the Covid-19 Pandemic

45.7 BBJ is continuously upholding Vocal for Local and Make in India in all its operations. Inputs/materials such as steel, fasteners, paints *etc.* which are required for construction of Steel Bridges are procured from Indian companies.

46. BRIDGE & ROOF COMPANY (I) LTD. (B&R)

46.1 B&R is a construction company engaged in Planning and design, construction and commissioning of various projects *viz.* construction of Railway Line, Major Bridges, Bailey Bridges, Bunk Houses, Oil Tanks, Pipelines, Buildings, Houses, Refineries, and Power Plants *etc.*

46.2 The Committee was informed that during the initial lockdown in March, 2020, all the sites of B&R were completely closed for about 2 months and the majority of its labour force migrated back home and re-organising the labour force took time.

46.3 The table below shows the comparative figures of Turnover and Profit/loss of first and second quarter of the FY 2019-20 and FY 2020-21:

(Rupees in crores)

	2019-20 (Q1)	2020-21 (Q1)	Decline/increment (%)
Turnover	633.8	224.97	-64.50%
Profit/Loss (PBT)	4.2	-57.63	-1472%

	2019-20 (Q2)	2020-21 (Q2)	Decline/increment (%)
Turnover	650.81	540.74	-16.91%
Profit/Loss (PBT)	1.14	-16.38	-1,536.84%

46.4 Austerity Measures of B&R

- Rationalization of business tours and e-meeting *via* Video Conferencing.
- Reduced use of paper.
- Optimized use of power by controlled use of Electrical equipment/ gadgets in offices & factories and switching off lights, fans, ACs *etc.* during idle periods.

46.5 Various protective measures such as thermal scanning of employees and regular sanitization of premises were undertaken to control the spread of COVID-19 amongst its employees and to keep the workplace safe and secure, as per the guidelines issued by the Central Government. The company declared ex-gratia payment of Rs.3 lakh to family/legal claimants of employees deceased due to COVID-19. It entered into a tie-up with Oriental Insurance Company Limited to provide insurance coverage to employees under *Corona Kavach Policy* for which premium of policy to be borne by the Company. Since the activities have got badly affected due to lockdown, B&R has taken the strategy to ensure maximum order booking during FY 2020-21. Under this strategy, orders amounting to approx. Rs. 4,200 crores have already been booked in FY 2020-21 so far, which is the best ever achievement during the corresponding period of a year.

46.6 It has contributed Rs.10 lakh to the PM CARES Fund towards fighting Covid-19 Pandemic during FY 2019-20, along with one day salary of its employees amounting to Rs. 25.45 lakh.

46.7 B&R has adopted the strategy to use indigenous tools and plants for its construction projects. It further decided to pay more importance to infrastructure development projects in the country wherein an order for about Rs.2,500 crore of Railway Projects has been secured in 2020-21. B&R has extended its focus on implementation of International Standard Health Infrastructure as a part of *Atmanirbhar Bharat*.

46.8 The Committee notes the efforts taken by B&R to secure its employees by providing them with health insurance coverage and desires that the DHI may take necessary initiatives in this direction so that other CPSEs follow the same to cover major unexpected health care costs thereby protecting their staff against unforeseen health issues.

47. CEMENT CORPORATION OF INDIA LTD. (CCI)

47.1 CCI Ltd. was incorporated in 1965 with the principal objective of setting up cement factories in the public sector to achieve self-sufficiency in cement production. CCI has three units - Bokajan (Assam), Rajban (HP) & Tandur (Telangana). The Committee was informed that due to the nationwide lockdown, all the three operating units of CCI were closed down from 22.03.2020 to 25.04.2020. Subsequently the operations resumed in a phased manner. Though production works normalised in the three units after April, 2020, the company is still facing manpower related issues for operational activities.

47.2 The table below shows the comparative figures of Turnover and Profit/loss of first and second quarter of the FY 2019-20 and FY 2020-21:

(Rupees in crores)

	2019-20 (Q1)	2020-21 (Q1)	Decline/increment (%)
Turnover	84.01	85.65	1.95%
Profit/Loss (PBT)	1.42	1.59	11.97%

	2019-20 (Q2)	2020-21 (Q2)	Decline/increment (%)
Turnover	54.97	99.27	80.59%
Profit/Loss (PBT)	-23.92	3.80	115.89%

47.3 Austerity Measures of CCI

- Tours and transfers are almost put-on hold.
- Use of e-Office.

47.4. Employees were advised to follow the directives issued by the Government like mandatory use of face masks/covers, use of *Aarogya Setu App*. Besides, the Company ensured the availability of hand sanitizer/soap at all times in the office/unit premises and at all entrances.

Meetings and trainings were organised through Video Conferences. E-Office was introduced during the lockdown period to allow employees to work from home. Production has been normalised in the three units of CCI after lockdown. However, manpower was utilized in such a way that CCI could achieve the highest dispatch in two quarters, among the last few years.

47.5 It has contributed Rs.44.45 lakh (approx.) to the PM CARES Fund. Besides, the employees contributed one day salary to the CARES Fund amounting to Rs. 8.40 lakh.

47.6 CCI has a vision and mission of making itself "a bigger and more important part of the global cement industry" and being self-sustaining and self-generating in meeting the demands of Indian cement market. CCI has integrated innumerable progressive modifications, in terms of products to satisfy customers and plans to continue to do so in future as well. It developed indigenous spares for its plants and most of its machinery is being maintained by import substitutes, thereby avoiding import of parts/machinery for its plants which were originally set up by foreign technology.

48. ENGINEERING PROJECTS (INDIA) LTD. (EPI)

48.1. EPI was incorporated in the year 1970 with the objective to undertake turnkey projects and consultancy services in India and abroad. It is the first India Company to undertake large civil and industrial projects abroad.

48.2. The Committee was informed that due to Covid-19 Pandemic, EPI encountered various problems such as, disruptions in the supply of skilled and unskilled manpower, construction material and supply chain of essential equipment, *etc* which adversely affected construction activities, causing slowdown in cash flows to projects and the company, delay in completion of projects and rise in project costs *etc*. Thus the slower project activities adversely affected EPI's turnover for these months.

48.3. The table below shows the comparative figures of Turnover and Profit/loss of first and second quarter of the FY 2019-20 and FY 2020-21:

(Rupees in crores)

	2019-20 (Q1)	2020-21 (Q1)	Decline/increment (%)
Turnover	377.47	63.24	-83.25%
Profit/Loss (PBT)	-3.05	-18.64	-511.15%

	2019-20 (Q2)	2020-21 (Q2)	Decline/increment (%)
Turnover	258.22	150.47	-41.73%
Profit/Loss (PBT)	-7.90	-13.33	-68.73%

48.4 Austerity Measures of EPI

- Cut in travelling expenditure.
- All training/seminars through electronic means.

48.5 During the Covid-19 lockdowns, the employees were allowed to work from home. Meetings, presentations, etc. were conducted through Video Conference. Various Operations and inspections of the site were done online. Contractual Relief was passed on to Contractors in terms of extension of Completion Time without levy of penalty. The Company released Performance Bank Guarantee to the extent of Supplies made/Contracts completed as per GoI Circulars/GFR/Force Majeure Clause.

48.6. EPI is focussing on implementation of government guidelines to achieve a procurement target of 25% of its annual procurements from MSMEs through *GeM Portal* only. It has not floated any Global tender for up to Rs. 200 crore so as to benefit the MSMEs and other small contractors. It is making efforts for indigenization of “Desulphurization System for Flu Gas emission” of Thermal Power Projects. It has conducted meetings/programmes to develop partnership relationships with MSMEs.

49. HINDUSTAN SALTS LTD. (HSL)

49.1. HSL was incorporated on the 12th April, 1958 as a Company fully owned by the Government of India to take over the salt source at Sambhar, Didwana and Kharaghoda earlier managed by the Salt Department, Government of India. Regarding the Covid-19 Pandemic, the Committee was informed that there was a slowdown in production and processing activities for nearly a month which resulted in fall in revenue. Execution of projects-in-hand got delayed. Underground mining in HSL-Mandi came to a grinding halt. Further, there was cost escalation due to shortage of manpower.

49.2. The table below shows the comparative figures of Turnover and Profit/loss of first and second quarter of the FY 2019-20 and FY 2020-21:

(Rupees in crores)

	2019-20 (Q1)	2020-21 (Q1)	Decline/increment (%)
Turnover	0.58	2.10	262.00%
Profit/Loss (PBT)	-0.30	0.81	370.00%

	2019-20 (Q2)	2020-21 (Q2)	Decline/increment (%)
Turnover	0.12	2.05	1,608.33%
Profit/Loss (PBT)	-0.50	-0.19	62.00*%

* As there is improvement in the figures of the loss before tax, it has been shown positively.

50. SAMBHAR SALTS LTD. (SSL)

50.1. SSL is a subsidiary of HSL and has over 90 sq. Miles of production area at Sambhar and Nawa (Rajasthan) and engaged in production of Common Salt, Processed Salt and Refined Salt.

50.2. The table below shows the comparative figures of Turnover and Profit/loss of first and second quarter of the FY 2019-20 and FY 2020-21:

(Rupees in crores)

	2019-20 (Q1)	2020-21 (Q1)	Decline/increment (%)
Turnover	6.16	4.91	-20.29%
Profit/Loss (PBT)	-0.63	-0.83	-31.74%

	2019-20 (Q2)	2020-21 (Q2)	Decline/increment (%)
Turnover	4.26	5.74	34.74%
Profit/Loss (PBT)	-2.11	0.41	119.43%

50.3 Austerity Measures of HSL/SSL

- Reducing consumption of electrical energy.
- Reducing physical movements of employees, resulting in tangible saving.
- Utilising electronic mode for all internal communication, thereby saving on stationary and vehicle movements.

50.4 HSL & SSL have already started operating at their full strength, except for the underground mining operations in Mandi Unit. Efforts are being made to resume the mining operations.

50.5 Employees contributed their one day salary amounting to Rs.15,892 and Rs.14,385, respectively to the PM CARES Fund.

50.6 HSL and SSL use indigenous equipment and intermediary products for process and production. There is no requirement of imported items.

51. The Committee notes the adverse impact of Covid-19 Pandemic on CPSEs and the huge losses suffered by almost all the aforesaid CPSEs in the 1st and 2nd quarter of the FY 2020-2021 vis-a-vis FY 2019-20. The Committee hopes that the CPSEs would be able to overcome the Pandemic situation through various initiatives proposed to be undertaken by the Government to mitigate the adverse impact and improve their profitability in the remaining quarters of FY 2020-21.

52. Despite the protective measures taken, the Covid-19 pandemic wrought negative impact on the functioning of the Company like slowing down of production and delaying of execution of projects in hand. In fact the Committee notes with concern that underground mining in the HSL-Mandi Region has come to a grinding halt and has not commenced so far. The Committee, therefore, desires that DHI should look into this matter in right earnest and take all measures to hand hold the company, which is already a loss making CPSE, so that it is enabled to start operations imminently.

53. Under Section 135 of the Companies Act, 2013, Corporate Social Responsibility (CSR) activities have been made mandatory for all profit making CPSEs to allocate 2% of their average net profits (NBT) of the three preceding years. Further as per the guidelines issued by the DPE vide their OM dated 10th December, 2018, the CPSEs are to utilise their CSR Funds in a focussed manner towards national priorities by adopting a theme based

approach each year. The Committee notes that most of the contributions to the PM CARES Fund by the CPSEs have been made from their CSR Funds diverting a large share that would have otherwise been utilised towards theme based CSR activities in their local areas. The Committee recommends that efforts should be made to ensure that the CPSEs utilize their CSR Funds particularly during the Covid-19 Pandemic fully to meet the targets set for the theme based activities in their respective areas.

54. The Committee is of the view that the CPSEs may establish specialised training institutes of their own or as a group, catering to their needs and requirements, so as to pull in and retain the technologically skilled brains churned out by the national as well as global educational institutions. Further, multi-skilling and cross-training of selective employees across multiple machineries would mitigate risks and help in managing quality control. Creating conducive environment and providing opportunities would surely help reverse brain drain.

55. It is observed that the strength of CPSEs is their manpower and the main asset of the private sector is their investment capability in R&D. The Committee, therefore, is of the view that initiatives may be taken so that the public and private sectors come together in a bid to complement each other in the national project of building a sustainably self-reliant India.

56. The Committee observes that under the Public Procurement Policy (PPP), the MSEs are promoted to improve their market accessibility and competitiveness through increased participation in Government procurements and encouraging development of linkages between MSEs and PSEs. As per the mandate of the Public Procurement Policy for Micro and Small Enterprises (MSEs) Order 2012, every Central Ministries/PSEs should set an annual target of minimum 25% procurement of goods & services from MSE Sector. Out of 25% annual procurement, a sub-target of 4% & 3% should be from MSEs owned by SC/ST and Women entrepreneurs, respectively. Keeping in view the extraordinary situation, the Committee is of the view that the Central Ministries and PSUs may procure more than the prescribed limits laid down under the PPP for MSEs Order 2012, so as to give further boost to the localised production.

57. The Committee recommends that regular Vendor Development Programmes should be conducted by the CPSEs to give wide publicity on the Public Procurement Policy so that MSEs are provided with business opportunities to expand their market base. The Committee desires that DHI may ensure conduct of such VDP regularly by the CPSEs under their administrative control.

Atmanirbhar Bharat Initiatives by DHI

58. The Committee was informed by the DHI that it organised a webinar titled “*Atmanirbhar Bharat – Collaboration in Manufacturing*” on 3rd July 2020. It was a first of its kind event to bring together a cross-section of Indian manufacturing organisations on one platform to dwell upon the next steps for developing self-reliance in manufacturing. The webinar, Chaired by Secretary (DHI), highlighted that indigenous capabilities available for design, R&D, prototyping, manufacturing and testing in many of the CPSEs, including BHEL, can be made available to all stakeholders for seamless cooperation between the public and private sectors. Also DHI

organised a *Make in India* interaction on 10th July 2020 with associations and 20 OEMs (Original Equipment Manufacturers) of the automotive and auto-component sectors. In addition to this, DHI is closely monitoring CPSEs' business activities through Monthly Progress Review Meetings and helping them with proper guidance and target-setting towards better performance.

58.1 Constitution of Project Development Cell:

58.1.1 In response to a query of the Committee regarding the measures taken by the Project Development Cell to make India investment-ready and investor friendly, DHI clarified that a Project Development Cell (PDC) is constituted for attracting investments in India and development of investible projects in coordination with the Central Government and the State Governments. It aims at growing a pipeline of investible projects in India, promoting Make in India and exports, and increasing FDI inflows as there was an urgent need of easing the processes required for setting up of business in India. PDC has conducted investor outreach through webinars, one-to-one meetings with Indian Missions and Industry Associations, reaching out to companies across Europe, Asia, and the Americas. It is closely coordinating with the identified investors to set up seamless communication among all key stakeholders. It also aims to support the existing plans and roadmaps in place for development of the auto, auto component, electric mobility and capital goods sectors. Additionally, it is envisioned to synergise efforts towards investment promotion and facilitation through collaboration with focus on States and Indian Missions abroad.

58.1.2 The Committee takes note of the new initiative taken by DHI for constitution of Project Development Cell (PDC) for attracting investments and development of investible projects in India in coordination with various other Ministries/Departments and State Governments. The Committee desires that the details of the roadmap formulated by PDC for providing support to investors for investing in India in the automobile and auto components sector, capital goods sector etc. may be furnished for information of the Committee.

58.2 Inviting investments for the Capital Goods Sector

58.2.1 The Committee was apprised by DHI that it has been reaching out to Indian Missions abroad in countries which have a competitive advantage in producing heavy machineries to invest in India in the Capital Goods sector towards achieving *Atmanirbhar Bharat Abhiyaan*. The Embassy of India in Tokyo and the DHI jointly invited the Capital Goods Industries in Japan and India for a webinar on 24th June 2020 on *Investment opportunities in the Capital Goods Sector in India*. Around 150 capital goods companies from India and Japan attended the webinar and it was followed by B2B interactions between the Indian and Japanese companies. After the webinar, the Department has organized several one to one meetings with leading manufacturers of capital goods who have expressed their interest in investing in India. The Department is supporting them through one to one meetings and has introduced them to the concerned State Governments.

58.2.2 The Committee notes that the Capital Goods Sector is the backbone of the manufacturing sector as it produces machines required for industrial production. Due to technology gaps in Capital Goods being manufactured in India, this sector is importing high-end machines required for manufacturing. The Committee is of the view that there is

an urgent need to address the gaps in technology needs, skill and infrastructure development for Capital Goods Sector. The Committee recommends that more webinars with prospective/potential investors be organized in collaboration with Indian Missions abroad to promote industrial investments for the development of high-end technology, skill and infrastructure. The Committee is hopeful that DHI would work to make India investment-ready and investor friendly. The Committee also suggests that DHI may prepare a list of potential clusters, potential sectors and potential investments with several state governments, so as to facilitate the grounding of investments and creation of investible projects.

58.3 Enhancement of Competitiveness in the Indian Capital Goods Sector

58.3.1 DHI informed the Committee that the Government had notified a *Scheme for Enhancing the Global Competitiveness of Capital Goods Sector* in 2014 to foster Industry-Academia partnerships for development of advanced manufacturing technologies. Advanced Centres of Excellence were set up at IITs, IISc and CMTI in partnership with Industry. These Centres have developed strategic technologies and machinery; four Industry 4.0 Centres are imparting awareness and support to MSMEs for smart manufacturing capabilities. Common Engineering Facilities Centres have been created for high tech-skilling and a specialized Machine Tool Industrial Park has been established. Strategic technologies have been developed through the Technology Absorption Funding Programme. The outcomes of the Scheme have proved the efficacy of the strategies deployed for technology and industrial infrastructure development and India is well positioned to take advantage of the emerging opportunities. Accordingly, a Phase II of the Scheme has been submitted to the Ministry of Finance as a *Concept Note* in May 2020.

58.3.2 The Committee notes that the Phase-II proposal of the *Scheme Enhancing the Global Competitiveness of Capital Goods Sector* for development of advanced manufacturing technologies is pending with the Ministry of Finance for approval. The Committee recommends that DHI may pursue the matter vigorously with the Ministry of Finance for approval of Phase-II proposal and apprise the Committee of the status/outcome.

58.4 Technology Innovation Platform Portal

58.4.1 DHI has informed the Committee that it is in the process of developing web-based open-manufacturing Technology Innovation Platforms under the ongoing Capital Goods Scheme, which will enable an alignment of interested experts and young problem solvers to come together, virtually from far off locations, in order to engage with industries, to identify their key technology development related problems and to crowd source solutions for the same in a systematic manner to accelerate start-ups and angel funding of Indian innovations by connecting them to a diverse network of experts including academia, technology students, manufacturing experts, designers, mentors, entrepreneurs, etc. These platforms will be structured to provide an incentive to each party that contributes, making it a win-win for all. Some of the larger bottlenecks identified through this platforms can be assessed & funded under Phase II of the Scheme so as to undertake development of key strategic advanced technologies that are currently not available in the country. This includes the development of ‘mother’ manufacturing technologies indigenously through ‘Grand Challenges’ on the Platform. All the required steps are being taken to expedite the development of the Technology Platform. Regular reviews are being undertaken to accelerate the process.

58.4.2 The Committee appreciates the efforts undertaken by the DHI regarding promotion of technological development and innovation and suggests that a master list of all the imported items used by CPSEs in assembly of their products should be prepared and shared with all the national research centres and educational institutions indulged in R&D activities, design and scientific innovations. Further the Committee desires that such research institutions should be provided financial assistance to support R&D activities for creation of a healthy manufacturing ecosystem. India is importing high-end technology machines since the domestic industry does not presently have the technological capabilities to manufacture the same. The Committee is of the view that concerted efforts involving technology driven innovations have to be made to create an environment congenial for R&D and innovation for achieving the goal of self-reliance.

58.4.3 The Committee has been told that DHI is developing web-based open manufacturing Technology Innovation Platforms under the ongoing Capital Goods Scheme for enhancing India's technological capabilities. The Committee hopes that this initiative would facilitate more start-ups and angel funding of innovations in India as well as development of mother manufacturing technologies indigenously through Grand Challengers on the Platform. The Committee recommends that the six Technology Platforms which are presently under trial runs may be formally launched on priority to promote industrial investments. Further, the Committee recommends that DHI should take all out efforts to promote the development of Technical Platforms under the Capital Goods Scheme in order to ensure their optimum utilization by experts including academia, technology students, manufacturing experts, etc.

58.5 Initiatives in Auto Sector

58.5.1. The Committee was informed that DHI has been continuously working towards making auto industry more localized, augmenting make in India efforts of the Government, making *Atmanirbhar Bharat* a success and to position India as an alternative manufacturing hub for automobiles and its components. In this direction, DHI is processing a proposal to grant Production Linked Incentives (PLI) to the automotive and automotive components sectors, in a bid to boost investment, production, sales and exports, and to facilitate creation of *Global Champions Plan*.

58.5.2 The Committee is of the opinion that the proposal of DHI to grant Production Linked Incentives (PLI) to the automotive and automotive components sectors is a welcome step in order to boost investment, production, sales and export of automobiles and its components making Indian automotive industry more competitive and self-reliant. The Committee may be updated about the progress made in this regard.

CAPITAL EXPENDITURE

59. The capital expenditure incurred by CPSEs plays a significant role in the economic growth of the country. Covid-19 Pandemic impacted CPSEs' revenue generation, profitability and consequently their internal resource generation, which has in turn impacted their CAPEX programme. In response to a query raised by the Committee about the measures taken to achieve the planned target of capital expenditure, it was informed that in the wake of Covid-19, DPE has reviewed the performance of CPSEs regarding their CAPEX regularly since July, 2020 along with Secretaries of concerned administrative Ministry/Department and Chief Executives of

CPSEs. In these meetings, DPE has laid specific emphasis to ensure acceleration in capital expenditure by CPSEs in the post-pandemic scenario.

60. Further, in order to make up for lower CAPEX achievement in the first quarter of the FY 2020-21, the CPSEs were directed to take necessary measures to fulfil the shortfall by the end of second quarter of the FY 2020-21. In addition, the Secretaries and Chief Executives of concerned CPSEs have been requested to visit their project sites to review the progress at ground level and resolve issues, if any, in order to expedite CAPEX performance of CPSEs. Also Secretary, DPE has conducted meetings with Secretaries of the concerned administrative Ministries/Departments and Chief Executives of CPSEs to accelerate CAPEX performance of CPSEs. In addition, CPSEs have also been incentivised for better CAPEX performance by increasing the weightage in CAPEX related parameters in the MoUs of the concerned CPSEs. Accordingly, there has been appreciable enhancement in the CAPEX achievement of CPSEs from 12% in first quarter of the FY 2020-21 to 39% at the end of second quarter, *i.e.* Rs. 24,738 crore by June, 2020 to Rs. 84,824 crore by September, 2020.

61. The Committee is of the view that CPSEs have a very pivotal role in giving a push to the growth of Indian economy and are regarded as one of the key generators of remunerative employment in the formal sector. Further, the Capital Expenditure has a high multiplier effect to increase the country's GDP. The Committee recommends that the CPSEs should take extraordinary efforts at extraordinary times to achieve targets of Capital Expenditure and to ensure that the capital outlay provided to them for the FY 2020-21 is utilised properly within the targeted period.

62. The Committee observes that from a measly Rs.24,738 crore in June 2020, the CAPEX achievement of CPSEs have risen to a whopping Rs.84,824 crore by September, 2020. This is a promising scenario. However, the Committee is of the opinion that it should be ensured that CPSEs are encouraged to maintain the pace of escalation in CAPEX. Any help/intervention needed by CPSEs on this front should be extended to them. DHI may strive to make concerted efforts on this front and impress upon the respective Administrative Ministries of other CPSEs, through DPE, to provide necessary hand-holding to any CPSE, who is in need of it, to keep up the achieved momentum of CAPEX.

GENERAL SUGGESTIONS

63. The Committee notes the efforts being made by DHI as well as CPSEs under its administrative control to achieve the goal of *Atmanirbhar Bharat* in manufacturing sector by adopting various innovative measures for indigenous production/manufacture of items, including items which were imported earlier. However, the Committee is of the view that a lot more needs to be done to make India actually self reliant. Besides, indigenous capabilities available for R&D, design, prototyping, manufacturing and testing in many of the CPSEs may be made available to all stakeholders for seamless co-operation between the public and private sectors. In this direction, the Committee hopes that with the public-private partnership and development of Technology Platforms, the vision of *Atmanirbhar Bharat* can become a reality.

64. Further, the Committee desires that DHI may devise suitable policy interventions in collaboration with other concerned Ministries to proactively render a stiff competition by the indigenous manufacturers, to lowly priced items such as glossy paper that are being imported from abroad to carry forward the vision of ‘Atmanirbhar Bharat.’

65. The Committee would also like to be apprised of the status of the policy formulation by DPE with regard to the use of land of loss making CPSEs for other purposes such as setting up of units by other public/private entities, so as to retain/generate employment.

RECOMMENDATIONS/OBSERVATIONS OF THE COMMITTEE - AT A GLANCE

1. The Committee takes note of the data furnished by DPE regarding production by CPSEs and recognizes the severity of operational disruptions in CPSEs due to complete lockdown. The Committee, therefore, is of the opinion that a detailed study needs to be conducted to comprehend at micro-level; the actual impact of COVID-19 Pandemic and consequent lockdowns on the performance of the CPSEs so that necessary timely intervention by the Government can be made to mitigate the economic fallout.

(Para 10)

2. However, the Committee is of the concerted view that besides extending the instructions, the DPE, given its role as a policy maker for the CPSEs, should develop a mechanism for close monitoring of the fact as to whether the instructions/guidelines are being followed in letter and spirit by the concerned CPSEs. This could be achieved by close co-ordination and working in tandem with respective Administrative Ministries of the CPSEs.

(Para 12)

3. The Committee appreciates the stimulus package announced by the Central Government for the economic revival of the country during the Covid-19 Pandemic. However, it is observed that the package is not enough to boost the economy when it is set for double digit contraction in the FY 2020-21. Even the economists have projected that the economy will contract by 9.5% during the said period. Also the first stimulus package has been parsimonious as can be seen that even after lifting of lockdown across the country, demand continues to be elusive. It is high time for the Government to come out with a new stimulus package to strengthen the business needs of the economy. The Committee, therefore, is of the view that the Government should come out with a larger stimulus package to tide over the economic fallout of Covid-19 Pandemic.

(Para 29)

4. The Committee recommends that the matter may be taken up with the concerned Ministries in right earnest and see to it that the pending dues to the MSMEs are released expeditiously. The Committee also desires to be updated of the action taken in this regard.

(Para 32)

5. The Committee also recommends that the DHI should monitor the CPSEs under its administrative control to ensure timely payment to MSMEs *i.e.*, within 45 days from the date of acceptance of goods and services from them.

(Para 33)

6. The Committee notes that BHEL has taken innovative measures to combat Covid-19 and developed/manufactured products such as (i) *BHELMister* (equipment for mass sanitization), (ii) Electrostatic Disinfection Machine for disinfection/sanitization of offices,

hospitals etc., (iii) Full Body Sanitization Chamber etc. The Committee is of the view that BHEL should also take initiatives to cut its fixed costs and diversify beyond power into areas like defence, transportation, aerospace, e-mobility batteries, oil & gas etc. for revenue generation post-Covid-19 Pandemic to achieve the vision of *Atmanirbhar Bharat* and become a Global engineering organisation.

(Para 35.13)

7. The Committee notes that BHEL in collaboration with NTPC & IGCAR, with funding support from DHI is developing Advanced Ultra Super Critical Technology for thermal power generation, which is an indigenous technology being developed for the first time in India. Since the R&D phase of the said project is in the final stages, as informed by DHI, the Committee is of the view that initiatives may be taken for exploring the domestic power market using the new technology to supplement the *Make in India* initiative.

(Para 35.14)

8. The Committee notes that due to sudden imposition of nationwide lockdown before the end of March, 2020, nearly 200 BS-IV variant vehicles with SIL could not be sold out resulting in blockage of inventory worth Rs.6.0 crores. The Committee recommends that, keeping in view the Pandemic induced unexpected lockdowns, DHI in coordination with the Ministry concerned, may work out legally tenable suitable measures to sell the buffer stock of unsold 200 BS-IV vehicles left with SIL.

(Para 37.9)

9. The Committee notes that only 75% salary has been paid by SIL to its employees since April, 2020. The Committee hopes that after the lifting of the lockdown, the payment of full salary to its employees would have been restored. The Committee recommends that as the lockdown has been eased almost completely throughout the country, DHI should ensure payment of full salary to the employees of CPSEs and apprise the Committee.

(Para 37.10)

10. The Committee would like to be apprised of the status of 'Type Approval' of the new model of Electric Vehicle from ICAT and also as to whether the E-Rickshaw variant has been submitted to ICAT for obtaining 'Type Approval'.

(Para 37.11)

11. The Committee notes the efforts being made by SIL to promote e-mobility mission of Government of India with all components sourced from Indian suppliers thereby fulfilling the vision of *Atmanirbhar Bharat*. Since BEL, with which SIL has tied up, is in advanced stage of developing/manufacturing all critical equipments/components, including Lithium Ion battery packs required for electrical vehicles and supplying the same to SIL shortly, the Committee may be apprised about the progress made in this regard.

(Para 37.12)

12. The Committee notes that 40% of the component required for HMT Machines viz. CNC Controllers & Drivers, Spindle Bearings, Linear Motion Guides etc were imported.

However, disruptions in import due to lockdowns and closure of ports have adversely affected the productions. Efforts have been made by HMT to provide technical support to Domestic Manufactures and utilize its infrastructure facilities for production of import substitutions. The Committee observes that the turnover and profit/loss for the 2nd quarter have been poorer than that of 1st quarter of the current FY 2020-21. The Committee recommends that new avenues may be explored for alternate manufacturing hubs for import substitution and technology transfer from other countries to meet the requirements of HMT so that the production process is back on track.

(Para 41.10)

13. However, the Committee is given to understand that the impact of the Covid-19 was evidentially felt by the HMT Machines Tools Limited as it could not find domestic manufacturers for 40% imported content in HMT machines, viz. CNC Controllers and Drives, Spindle Bearings, Linear Motion Guides etc. The Committee hopes that with the easing of lockdowns in a graded manner, the Company is able to locate domestic manufacturers for its contents and accordingly desires that DHI may extend a helping hand in facilitating the Company to achieve this goal.

(Para 41.11)

14. The Committee notes that BPCL has imposed a ban on Capital Expenditure to manage its cash crunch caused due to the Covid-19 Pandemic lockdowns. However, with the opening of lockdown, economic activities have resumed in a large scale improving the earnings. The Committee is of the view that as the Capital Expenditure is a critical driver for economic growth and employment generation; BPCL should strive to meet its targeted Capital Expenditure set for the FY 2020-21.

(Para 42.8)

15. The Committee recommends that DHI should make concerted efforts to uplift the company from its dependency on Chinese raw materials and co-ordinate with concerned Indian stakeholders, who would be able to provide the Company with the requisite raw-materials, so as to facilitate the Company to realise the vision of an 'Atmanirbhar Bharat'.

(Para 43.1)

16. The Committee notes that in October, 2018 the Government had approved the Revival and Mill Development Plan (RMDP) of NEPA Ltd. which was slated to be completed in December, 2019 with a total financial package of Rs.469.41 crores. However, the RMDP missed its first deadline and, as intimated by DHI, was likely to be completed in September, 2020 as it has been designed to boost production and support/generate local employment. On completion of RMDP, NEPA is expected to produce 1,00,000 MT p.a. of Writing & Printing Paper and Newsprint paper which will help minimise imports and increase exports. Since the lockdown has been eased almost completely, the manpower and other facilities are available for carrying out RMDP works in full swing. DHI had apprised the Committee that a Monitoring Committee under the Chairmanship of AS&FA, DHI has been constituted to regularly review the progress of the implementation of the RMDP. The Committee, therefore, recommends that efforts should be made on a priority basis to complete the RMDP of NEPA expeditiously. A compliance report on this aspect may be furnished to the Committee.

(Para 44.6)

17. The Committee notes the efforts taken by B&R to secure its employees by providing them with health insurance coverage and desires that the DHI may take necessary initiatives in this direction so that other CPSEs follow the same to cover major unexpected health care costs thereby protecting their staff against unforeseen health issues.

(Para 46.8)

18. The Committee notes the adverse impact of Covid-19 Pandemic on CPSEs and the huge losses suffered by almost all the aforesaid CPSEs in the 1st and 2nd quarter of the FY 2020-2021 *vis-a-vis* FY 2019-20. The Committee hopes that the CPSEs would be able to overcome the Pandemic situation through various initiatives proposed to be undertaken by the Government to mitigate the adverse impact and improve their profitability in the remaining quarters of FY 2020-21.

(Para 51)

19. Despite the protective measures taken, the Covid-19 pandemic wrought negative impact on the functioning of the Company like slowing down of production and delaying of execution of projects in hand. In fact the Committee notes with concern that underground mining in the HSL-Mandi Region has come to a grinding halt and has not commenced so far. The Committee, therefore, desires that DHI should look into this matter in right earnest and take all measures to hand hold the company, which is already a loss making CPSE, so that it is enabled to start operations imminently.

(Para 52)

20. Under Section 135 of the Companies Act, 2013, Corporate Social Responsibility (CSR) activities have been made mandatory for all profit making CPSEs to allocate 2% of their average net profits (NBT) of the three preceding years. Further as per the guidelines issued by the DPE *vide* their OM dated 10th December, 2018, the CPSEs are to utilise their CSR Funds in a focussed manner towards national priorities by adopting a theme based approach each year. The Committee notes that most of the contributions to the PM CARES Fund by the CPSEs have been made from their CSR Funds diverting a large share that would have otherwise been utilised towards theme based CSR activities in their local areas. The Committee recommends that efforts should be made to ensure that the CPSEs utilize their CSR Funds particularly during the Covid-19 Pandemic fully to meet the targets set for the theme based activities in their respective areas.

(Para 53)

21. The Committee is of the view that the CPSEs may establish specialised training institutes of their own or as a group, catering to their needs and requirements, so as to pull in and retain the technologically skilled brains churned out by the national as well as global educational institutions. Further, multi-skilling and cross-training of selective employees across multiple machineries would mitigate risks and help in managing quality control. Creating conducive environment and providing opportunities would surely help reverse brain drain.

(Para 54)

22. It is observed that the strength of CPSEs is their manpower and the main asset of the private sector is their investment capability in R&D. The Committee, therefore, is of the view that initiatives may be taken so that the public and private sectors come together in a bid to complement each other in the national project of building a sustainably self-reliant India.

(Para 55)

23. The Committee observes that under the Public Procurement Policy (PPP), the MSEs are promoted to improve their market accessibility and competitiveness through increased participation in Government procurements and encouraging development of linkages between MSEs and PSEs. As per the mandate of the Public Procurement Policy for Micro and Small Enterprises (MSEs) Order 2012, every Central Ministries/PSEs should set an annual target of minimum 25% procurement of goods & services from MSE Sector. Out of 25% annual procurement, a sub-target of 4% & 3% should be from MSEs owned by SC/ST and Women entrepreneurs, respectively. Keeping in view the extraordinary situation, the Committee is of the view that the Central Ministries and PSUs may procure more than the prescribed limits laid down under the PPP for MSES Order 2012, so as to give further boost to the localised production.

(Para 56)

24. The Committee recommends that regular Vendor Development Programmes should be conducted by the CPSEs to give wide publicity on the Public Procurement Policy so that MSEs are provided with business opportunities to expand their market base. The Committee desires that DHI may ensure conduct of such VDP regularly by the CPSEs under their administrative control.

(Para 57)

25. The Committee takes note of the new initiative taken by DHI for constitution of Project Development Cell (PDC) for attracting investments and development of investible projects in India in coordination with various other Ministries/Departments and State Governments. The Committee desires that the details of the roadmap formulated by PDC for providing support to investors for investing in India in the automobile and auto components sector, capital goods sector etc. may be furnished for information of the Committee.

(Para 58.1.2)

26. The Committee notes that the Capital Goods Sector is the backbone of the manufacturing sector as it produces machines required for industrial production. Due to technology gaps in Capital Goods being manufactured in India, this sector is importing high-end machines required for manufacturing. The Committee is of the view that there is an urgent need to address the gaps in technology needs, skill and infrastructure development for Capital Goods Sector. The Committee recommends that more webinars

with prospective/potential investors be organized in collaboration with Indian Missions abroad to promote industrial investments for the development of high-end technology, skill and infrastructure. The Committee is hopeful that DHI would work to make India investment-ready and investor friendly. The Committee also suggests that DHI may prepare a list of potential clusters, potential sectors and potential investments with several state governments, so as to facilitate the grounding of investments and creation of investible projects.

(Para 58.2.2)

27. The Committee notes that the Phase-II proposal of the *Scheme Enhancing the Global Competitiveness of Capital Goods Sector* for development of advanced manufacturing technologies is pending with the Ministry of Finance for approval. The Committee recommends that DHI may pursue the matter vigorously with the Ministry of Finance for approval of Phase-II proposal and apprise the Committee of the status/outcome.

(Para 58.3.2)

28. The Committee appreciates the efforts undertaken by the DHI regarding promotion of technological development and innovation and suggests that a master list of all the imported items used by CPSEs in assembly of their products should be prepared and shared with all the national research centres and educational institutions indulged in R&D activities, design and scientific innovations. Further the Committee desires that such research institutions should be provided financial assistance to support R&D activities for creation of a healthy manufacturing ecosystem. India is importing high-end technology machines since the domestic industry does not presently have the technological capabilities to manufacture the same. The Committee is of the view that concerted efforts involving technology driven innovations have to be made to create an environment congenial for R&D and innovation for achieving the goal of self-reliance.

(Para 58.4.2)

29. The Committee has been told that DHI is developing web-based open manufacturing Technology Innovation Platforms under the ongoing Capital Goods Scheme for enhancing India's technological capabilities. The Committee hopes that this initiative would facilitate more start-ups and angel funding of innovations in India as well as development of mother manufacturing technologies indigenously through Grand Challengers on the Platform. The Committee recommends that the six Technology Platforms which are presently under trial runs may be formally launched on priority to promote industrial investments. Further, the Committee recommends that DHI should take all out efforts to promote the development of Technical Platforms under the Capital Goods Scheme in order to ensure their optimum utilization by experts including academia, technology students, manufacturing experts, etc.

(Para 58.4.3)

30. The Committee is of the opinion that the proposal of DHI to grant Production Linked Incentives (PLI) to the automotive and automotive components sectors is a welcome step in order to boost investment, production, sales and export of automobiles and its components making Indian automotive industry more competitive and self-reliant. The Committee may be updated about the progress made in this regard.

31. The Committee is of the view that CPSEs have a very pivotal role in giving a push to the growth of Indian economy and are regarded as one of the key generators of remunerative employment in the formal sector. Further, the Capital Expenditure has a high multiplier effect to increase the country's GDP. The Committee recommends that the CPSEs should take extraordinary efforts at extraordinary times to achieve targets of Capital Expenditure and to ensure that the capital outlay provided to them for the FY 2020-21 is utilised properly within the targeted period.

(Para 61)

32. The Committee observes that from a measly Rs.24,738 crore in June 2020, the CAPEX achievement of CPSEs have risen to a whopping Rs.84,824 crore by September, 2020. This is a promising scenario. However, the Committee is of the opinion that it should be ensured that CPSEs are encouraged to maintain the pace of escalation in CAPEX. Any help/intervention needed by CPSEs on this front should be extended to them. DHI may strive to make concerted efforts on this front and impress upon the respective Administrative Ministries of other CPSEs, through DPE, to provide necessary hand-holding to any CPSE, who is in need of it, to keep up the achieved momentum of CAPEX.

(Para 62)

33. The Committee notes the efforts being made by DHI as well as CPSEs under its administrative control to achieve the goal of *Atmanirbhar Bharat* in manufacturing sector by adopting various innovative measures for indigenous production/manufacture of items, including items which were imported earlier. However, the Committee is of the view that a lot more needs to be done to make India actually self reliant. Besides, indigenous capabilities available for R&D, design, prototyping, manufacturing and testing in many of the CPSEs may be made available to all stakeholders for seamless co-operation between the public and private sectors. In this direction, the Committee hopes that with the public-private partnership and development of Technology Platforms, the vision of *Atmanirbhar Bharat* can become a reality.

(Para 63)

34. Further, the Committee desires that DHI may devise suitable policy interventions in collaboration with other concerned Ministries to proactively render a stiff competition by the indigenous manufacturers, to lowly priced items such as glossy paper that are being imported from abroad to carry forward the vision of 'Atmanirbhar Bharat.'

(Para 64)

35. The Committee would also like to be apprised of the status of the policy formulation by DPE with regard to the use of land of loss making CPSEs for other purposes such as setting up of units by other public/private entities, so as to retain/generate employment.

(Para 65)

List of CPSEs

1.	AAI CARGO LOGISTICS & ALLIED SERVICES CO.LTD.
2.	AGRINNOVATE INDIA LTD.
3.	AIR INDIA AIR TRANSPORT SERVICES LTD.
4.	AIR INDIA ENGINEERING SERVICES LTD.
5.	AIR INDIA EXPRESS LTD.
6.	AIR INDIA LTD.
7.	AIRLINE ALLIED SERVICES LTD.
8.	AIRPORTS AUTHORITY OF INDIA
9.	ANDREW YULE & CO.LTD.
10.	ANTRIX CORP.LTD.
11.	ARTIFICIAL LIMBS MANUFACTURING CORP.OF INDIA
12.	BALMER LAWRIE & CO.LTD.
13.	BALMER LAWRIE INVESTMENTS LTD.
14.	BEL OPTRONICS DEVICES LTD.
15.	BEL-THALES SYSTEMS LTD.
16.	BEML LTD.
17.	BENGAL CHEMICALS & PHARMACEUTICALS LTD.
18.	BHARAT BROADBAND NETWORK LTD.
19.	BHARAT COKING COAL LTD.
20.	BHARAT DYNAMICS LTD.
21.	BHARAT ELECTRONICS LTD.
22.	BHARAT HEAVY ELECTRICALS LTD.
23.	BHARAT IMMUNOLOGICALS & BIOLOGICALS CORP.LTD.
24.	BHARAT PETROLEUM CORP.LTD.
25.	BHARAT PETRORESOURCES LTD.
26.	BHARAT PUMPS & COMPRESSORS LTD.
27.	BHARAT SANCHAR NIGAM LTD.
28.	BHARAT WAGON & ENGINEERING CO.LTD.
29.	BHARTIYA RAIL BIJLEE CO.LTD.
30.	BHEL ELECTRICAL MACHINES LTD.
31.	BIOTECHNOLOGY INDUSTRY RESEARCH ASSISTANCE COUNCIL
32.	BISRA STONE LIME CO.LTD.,THE
33.	BPCL-KIAL FUEL FARM PVT.LTD.
34.	BRAHMAPUTRA VALLEY FERTILIZER CORP.LTD.
35.	BRAHMPUTRA CRACKER & POLYMER LTD.
36.	BRAITHWAITE & CO.LTD.
37.	BRAITHWAITE,BURN & JESSOP CONSTRUCTION CO.LTD.,THE
38.	BRIDGE & ROOF CO.(INDIA) LTD.
39.	BRITISH INDIA CORP.LTD.,THE
40.	BROADCAST ENGINEERING CONSULTANTS INDIA LTD.
41.	CEMENT CORP.OF INDIA LTD.
42.	CENTRAL COALFIELDS LTD.
43.	CENTRAL COTTAGE INDUSTRIES CORP.OF INDIA LTD.
44.	CENTRAL ELECTRONICS LTD.
45.	CENTRAL MINE PLANNING & DESIGN INSTITUTE LTD.
46.	CENTRAL RAILSIDE WAREHOUSE CO.LTD.

47.	CENTRAL WAREHOUSING CORP.
48.	CERTIFICATION ENGINEERS INTERNATIONAL LTD.
49.	CHANDIGARH INTERNATIONAL AIRPORT LTD.
50.	CHENNAI PETROLEUM CORP.LTD.
51.	COAL INDIA LTD.
52.	COCHIN SHIPYARD LTD.
53.	CONCOR AIR LTD.
54.	CONTAINER CORP.OF INDIA LTD.
55.	COTTON CORP.OF INDIA LTD.,THE
56.	DELHI POLICE HOUSING CORP.LTD.
57.	EASTERN COALFIELDS LTD.
58.	EASTERN INVESTMENT LTD.
59.	ECGC LTD.
60.	EDCIL (INDIA) LTD.
61.	ELECTRONICS CORP.OF INDIA LTD.
62.	ENGINEERING PROJECTS (INDIA) LTD.
63.	ENGINEERS INDIA LTD.
64.	FCI ARAVALI GYPSUM & MINERALS (INDIA) LTD.
65.	FERRO SCRAP NIGAM LTD.
66.	FERTILISERS & CHEMICALS TRAVANCORE LTD.,THE
67.	FERTILIZER CORP.OF INDIA LTD.,THE
68.	FOOD CORP.OF INDIA
69.	FRESH & HEALTHY ENTERPRISES LTD.
70.	GAIL (INDIA) LTD.
71.	GAIL GAS LTD.
72.	GARDEN REACH SHIPBUILDERS & ENGINEERS LTD.
73.	GOA ANTIBIOTICS & PHARMACEUTICALS LTD.
74.	GOA SHIPYARD LTD.
75.	HANDICRAFTS & HANDLOOMS EXPORTS CORP.OF INDIA LTD.,THE
76.	HEAVY ENGINEERING CORP.LTD.
77.	HIGH SPEED RAIL CORP.OF INDIA LTD.
78.	HIL (INDIA) LTD.
79.	HINDUSTAN AERONAUTICS LTD.
80.	HINDUSTAN ANTIBIOTICS LTD.
81.	HINDUSTAN CABLES LTD.
82.	HINDUSTAN COPPER LTD.
83.	HINDUSTAN FERTILIZER CORP.LTD.
84.	HINDUSTAN FLUOROCARBONS LTD.
85.	HINDUSTAN NEWSPRINT LTD.
86.	HINDUSTAN ORGANIC CHEMICALS LTD.
87.	HINDUSTAN PETROLEUM CORP.LTD.
88.	HINDUSTAN PREFAB LTD.
89.	HINDUSTAN SALTS LTD.
90.	HINDUSTAN SHIPYARD LTD.
91.	HINDUSTAN STEELWORKS CONSTRUCTION CO.LTD.
92.	HLL BIOTECH LTD.
93.	HLL INFRA TECH SERVICES LTD.
94.	HLL LIFECARE LTD.
95.	HLL MOTHER & CHILD CARE HOSPITALS LTD.
96.	HMT (INTERNATIONAL) LTD.
97.	HMT BEARINGS LTD.

98.	HMT LTD.
99.	HMT MACHINE TOOLS LTD.
100.	HMT WATCHES LTD.
101.	HOOGHLY DOCK & PORT ENGINEERS LTD.
102.	HOOGHLY PRINTING CO.LTD.
103.	HOTEL CORP.OF INDIA LTD.
104.	HOUSING & URBAN DEVELOPMENT CORP.LTD.
105.	HPCL BIOFUELS LTD.
106.	HSCC (INDIA) LTD.
107.	IDPL (TAMIL NADU) LTD.
108.	IIFCL ASSET MANAGEMENT CO.LTD.
109.	IIFCL PROJECTS LTD.
110.	INDIA INFRASTRUCTURE FINANCE CO.LTD.
111.	INDIA TOURISM DEVELOPMENT CORP.LTD.
112.	INDIA TRADE PROMOTION ORGANISATION
113.	INDIAN MEDICINES PHARMACEUTICAL CORP.LTD.
114.	INDIAN OIL CORP.LTD.
115.	INDIAN RAILWAY CATERING & TOURISM CORP.LTD.
116.	INDIAN RAILWAY FINANCE CORP.LTD.
117.	INDIAN RENEWABLE ENERGY DEVELOPMENT AGENCY LTD.
118.	INDIAN VACCINE CORP.LTD.
119.	INSTRUMENTATION LTD.
120.	IRCON DAVANAGERE HAVERI HIGHWAY LTD.
121.	IRCON INFRASTRUCTURE & SERVICES LTD.
122.	IRCON INTERNATIONAL LTD.
123.	IRCON PB TOLLWAY LTD.
124.	IRCON SHIVPURI GUNA TOLLWAY LTD.
125.	IRCON VADODARA KIM EXPRESSWAY LTD.
126.	IREL (INDIA) LTD.
127.	ITI LTD.
128.	J&K MINERAL DEVELOPMENT CORP.
129.	JAMMU & KASHMIR DEVELOPMENT FINANCE CORP.LTD
130.	JUTE CORP.OF INDIA LTD.,THE
131.	KAMARAJAR PORT LTD.
132.	KANTI BIJLEE UTPADAN NIGAM LTD.
133.	KARNATAKA ANTIBIOTICS & PHARMACEUTICALS LTD.
134.	KARNATAKA TRADE PROMOTION ORGANIZATION
135.	KIOCL LTD.
136.	KONKAN RAILWAY CORP.LTD.
137.	KUMARAKRUPPA FRONTIER HOTELS PVT.LTD.
138.	LOKTAK DOWNSTREAM HYDROELECTRIC CORP.LTD.
139.	MADRAS FERTILIZERS LTD.
140.	MAHANADI COALFIELDS LTD.
141.	MAHANAGAR TELEPHONE NIGAM LTD.
142.	MANGALORE REFINERY & PETROCHEMICALS LTD.
143.	MAZAGON DOCK SHIPBUILDERS LTD.
144.	MECON LTD.
145.	MILLENNIUM TELECOM LTD.
146.	MINERAL EXPLORATION CORP.LTD.
147.	MISHRA DHATU NIGAM LTD.
148.	MMTC LTD.

149.	MOIL LTD.
150.	MSTC LTD.
151.	MUMBAI RAILWAY VIKAS CORP.LTD.
152.	NAGALAND PULP & PAPER CO.LTD.
153.	NAINI AEROSPACE LTD.
154.	NATIONAL ALUMINIUM CO.LTD.
155.	NATIONAL BACKWARD CLASSES FINANCE & DEVELOPMENT CORP.
156.	NATIONAL FERTILIZERS LTD.
157.	NATIONAL FILM DEVELOPMENT CORP.LTD.
158.	NATIONAL HANDICAPPED FINANCE & DEVELOPMENT CORP.
159.	NATIONAL HANDLOOM DEVELOPMENT CORP.LTD.
160.	NATIONAL HIGHWAYS & INFRASTRUCTURE DEVELOPMENT CORP.LTD.
161.	NATIONAL INFORMATICS CENTRE SERVICES INC.
162.	NATIONAL MINORITIES DEVELOPMENT & FINANCE CORP.
163.	NATIONAL PROJECTS CONSTRUCTION CORP.LTD.
164.	NATIONAL RESEARCH DEVELOPMENT CORP.
165.	NATIONAL SAFAI KARAMCHARIS FINANCE & DEVELOPMENT CORP.
166.	NATIONAL SCHEDULED CASTES FINANCE & DEVELOPMENT CORP.
167.	NATIONAL SCHEDULED TRIBES FINANCE & DEVELOPMENT CORP.
168.	NATIONAL SEEDS CORP.LTD.
169.	NATIONAL SMALL INDUSTRIES CORP.LTD.,THE
170.	NATIONAL TEXTILE CORP.LTD.
171.	NBCC (INDIA) LTD.
172.	NBCC ENGINEERING & CONSULTANCY LTD.
173.	NBCC SERVICES LTD.
174.	NEPA LTD.
175.	NHDC LTD.
176.	NHPC LTD.
177.	NLC INDIA LTD.
178.	NLC TAMIL NADU POWER LTD.
179.	NMDC CSR FOUNDATION
180.	NMDC LTD.
181.	NORTH EASTERN ELECTRIC POWER CORP.LTD.
182.	NORTH EASTERN HANDICRAFTS & HANDLOOM DEVELOPMENT CORP.LTD.
183.	NORTH EASTERN REGIONAL AGRICULTURAL MARKETING CORP.LTD.
184.	NORTHERN COALFIELDS LTD.
185.	NTPC ELECTRIC SUPPLY CO.LTD.
186.	NTPC LTD.
187.	NTPC VIDYUT VYAPAR NIGAM LTD.
188.	NUCLEAR POWER CORP.OF INDIA LTD.
189.	NUMALIGARH REFINERY LTD.
190.	OIL & NATURAL GAS CORP.LTD.
191.	OIL INDIA LTD.
192.	ONGC MANGALORE PETROCHEMICALS LTD.
193.	ONGC VIDESH LTD.
194.	ORISSA MINERAL DEVELOPMENT CO.LTD.
195.	PATRATU VIDYUT UTPADAN NIGAM LTD.
196.	PAWAN HANS LTD.
197.	PEC LTD.
198.	PFC CONSULTING LTD.
199.	PONDICHERRY ASHOK HOTEL CORP.LTD.

200.	POWER FINANCE CORP.LTD.
201.	POWER GRID CORP.OF INDIA LTD.
202.	POWER GRID JABALPUR TRANSMISSION LTD.
203.	POWER GRID NM TRANSMISSION LTD.
204.	POWER GRID PARLI TRANSMISSION LTD.
205.	POWER GRID UNCHAHAR TRANSMISSION LTD.
206.	POWER GRID VIZAG TRANSMISSION LTD.
207.	POWER GRID WARORA TRANSMISSION LTD.
208.	POWER SYSTEM OPERATION CORP.LTD.
209.	POWERGRID KALA AMB TRANSMISSION LTD.
210.	POWERGRID SOUTHERN INTERCONNECTOR TRANSMISSION SYSTEM LTD.
211.	PRIZE PETROLEUM CO.LTD.
212.	PROJECTS & DEVELOPMENT INDIA LTD.
213.	PUNJAB LOGISTIC INFRASTRUCTURE LTD.
214.	RAIL VIKAS NIGAM LTD.
215.	RAILTEL CORP.OF INDIA LTD.
216.	RAILTEL ENTERPRISES LTD.
217.	RAILWAY ENERGY MANAGEMENT CO.LTD.
218.	RAJASTHAN ELECTRONICS & INSTRUMENTS LTD.
219.	RANCHI ASHOK BIHAR HOTEL CORP.LTD.
220.	RASHTRIYA CHEMICALS & FERTILIZERS LTD.
221.	RASHTRIYA ISPAT NIGAM LTD.
222.	REC LTD.
223.	REC POWER DISTRIBUTION CO.LTD.
224.	REC TRANSMISSION PROJECTS CO.LTD.
225.	RICHARDSON & CRUDDAS (1972) LTD.
226.	rites LTD.
227.	SAIL REFRACTORY CO.LTD.
228.	SAMBHAR SALTS LTD.
229.	SCOOTERS INDIA LTD.
230.	SECURITY PRINTING & MINTING CORP.INDIA LTD.
231.	SHIPPING CORP.OF INDIA LTD.,THE
232.	SIDCUL CONCOR INFRA CO.LTD.
233.	SJVN LTD.
234.	SOLAR ENERGY CORP.OF INDIA
235.	SOUTH EASTERN COALFIELDS LTD.
236.	STATE TRADING CORP.OF INDIA LTD.,THE
237.	STCL LTD.
238.	STEEL AUTHORITY OF INDIA LTD.
239.	TAMIL NADU TRADE PROMOTION ORGANIZATION
240.	TCIL BINA TOLL ROAD LTD.
241.	TCIL LAKHNADONE TOLL ROAD LTD.
242.	TELECOMMUNICATIONS CONSULTANTS INDIA LTD.
243.	THDC INDIA LTD.
244.	URANIUM CORP.OF INDIA LTD.
245.	UTKAL ASHOK HOTEL CORP.LTD.
246.	VIGNYAN INDUSTRIES LTD.
247.	VISAKHAPATANAM PORT LOGISTICS PARK LTD.
248.	WAPCOS LTD.
249.	WESTERN COALFIELDS LTD.

Maharatnas CPSEs

1.	BHARAT HEAVY ELECTRICALS LTD.
2.	BHARAT PETROLEUM CORP.LTD.
3.	COAL INDIA LTD.
4.	GAIL (INDIA) LTD.
5.	HINDUSTAN PETROLEUM CORP.LTD.
6.	INDIAN OIL CORP.LTD.
7.	NTPC LTD.
8.	OIL & NATURAL GAS CORP.LTD.
9.	POWER GRID CORP.OF INDIA LTD.
10.	STEEL AUTHORITY OF INDIA LTD.

Navratnas

1.	BHARAT ELECTRONICS LTD.
2.	CONTAINER CORP.OF INDIA LTD
3.	ENGINEERS INDIA LTD.
4.	HINDUSTAN AERONAUTICS LTD.
5.	MAHANAGAR TELEPHONE NIGAM LTD.
6.	NATIONAL ALUMINIUM CO.LTD.
7.	NBCC (INDIA) LTD
8.	NLC INDIA LTD.
9.	NMDC LTD.
10.	OIL INDIA LTD.
11.	POWER FINANCE CORP.LTD.
12.	RASHTRIYA ISPAT NIGAM LTD.
13.	REC LTD.
14.	THE SHIPPING CORP.OF INDIA LTD.

Miniratnas CPSEs(I and II)

Category I CPSEs

1.	AIRPORTS AUTHORITY OF INDIA
2.	ANTRIX CORP.LTD.
3.	BALMER LAWRIE & CO.LTD.
4.	BEML LTD.
5.	BHARAT COKING COAL LTD.
6.	BHARAT DYNAMICS LTD.
7.	BHARAT SANCHAR NIGAM LTD.
8.	BRIDGE & ROOF CO.(INDIA) LTD.
9.	CENTRAL COALFIELDS LTD.
10.	CENTRAL MINE PLANNING & DESIGN INSTITUTE LTD.
11.	CENTRAL WAREHOUSING CORP.
12.	CHENNAI PETROLEUM CORP.LTD.
13.	COCHIN SHIPYARD LTD.
14.	EDCIL (INDIA) LTD.
15.	GARDEN REACH SHIPBUILDERS & ENGINEERS LTD.
16.	GOA SHIPYARD LTD.
17.	HINDUSTAN COPPER LTD.
18.	HINDUSTAN NEWSPRINT LTD.
19.	HINDUSTAN PAPER CORP.LTD.
20.	HLL LIFECARE LTD.
21.	HOUSING & URBAN DEVELOPMENT CORP.LTD.
22.	HSCC (INDIA) LTD.
23.	INDIA TOURISM DEVELOPMENT CORP.LTD.
24.	INDIA TRADE PROMOTION ORGANISATION
25.	INDIAN RAILWAY CATERING & TOURISM CORP.LTD.
26.	INDIAN RAILWAY FINANCE CORP.LTD.
27.	INDIAN RARE EARTHS LTD.
28.	INDIAN RENEWABLE ENERGY DEVELOPMENT AGENCY LTD.
29.	IRCON INTERNATIONAL LTD.
30.	KAMARAJAR PORT LTD.
31.	KIOCL LTD.
32.	MAHANADI COALFIELDS LTD.
33.	MANGALORE REFINERY & PETROCHEMICALS LTD.
34.	MAZAGON DOCK SHIPBUILDERS LTD.
35.	MINERAL EXPLORATION CORP.LTD.
36.	MISHRA DHATU NIGAM LTD.
37.	MMTC LTD.
38.	MOIL LTD.
39.	MSTC LTD.
40.	NATIONAL FERTILIZERS LTD.
41.	NATIONAL PROJECTS CONSTRUCTION CORP.LTD.
42.	NATIONAL SEEDS CORP.LTD.
43.	NATIONAL SMALL INDUSTRIES CORP.LTD.,THE
44.	NHPC LTD.
45.	NORTH EASTERN ELECTRIC POWER CORP.LTD.
46.	NORTHERN COALFIELDS LTD.

47.	NUMALIGARH REFINERY LTD.
48.	ONGC VIDESH LTD.
49.	PAWAN HANS LTD.
50.	PROJECTS & DEVELOPMENT INDIA LTD.
51.	RAIL VIKAS NIGAM LTD.
52.	RAILTEL CORP.OF INDIA LTD.
53.	RASHTRIYA CHEMICALS & FERTILIZERS LTD.
54.	RITES LTD.
55.	SECURITY PRINTING & MINTING CORP.INDIA LTD.
56.	SJVN LTD.
57.	SOUTH EASTERN COALFIELDS LTD.
58.	TELECOMMUNICATIONS CONSULTANTS INDIA LTD.
59.	THDC INDIA LTD.
60.	WAPCOS LTD.
61.	WESTERN COALFIELDS LTD.

Category II CPSEs

1.	ARTIFICIAL LIMBS MANUFACTURING CORP.OF INDIA
2.	BHARAT PUMPS & COMPRESSORS LTD.
3.	BROADCAST ENGINEERING CONSULTANTS INDIA LTD.
4.	CENTRAL RAILSIDE WAREHOUSE CO.LTD.
5.	ENGINEERING PROJECTS (INDIA) LTD.
6.	FCI ARAVALI GYPSUM & MINERALS (INDIA) LTD.
7.	FERRO SCRAP NIGAM LTD.
8.	HMT (INTERNATIONAL) LTD.
9.	INDIAN MEDICINES PHARMACEUTICAL CORP.LTD.
10.	MECON LTD.
11.	NATIONAL FILM DEVELOPMENT CORP.LTD.
12.	RAJASTHAN ELECTRONICS & INSTRUMENTS LTD.

List of CPSEs administered by DHI

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

4.	Weighbrid (India) Ltd.
5.	Mining & Allied Machinery Corporation Ltd.
6.	Bharat Process & Mechanical Engg. Ltd.
7.	Bharat Brakes & Values Ltd.
8.	Cycle Corporation of India Ltd.
9.	Rehabilitation Industries Ltd.
10.	Bharat Yantra Nigam Ltd.
11.	Triveni Structurals Ltd.
12.	Tannery & Footwear Corporation of India Ltd.
13.	Bharat Leather Corporation Ltd.
14.	National Industrial Development Corporation Ltd.