

Kerala PSUs Reaching New Heights

**PERFORMANCE
OF
STATE LEVEL PUBLIC ENTERPRISES**

2008 - 09

**Department of Industries & Commerce
Government of Kerala**

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Introduction

In spite of the global financial meltdown and consequent domestic recession, the Public Sector Undertakings, administered by the Industries Department of the Government of Kerala, have registered excellent growth and commendable performances during 2008-09. There is an increase of 16 percent in the turnover and 111 percent increase in profit compared to the previous year. This is achieved when the Indian industrial sector has registered a growth rate of 2.4 percent as per the Index of Industrial Production. This achievement is more significant in view of the proposal of the present UPA government to disinvest up to 49% of shares of profit making central PSUs. During the last three years of the LDF Government, these units had increased their turnover and the sector as a whole was making profits continuously. This demonstration is significant because under the immediately preceding UDF rule, the PSUs were collapsing and it was incurring huge losses. It was the agenda of that government to close down and privatise these companies. Twenty five companies were earmarked for closure /disinvestments and specific Government Orders were issued for that purpose. Hundreds of workers were given Voluntary Retirement. (But in many cases the dues to the workers so retired were not paid properly and this government had to take the responsibility of making payments to such workers. The details may be seen in Table IV) There were strong public opinion against the anti-PSU stand of the government and employees of these companies, irrespective of their political affiliation, rallied behind the save PSUs agitation. The strong protests by the workers and the left parties have prevented the UDF government from selling out the public properties. However, many companies became dormant due to massive VRS and deliberate management inefficiency.

The present LDF Government assumed office in May 2006. During the year 2005-06 these units altogether made a loss of Rs. 69.64 crores. The situation prevailed in many of these units were pathetic. Disgruntled workers, abysmally low

productivity, severe liquidity crunch, unprofessional management, corruption and nepotism were the main characteristics of these companies.

Concerted efforts of this government could bring radical changes in the operations of the Units. The loss of Rs. 69.64 crores in 2005-06 is transformed into a profit of Rs. 169.45 crores in 2008-09. This achievement is mainly due to the pro-PSU approach, conceptual clarity about the role of PSUs, result oriented action plan with definite milestones, meticulous supervision, professionalisation of management and above all, the political will of the LDF Government in implementing them. Growth and development of PSUs are taken as the essential part of the political struggle against neo-liberal capitalism and the imperialist globalisation. Special mention is necessary about the role of Trade Unions and Officers' Associations in achieving these results. For the last three years there was no notable labour unrest in this sector and the employees were fully cooperating with the management. Government could solve many of their long pending demands and salary revisions were implemented in companies wherever it was legally permitted and in other units the remunerations were hiked either by paying interim relief or incentives.

PERFORMANCE

There are 63 PSUs under the Industries Department out of which, 17 are closed down for long periods. Five are welfare corporations and four are developmental agencies. Thirty-seven companies are directly engaged in manufacturing activities. Sector wise numbers of the companies are given in Table I.

Table I
State Level Public Enterprises

Sl.No	Category	No. of Units
1	Chemical	6
2	Ceramics and Refractories	2
3	Developmental and Infrastructure	3
4	Electrical equipments	4
5	Electronics	6
6	Engineering	6
7	Textiles	7
8	Traditional and Welfare	6
9	Wood and Agro based	1
	Total	41

Trend of the Performance of the 41 companies for the last four years can be seen in Table II.

Table II
Performance Trend

(Rs. in crores)

Particulars	2005-06	2006-07	2007-08	2008-09
Profit making units				
Total Number of Profit Making Units	11+1*	23+1*	27	28
Value of Production	846.73	1,310.65	1,305.14	1,547.83
Turnover without Taxes and duties	767.62	1,311.65	1,379.89	1,708.21
Turnover with excise duty	868.13	1,451.83	1,533.66	1867.96
Profit made by the profit making units	56.38	126.08	122.24	222.00
Loss incurring units				
Total Number of Loss Making Units	31	19	15	13
Value of Production	536.19	276.33	255.47	222.13
Turnover without Taxes and duties	610.14	267.36	257.64	224.63
Turnover with excise duty	654.85	293.91	277.84	237.05
Loss made by the Loss making units	125.87	34.65	41.93	52.55
Total				
Total No. of Units	42	42	42	41
Total Value of Production	1,382.92	1,586.99	1,560.61	1,769.96
Total Turnover without Taxes & duties	1,377.76	1,579.00	1,637.53	1,932.84
Total Turnover with excise duty	1,522.98	1,745.75	1,811.50	2,105.01
Net profit / Loss (-)	(-) 69.49	91.43	80.31	169.45

* One company (KELTEC) was handed over to M/s. Brahmos, in 2007

During 2008-09, 28 companies have made cash profits. The details of turnover and profits of such companies are given in Table III.

Table III
Turnover and Profit During 2008-09
(Rs. in crores)

Sl. No	Company	Turnover	Profit
1	Kerala Minerals and Metals Ltd.	458.71	70.84
2	Malabar Cements Ltd.	252.83	43.71
3	Transformers and Electricals Kerala Ltd.	234.02	36.14
4	Kerala State Industrial Development Corporation Ltd.	30.95	22.92
5	Kerala State Electronic Development Corporation Ltd.	160.47	19.00
6	Steel and Industrial Forgings Ltd.	65.25	8.95
7	Kerala State Industrial Enterprises Ltd.	18.49	5.86
8	Kerala Small Industries Development Corporation Ltd.	101.11	2.84
9	Kerala Electrical & Allied Engineering Company Ltd.	105.94	2.52
10	Kerala Clays & Ceramic Products Ltd.	6.58	2.03
11	Travancore Cements Ltd.	36.56	1.44
12	Kerala Ceramics Ltd.	9.95	1.01
13	United Electrical Industries Ltd.	49.28	0.93
14	Handicrafts Dev Corp. (Kerala) Ltd.	11.36	0.60
15	Metal Industries Ltd.	4.01	0.58
16	Keltron Component Complex Ltd.	26.50	0.56
17	Traco Cable Company Ltd.	57.20	0.44
18	Kerala State Bamboo Corporation Ltd.	12.25	0.16
19	Steel Industrials Kerala Ltd.	19.25	0.49
20	Steel Complex Ltd.	40.32	0.58
21	Travancore-Cochin Chemicals Ltd.	135.82	0.15
22	Forest Industries (Travancore) Ltd.	6.80	0.10
23	Keltron Electro Ceramics Ltd.	6.81	0.08
24	KELPALM.	0.06	0.02
25	Keltron Magnetics Ltd.	7.88	0.02
26	Keltron Crystals Ltd.	1.77	0.01
27	Keltron Resistors Ltd.	1.71	0.01
28	Kerala Artisans Development Corporation Ltd.	6.09	0.001
Total		1,867.96	222.00

Seven companies have crossed Rs. 100 crores turnover and 14 companies have achieved all time high turnover during 2008-09. Six companies have achieved all time high profits during that year.

During 2007-08, the turnover of profit making units was Rs. 1,533.66 crores and they registered a profit of Rs. 122.24 crores. There is a significant increase in turnover and profit of the profit-making units in 2008-09 compared to the previous year. The turnover and profit of the profit-making units in 2008-09 is Rs. 1,867.96 crores and Rs. 222 crores respectively. There is an increase of 21.8 percent in the turnover and 81.61 percent increase in profit. During the period of economic recession and decline in industrial production, this is a great achievement. However, in certain sectors, like Textiles, Traditional and Welfare, similar improvements are not visible.

The PSUs were showing a trend of growth, both in respect of turnover and profit, during the last three years. There is a significant improvement in the performances compared to the performance during the preceding UDF rule. Sector-wise data of turnover and profit for the last eight years are given as Appendix A.

Efforts

a. Professionalising Management

The weakest part of the PSUs was the totally unprofessional and unaccountable management. Appointments of Chief Executives in these organisations were mainly on political considerations and their management expertise was never considered. Nepotism and corruption were rampant in such appointments. We were very sure that unless this issue is addressed all the other steps to revive and modernise the PSUs will not be fruitful since they are the people to implement the policies of government. But there were serious constraints in getting capable and expert people for such posts. Lack of credibility, fear of excessive interference, scarce potential for growth and unattractive remunerations were some of the reasons why they have not turned up to take up the challenging assignments in PSUs. In the case of second line management also there were severe gaps. Majority of experienced and efficient people in these units deserted the PSUs due to the massive VRS implemented during the UDF rule. The skill and ability of the left out lot was abysmally low.

There were two important issues before the Government; (a) attract management experts at the senior level and (b) improve the skills of the existing officers.

In order to get experts at the top level the appointment system itself was changed. A selection board was constituted for this purpose and appointments were made through open advertisement and interview. We were able to get some capable persons through this method. Search Committees were also constituted to identify experts of various sectors and some good and efficient people were selected through this way also. For providing suitable remuneration to the Chief Executives thus appointed, the companies were categorised into four and the salaries were enhanced to a very attractive level. The current salary range of the CEOs varies from Rs. 60000 to Rs. 1.25 lakhs per month in addition to other perks and facilities available to them. For the second time we have advertised for CEOs a month back and the selection process is underway.

For capacity building of second line management, training programmes are being implemented. Under the aegis of Revitalisation and Internal Audit Board (RIAB), an annual training calendar is prepared and the officers are given training with the help of outside subject experts. During 2008-09 four training programmes were conducted focussing on 'Best Practices in Industries', 'Leadership Development', and 'Financial Analysis and Project Appraisal'. In these training programmes the officers from the departments of Industries, Finance and Planning who were dealing with PSUs were also included.

b. One Time Settlement

Many PSUs owed short term and long term loans from banks and other financial institutions, the pay back of which was not timely and proper which resulted in huge arrears and strained relations with the lenders. Consequently, these agencies withdrew from financing the PSUs and their operations were adversely affected. Moreover, the debts were mounting and the balance sheet positions of many companies were becoming bad. In some units, the modernization packages could not be implemented due to scant resources.

In 2006-07 the dues to banks by seven companies were too high and their financial operations were badly affected. Total amount to be paid by these companies

was Rs. 359.66 crores. Government have taken special steps to settle this issue once for all. High-level discussions were held and the dues of Rs. 359.66 crores was settled for Rs. 89.39 crores payable at equal instalments. With budgetary support, six companies fully settled their dues and in the case of Kerala State Electronics Development Corporation the last instalment will be paid in 2010-11. The OTS has brought a big change in the financial positions of these companies as they could clean slate their balance sheets and to restart operations with the banks.

c. Monitoring of Performance

For the last three years monthly review of performances of the PSUs is done every month. The Minister, Secretaries, Chairman and Secretary of RIAB attend these reviews. The monthly review has proved to be an effective tool for improving the performances of the companies. The details of performance of these units for a month are collected by RIAB by tenth of next month and the same is analysed by them and the report is presented in the review meeting. Detailed analysis of the performance is done in the meeting focussing on the implementation of the decisions in the previous meetings, achievement of production vis-a-vis target, financial position, implementation of modernisation /development projects, if any, etc. Decisions taken are furnished to them by the end of the meeting itself. RIAB makes a meticulous follow up and offers assistance for the execution of the decisions.

d. Annual Budgeting

There was no proper budgeting system for the PSUs although they were statutorily and technically bound to make one for each year. Operations were more or less adhoc and a matter of expediency. This practice was to be dispensed with if they had to organise and streamline their production. 2007-08 onwards a correct practice of making budget in advance was implemented. In the month of February itself the companies were directed to submit their budget in prescribed format and the same was evaluated by RIAB and discrepancies, if any, were pointed out. On the basis of suggestions made by RIAB the companies were able to prepare a realistic budget and fix quarterly and monthly targets. Annual Budget meets are organised in March in which the companies present their final budget. These exercises have helped the companies to strengthen their internal systems and to develop an overall view of operations.

e. Strengthening of Auditing

It was a matter of serious concern that there were huge arrears of auditing of accounts in the PSUs. Some companies had not audited their accounts for more than ten years. There existed no financial planning and the figures reported were not factually correct. The internal auditors in many companies had not brought out the real issues and at least in some companies they were giving tacit consent to wrong practices of the management. To address this issue Government prepared a panel of Chartered Accountants and directed the companies to appoint internal auditors only from this panel with a direction to change them after three years. A fast track system was adopted to complete the pending audits. This has proven very effective. In almost all operating units the internal audits are up to date and statutory audits are pending in some companies mainly due to procedural problems.

f. Harnessing Synergy

Government initiated special steps to harness the synergy of PSUs and to organise their operations on terms of mutual benefits. Since many companies are operating in similar fields, combined sourcing of raw materials, providing technical support and avoiding competition each other could be achieved. Financial assistance is being provided by well off companies to those, which are in need of money. Preferences were always given to other PSUs in case of sale / purchases of products and services. Support from the government departments also was ensured. The health department has earmarked around 35 medicines to be purchased exclusively from Kerala State Drugs and Pharmaceuticals Ltd. Kerala State Electricity Board has placed orders worth crores of rupees to United Electrical Industries Ltd., Tracco Cable Company Ltd., Kerala State Electricals and Allied Engineering company Ltd., and Steel Industrials Kerala Ltd. In 2006-07 a PSU conclave was conducted at Ernakulam wherein the idea of mutual cooperation between PSUs under all the departments and Central PSUs was mooted which was well received. Memorandum of Understanding for business tie-ups was signed between the companies and their government customers. These steps maintained a continuous supply chain and ensured markets.

g. Budgetary Support

The LDF Government in contrast to the previous UDF Government has taken a very supportive stand and had made financial provisions in each year's budget. In 2009-10 budget Rs. 50 crores have been provided for the rejuvenation and revival of viable PSUs. In addition to this, directions are given to Kerala Financial Corporation to fund modernisation projects of the PSUs as loan at 8.5 percent interest rate. This process is ongoing and the funds are being allotted to the companies. The details of budgetary support for the last three years are given in Table IV.

Table IV

Details of Budgetary Support

(Rs. in crores)

Sl. No	Particulars	2006-07	2007-08	2008-09	Total
1	One Time Settlement With Banks / FIs	11.18	28.39	20.88	60.45
2	Settlement of balance VRS / SSNP dues	14.30	9.59	5.91	29.79
3	Modernisation / Revival / restructuring	12.73	5.93	24.53	43.19
4	Working capital / holding on operations	14.80	4.62	8.12	27.54
	TOTAL	53.00	48.54	59.44	160.98

A case study of the revival of United Electrical Industries Limited is given as Annexure A.

h. Recognising the Performances

From 2006-07 onwards, awards are given to exemplary performing CEOs. They are selected by an Award Committee under the chairmanship of the Principal Secretary, Industries Department. The PSU that is taking notable steps to reduce pollution and reduce costs of production are also awarded. In addition to this, the media person who have made contribution in industrial reporting is also awarded.

i. Business Collaboration with Central PSUs / Government

It was an innovative idea of the government to associate with Central PSUs for the revival and modernisation of state enterprises for technology up-gradation and better professional management of these companies. The State government has a limitation on investing huge amounts in new projects for modernisation and technology up-gradation. We could overcome this by tying- up with central PSUs that have a similar synergy. Four companies are so far put forward to go for tie up with Central PSUs or Central Government agencies. They are TELK-NTPC, SCL-SAIL, KEL-BHEL, and SILK-AUTOKAST-RAILWAYS. KELTEC, a company primarily doing machine work was taken over by M/s Brahmos in 2007.

TELK, a power transformer company entered into strategic tie-up with NTPC and 44.6 percent of government share in the company was transferred to NTPC in June 2009 and the new board by including representatives of NTPC has been constituted. The joint venture is heading for massive expansion and the business plan is ready where, in the first phase, the company hopes to achieve the full manufacturing capacity of 4,500 MVA. With this 10-12 high capacity EHV Transformers can be manufactured and 2-3 Transformers can be repaired per year. In the second phase increase transformer manufacturing capacity of 10,000 MVA including 1,500 MVA of service capability. Keeping this in view, a total number of 20 high capacity transformers can be manufactured and 6-7 transformers can be repaired per year. The previous government had decided to privatise TELK. A case study on TELK-NTPC joint venture is given as Annexure B.

Government has signed a joint venture agreement with Indian Railways to start a rail bogie manufacturing company using the facilities of Steel Fabrication Unit and Autokast Ltd. The new company, named as 'Kerala Rail Components Ltd.', will have equity pattern of 51 percent and 49 percent to Railway and Government of Kerala respectively. It is expected that this company will start functioning in this year. Approved share capital and paid up share capital of the new company will be Rs. 100 crores and Rs. 36 crores respectively. Within three years from the formation of the new company, the assets and the employees of Autokast Ltd., will be absorbed in phased manner. The absorption will be as follows: within one year from the setting up of the JV, 50 employees will be absorbed, before completion of two years, 100 more employees will be absorbed and before completion of three years, all the remaining employees will be absorbed. When assets of Autokast are transferred to the Company, Indian Railways will make proportionate investments also.

Agreement has been signed between Steel Complex Ltd., and SAIL to form a joint venture and the steps are being taken to complete the statutory formalities by November 09. Project Report for commissioning a re-rolling mill of 60000 Ton annual capacity is being prepared by SET Ranchi. SAIL and Government of Kerala will have 50 percent share each in the proposed joint venture. SAIL has already provided financial assistance to SCL for streamlining the production. The Joint Venture will be manufacturing steel bars and special steel billets.

Business collaboration agreement was signed between Kerala Electricals and Allied Engineering Company (KEL) and BHEL for setting up a joint venture at Kasaragod using the facilities of KEL unit there. The assets of KEL Kasaragod will be transferred to the proposed Joint Venture as share of KEL and BHEL will invest proportionately. Valuation of the property is to be done jointly and the steps are being taken for that. The technical team is identifying the products that can be manufactured in the Joint Venture. A Core Committee with members from GOK and BHEL has been constituted and that Committee is following it up. It is expected that the Joint Venture can be formed in this year.

In addition to the above, business relations are developed by Keltron with Indian Defence, BEL, ECIL and ISRO. Steel Industries Fabrication Ltd. has long standing tie-ups with ISRO. Government is looking for more strategic tie-ups with Central Government and central PSUs.

j. Merger and Amalgamation

A proposal to merge companies of similar line of production and to harness the synergy is under serious consideration. This will reduce the overhead expenses; improve cooperation in sectors of technology, manpower, marketing and finance. Moreover, a bigger organisation will be more capable to meet the challenges of markets. Initially it can be by way of acquisition / transfer of shares. This is a time consuming process as lot of procedural formalities are involved. Moreover, this process can be initiated only with a consensus of Trade Unions. However, Government have taken steps to merge the following companies and appropriate orders are issued.

Kerala State Industrial Products Trading Corporation is merging with Travancore Titanium Products Ltd. Accounts of both the companies for the year 2008-09 are getting finalised and the merger can be completed this year. Sitaram Textile Mills and Trivandrum Spinning Mills are being merged with Kerala State Textile Corporation Ltd. Four subsidiaries of Kerala State Electronics Development Corporation Ltd., at Kannur viz., Keltron Component Complex Ltd., Keltron

Magnetics Ltd., Keltron Crystals Ltd., and Keltron Resistors Ltd., are merging to form a single company. Government have issued orders and formulated guidelines for the merger. The issue is with the Ministry of Company Affairs and it is expected that the merger can take place within three months from the date of sanction by the Central Government. These companies are too small to name as a companies in the normal sense. The merger will surely convert them into a big establishment and the business prospects will naturally improve.

There are plans to amalgamate Electrical Companies and Mineral Companies. Similarly, there are also plans to transfer part of government shares in certain PSUs to other PSUs. The modalities are being worked out. It is proposed to merge the following companies into a single entity:

- ❖ Malabar Cements Ltd., Travancore Cements Ltd. & Kerala Clays and Ceramics Products Ltd.
- ❖ KMML, TTPL & TCC
- ❖ KEL, Tracco Cables & UEI

Malabar Cements and Travancore Cements are engaged in the manufacture of grey cement and white cement respectively. A major product of Kerala Clays and Ceramics, *Aluminium content latriet*, is mainly consumed by Malabar Cements. All these companies are currently making profits and the profit of Malabar Cements for 2008-09 was 43.71 crores. Travancore Cements and Kerala Clays and Ceramics made profits of Rs. 1.44 crores and Rs 2.02 crores respectively. TCL and KCCPL are going for major expansions and are in need of capital investment. It is proposed that Malabar Cements will acquire certain percent of equity shares in these companies and the value of the shares to be invested in TCL and KCCPL.

KMML and TTPL are engaged in manufacturing of Titanium Dioxide in two different methods. KMML uses better technology of chloride root. TCC is manufacturing Caustic Soda and Hydrochloric Acid is the by-product. The hydrochloric acid is consumed by KMML. All these companies are at present making profit. During 2008-09, KMML and TCC have made profits of Rs. 70.84 crores and Rs. 15 lakhs respectively. TTPL, during that year, made a loss of Rs. 9.62 crores. However, TTPL has made Rs. 7.63 crores during the first quarter of 2009-10. If these three companies are merged into a single entity, technology and technological expertise can be transferred between KMML and TTPL. Such an entity will be able to source raw materials for both the units and the products can be sold through a single window. This will solve the present problem of pricing of Titanium Dioxide

of these companies. KMML is going for major expansion and the requirement of hydrochloric acid by KMML will be increased. The present capacity of TCC is not adequate to cater the needs of such increased capacity. For meeting the requirement of hydrochloric acid by KMML after expansion, TCC has to augment the capacity. The resources of KMML can be utilised for the expansion and modernisation of TTPL and TCC and the products of TCC can be used by KMML. The sulphate root is highly polluting and the investment required for pollution abatement is huge. Beyond a particular level the production of TTPL cannot be increased. Hence, TTPL has to either operate at small scale or change the technology. It is advisable to shift to chloride root and the merger of KMML and TTPL will be helpful for such an action.

KEL, Tracco Cable Company and United Electrical Industries are the three PSUs operating in the electrical sector. During 2008-09 KEL, Tracco and UEI made profits of Rs. 2.52 crores, Rs. 44.43 lakhs and Rs. 93.43 lakhs respectively. Although the companies have a diverse product range, they all depend mainly upon KSEB for orders. The products of these companies are essential for distribution of any electricity generating company. History of these companies show that they perform well only when a conducive political atmosphere exist in the state. This is mainly due to the fact that they are not strong enough to compete in the general market because of their inherent organisational weakness. Unless they are broad based, modernisation and development cannot take place. If these companies are made into a single entity, overheads can be considerably reduced, facilities can be scientifically rearranged, get into open market with enhanced vigour and manpower can be suitably deployed. With the merger, there will be a single company operating in the electric sector.

k. Re-opening of Closed Units and Regaining of Assets

When this government came to power in 2006 May, 17 units were remaining closed for a very long time. Some were ordered to be liquidated by the BIFR. In some cases the liabilities over weighed the assets. Government prepared a plan to regain the assets of those companies, which were under liquidation, and to make use of such assets for industrial purposes. Trivandrum Spinning Mills that was handed over to official liquidator was released through High Court and the same is transferred to Kerala State Textile Corporation Ltd., to start as an open-end spinning mill. Modern machineries are installed there and full commercial production will be possible this year. Kerala Soaps and Oils Ltd., (KSO) a premier Unit in manufacturing soaps, detergents and edible oils was closed down during the period

of previous government. A soap manufacturing unit is being set up in the premises of KSO by Kerala State Industrial Enterprises Ltd., at a cost of Rs. 7.05 crores. This unit will start functioning by November 09. Keltron Power Devices Ltd., and Keltron Rectifiers Ltd., are also under liquidation. Steps are initiated to release the property of these companies and the petitions for the same are under consideration of the High Court.

l. Rewarding the performers

Awards to best performing CEOs were started in 2006-07. This was continued in 2007-08 also. A committee constituted for that purpose selected them. The company, which has taken best efforts to abate pollution and the journalist who made the best industrial reporting, also were awarded. The awards are distributed in public function by great dignitaries. Last year the awards were given by the State Governor. This system of recognising the performances has helped to boost up the morale of the employees and has developed a healthy competition amongst the companies.

m. Fresh Recruitment

Majority of companies are facing acute shortage of qualified executives and workmen owing to the massive VRS during the previous UDF rule and lack of proper succession planning. In 2008-09 1134 fresh appointments were made in these companies. Majority of companies have prepared their human resources requirement and going for recruitments.

MODERNISATION PLANS

Fifteen Companies are going for modernisation projects with the help of Government assistance. Details of such companies are given in Table IV. Many other companies are in the process of modernisation with their self-generated funds. Kerala Minerals and Metals Ltd., is implementing a project of around Rs. 90 crores. Similarly Kerala Electronics Development Corporation Ltd., and Malabar Cements Ltd., Kerala State Textile Corporation Ltd., Steel Industrials Kerala Ltd., are also planning for expansion and modernisation. Modernisation of Transformers and Electricals Kerala Ltd., and Steel Complex Ltd., are with the help of NTPC and SAIL respectively. The details of the modernisation plans for the current year are given below. The project cost and the government funding for such projects are given in Table V.

TTPL

Company is going for the implementation of Copperas Recovery Plant (CRP) and Neutralisation Plant (NP). Cost of CRP is Rs. 38.83 crores and NP is Rs. 37.05

crores thus making the total as 75.89 crores. For CRP and NP Rs. 22.66 crores and Rs. 14.44 crores have been already spent while implementing the MECON Project. The balance amount required is Rs. 38.78 crores (Rs. 16.17 for CRP and Rs. 22.61 for NP). The share of funding is GOK - Rs. 12 crores, Loan - Rs. 14 crores and Own Fund - Rs. 12.78. The Board of Directors has approved the project and the same is being considered by GoK. This project with the approval of Pollution Control Board has submitted to the High Court for extending the time for implementing pollution abatement Programme.

SIFL

The Company is going for installation of 10-ton hammer and setting up facilities for manufacturing Titanium and other special Fasteners. Total project cost is Rs. 29.81 crores. (Rs. 18 cr for Hammer and Rs. 11.81 for Fastener Unit) The Government share will be Rs. 4.5 crores and Rs. 6 crores will be from internal generation. Balance amount will be as loan from KFC / Banks. Government has already sanctioned Rs. 3 crores. Tender process for hammer is underway and the project implementation is as per the schedule. Installation of Hammer will be completed in this year and setting up fastener production facility will be completed in next year.

KEL

Deloitte, consultancy firm has prepared a Comprehensive development plan for KEL. They have identified three areas of strengths for the company such as Industrial Traction Motors and Power Transformers. A project has been prepared for manufacturing electric motors of 110-800 KVA capacity and power transformers of 10MVA capacity. The project costs for the above items are Rs. 18 crores and Rs. 34 crores respectively. Rs. 26 crores will be the share of the Government and the balance will be taken as loan from KFC. The project is under consideration.

KSDP

Company is implementing the “Good Manufacturing Practice” and capacity expansion Project. Total project cost is Rs. 33 crores and Rs. 7 crores is already released. It is implemented in three phases. First phase is installation of Betalactum Plant, Second phase is capacity enhancement of non-Betalactum Plant and the third phase is manufacturing of veterinary medicines. Detailed Project Report is prepared and a Project Management Consultant is appointed. Civil construction is entrusted to SIDCO and the tenders for the machineries for betalactum plant have been processed. Orders for the machineries will be placed soon. Activity schedules are prepared and the activities are going as per the schedule. First phase will be completed in 2009-10 and the Second and third will be completed by 2010-11.

TCC

The Company has prepared the project for capacity expansion by installing a 50 TPD Membrane Cell with a cost of Rs. 53 crores. The project is under consideration of the Government.

Kerala State Bamboo Corporation

Project for starting a unit of Bamboo Floor Tiles at Cheruvannoor is being implemented. Total cost is Rs. 12 crores. A project management consultant is appointed and the work is fast proceeding. Government of Kerala will provide Rs. 1 crore and Rs. 4 crores will be provided by KFC. Rs. 7 crores will be received as ACA.

FIT

Project for modernisation of the factory by installing new machines and Band Saw has been prepared. The project is under consideration of the Government. Total cost of the project is Rs. 6 crores out of which Rs. 2 crores will be the Government share and balance Rs. 4 crores will be taken as loan from KFC.

Keltron Electro Ceramics Ltd.

The main product of the company is Transducers. The demand for transducers has increased and BEL, NIOT, NSTL, CUSAT etc., have come into the customers' list. The present capacity is not adequate to meet the increased demand and a project is prepared for capacity augmentation. Project cost is Rs. 94 lakhs. which will be provided by the government.

Travancore Cements Ltd.

Company is using Furnace Oil as the main fuel and, over the years, the cost of FO has increased considerably. The cost of production is too high due to the exorbitant price of FO. Project for partial conversion of the fuel from FO to Petroleum Coke has been approved and the cost of project is Rs. 5 crores which will be financed by Malabar Cements Ltd.

United Electrical Industries Ltd.

Company has prepared modernisation project for manufacturing Single Phase Multifunction Static Metre and Three Phase Multifunction Static Metre. The total project cost is Rs. 4.4 crores. Government has sanctioned Rs. 2 crores and Rs. 2 crores will be taken as loan from KFC. Balance Rs. 40 lakhs will be met from own funds. Time schedule for the implementation of the project is prepared and it is expected that the same can be completed in this year.

Kerala Clays and Ceramics Products

A project for setting up a fully mechanised China Clay plant of 3000MT per annum at Irikkulam and diversification programme at Pappinisseri Unit are approved. Total project cost is Rs. 10.99 crores. Malabar Cements, the main beneficiary of the company will invest Rs. 5 crores in the project. Loan of Rs. 5 crores will be availed from KFC and the company will meet the balance amount of Rs. 99 lakhs. The projects will be completed in next year.

KELTRON

A vision plan for KSEDC has been prepared on the basis of the report of the consultant, "Earnest and Young". The vision plan includes identification of new products, capacity augmentation, development of advanced technology, organisational restructuring etc. A feasibility report of Rs. 190 crores is ready. The company is going for the preparation of Detailed Project Report.

KELPALM

The proposed modernisation plans are to the tune to Rs.30 lakhs funded completely by the government. The project is the revival and modernisation of Fibre Processing units.

KMML

Two packages are being implemented in KMML. One is the 500 Tone Titanium Sponge Plant in association with VSSC. The total investment is Rs. 145 crores. The technology and the investments are provided by VSSC. The civil construction is going on tendering for the proprietary equipments are in process. It is expected that this project will be completed in this year. This is the first project in India for manufacturing Titanium Sponge. The Second package includes Valuable Mineral Separation, Synthetic Rutile Capacity Augmentation and Coal Fired Boiler. The total cost is Rs. 95 crores and the company meets it.

KEMDEL

Project for setting up a Mineral Beneficiation Plant at Arattupuzha is under consideration of the Government. The new plant will be able to supply enriched minerals to TTPL, KMML and CMRL that are currently using illmenite in Kerala. The total project cost is Rs. 4.38 crores. KSIDC will fund Rs. 1.38 crores and Rs. 3 crores will be availed as loan from KFC.

TABLE V
Modernization Plans (Rs. in crores)

Sl. No.	Company	Project	Project cost	Fund from GoK during 2009-10
1	Forest Industries (Travancore) Ltd	Modernisation of factory	6.00	1.25
2	Keltron Electro Ceramics Ltd	Transducer	0.94	0.47
3	Kerala Electrical & Allied Engineering Company Ltd	Industrial traction motors	18.00	5.00
		Power transformer	34.00	8.00
4	Kerala State Bamboo Corporation Ltd	Bamboo tiles project with ACA.	12.00	1.00
5	Kerala Ceramics Ltd	Acquisition of land	4.00	1.00
6	Travancore Cements Ltd	Pet Coke Fuel Conversion	5.00	2.00
7	Travancore Titanium Products Ltd	Capacity augmentation	5.00	3.00
		Copperas Recovery plant	12.70	6.35
8	United Electrical Industries Ltd.	Single Phase Multifunction Static Meter and Three Phase Multifunction Static Meter	4.40	2.00
9	Kerala Clays & Ceramic Products Ltd.	Expansion programme	10.99	5.00
10	Kerala State Drugs & Pharmaceuticals Ltd	GMP implementation	33.00	13.00
11	Steel and Industrial Forgings	10 Ton Hammer & modernisation.	18.00	3.60
		Titanium Fastener unit	11.81	1.00
12	Traco Cable Company Ltd	Modernisation	6.00	3.00
13	KELPALM	Revival & Modernisation of Fibre Processing unit	0.30	0.30
14	KMML	Titanium Sponge Plant & three new plants	95.00	Nil
15	KEMDEL	Mineral Beneficiation Plant	4.38	Nil
	Total		281.52	55.97

The gap in financial requirement will be filled by self generated funds and soft loan from Kerala Financial Corporation Ltd. It is expected that the proposed modernisation will improve the productivity and profit multi fold.

MAJOR THREATS

Global financial meltdown has adversely affected the export sector as well as the internal demands. The prices of many products have come down and the companies are forced to sell out their products at a lower price than the cost of production. The domestic competition has become tougher and the PSUs are finding it difficult to compete with private parties.

The hike in power tariff and load shedding has affected severely the companies like Travancore Cochin Chemicals Ltd., where the power requirements are huge.

Huge increase in the prices of certain raw materials has badly affected certain companies last year. The price of sulphur which is an essential raw material for Travancore Titanium Products was skyrocketed last year and the company with its normal operations was making a loss of Rs. 3.5 crores per month. Price of sulphur was increased 7 fold during 2008-09. Similarly the short supply of Illmenite, which is the basic raw material for Kerala Minerals and Metals Ltd., and Travancore Titanium Products Ltd., also have made serious dents in the profitability of that companies.

Majority of companies are still using obsolete technology and the productivity of such companies is terribly low. This increases the cost of production and making it non-competitive in the market.

The textile sector of India is highly vulnerable to the market conditions. This sector is facing severe crisis all over India. Kerala textile mills are also unable to overcome the crisis.

FUTURE PROJECTIONS

Despite the financial recession, the PSUs are planning to make increased turnover and profit in 2009-10. It is expected that the companies will be able to overcome the adverse situations by increasing the productivity, strengthening market network, modernisation and implementing practices of better corporate governance. The textiles and traditional sectors may not be able to become profitable in the current year but surely there will be considerable improvement in the operations. As modernisation plans are being implemented in these units they are expected to become profitable next year.

The projections for the year 2009-10 are given below

(Rs. in crores)

1	Total Number of Profit Making Companies	32
2	Total Production	2124
3	Total Turnover	2421
4	Net Profit	212

During 2009-10 four more companies are expected to make profits. Kerala State Drugs and Pharmaceuticals Ltd., Travancore Titanium Products Ltd., Kerala Automobiles Ltd., and Autokast Ltd., are the companies that will be making profit during the current year in addition to those units that have made profits in 2008-09. An increase of 20 percent in value of production and 15 percent increase in turnover are comprehended. There will be 25 percent growth in net profit from the previous year.

ANNEXURE A

UNITED ELECTRICAL INDUSTRIES LTD.

United Electrical Industries Ltd. popularly known as 'Meter Company' was incorporated in the year 1950. It is the first factory in India to manufacture Electricity House Service Meters. Major shares of the company were taken over by the Kerala Government in 1957 and reconstituted it as a Public Limited Company under the ownership of Government of Kerala by holding 97.20% of the total share value. The company has been continuously making losses for five years from 2001 to 2006. The previous UDF government had suggested disinvesting the company if the effort for the restructuring fails. There was also a government order to implement VRS.

But the policy shift brought by the LDF government made dramatic changes in the scenario. The government proposed collaboration between various departments and PSUs. As part of this, the Kerala State Electricity Board decided to purchase Electricity House Service Meters from United Electrical Industries. An MOU was signed on 15/11/2006 between the Departments of Industries, Power, Water, Management and Employees' Organisations. This was held in a public function organised in the premises of the company. As per the MOU, the Power Department would buy all Meters manufactured by UEI at a rate contract. Water Department agreed to buy all Motor Starter required for them from the company. The Industries Department, Management and the Associations agreed to work for revival of the company. It was agreed by the Trade Unions that unless the company makes profit for three years continuously, no wage revision any other benefit imposing financial liability upon the company would not be demanded.

On the basis of MoU, the Kerala State Electricity Board gave orders to the Company at market contract and the company ensured on time delivery of quality goods. It developed a win-win situation. Payment from KSEB was also prompt which helped the company to overcome liquidity problem also.

This single initiative brought the company to a profit of Rs. 2.37 crores in 2006-7. The company has been consistently making profits in the last three years, Rs.1.3 crores in 2007-8 and Rs.0.93 crores in 2008-9. The annual turnovers for the corresponding years are Rs. 35.8 crores, Rs. 39.65 crores and Rs. 49.28 crores respectively. The production of electric meters has tripled in this period from 57,000 to 1,57,000. This company was awarded for good performance in 2007-08.

The role of Trade Unions and the Employees' Association was also commendable. There were no fresh demands from their side and they wholeheartedly supported the initiatives of the government and the Management. When the company made profit in the first year, interim relief was paid to the employees and the wage revision for the workers was implemented with effect from 01/01/2007. Wage revision for officers is under consideration.

Now as per the directive of the government to prepare restructuring proposals, the company began implementing a project of Rs. 25 crores aiming at multiple production. UEI is sharing half of the project cost from its own funds. For the first time in the history of the company, UEI has got order for Static Energy meters from other states like Andhra Pradesh as the meters were approved by the CPRI, Bangalore. The story of the United Electricals Industries (UEI) is a typical example of how loss making sick units can be turned around with government support.

ANNEXURE B

TELK NTPC JOINT VENTURE

TELK was established in the year 1965 and was primarily engaged in the business of manufacture, marketing and servicing of Power Transformers, Current/Voltage Transformers, Circuit Breakers, Isolated Phase Bus Ducts, Shunt Reactors etc. The company has vast and proven expertise over four decades in the above fields. Due to financial constraints the Company was not able to utilize its full capacity and suffered cash loss in Eighties. Its net worth became negative in March 1995 and was declared by BIFR as a sick unit in 1997. The 1998-2001 was more difficult days for TELK due to adverse market conditions. In 2004 May expression of interest was invited for private partnership Siemen expressed their interest to acquire 49% share with management control. SAVE TELK was formed with association of TELK employees and left parties and the privatisation move was scuttled due to great uprising against the govt. stand. TELK started to make profit in 2001 but due to the financial constraints it was unable to go for any modernisation or expansion plan to compete with the other multinationals in the power sector. TELK was well accepted as an approved high quality supplier to all Power Utilities in India and abroad with a brand image of a quality manufacturer of Transformers and Transmission equipments. It had a vast resource of skilled, experienced and committed manpower. Considering these factors, the LDF government, as part of its policy to revive and modernize, forged a tie-up with NTPC, a suitable central PSU with similar synergy.

NTPC is one of the world's largest and best Power Utilities. It is a Navaratna PSU with huge cash reserve and high operating profit. Considering the large capacity addition plan of NTPC and ageing of the existing transformers at various NTPC plants, NTPC intended to have synergy with an entity having facility of manufacturing and repair of high voltage power transformers and associated equipment so that it can have assured sourcing of quality transformers and service of allied products. It was this need that TELK managed to capitalise on.

The two companies agreed to explore the opportunities to harness their mutual potential in order to play a lead role in the generation and transmission of electricity

in India and abroad by creating world class manufacturing facilities backed by state of the art technologies. A working committee was formed with members from GOK, NTPC and TELK in August 2006 to work on this goal. The committee had many sittings to work out the modalities and road map to achieve the above objective.

Due diligence was carried out by NTPC on TELK facilities and valuation of TELK was carried out by SBI caps and finally a Business Collaboration & Shareholder's agreement was signed on 23 June 2007 between the two companies. The agreement envisage transfer of 44.6 % of paid up share capital of TELK, held by GOK and its undertakings given to NTPC. To facilitate the expansion and up-gradation of TELK, TELK will issue further shares in such a way that in the revised shareholding pattern of TELK, NTPC (along with its associates) and GOK will have (along with its associates) 50% each of the equity left after shares held by shareholders other than NTPC and GOK. In 2007-2008 the net worth of the company become positive and it will de-registered from BIFR soon.

The expansion planned by the JV Company is in the following phases.

Phase-I : To achieve Transformer manufacturing capacity to a level of 4500MVA. With this 10 to 12 high capacity EHV transformers can be manufactured and 2-3 transformers can be repaired per year.

Phase-II : To achieve Transformer manufacturing capacity to a level of 10,000 MVA including 1500 MVA of service capability. With above, approximately 20 high capacity transformers can be manufactured and 6-7 transformers can be repaired per year.

Phase-III : Mobile Repair Facility

Mobile repair facility which will enable on-site repair of large power transformers in a dust & humidity controlled environment will be implemented. The facility can take up complete dismantling, repair, assembly and testing facility at owner's site.

An investment of Rs 188.65 crore has been estimated for the above expansion plans. The JV commenced operations in June 2009.

Overall Impact of JV on TELK

- ❖ Improved morale at all levels.
- ❖ Enhanced appreciation to perform better.
- ❖ Awareness of market and competition.
- ❖ Improved production, sales, realization.
- ❖ Improved on time delivery.
- ❖ Cost conscious and urgency for a purpose.
- ❖ More clear objectives and focus on work competition.
- ❖ Team Work and Team building.

Physical performance achievement after signing business the collaboration agreement can be seen below.

Description	2006-07	2007-08	2008-09
TURNOVER (Rs. in Crores)	168.88	205.48	234.02
PRODUCTION (MVA)	3683	4130	4566
PROFIT (Rs. in Crores)	3.80	9.15	36.14
CAPACITY UTILIZATION (as a % 4500 MVA)	82%	92%	101%

PERFORMANCE OF SLPEs DURING 2001-09 (TURNOVER)

(Rs. in Crores)

Sl. No.	Company	Turnover (with excise duty)							
		2001-02	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09
CHEMICAL SECTOR									
1	Kerala State Drugs & Pharmaceuticals Ltd	4.77	4.73	2.48	0.07	0.28	3.41	8.90	12.52
2	Malabar Cements Ltd	121.86	109.46	155.47	167.53	202.15	212.96	218.40	252.83
3	The Kerala Minerals and Metals Ltd	260.44	261.44	266.89	285.54	323.04	328.55	341.01	458.71
4	The Travancore Cements Ltd	22.82	25.70	24.64	24.50	16.96	27.52	31.11	36.56
5	Travancore Titanium Products Ltd	92.49	68.02	128.96	119.41	133.88	116.68	105.91	82.32
6	Travancore-Cochin Chemicals Ltd	90.31	74.29	91.23	88.69	125.83	142.47	108.58	135.82
	SUB-TOTAL	592.69	543.65	669.67	685.74	802.14	831.59	813.91	978.76
CERAMICS & REFRACTORIES									
7	Kerala Clays & Ceramic Products Ltd.	3.12	3.88	3.70	4.11	4.28	4.77	5.30	6.58
8	The Kerala Ceramics Ltd	7.11	6.76	6.02	6.03	2.93	9.70	10.69	9.95
	SUB-TOTAL	10.23	10.64	9.72	10.14	7.21	14.47	15.99	16.53
DEVELOPMENTAL & INFRA									
9	Kerala State Industrial Development Corporation Ltd	30.82	31.58	26.48	23.26	27.54	47.93	28.32	30.95
10	Kerala State Industrial Enterprises Ltd	4.94	6.96	7.92	10.81	10.17	12.19	13.50	18.49
11	Kerala Small Industries Development Corporation Ltd	39.26	30.77	40.82	80.11	53.98	55.49	51.80	101.11
	SUB-TOTAL	75.02	69.31	75.22	114.17	91.69	115.61	93.61	150.55
ELECTRICAL EQUIPMENT									
12	Kerala Electrical & Allied Engineering Company Ltd.	34.92	49.63	52.91	54.58	59.57	85.52	100.97	105.94
13	Traco Cable Company Ltd	34.31	29.24	24.65	41.94	40.70	59.85	47.26	57.20
14	Transformers and Electricals Kerala Ltd	66.24	84.48	93.40	94.35	121.86	168.88	205.48	234.02
15	United Electrical Industries Ltd.	18.35	12.28	10.04	7.09	4.97	35.80	39.65	49.28
	SUB-TOTAL	153.82	175.63	181.01	197.97	227.10	350.05	393.36	446.45
ELECTRONICS									
16	Keltron Component Complex Ltd	26.93	30.14	30.90	24.49	24.55	23.83	25.41	26.50
17	Keltron Crystals Ltd	0.82	0.85	1.08	0.95	1.15	0.62	0.93	1.77
18	Keltron Electro Ceramics Ltd	3.78	3.79	3.22	4.11	3.63	5.06	3.54	6.81

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19	Keltron Magnetics Ltd	1.84	2.56	2.91	3.38	3.98	4.61	5.95	7.88
20	Keltron Resistors Ltd	1.71	1.54	0.97	1.49	1.51	1.83	1.85	1.71
21	Kerala State Electronic Development Corp	71.30	69.40	82.85	86.35	102.92	122.28	146.35	160.47
	SUB-TOTAL	106.38	108.28	121.93	120.77	137.74	158.22	184.02	205.13
ENGINEERING									
22	Autokast Ltd.	13.12	10.37	10.76	14.20	13.57	12.77	14.37	15.89
23	Kerala Automobiles Ltd	43.95	45.67	44.25	48.45	37.74	39.72	22.16	12.68
24	Steel and Industrial Forgings	16.08	17.59	20.70	27.56	39.38	47.65	58.19	65.25
25	Steel Complex Ltd	9.91	17.34	7.30	4.92	4.35	8.35	30.39	40.32
26	Steel Industrials Kerala Ltd	19.92	18.05	12.68	15.90	12.84	10.13	18.94	19.25
27	The Metal Industries Ltd	2.20	2.69	2.25	1.72	1.17	1.89	2.25	4.01
28	Kerala Hi-tech Industries Ltd	7.12	8.97	11.01	15.01	15.83	17.72		
29	Scoters Kerala Ltd	1.14	0.61	0.77	0.11				
	SUB-TOTAL	113.45	121.29	109.72	127.87	124.88	138.22	146.31	157.40
TEXTILES									
30	Alleppey Co-operative Spinning Mills	6.21	6.20	6.09	5.94	4.93	3.63	3.29	3.17
31	Kerala State Textile Corporation Ltd	39.14	39.54	33.29	35.33	35.46	36.95	37.23	31.62
32	Sitaram Textiles Ltd	7.29	3.93	6.36	6.74	6.37	6.73	7.97	7.45
33	The Cannanore Co-op.Spinning Mills Ltd	10.33	6.31	3.57	7.99	10.43	11.18	9.46	10.82
34	The Malappuram Co-operative Spinning Mills Ltd.	17.18	17.23	19.06	20.56	20.33	22.58	19.55	18.16
35	The Quilon Co-operative Spinning Mills Ltd	10.60	9.45	7.79	8.40	7.18	5.58	5.31	7.37
36	The Trichur Co-operative Spinning Mills Ltd	12.26	12.23	11.31	13.44	11.62	12.32	10.03	8.00
37	Kerala Garments Ltd	0.63	0.53	0.62	0.28	0.29	0.27		
	SUB-TOTAL	103.64	95.42	88.08	98.68	96.60	99.22	92.85	86.60
TRADITIONAL & WELFARE									
38	Handicrafts Dev Corp. (Kerala) Ltd	8.88	10.49	9.60	9.60	4.59	4.09	11.12	11.36
39	HANTEX	19.15	18.00	17.83	16.95	10.17	13.27	15.90	16.94
40	KELPALM	0.11	0.07	0.03	0.07	0.05	0.08	0.09	0.06
41	Kerala State Bamboo Corporation Ltd.	12.18	10.04	8.97	9.66	9.21	9.13	14.23	12.25
42	Kerala State Handloom Dev Corp Ltd	10.98	8.31	12.31	11.66	14.92	15.01	10.13	10.10
43	Kerala Artisans Development Corporation Ltd	1.09	0.87	0.47	0.53	0.29	0.26	4.08	6.09
	SUB-TOTAL	52.40	47.79	49.21	48.48	39.22	41.83	55.56	56.79
WOOD & AGRO BASED									
44	Forest Industries (Travancore) Ltd	3.41	3.89	5.90	6.15	7.27	7.34	6.26	6.80
45	Travancore Sugars & Chemicals Ltd	3.21	1.61	1.74	6.78	6.55	7.18	9.64	
	SUB-TOTAL	6.62	5.50	7.64	12.93	13.82	14.52	15.90	6.80
	GRAND TOTAL	1,214.25	1,177.53	1,312.20	1,416.74	1,540.40	1,763.74	1,811.50	2,105.01

Source : Monthly reports submitted by the Company, BPE. Figures submitted during Annual review

PERFORMANCE OF SLPEs DURING 2001-09 (PROFIT / LOSS)

Sl.N o.	Company	Profit / Loss								
		2001-02	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	
CHEMICAL SECTOR										
1	Kerala State Drugs & Pharmaceuticals Ltd	-7.95	-8.08	-7.47	-6.63	-6.64	-5.97	-2.19	-1.63	
2	Malabar Cements Ltd	8.46	-11.26	1.77	-2.50	5.40	27.05	36.05	43.71	
3	The Kerala Minerals and Metals Ltd	100.51	93.58	49.65	39.20	17.82	22.43	9.00	70.84	
4	The Travancore Cements Ltd	-1.09	-2.24	-2.96	-2.65	-3.90	-0.84	0.35	1.44	
5	Travancore Titanium Products Ltd	5.93	0.09	1.18	2.39	-15.52	-1.50	-0.53	-9.62	
6	Travancore-Cochin Chemicals Ltd	-6.67	-6.92	0.90	-8.29	5.71	0.54	7.05	0.15	
	SUB-TOTAL	99.18	65.17	43.07	21.52	2.87	41.71	49.73	104.89	
CERAMICS & REFRACTORIES										
7	Kerala Clays & Ceramic Products Ltd.	0.41	0.87	0.91	1.15	0.84	0.95	1.20	2.03	
8	The Kerala Ceramics Ltd	-1.82	-2.73	-1.00	-1.46	-0.97	1.08	1.81	1.01	
	SUB-TOTAL	-1.41	-1.86	-0.09	-0.31	-0.13	2.03	3.00	3.04	
DEVELOPMENTAL & INFRA										
9	Kerala State Industrial Development Corporation Ltd	8.11	9.14	8.81	13.29	16.82	36.71	23.07	22.92	
10	Kerala State Industrial Enterprises Ltd	0.91	2.24	2.81	3.99	3.88	5.01	6.56	5.86	
11	Kerala Small Industries Development Corporation Ltd	-3.44	-2.60	-1.23	-0.66	-1.84	0.79	1.80	2.84	
	SUB-TOTAL	5.59	8.78	10.39	16.62	18.87	42.51	31.42	31.63	
ELECTRICAL EQUIPMENT										
12	Kerala Electrical & Allied Engineering Company Ltd.	-11.20	-1.84	-9.38	-3.80	-1.13	1.22	4.50	2.52	
13	Traco Cable Company Ltd	-9.06	-8.87	-7.96	-7.02	-4.15	0.15	0.25	0.44	
14	Transformers and Electricals Kerala Ltd	10.88	1.06	6.20	6.09	1.74	3.80	9.15	36.14	
15	United Electrical Industries Ltd.	2.09	-1.51	-3.23	-2.85	-3.12	2.37	1.30	0.93	
	SUB-TOTAL	-7.29	-11.16	-14.37	-7.58	-6.66	7.54	15.20	40.04	
ELECTRONICS										
16	Keltron Component Complex Ltd	-2.99	-3.48	6.53	-4.04	-3.09	-2.50	0.04	0.56	
17	Keltron Crystals Ltd	-1.82	-1.73	-1.61	-2.39	-2.22	-0.61	0.47	0.01	
18	Keltron Electro Ceramics Ltd	0.02	0.01	-0.05	-0.29	-0.89	0.17	-0.74	0.08	
19	Keltron Magnetics Ltd	-0.42	-0.41	-0.10	-0.37	-0.25	0.48	0.38	0.02	

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19	Keltron Magnetics Ltd	-0.42	-0.41	-0.10	-0.37	-0.25	0.48	0.38	0.02
20	Keltron Resistors Ltd	-0.10	-0.25	-0.47	-0.62	-0.65	-0.17	0.01	0.01
21	Kerala State Electronic Development Corp	-52.35	-52.20	-49.47	-50.66	-38.61	16.99	8.42	19.00
	SUB-TOTAL	-57.66	-58.05	-45.17	-58.36	-45.71	14.37	8.59	19.68
ENGINEERING									
22	Autokast Ltd.	-8.70	-10.71	-3.79	-3.24	-2.41	0.20	-1.96	-4.42
23	Kerala Automobiles Ltd	2.48	2.70	2.05	0.22	-2.10	0.23	-3.98	-4.59
24	Steel and Industrial Forgings	0.30	0.61	1.11	1.46	3.02	3.58	8.00	8.95
25	Steel Complex Ltd	-5.39	-2.81	-1.81	-0.68	-0.57	-1.33	0.65	0.58
26	Steel Industrials Kerala Ltd	-2.99	-6.18	-6.85	-6.28	-3.93	-2.73	0.10	0.49
27	The Metal Industries Ltd	0.21	0.02	-0.13	-0.12	-0.21	-0.06	0.10	0.58
28	Kerala Hi-tech Industries Ltd	-4.60	-0.73	0.16	0.15	0.14	0.01		
29	Scoters Kerala Ltd	-1.12	-1.25	-0.61	-0.84				
	SUB-TOTAL	-19.82	-18.35	-9.88	-9.33	-6.06	-0.11	2.92	1.59
TEXTILES									
30	Alleppey Co-operative Spinning Mills	-1.30	-1.33	-1.82	-1.50	-2.86	-1.06	-1.69	-1.47
31	Kerala State Textile Corporation Ltd	-6.14	-5.71	-11.57	-3.25	-1.91	0.83	-3.46	-4.57
32	Sitaram Textiles Ltd	-2.71	-2.99	-2.78	-2.73	-1.72	-0.93	-1.17	-1.18
33	The Cannanore Co-op-Spinning Mills Ltd	-2.93	-3.87	-2.75	-4.30	-3.20	-3.14	-3.70	-3.77
34	The Malappuram Co-operative Spinning Mills Ltd.	-2.38	-1.21	-2.24	-1.95	-0.75	-0.11	-2.31	-2.14
35	The Quilon Co-operative Spinning Mills Ltd	-1.68	-2.41	-3.61	-3.70	-4.09	-3.11	-3.49	-3.42
36	The Trichur Co-operative Spinning Mills Ltd	-2.65	-2.53	-3.43	-2.76	-2.27	-0.27	-2.93	-3.03
37	Kerala Garments Ltd	-1.14	-1.08	-0.58	-0.29	-0.29	-0.27		
	SUB-TOTAL	-20.93	-21.12	-28.79	-20.47	-17.09	-8.05	-18.75	-19.57
TRADITIONAL & WELFARE									
38	Handicrafts Dev Corp. (Kerala) Ltd	-1.18	-1.25	-1.33	-0.11	-0.57	0.28	0.51	0.60
39	HANTEX	-8.73	-7.54	-7.95	-8.54	-10.69	-4.41	-9.33	-8.37
40	KELPALM	-0.15	-0.25	0.03	-0.24	0.03	0.02	0.04	0.02
41	Kerala State Bamboo Corporation Ltd.	-0.09	-0.98	-2.64	-2.84	-1.96	-1.97	0.21	0.16
42	Kerala State Handloom Dev Corp Ltd	-1.95	-4.20	-6.85	-4.18	-3.60	-3.79	-4.44	-4.35
43	Kerala Artisans Development Corporation Ltd	-0.01	-0.06	-0.08	-0.01	-0.06	-0.16	-0.03	0.0013
	SUB-TOTAL	-12.11	-14.29	-18.82	-15.92	-16.84	-10.02	-13.04	-11.94
WOOD & AGRO BASED									
44	Forest Industries (Travancore) Ltd	-0.12	0.05	0.21	0.32	0.45	0.48	0.35	0.10
45	Travancore Sugars & Chemicals Ltd	-0.48	-0.82	0.32	0.14	0.67	0.71	0.89	
	SUB-TOTAL	-0.60	-0.76	0.54	0.46	1.12	1.19	1.24	0.10
	GRAND TOTAL	-15.05	-51.64	-63.11	-73.37	-69.64	91.18	80.31	169.45

Source : Monthly reports submitted by the Company, BPE, Figures submitted during Annual review