MEMORANDUM OF UNDERSTANDING

For the Year 2014-15

BETWEEN

HINDUSTAN STEELWORKS CONSTRUCTION LTD

AND

MINISTRY OF STEEL, GOVT. OF INDIA

hscl
Celebrating
50 years
1964-2013

O/C

MEMORANDUM OF UNDERSTANDING FOR THE YEAR 2014-2015

BETWEEN

HINDUSTAN STEELWORKS CONSTRUCTION LIMITED

AND

MINISTRY OF STEEL, GOVERNMENT OF INDIA

This Memorandum of Understanding is made between Hindustan Steelworks Construction Limited and Ministry of Steel, Government of India for the year 2014-2015.

PART-I : MISSION/ VISION & OBJECTIVES

MISSION:

To promote productivity & professionalism both at individual as well as organizational level and generate urge always to do better tomorrow than we do today so that there is better satisfaction to the customer, better profitability to the organization & better sense of achievement to the employee.

VISION:

To establish HSCL as a leader in diverse areas of construction & project management and with competent, motivated & willing workforce & consciousness to social responsibilities.

OBJECTIVES:

- To achieve post-restructuring Turnover of Rs.2400 Cr. with an Operational Profit of Rs.180 Cr. by the end of FY 2019-20.
- To diversify into new areas of profitable activities and widen its pan India presence by setting up unit offices to cater to the increasing business needs of the Company.
- To upgrade the quality & skill of the employees on the basis of identified training needs.
- To achieve high levels of safety standards.
- To take measures for effecting all round economy by judicious cost control.
- To take appropriate steps for realizing Company's outstanding.
- To modernise its equipment holding.

- To improve the asset base of the Company.
- To take up activities for contributing to the society as a PSU by implementing CSR projects of other PSUs.
- To achieve 100% compliance to the DPE guidelines on Corporate Governance.
- To strengthen Corporate Communication for image building and for achieving higher marketing capabilities.

PART - II : EXERCISE OF ENHANCED AUTONOMY AND DELEGATION OF FINANCIAL POWERS

Normal delegation of power approved in respect of MOU signing companies shall be followed in respect of HSCL.

Part - III
HINDUSTAN STEELWORKS CONSTRUCTION LTD
PERFORMANCE EVALUATION PARAMETERS AND TARGETS FOR 2014-15
MOU Assessment Format for 'Sick and loss making' CPSEs

Annexure-IV

Sl No	Evaluation Criteria	Unit	Wt. (in %)	Target					MOU Target / B.E 2014-15	Documentary evidence and source/origin of document
				Ex	VG	G	F	P		
1	**Static Financial Parameters (40%)**									
(i)	Sales Turnover	Rs.in Cr.	8	1450.00	1400.00	1350.00	1300.00	1250.00	1450.00	Annual Report and analysis
(ii)	Gross Operating Margin	Rs.in Cr.	8	105.00	100.00	95.00	90.00	85.00	105.00	-do-
(iii)	Net profit	Rs.in Cr.	5	-9.00	-14.00	-19.00	-26.00	-31.00	-9.00	-do-
(iv)	Net Worth	Rs.in Cr.	5	-1426.97	-1431.97	-1436.97	-1443.97	-1448.97	-1426.97	-do-
(v)	Cash Generation from Operation	Rs.in Cr.	5	32.63	30.05	27.47	22.88	20.30	32.63	-do-
(vi)	Working Capital/Turnover	Ratio	5	-0.92	-0.96	-0.99	-1.04	-1.08	-0.92	-do-
(vii)	Debtors Turnover Ratio	Ratio	4	0.490	0.510	0.530	0.550	0.570	0.490	-do-
	Sub-total (1)		40							

MoU 2014-15
Approved by DPE/TF
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Sl No.	Evaluation Criteria	Unit	Wt. (in %)	Target					B.E 2014-15	Documentary evidence and source/origin of document
				Ex	VG	G	F	P		
2	**Dynamic Parameters (60%)**									
	Physical Targets	Not applicable								
(i)	Order Booking during the year	Rs.in Cr.	8	1800	1700	1600	1500	1400	1800	Certification from practising Chartered Accountant/ Statutory Auditor
(ii)	**Customer Satisfaction**									
(a)	No.of jobs completed to the satisfaction of client as per their assessment	%	2.5	100%	95%	90%	85%	80%	100%	Board note and resolution
(b)	Survey by Independent Agency'	5 point scale	2.5	4.50	3.50	3.00	2.50	2.00	4.50	Certificate to be given by independent agency
(iv)	**Project Implementation (Modernisation / Expansion)**									
	Acvievement of Milestone of projects									
(a)	Implementation of 6 Nos. of Food Godowns under RIDF -XVII along with allied anciliary facilities (Progress till 13-14 = Rs.14.00 Cr.Balance = Rs.17.50 Cr.) Completion target 30.6.2014	Date	1	30.6.2014	31.7.2014	31.8.2014	30.9.2014	31.10.2014	30.6.2014	Certification from practising Chartered Accountant/ Statutory Auditor
(b)	Implementation of 7 Nos. of Food Godowns under RIDF -XVIII along with allied anciliary facilities (Progress till 13-14 = Rs.10.00 Cr.Balance = Rs.32.00 Cr.) Completion target 30.11.2014	Date	1	30.11.2014	31.12.2014	31.1.2015	28.2.2015	31.3.2015	30.11.2014	-do-
(c)	Implementation of 17 Nos of Bridges in different Districts of Jharkhand under PMGSY Progress till 13-14 = Rs.18.00 Cr., Balance = Rs.9.00 Cr. Completion Target 30.11.2014	Date	1	30.11.2014	31.12.2014	31.1.2015	28.2.2015	31.3.2015	30.11.2014	-do-
(d)	Implementation of Rural Roads under PMGSY in several Districts in Jharkhand under Phase 7,8,9,10,11 Progress till 13-14 = Rs.70.00 Cr., Balance = Rs.300 Cr. 40% is targetted for completion in 2014-15 = Rs.120 Cr.	Date	1	15.1.2015	31.1.2015	28.2.2015	15.3.2015	31.3.2015	15.1.2015	-do-
(e)	Implementation of Roads and Bridges in different Districts of Jharkhand under PMGSY Phase-XII. Value of work = Rs.787 Cr., Target for 2014-15	Rs. in Cr.	1	150	135	120	115	100	150	-do-
(f)	Construction of Ashpond Stage-II inside Bellary Thermal Power Station Value of work = Rs.119 Cr. To be continued beyond 2014-15, Target for 1014-15	Rs. in Cr.	1	50	45	40	35	30	50	-do-
(g)	Construction of Paramedical and allied health institute at Gulbarga Value of work = Rs.324 Cr. To be completed in 2014-15, Balance value is estimated as Rs.75 Cr. after anticipated reduction in value of work	Date	1	31.12.2014	31.1.2015	28.2.2015	15.3.2015	31.3.2015	31.12.2014	-do-
(h)	Hiring of HEMM at Urimari under CCL, Value of work = Rs.54 Cr. To be continued beyond 2014-15 Target for 2014-15	Rs. in Cr.	1	17	15	13	11	9	17	-do-
(i)	Hiring of HEMM at Topa OCP, Kuju area under CCL, Value of work = Rs.82 Cr. To be continued beyond 2014-15 Target for 2014-15	Rs. in Cr.	1	20	18	16	14	12	20	-do-
(j)	River Training Project of Bagmati Value of work = Rs.956 Cr. To be continued beyond 2014-15 Target for 2014-15	Rs. in Cr.	1	50	45	40	35	30	50	-do-
	Sub-total (2)		23							

MoU 2014-15
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Sl No.	Evaluation Criteria	Unit	Wt. (in %)	Target					B.E 2014-15	Documentary evidence and source/origin of document
				Ex	VG	G	F	P		
	Dynamic Parameters (Contd.)									
(v)	**Human Resource Management**									
(a)	Training of engineers in Project Monitoring (M.S.Project)	Mandays	5	30	25	20	15	10	30	Board note and resolution
(b)	Training of executives in ERP / Financial Management / Taxation	Mandays	5	30	25	20	15	10	30	Board note and resolution
(vi)	**Technology upgradation**									
	Tie up withTechnology suppliers - for Diversification in Solar Energy Sector	No	5	2	1				2	Board Certification
(vii)	**Reduction of Receivables (Sundry Debtors of more than 6 months)**									
(a)	Reduction of receivables of more than 6 months (Sundry Debtors under litigation/ Arbitration are to be deducted from the target)	%	5	40%	35%	30%	25%	20%	40%	Certification from practising Chartered Accountant/ Statutory Auditor
(b)	Complete Assesment of Non-performing Assets	Date	4	30.11.2014	31.12.2014	31.01.2015	28.02.2015	31..03.2015	30.11.2014	-do-
(viii)	Capacity utilisation of major construction equipment (Identified equipment at 3 Steel Plant units)	%	4	80%	70%	60%	50%	40%	80%	-do-
(ix)	Generation of fund from non performing assets	Rs.in Cr.	3	0.50	0.40	0.30	0.25	0.20	0.50	-do-
	Formulation of manual on Internal Control and Audit	Date	2	30.11.2014	31.12.2014	31.01.2015	28.02.2015	31..03.2015	30.11.2014	Board note and resolution
(x)	**Corporate Social Responsibility & Sustainable Development**									
	To conduct Skill Development Programmes	No of Students	4	50	40	30	20	10	50	Board note and resolution
	Sub-total (3)		37							
	Total (1+2+3)		100							

MoU 2014-15
Approved by DPE/TF
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PART - IV : COMMITMENT/ ASSISTANCE FROM THE GOVERNMENT

i) Approval of the Revival Plan of the Company.

PART - V : ACTION PLAN FOR IMPLEMENTATION AND MONITORING OF MOU

Frequency of Evaluation :-

Quarterly review of performance will be taken up by the Board of Directors of the Company.

A joint review of performance will be undertaken by Ministry on half-yearly basis and the evaluation will be done by DPE at the end of the year.

25/3/2014

(SRI M. BHADURI)
Chairman - Cum - Managing Director
Hindustan Steelworks Construction Ltd.

25.3.2014

(SRI G.MOHAN KUMAR)
Secretary to Govt. of India
Ministry of Steel.

ANNEXURE-IX

Self declaration/certification by CPSE

It is hereby certified that the targets and actual achievements in respect of financial parameters have been worked out as per MoU Guidelines by adopting the norms and definitions laid down in MoU Guidelines for the year 2014-15. In case, any deviation is found at the time of appraisal of performance, DPE is free to evaluate as per audited accounts as per MoU Guidelines. CPSE has no right of claim in this regard.

Authorised Signatory

Annexure-I

WORKING DETAILS OF PROJECTED FINANCIAL TARGETS

ACHIEVEMENT VIS-À-VIS TARGET

2014-15

PARTICULARS	LEVEL-I	LEVEL-II	LEVEL-III	LEVEL-IV	LEVEL-V	MOU 14-15
GROSS SALES (Rs. In Cr)	1450.00	1400.00	1350.00	1300.00	1250.00	1450.00
CONTRACT PAYMENT, STORES AND	1345.00	1300.00	1255.00	1210.00	1165.00	1345.00
GROSS OPERATING MARGIN	**105.00**	**100.00**	**95.00**	**90.00**	**85.00**	**105.00**
OTHER EXPENDITURE						
MANPOWER	10.00	10.00	10.00	10.00	10.00	10.00
ADMINISTRATIVE CHG.	35.00	35.00	35.00	34.00	34.00	35.00
TOTAL	45.00	45.00	45.00	44.00	44.00	45.00
OTHER INCOME	40.00	40.00	40.00	37.00	37.00	40.00
GROSS MARGIN (PBIDT)	**100.00**	**95.00**	**90.00**	**83.00**	**78.00**	**100.00**
INTEREST & FINANCIAL CHARGES	105.00	105.00	105.00	105.00	105.00	105.00
PBDT	-5.00	-10.00	-15.00	-22.00	-27.00	-5.00
DEPRECIATION	4.00	4.00	4.00	4.00	4.00	4.00
PBT	-9.00	-14.00	-19.00	-26.00	-31.00	-9.00
VRS EXPNDITURE	0.00	0.00	0.00	0.00	0.00	0.00
NET PROFIT / (LOSS)	**-9.00**	**-14.00**	**-19.00**	**-26.00**	**-31.00**	**-9.00**

MoU 2014-15
Approved by DPE/TF
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HINDUSTAN STEELWORKS CONSTRUCTION LTD

Working details of projected Financial Results

Annexure-A

(₹. in Cr.)

S. No.	Particulars	2009-10	2010-11	2011-12	2012-13	2013-14			2014-15				
		Actual	Actual	Actual	Actual	Upto 30.09.2013	Upto 31.12.2013	Projected	MoU Target (Projected)Level-1	MoU Target (Projected)Level-2	MoU Target (Projected)Level-3	MoU Target (Projected)Level-4	MoU Target (Projected)Level-5
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)				
1	**Total Income**	**785.17**	**974.90**	**1,171.42**	**1,238.53**	**562.80**	**882.90**	**1,300.00**	**1,450.00**	**1,400.00**	**1,350.00**	**1,300.00**	**1,250.00**
1.1	Gross Sales	785.17	974.90	1,171.42	1,238.53	562.80	882.90	1,300.00	1,450.00	1,400.00	1,350.00	1,300.00	1,250.00
1.2	Less: Excise Duties & Others	-	-	-	-	-	-	-	-	-	-	-	-
1.3	Net Sales/Operating Income	785.17	974.90	1,171.42	1,238.53	562.80	882.90	1,300.00	1,450.00	1,400.00	1,350.00	1,300.00	1,250.00
1.4	Accretion/Depletion to finished stock to work-in-progress							-	-	-	-	-	-
								-	-	-	-	-	-
2	**Direct Expenditure**												
2.1	Raw Material/Purchase of products for resale	-	-	-	-	-	-	-	-	-	-	-	-
2.2	Manufacturing Expenses/Direct Expenses/operational Expenses.	718.67	879.18	1,069.50	1,139.59	522.15	824.18	1,176.00	1,345.00	1,300.00	1,255.00	1,210.00	1,165.00
	Gross Operating Margin	**66.50**	**95.72**	**101.92**	**98.94**	**40.65**	**58.72**	**124.00**	**105.00**	**100.00**	**95.00**	**90.00**	**85.00**
	Other Expenditure												
2.3	Salaries & Wages	18.26	22.06	18.71	15.07	7.59	11.43	13.00	10.00	10.00	10.00	10.00	10.00
2.4	Other Expenses	15.62	28.07	37.19	32.08	11.81	14.76	21.00	35.00	35.00	35.00	34.00	34.00
	TOTAL	**33.88**	**50.13**	**55.90**	**47.15**	**19.40**	**26.19**	**34.00**	**45.00**	**45.00**	**45.00**	**44.00**	**44.00**
	Other Income	15.19	21.40	36.74	40.33	7.95	15.34		40.00	40.00	40.00	37.00	37.00
3	**PBIDT (Gross)**	**47.81**	**66.99**	**82.76**	**92.12**	**29.20**	**47.87**	**90.00**	**100.00**	**95.00**	**90.00**	**83.00**	**78.00**
4	Adjustments	-21.29	-4.22	0.06	2.04	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
5	**PBIDT (Net)**	**69.10**	**71.21**	**82.70**	**90.08**	**29.20**	**47.87**	**90.00**	**100.00**	**95.00**	**90.00**	**83.00**	**78.00**
6	DRE	1.67	-	-		-	-	-	-	-	-	-	-
7	Depreciation	2.80	2.71	3.37	3.61	1.46	2.30	4.00	4.00	4.00	4.00	4.00	4.00
8	**PBIT**	**64.63**	**68.50**	**79.33**	**86.47**	**27.74**	**45.57**	**86.00**	**96.00**	**91.00**	**86.00**	**79.00**	**74.00**
9	Profit/Loss on Sale of Assets	-	-	-	-	-	-	-	-	-	-	-	-
10	Prior Period Adjustments	-	-	-	-	-	-	-	-	-	-	-	-
11	Extra-ordinary Items(Net)	18.60	-	5.02	2.33	-	-	-	-	-	-	-	-
9	Interest	100.65	101.64	102.43	103.95	54.03	81.04	110.00	105.00	105.00	105.00	105.00	105.00
10	Provision for tax(including deferred &FBT)	-0.03	-0.30	-0.03	0.00	0.00	0.00		0.00	0.00	0.00	0.00	0.00
11	Loss on Libya Projects		-	-	-	-	-		-	-	-	-	-
12	Other Provisions		5.25	-	-	-	-		-	-	-	-	-
13	**Net Profit**	**-54.59**	**-38.09**	**-28.09**	**-19.81**	**-26.29**	**-35.47**	**-24.00**	**-9.00**	**-14.00**	**-19.00**	**-26.00**	**-31.00**
14	Dividend Paid	-	-	-	-	-	-	-	-	-		-	
15	Tax on Dividend	-	-	-	-	-	-	-	-	-		-	
16	Retained Profit	-	-	-	-	-	-	-	-	-		-	
17	Return to Capital@ 10%/4% whichever is applicable	-87.22	-95.98	-122.11	-127.58	-130.41	-131.42	-127.97	-129.40	-129.87	-130.35	-131.02	-131.50
18	Added Value(5-17)	156.32	167.19	204.81	217.66	159.61	179.29	217.97	229.40	224.87	220.35	214.02	209.50
19	No. of Employees	1007	751	517	310	256	244	650	110	110	110	110	110
20	Power, Fuel inld. In Other Expenses.	5.16	5.28	3.96	4.48	2.27	2.36	5.00	5.00	5.00	5.00	5.00	5.00

MoU 2014-15
Approved by DPE/TF
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MOU 2014-15 REVISED SCHEDULE VI_19.03.2014

(₹. in Cr.)

S. No.	Particulars	2009-10	2010-11	2011-12	2012-13	2013-14			2014-15				
		Actual	Actual	Actual	Actual	Upto 30.09.2013	Upto 31.12.2013	Projected	MoU Target (Projected)Level-1	MoU Target (Projected)Level-2	MoU Target (Projected)Level-3	MoU Target (Projected)Level-4	MoU Target (Projected)Level-5
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)				
	EQUITY AND LIABILITIES												
	Shareholders' fund	-1305.80	-1343.89	-1371.97	-1391.78	-1418.07	-1427.25	-1417.97	-1426.97	-1431.97	-1436.97	-1443.97	-1448.97
a	Share Capital	117.10	117.10	117.10	117.10	117.10	117.10	117.10	117.10	117.10	117.10	117.10	117.10
b	Reserves and surplus	-1422.90	-1460.99	-1489.07	-1508.88	-1535.17	-1544.35	-1535.07	-1544.07	-1549.07	-1554.07	-1561.07	-1566.07
	Non-current liabilities	556.82	530.25	306.93	313.99	340.10	355.20	426.58	493.83	491.58	489.33	487.08	484.83
c	Long-term borrowings	424.02	333.38	84.90	44.18	44.18	44.18	84.90	84.90	84.90	84.90	84.90	84.90
d	Deferred tax liabilities (Net)	0.45	0.14	0.11	0.11	0.11	0.11	0.11	0.11	0.11	0.11	0.11	0.11
e	Other Long term liabilities & provisions	132.35	196.73	221.92	269.70	295.81	310.91	341.57	408.82	406.57	404.32	402.07	399.82
	Current liabilities	1,556.96	1,945.48	2,393.94	2,452.55	2,516.24	2,548.84	2,691.54	2,821.42	2,820.59	2,819.76	2,818.93	2,818.09
f	Short-term borrowings	1,091.37	1,280.80	1,639.33	1,790.38	1,844.41	1,871.42	1,841.73	1,946.73	1,946.73	1,946.73	1,946.73	1,946.73
g	Trade payables	289.51	418.61	508.68	456.51	466.17	471.76	603.88	628.76	627.93	627.10	626.27	625.43
h	Other current liabilities & Short term provisions	176.08	246.07	245.93	205.66	205.66	205.66	245.93	245.93	245.93	245.93	245.93	245.93
	TOTAL	807.98	1,131.84	1,328.90	1,374.76	1,438.27	1,476.79	1,700.15	1,888.28	1,880.20	1,872.12	1,862.04	1,853.95
	Non-current Assets												
a	Fixed assets	29.10	37.86	41.18	36.84	35.38	34.54	38.18	39.18	39.18	39.18	39.18	39.18
b	Non-current investments	-	-	-	-	-	-	-	-	-	-	-	-
c	Long-term loans and advances	123.19	146.20	156.09	197.98	226.12	242.13	288.34	360.85	358.34	355.84	353.34	350.84
	Current assets	655.69	947.78	1,131.63	1,139.94	1,176.77	1,200.12	1,373.63	1,488.25	1,482.68	1,477.10	1,469.52	1,463.93
h	Inventories	5.88	2.95	1.93	2.19	2.19	2.19	1.92	1.92	1.93	1.93	1.93	1.93
i	Trade receivables	311.66	411.00	524.93	492.28	514.79	527.60	657.61	715.61	713.61	711.61	709.61	707.61
j	Cash and cash equivalents	205.42	291.85	333.31	429.68	432.74	436.89	430.08	457.71	455.13	452.55	447.97	445.38
k	Short-term loans and advances	27.85	128.31	152.86	91.53	102.79	109.19	205.76	234.76	233.76	232.76	231.76	230.76
l	Other Current Assets	104.88	113.67	118.60	124.26	124.26	124.26	78.26	78.25	78.25	78.25	78.25	78.25
	TOTAL	807.98	1,131.84	1,328.90	1,374.76	1,438.27	1,476.79	1,700.15	1,888.28	1,880.20	1,872.12	1,862.04	1,853.95
		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

S. No.	Particulars	2009-10	2010-11	2011-12	2012-13	2013-14			2014-15				
		Actual	Actual	Actual	Actual	Upto 30.09.2013	Upto 31.12.2013	Projected	MoU Target (Projected) Level-1	MoU Target (Projected)Level-2	MoU Target (Projected)Level-3	MoU Target (Projected)Level-4	MoU Target (Projected)Level-5
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)				
a	**Net Worth**	-1,305.80	-1,343.89	-1,371.97	-1,391.78	-1,418.07	-1,427.25	-1,417.97	-1,426.97	-1,431.97	-1,436.97	-1,443.97	-1,448.97
b	**Capital Employed**	-872.17	-959.84	-1,221.13	-1,275.77	-1,304.09	-1,314.18	-1,279.73	-1,293.99	-1,298.73	-1,303.48	-1,310.23	-1,314.98
c	**Net Worth/Capital Employed**	irrational	irrational	irrational	irrational	irrational	irrational	irrational	irrational	irrational	irrational	irrational	irrational
d	**Gross Margin/Gross Block**	0.59	0.73	0.90	1.02	0.32	0.52	0.97	1.03	0.98	0.92	0.85	0.80
e	**Net Profit/Net Worth**	irrational	irrational	irrational	irrational	irrational	irrational	irrational	irrational	irrational	irrational	irrational	irrational
f	**Gross Profit/Capital Employed**	-0.07	-0.07	-0.06	-0.07	-0.02	-0.03	-0.07	-0.07	-0.07	-0.07	-0.06	-0.06
g	**PBIDT/Total Employment**	0.05	0.09	0.16	0.30	0.11	0.20	0.14	0.91	0.86	0.82	0.75	0.71
h	**Added Values/Sales**	0.20	0.17	0.17	0.18	0.28	0.20	0.17	0.16	0.16	0.16	0.16	0.17
i	**Debtors Turnover Ratio**	0.40	0.42	0.45	0.40	0.91	0.60	0.51	0.49	0.51	0.53	0.55	0.57
	WC/TURNOVER	-1.15	-1.02	-1.08	-1.06	-2.38	-1.53	-1.01	-0.92	-0.96	-0.99	-1.04	-1.08

(₹. in Cr.)

S. No.	Particulars	2009-10	2010-11	2011-12	2012-13	2013-14			2014-15				
		Actual	Actual	Actual	Actual	Upto 30.09.2013	Upto 31.12.2013	Projected	MoU Target (Projected) Level-1	MoU Target (Projected)Level-2	MoU Target (Projected)Level-3	MoU Target (Projected)Level-4	MoU Target (Projected)Level-5
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)				
	Profit/(-)Loss after Tax	-54.63	-38.40	-28.11	-19.81	-26.29	-35.47	-24.00	-9.00	-14.00	-19.00	-26.00	-31.00
	Less :- Taxation												
	Profit/(-)Loss before Tax	-54.63	-38.40	-28.11	-19.81	-26.29	-35.47	-24.00	-9.00	-14.00	-19.00	-26.00	-31.00
	Adjustment for:												
	Depreciation	2.90	2.55	3.41	3.55	1.46	2.30	4.00	4.00	4.00	4.00	4.00	4.00
	Amortisation of deferred exp.	1.66											
	Other Income	11.39	19.53	29.25	33.38	7.95	15.34						
	Interest Expenses	99.98	100.47	101.06	102.60	54.03	81.04	110.00	105.00	105.00	105.00	105.00	105.00
	Operating Profit before Working Capital changes	38.52	45.09	47.11	52.96	21.25	32.53	90.00	100.00	95.00	90.00	83.00	78.00
	Adjustment for :												
	Inventory	18.06	2.93	1.03	-0.26	0.00	0.00	0.01	0.00	-0.01	-0.01	-0.01	-0.01
	Trade receivables	-106.99	-99.34	-113.93	32.65	-22.51	-35.34	-52.00	-58.00	-56.00	-54.00	-52.00	-50.00
	Long Term & Short Term Loan & Advances	-19.70	-126.71	-30.97	20.52	-39.40	-61.80	-90.99	-101.50	-97.99	-94.49	-90.99	-87.49
	Trade Creditors & Payables Short Term & Long Term	107.66	263.48	115.13	-44.67	35.77	56.47	80.54	92.13	89.05	85.97	82.88	79.80
	Cash generated from Operations (A)	**37.55**	**85.45**	**18.37**	**61.20**	**-4.89**	**-8.14**	**27.56**	**32.63**	**30.05**	**27.47**	**22.88**	**20.30**
	Cash generatedfrom Investing Activities (B)												
	Proceeds From Borrowing	-7.03	15.58	26.40	34.67	54.03	81.04	110.00	105.00	105.00	105.00	105.00	105.00
	Other Income	10.07				7.95	15.34						
	Cash flow from financing activities (C)												
	Interest Payment		-2.72	4.06	3.83	-54.03	-81.04	-110.00	-105.00	-105.00	-105.00	-105.00	-105.00
	Decrease in Cap. W I P		-0.66	0.76	0.32								
	Purchase of Fixed Asset	-6.90	-11.22	-8.13	-3.64			-5.00	-5.00	-5.00	-5.00	-5.00	-5.00
	Net Increase/(Decrease) in Cash & Cash Equivalent	**33.69**	**86.43**	**41.46**	**96.38**	**3.06**	**7.20**	**22.56**	**27.63**	**25.05**	**22.47**	**17.88**	**15.30**
	Cash & Cash Equivalent at the beginning	**171.73**	**205.42**	**291.85**	**333.31**	**429.69**	**429.69**	**407.52**	**430.08**	**430.08**	**430.08**	**430.08**	**430.08**
	Cash & Cash Equivalent at the end	**205.42**	**291.85**	**333.31**	**429.69**	**432.75**	**436.89**	**430.08**	**457.71**	**455.13**	**452.55**	**447.97**	**445.38**

MoU 2014-15
Approved by DPE/TF
Signed

Annexure-VI
(₹. in Cr.)

Particulars	2009-10		2010-11		2011-12		2012-13		2013-14				2014-15
	MOU	Actual	MOU	Actual	MOU	Actual	MOU	Actual	MOU	Till 30.09.2013	Till 31.12.2013	Projected	Projected
(1)	(3)		(4)		(5)		(6)		(7)				(8)
Capacity Utilisation (for each plant seperately)		NA		NA		NA		NA	NA	NA	NA	NA	NA
Production (in Qty.)		NA		NA		NA		NA	NA	NA	NA	NA	NA
Production (in ₹. Cr.)		NA		NA		NA		NA	NA	NA	NA	NA	NA
Profit & Loss Statement Items.													
Sales Turnover, excluding interest and other income (Operating Turnover)		785.17		974.90		1,171.42		1,238.53	1,300.00	562.80	882.90	1,300.00	1,450.00
Interest and other income.		15.19		21.40		36.74		40.33	0.00	7.95	13.67	-	40.00
Gross Operating Margin Rate (%)		8.47%		9.82%		8.70%		7.99%	9.54%	7.22%	6.65%	9.54%	7.24%
Gross Operating Margin		66.50		95.72		101.92		98.94	124.00	40.65	58.72	124.00	105.00
EBITDA (Earning Before Interest, Taxes, Depreciation, and Amortization)		69.10		71.21		82.70		90.08	90.00	29.20	46.85	90.00	100.00
Amortixation		-		-		-		-	-	-	-	-	-
Depreciation		2.80		2.71		3.37		3.61	4.00	1.46	2.01	4.00	4.00
EBIT (Earning Before Interest and Taxes)		64.63		68.50		79.33		86.47	86.00	27.74	44.84	86.00	96.00
Interest Expenses		100.65		101.64		102.43		103.95	110.00	54.03	72.04	110.00	105.00
Prior Period Expenses		-		-		-		-	-	-	-	-	-
Extra Ordinary Items		18.60		-		5.02		2.33	-	-	-	-	-
Any other expenses													
Profit Before Tax		-54.59		-38.09		-28.09		-19.81	-24.00	-26.29	-27.20	-24.00	-9.00
Tax													-
Profit after tax		-54.59		-38.09		-28.09		-19.81	-24.00	-26.29	-27.20	-24.00	-9.00
Dividend Paid		-		-		-		-	-	-	-	-	-
Profit transferred to Statutory reserves		-		-		-		-	-	-	-	-	-
Any other items		-		-		-		-	-	-	-	-	-
Profit transferred to Balance Sheet		-		-		-		-	-	-	-	-	-
Balance Sheet Items													
Gross Block		81.22		91.65		92.32		90.63	90.63	90.63	90.63	97.32	102.32
Less: Depreciation		52.12		53.79		51.14		53.78	59.14	55.24	55.79	59.14	63.14
Net Block		29.10		37.86		41.18		36.85	35.39	35.39	34.84	38.18	39.18
Share Capital of CPSE		117.10		117.10		117.10		117.10	117.10	117.10	117.10	117.10	117.10
Reserves & Surplus of CPSE		0.01		0.01		0.01		0.01	0.01	0.01	0.01	0.01	0.01
Less: deferred revenue esp./pre-acquisition loss		-		-		-		-	-	-	-	-	-
Less: Profit & Loss A/c (Loss figure)		1,422.90		1,460.99		1,489.07		1,508.88	1,535.07	1,535.17	1,544.35	1,535.07	1,544.07
Net worth of CPSE		-1,305.80		-1,343.89		-1,371.97		-1,391.78	-1,417.97	-1,418.07	-1,427.25	-1,417.97	-1,426.97
Investments		-		-		-		-	-	-	-	-	-
Total Current assets		655.69		947.78		1,131.63		1,139.94	1,373.63	1,176.77	1,200.12	1,373.63	1,488.25
Total current liabilities & provision		1,556.96		1,945.48		2,393.94		2,452.55	2,691.54	2,516.24	2,548.84	2,691.54	2,821.42
Net current assets		-901.27		-997.70		-1,262.31		-1,312.61	-1,317.91	-1,339.47	-1,348.72	-1,317.91	-1,333.17
Capital employed (Net block + net current assets)		-872.17		-959.84		-1,221.13		-1,275.76	-1,282.52	-1,304.08	-1,313.88	-1,279.73	-1,293.99

Particulars	2009-10		2010-11		2011-12		2012-13		2013-14				2014-15
	MOU	Actual	MOU	Actual	MOU	Actual	MOU	Actual	MOU	Till 30.09.2013	Till 31.12.2013	Projected	Projected
(1)	(3)		(4)		(5)		(6)		(7)				(8)
Total long-term debt (loan funds)		424.02		333.38		84.90		44.18	84.90	44.18	44.18	84.90	84.90
Total Assets		807.98		1,131.84		1,328.90		1,374.76	1,700.15	1,438.27	1,476.79	1,700.15	1,888.28
No. of employees of CPSE		1,007		751		517		310	650	256	244	650	110
Ratios													
PAT/Net Worth		irrational		irrational		irrational		irrational	irrational	irrational	irrational	irrational	irrational
EBITDA/Net Block		2.37		1.88		2.01		2.44	2.54	0.83	1.34	2.36	2.55
EBIT/Average Capital Employed		-0.07		-0.07		-0.06		-0.07	-0.07	-0.02	-0.03	-0.07	-0.07
PAT per Employee (₹. Lakh)		-0.05		-0.05		-0.05		-0.06	-0.04	-0.10	-0.11	-0.04	-0.08
Current Ratio		0.42		0.49		0.47		0.46	0.51	0.47	0.47	0.51	0.53
Debt Service Ratio		0.64		0.67		0.77		0.83	0.78	0.51	0.62	0.78	0.91
Operating Cash Flow						85.45		18.37	27.56	-4.89	-8.14	27.56	32.63
Average No. Days of Inventory		NA		NA		NA		NA	NA	NA	NA	NA	NA
Inventory Turnover Ratio		NA		NA		NA		NA	NA	NA	NA	NA	NA
Average Collection Period of Trade Receivables													
Debtors Turnover Ratio		0.40		0.42		0.45		0.40	0.51	0.91	0.60	0.51	0.49
Loans sanctioned		NA		NA		NA		NA	NA	NA	NA	NA	NA
Disbursements		NA		NA		NA		NA	NA	NA	NA	NA	NA
NPA/Loan Assets		NA		NA		NA		NA	NA	NA	NA	NA	NA
Average cost of funds		NA		NA		NA		NA	NA	NA	NA	NA	NA
Additional for 'Sick and Loss making CPSEs'													
Cash Generation from Operations		37.55		85.45		18.37		61.20	27.56	-4.89	-8.14	27.56	32.63
Working Capital Turnover Ratio		-1.15		-1.02		-1.08		-1.06	-1.01	-2.38	-1.53	-1.01	-0.92