**Post Restructuring Performance of State Level Public Enterprises in West Bengal–A Case Study**

**Dr.Rama Nag (De)**

**Associate Professor**

**Umeschandra College**

**Abstract**

The Government of India introduced a new ‘Economic Industrial Policy’ in the mid of 1991 after getting over through the old Nehruvian line of socialistic pattern. Considering the various implementation statements pronounced by the Government of India, there raised a thrust towards deregulation, globalization and liberisation within the nation It is also a fact that the Private sector is totally dependent on PSUs for their infrastructural needs, like coal, iron, steel, power etc. The word “Disinvestment`` refers to liquidation of investments by way of sale or transfer of ownership rights in an institution and it is the reverse process of investments

**Key words**: Infrastructure, Disinvestment, Liberalisation, Restructuring

**Introduction:**

The word “Disinvestment `` with reference to public Sector Undertakings (PSUs) means selling of shares in big or small lots to one or more buyers by the state holding the shares in a PSU. Privatization is mainly of two types (i) change of ownership i.e. disinvestment and (ii) deregulation, liberalization i.e. entry of private sector into different fields of commercial activities reserved so far for public sector. So, “Disinvestment`` is one of the ways for privatization. But all disinvestment may not lead to privatization, in true sense of the latter term. Disinvestment up to 49% of government holding will not bring in change in ownership or control. So, this is not privatization. But when the disinvestment crosses the said limit, it may not be so much different from privatization. In accordance with the SEBI (substantial Acquisition of shares and Takeovers) Regulation, 1997, “Disinvestment`` is the sale of its shares or voting rights and/ or control, in the listed Public Sector Undertakings by the Central/ State Government. The reasons for which we have resorted to this way of privatization are given in the next section.

Hence, it is high time to evaluate the financial performance of the restructured and disinvested SLPEs in the post –restructuring and disinvestment period. In this backdrop, this paper seeks to examine the financial performance of SLPEs in pre and post restructuring and disinvestment period.

This paper is divided into four sections. Section I deals with the objectives of the study. Section II explains the methodology of the study. Section III is concerned with the empirical results. In Section IV concluding remarks are given.

**I: Objectives of the case study**

. To measure the profitability of selected SLPEs in terms of profit/sales and profit / capital employed.

* To compare profitability of SLPEs after post-- restructuring and disinvestment periods.
* Observe the impact of new economic environment on restructured and disinvested SLPEs in West Bengal
* To identify the progress, if any, of the privatized SLPEs.

**II : Methodology of the study:**

The study has been conducted mainly based on secondary sources of information and for that matter Annual Reports of the selected companies have been considered and analised. The period of study chosen for this project is from 2010-11 to 2019-20. For the purpose of the study the researcher has selected five SLPEs and these are Durgapur chemical Ltd (DCL), Britannia Engineering Ltd (BEL), Westinghouse Saxby Farmer Ltd (WSFL), West Bengal Agro Textile Corporation Ltd (WBATCL) and West Bengal chemicals industries ltd (WBCIL). The rationale behind the selection of such companies is restructuring process has already been completed in case of DCL, BEL and WSFL where as WBATCL and WBCIL became joint venture. So in terms of comparison the researcher wants to explore what is the financial performance of restructured SLPEs and converted in joint venture SLPEs under reference. For analyzing the data the technique of ratio analysis have been used.

**III: Empirical Results:**

The observation on the findings of the study are as follows:

**Assessment of Performance of restructured SLPEs and Privatized SLPEs in West Bengal**

The financial performance of SLPEs and Privatized SLPEs in West Bengal has been evaluated on the following basis:

* By comparing various ratios

by one, after considering inflation-adjusted figures, considering 2010-2011 as the base year.

**Durgapur Chemicals Ltd. (DCL)**

Financial highlights of the company are given in detail in table I

1. **Efficiency:**

Efficiency in operation is evaluated on the basis of the following

* Growth in Sales:

It may be seen from table I that the enterprise has shown increasing growth in turnover. The increase in turnover during this period works out to 30%. Highest value of turnover was Rs. 45.7943 crore in 2016-17 and lowest value of turnover was Rs. 32.6799 crore in 2010-11.

* Gross value added per rupee wages:

It is shown from table I total gross value added recorded a fluctuating trend. It was worsened in the year 2015-16 & 2018-19 with negative value addition due to negative PBT.

1. **Utilization of Resources:**

* Internal Resources Generation:

From table I it is shown that internal resource generation has a fluctuating trend. Again in some year it registered negative value which indicates cash losses.

* Contribution to Exchequer:

There was however a significant decrease in total contribution to the State Exchequer which decrease from Rs. 26.7422 core in 2010-11 to Rs. 3.9086 crore in 2019-20. .

1. **Liquidity Analysis:**

* Current ratio:

Current ratio of the enterprise showed an increasing trend up to 2014-015 But after that, it showed a declining trend. It has been worsened from the year 2016-17 to 2019-20 which indicate below the acceptable range. Hence it can be concluded that short-term solvency position is not satisfactory.

* **Quick Ratio:**

It shows an increasing trend up to 2014-15. After that, it showed a declining trend and decrease from 0.5159 in 2010-11 to 0.3649 in 2019-20.

1. **Leverage:**

* Debt Equity Ratio:

From the table I it can be seen that from the year 2011-12 to 2013-14 it is less than 1. But after that it showed an increasing trend which indicate that outsiders’ contribution is more than owners’ equity.

1. **Utilization of Assets:**

* Net Assets Turnover Ratio:

It can be seen from table I that net asset turnover ratio of the company was very low. In 2010-11 it was 1.4017 and it was 0.7593 in 2017-18.

* Fixed Assets Turnover Ratio:

It measures the degree of efficiency in utilization of fixed assets of the company. Higher the fixed assets turnover ratio then management is more efficient for utilization of the fixed assets. Table 4.16 shows a fluctuating trend in Fixed Assets Turnover Ratio.

* Working Capital Turnover Ratio:

This ratio indicates the velocity of the utilization of net working capital. From table I it is observed a fluctuating trend in the working capital turnover ratio. From the year 2016-17 to 2019-20 it recordea d negative ratio due to negative working capital.

1. **Profitability Ratio:**

* Operating Profit Ratio:

From table I it is observed that it registered negative ratio throughout the study period except 2011-12, 2012-13 & 2013-14. It can be concluded that profitability of the enterprise measured by operating profit was not satisfactory.

* Interest Coverage Ratio:

It is observed from the Table I that it recorded negative ratio all the year except 2012-13, 2013-14 & 2014-15. Hence it can be concluded that interest is covered by EBIT only for the period 2012-13, 2013-14 & 2014-15.

* Return on Investment:

The higher the ROI larger is the earning capacity of the enterprise and the wider is the future prospects of the enterprise. Table I shows that DCL registered negative ratio throughout the study period except 2011-12 & 2013-14.

* Return on Equity:

Table I indicates that return on share holders’ fund varied from year to year. Again in the year 2014-15, 2015-16, 2018-1\* & 2019-20 the enterprise registered a negative ratio. The fluctuating trend in this ratio could be attributed to the difference in growth rates of profit after tax & shareholders’ fund.

**TABLE – I**

**FINANCIAL HIGHLIGHTS OF DCL**  **Rs. In Crore**

|  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| Sl. No. |  | **2010-11** | **2011-12** | **2012-13** | **2013-14** | **2014-15** | **2015-16** | **2016-17** | **2017-18** | **2018-19** | **2019-20** |
| 1 | Growth in Sales | 32.6799 | 37.3975 | 39.5512 | 35.6820 | 35.7928 | 33.4354 | 45.7943 | 42.9458 | 39.5715 | 42.6256 |
| 2 | Total Wages and Salaries Paid out | 9.1571 | 2.8395 | 2.8181 | 2.8489 | 3.8161 | 3.7197 | 6.8436 | 5.8965 | 4.5851 | 4.2847 |
| 3 | Total Gross Value Added | 2.3293 | 5.3812 | 7.2406 | 4.8927 | 2.7873 | -0.3112 | 0.0144 | 3.4549 | -0.3344 | 1.7942 |
| 4 | Total Capital Employed | 23.3141 | 32.2376 | 33.3231 | 46.9479 | 82.8166 | 94.6496 | 69.9922 | 56.5594 | 38.0270 | 28.3168 |
| 5 | Total Borrowing | 355.2794 | 4.7301 | 5.3408 | 5.5719 | 42.0880 | 53.5931 | 49.4164 | 48.4178 | 28.3803 | 21.7011 |
| 6 | Net Worth | -331.9628 | 29.2537 | 29.3278 | 42.3408 | 41.3326 | 41.3415 | 20.5758 | 8.3620 | 6.9182 | 3.4801 |
| 7 | Total Sales and Other Income | 33.2130 | 38.2747 | 40.2037 | 36.4636 | 37.3174 | 34.1268 | 47.7347 | 43.6761 | 39.9413 | 43.0718 |
| 8 | Net Fixed Assets | 33.5434 | 31.3724 | 28.8615 | 34.6511 | 64.4186 | 91.6443 | 79.9972 | 69.2471 | 59.3751 | 51.7202 |
| 9 | Total Net Working Capital | -10.2293 | 0.8652 | 4.4617 | 12.2968 | 18.3980 | 3.0053 | -10.0049 | -12.6877 | -21.3481 | -23.4034 |
| 10 | PBIT | -8.4802 | 1.0850 | 2.7221 | 0.9198 | -2.0127 | -5.3940 | -10.9353 | -6.2856 | -8.4142 | -5.7586 |
| 11 | PBDIT | -6.8278 | 2.5416 | 4.4225 | 2.0437 | -1.0288 | -4.0309 | -6.8291 | -2.4416 | -4.9195 | -2.4905 |
| 12 | Total Interest | 21.1096 | 0.1863 | 0.5871 | 0.7665 | 0.0249 | 1.0672 | 5.6159 | 5.4191 | 5.2996 | 5.5261 |
| 13 | PBT | -29.5898 | 0.8987 | 2.1350 | 0.1534 | -2.0376 | -6.4612 | -16.5512 | -11.7047 | -13.7139 | -11.2847 |
| 14 | PAT | -37.1078 | 0.4232 | 1.5187 | 0.2919 | -2.2278 | -6.7276 | -19.4021 | -11.7113 | -14.0055 | -11.3032 |
| 15 | Total Assets | 52.9675 | 50.2805 | 51.1160 | 63.9275 | 102.7506 | 121.6017 | 101.7025 | 86.3322 | 75.0433 | 73.0196 |
| 16 | Total Current Assets | 19.4241 | 18.9081 | 22.2545 | 29.2765 | 38.3320 | 29.9574 | 21.7053 | 17.0851 | 15.6682 | 21.2994 |
| 17 | Total Current Liabilities | 29.6534 | 18.0429 | 17.7929 | 16.9796 | 19.9340 | 26.9521 | 31.7102 | 29.7728 | 37.0163 | 44.7028 |
| 18 | Cash Loss | -27.9374 | - | - | - | -1.0537 | -5.0980 | -12.4450 | -7.8607 | -10.2192 | -8.0165 |
| 19 | Contribution to Exchequer | 26.7422 | 6.7059 | 7.6848 | 7.3596 | 6.2975 | 4.9725 | 7.4057 | 7.7430 | 3.4906 | 3.9086 |
| FINANCIAL RATIO | | | | | | | | | | | |
| 1 a | Gross Value Added Per Rupee Wages Paid | 0.2544:1 | 1.8951:1 | 2.5693:1 | 1.7174:1 | 0.7304:1 | (0.0837):1 | 0.0021:1 | 0.5859:1 | (0.0729):1 | 0.4187:1 |
| 2 b | Internal Resource Generation | (0.2220):1 | 0.1240:1 | 0.1837:1 | 0.0675:1 | (0.0005):1 | (0.0282):1 | (0.0389):1 | 0.0248:1 | (0.0375):1 | 0.0275:1 |
| 3 c | Current Ratio | 0.6550:1 | 1.0480:1 | 1.2508:1 | 1.7242:1 | 1.9229:1 | 1.1115:1 | 0.8361:1 | 0.5738:1 | 0.8466:1 | 0.9529:1 |
| 4 d | Acid Test Ratio | 0.5159:1 | 0.7844:1 | 0.9897:1 | 1.7242:1 | 1.9229:1 | 1.1115:1 | 0.5739:1 | 0.4525:1 | 0.3386:1 | 0.3649:1 |
| 5 e | Debt Equity Ratio | (1.0702):1 | 0.1617:1 | 0.1821:1 | 0.1316:1 | 1.0183:1 | 1.2964:1 | 2.4017:1 | 5.7902:1 | 4.1023:1 | 6.2358:1 |
| 6 f | Net Assets Turn Over Ratio | 1.4017:1 | 1.1601:1 | 1.1869:1 | 0.7600:1 | 0.4322:1 | 0.3533:1 | 0.6543:1 | 0.7593:1 | 1.0406:1 | 1.5053:1 |
| 7 g | Net Fixed Assets Ratio | 0.9902:1 | 1.2200:1 | 1.3930:1 | 1.0523:1 | 0.5793:1 | 0.3724:1 | 0.5967:1 | 0.6307:1 | 0.6727:1 | 0.8328:1 |
| 8 h | Working Capital Turnover Ratio | (3.1947):1 | 43.2245:1 | 8.8647:1 | 2.9017:1 | 1.9455:1 | 11.1256:1 | (4.5772):1 | (3.3848):1 | (1.8536):1 | (1.8213):1 |
| 9 i | Operating Profit Ratio | (0.2595):1 | 0.0290:1 | 0.0688:1 | 0.0258:1 | (0.0562):1 | (0.1613):1 | (0.2388):1 | (0.1464):1 | (0.2126):1 | (0.1351):1 |
| 10 j | Interest Coverage Ratio | (0.4017):1 | 5.8225:1 | 4.6363:1 | 1.2001:1 | (80.7759):1 | (5.0545):1 | (1.9472):1 | (1.1599):1 | (1.5877):1 | (1.0421):1 |
| 11 k | Return On Investment | (0.1601):1 | 0.0216:1 | 0.0533:1 | 0.0144:1 | (0.0196):1 | (0.0444):1 | (0.1075):1 | (0.0728):1 | (0.1121):1 | (0.0789):1 |
| 12 l | Return on Equity | - | 0.0145:1 | 0.0518:1 | 0.0069:1 | (0.0539):1 | (0.1627):1 | 0.9430:1 | 1.4005:1 | (2.0244):1 | (3.2480):1 |

**Britannia Engineering Ltd. (BEL)**

Financial highlights of the company are given in detail in table II

1. **Efficiency:**

Efficiency evaluated on the basis of the followings:

* Growth in sales:

Table II reveals that total sales of this enterprise increased from Rs. 10.2592 crore in 2012-13 to Rs. 14.8899 crore in 2019-20 which was nearabout 45% increase in sale.

* Gross Value Added Per Rupee Of Wages:

Total gross value added steadily increased from Rs. 0.5764 crore in 2011-12 to Rs. 7.0344 crore in 2016-17. After that it shows a decreasing trend. Gross value added per rupee wages paid was more or less same throughout the study period except in the year 2018-19 and 2019-20.

1. **Utilization of Resources:**

* Internal Resource Generation:

From table II it is seen that internal resource generation maintains same level throughout the entire study period except in the year 2010-11, 2011-12 and 2019-20 which recorded negative value due to negative PBDIT.

* Contribution to Exchequer:

It is seen from table II that the enterprise under study made remarkable contribution to the exchequer from 2012-13 to 2014-15. After that its shows downswing due to lower amount of interest on loan paid to State Govt.

1. **Liquidity Analysis:**

* Current Ratio:

As evidenced in table 11 the current ratio had always an increasing trend and was above the 2:1 level signifying that the enterprise is solvent to pay short-term credit.

* Acid Test Ratio:

A 1:1 quick ratio is considered ideal. Table II reveals an upward trend in quick ratio which indicate that the enterprise has enough current assets to meet their obligations of maturing current liabilities.

1. **Leverage:**

* Debt Equity Ratio:

The debt equity ratio should be 1:1 as per the government policy. Table II however shows that this ratio was not satisfactory throughout the study period as either it was negative or higher than the ideal ratio. It was negative due to heavy accumulated loss. Again it has been worsened in the year 2018-19 as in that year value of equity share decreased from Rs. 2000/share to Rs. 165/share.

1. **Utilization Of Assets:**

* Net Assets Turnover Ratio:

Table II reveals a fluctuating trend in net assets turnover ratio. The highest ratio was 1.5928 in 2013-14 and the lowest was 0.2268 in 2011-12 which showed under utilization of capital employed.

* Fixed Assets Turnover Ratio:

The utilization of fixed assets to produce sale is measured by this ratio. As evidenced from the table II this ratio has an increasing trend. In the year 2012-13 it was 2.7081 and it increased to 5.5746 in the year 2019-20.

* Working Capital Turnover Ratio:

This ratio shows how efficiently working capital is used to produce sale. Table II reveals more or less same trend but it is always very low. Highest ratio was just 2.5013 in 2013-14 and lowest ratio was 0.3929 in 2011-12.

1. **Profitability Ratio:**

* Operating Profit Ratio:

Table II shows a fluctuating trend in the operating profit margin ratio throughout the study period. Hence it can be concluded that profitability of the company measured by operating profit margin ratio was not at all stable.

* Interest Coverage Ratio:

From the table II It seen that interest coverage ratio has an increasing trend, but after 2018-19 it recorded a negative ratio due to negative PBIT.

* Return on Investment:

Table II shows that there is a stable trend in Return on Investment from the year 2012-13 to2017-2018, but it is very low. Again it has been worsened in the year 2018-19, 2019-20 hence ratio was negative.

* Return on Equity:

This company incurred losses from 2010-11 to 2014-15 and 2017-18 to 2019-20. So this ratio was not good.

**TABLE – II**

**FINANCIAL HIGHLIGHTS OF BEL Rs. In Crore**

|  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Sl. No.** |  | **2010-11** | **2011-12** | **2012-13** | **2013-14** | **2014-15** | **2015-16** | **2016-17** | **2017-18** | **2018-19** | **2019-20** |
| 1 | Growth in Sales | 3.7167 | 2.4487 | 10.2592 | 15.8098 | 17.2607 | 18.3436 | 16.4885 | 9.8018 | 11.2955 | 14.8899 |
| 2 | Total Wages and Salaries Paid out | 3.9165 | 3.0420 | 2.5777 | 2.6719 | 2.9496 | 3.0324 | 4.3503 | 4.7188 | 4.2116 | 4.0132 |
| 3 | Total Gross Value Added | -1.0960 | 0.5764 | 4.0973 | 4.0387 | 5.1197 | 5.4689 | 7.0344 | 4.5812 | 0.4971 | 0.0628 |
| 4 | Total Capital Employed | 11.7017 | 11.2221 | 12.9829 | 9.9260 | 13.2188 | 15.2754 | 17.2359 | 19.4450 | 17.4854 | 13.2185 |
| 5 | Total Borrowing | 99.8238 | 106.8919 | 112.4852 | 111.8957 | 113.5819 | 8.6668 | 9.0708 | 13.1136 | 16.8162 | 18.2724 |
| 6 | Net Worth | -84.5868 | -92.2704 | -99.5022 | -101.9696 | -100.3630 | 6.6087 | 8.1651 | 6.3314 | 0.7204 | -5.0066 |
| 7 | Total Sales and Other Income | 4.4148 | 3.9854 | 11.2073 | 17.3299 | 20.5824 | 22.9454 | 22.1701 | 11.9656 | 11.9635 | 16.0456 |
| 8 | Net Fixed Assets | 5.5023 | 4.7455 | 4.1384 | 3.6055 | 3.1076 | 3.2098 | 3.4324 | 3.9375 | 3.2629 | 2.8783 |
| 9 | Total Net Working Capital | 6.1994 | 6.4766 | 8.8444 | 6.3205 | 10.1112 | 12.0656 | 13.8035 | 15.5075 | 14.2226 | 10.3402 |
| 10 | PBIT | -5.6706 | -3.0278 | 1.0348 | 0.9513 | 1.8025 | 2.0832 | 2.3237 | -0.5152 | -4.1206 | -4.3502 |
| 11 | PBDIT | -5.0125 | -2.4656 | 1.5196 | 1.3668 | 2.1701 | 2.4365 | 2.6841 | -0.1377 | -3.7145 | -3.9504 |
| 12 | Total Interest | 7.4435 | 7.7024 | 7.9193 | 7.6598 | 7.2064 | 0.2455 | 0.2576 | 0.5469 | 0.8980 | 1.3222 |
| 13 | PBT | -13.1141 | -10.7302 | -6.8844 | -6.7085 | -5.4039 | 1.8377 | 2.0661 | -1.0621 | -5.0186 | -5.6724 |
| 14 | PAT | -13.1588 | -10.9370 | -7.3757 | -6.8638 | -4.3416 | 1.8201 | 2.0833 | -0.9382 | -5.0186 | -5.6724 |
| 15 | Total Assets | 16.9378 | 15.0915 | 17.2845 | 15.2342 | 19.0406 | 21.0723 | 21.8659 | 23.2812 | 21.1543 | 21.2111 |
| 16 | Total Current Assets | 11.4355 | 10.3461 | 13.1461 | 11.6288 | 15.9330 | 17.8624 | 18.4335 | 19.3437 | 17.8914 | 18.3328 |
| 17 | Total Current Liabilities | 5.2361 | 3.8694 | 4.3017 | 5.3082 | 5.8218 | 5.7969 | 4.6300 | 3.8361 | 3.6688 | 7.9926 |
| 18 | Cash Loss | -12.4560 | -10.1680 | -6.3996 | -6.2930 | -5.0363 | - | - | -0.6846 | -4.6125 | -5.2726 |
| 19 | Contribution to Exchequer | 7.3892 | 7.5168 | 7.9783 | 8.3744 | 8.1024 | 0.8283 | 0.8696 | 0.6561 | 0.8400 | 1.0574 |
| FINANCIAL RATIOS | | | | | | | | | | | |
| 1. a | Gross Value Added Per Rupee Wages Paid | (0.2798):1 | 0.1895:1 | 1.2890:1 | 1.4534:1 | 2.0861:1 | 1.8035:1 | 1.4637:1 | 1.1667:1 | 0.1180:1 | 0.0157:1 |
| 2. b | Internal Resource Generation | (0.3721):1 | (0.1696):1 | 0.0724:1 | 0.1639:1 | 0.2745:1 | 0.1826:1 | 0.1379:1 | 0.0599:1 | (0.1892):1 | (0.2686):1 |
| 3. c | Current Ratio | 2.1840:1 | 2.6738:1 | 3.0561:1 | 2.1907:1 | 2.7368:1 | 3.0814:1 | 3.9803:1 | 5.0425:1 | 4.8766:1 | 2.2937:1 |
| 4. d | Acid Test Ratio | 1.7789:1 | 2.1313:1 | 2.0727:1 | 1.2662:1 | 1.8140:1 | 2.1558:1 | 2.6142:1 | 3.0776:1 | 3.6748:1 | 1.7813:1 |
| 5. e | Debt Equity Ratio | (1.1801):1 | 0.1153:1 | (1.1305):1 | (1.0973):1 | (1.1317):1 | 1.3114:1 | 1.1109:1 | 2.0712:1 | 23.3445:1 | (3.6496):1 |
| 6. f | Net Assets Turn Over Ratio | 0.3176:1 | 0.2268:1 | 0.7902:1 | 1.5928:1 | 1.3058:1 | 1.2009:1 | 0.9566:1 | 0.5041:1 | 0.6622:1 | 1.1264:1 |
| 7. g | Net Fixed Assets Ratio | 0.8024:1 | 0.8601:1 | 2.7081:1 | 4.8065:1 | 6.9820:1 | 7.1484:1 | 6.0847:1 | 3.0389:1 | 3.7533:1 | 5.5746:1 |
| 8. h | Working Capital Turnover Ratio | 0.5995:1 | 0.3929:1 | 1.1600:1 | 2.5013:1 | 1.7071:1 | 1.5203:1 | 1.1945:1 | 0.6321:1 | 0.8141:1 | 1.4400:1 |
| 9. i | Operating Profit Ratio | (1.5257):1 | (1.1898):1 | 0.0536:1 | 0.0503:1 | 0.1676:1 | 0.1136:1 | 0.1005:1 | 0.0418:1 | (0.3559):1 | (0.2922):1 |
| 10. j | Interest Coverage Ratio | (0.7618):1 | (0.3931):1 | 0.0695:1 | 0.1039:1 | 0.4028:1 | 8.4852:1 | 6.4307:1 | 0.7484:1 | (4.5889):1 | (3.2901):1 |
| 11. k | Return On Investment | (0.3348):1 | (0.2006):1 | 0.0318:1 | 0.0523:1 | 0.1520:1 | 0.0989:1 | 0.0758:1 | 0.0176:1 | (0.1948):1 | (0.2051):1 |
| 12. l | Return on Equity | - | - | - | - | - | 0.2754:1 | 0.2551:1 | (0.1482):1 | - | - |

**Westinghouse Saxby Farmer Limited (WSFL)**

Financial highlight of the company has been given in detail in table III.

1. **Efficiency:**

Efficiency in operation is evaluated on the following basis:

* Growth in Sales:

During the study period growth in sales recorded an increasing trend up to the year 2014-15 after that it gradually decreased. Highest sale was Rs. 84.1941 crore in the year 2014-15 and the lowest sale was Rs. 48.9473 crore in 2019-20.

* Gross value added per Rupee Wages:

Table III shows that gross value added recorded a fluctuating trend throughout the study period. Similarly, gross value added per rupee wages paid showed a fluctuating trend and also in some years it recorded negative value.

1. **Utilization of Resources:**

* Internal Resource Generation:

In most of the year it recorded negative ratio except in the years 2012-13, 2014-15. This company was unable to generate any resources in the year 2018-19 and 2019-20.

* Contribution to Exchequer:

There is widely prevalent assumption that public enterprise makes heavy contribution to exchequer in the form of interest paid on Government loans, Sales Tax, VAT, Dividend and other taxes and duties. Table III shows that the enterprise under study made highest contribution of Rs. 22.8447 crore in 2010-11 due to higher amount of payment towards interest. After that it also showed more or less same trend throughout the study period.

1. **Liquidity Ratio:**

* Current Ratio:

Table III shows that overall current ratio was good from the year 2011-12 to 2015-16. After that it has been worsened. Current ratio was varying from 0.8284 to 1.9938.

* Quick Ratio:

Quick ratio or Acid Test Ratio is an important index of firm’s liquidity. From the table III it is seen that these ratios are above acceptable limit during 2011-12 to 2015-16. After that it has been worsened.

1. **Leverage:**

* Debt Equity Ratio:

Debt equity ratio increased from 0.4546 in 2011-12 to 4.1417 in 2015-16. In some of the years it recorded negative ratio due to negative net worth.

1. **Utilization of Resources:**

* Net assets turnover ratio:

As evidenced from the table III it recorded upswing and downswing. It has been worsened in the year 2018-19 & 2019-20 due to negative working capital. Highest ratio was 16.4546 in the year2017-18 and lowest ratio was (-) 19.4891 in the year 2018-19.

* Fixed Assets Turnover Ratio:

This ratio measures the efficiency of the use of fixed assets to produce sales. From the table III it is seen that this ratio has an increasing trend. In the year 2010-11 it was 7.6373 and is increased to 12.4323 in 2019-20 which indicates that highest sale is obtained without increasing the investment in fixed assets and the firm has the fullest utilization of Fixed Assets. Highest ratio was registered in the year 2018-19 which was 19.6951.

* Working Capital Turnover Ratio:

From the table III it is revealed that this ratio had a fluctuating trend throughout the study period. In some years i.e. 2010-11, 2018-19, 19-20 it recorded negative ratio.

1. **Profitability Ratio:**

* Operating Profit Ratio:

The table III shows negative ratio in all the years except in the year 2014-15. This negativity character was due to negative PBT which is due to cash losses throughout the period.

* Interest Coverage Ratio:

Throughout the study period it shows negative ratio due to negative EBIT except the year 2014-15. Hence it is concluded that interest charges are not covered by EBIT due to negative or low EBIT.

* Return on Investment:

From the table III it is seen that this ratio was negative throughout the study period except the year 2014-15 due to negative PBT. This poor performance could be attributed to the under utilization of assets.

* Return on Equity:

From the table III it may be inferred that company failed to attract the future investment due to its negative ratio throughout the study period.

**Table III**

**FINANCIAL HIGHLIGHTS OF WSFL** **Rs. In Crore**

|  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Sl. No.** |  | **2010-11** | **2011-12** | **2012-13** | **2013-14** | **2014-15** | **2015-16** | **2016-17** | **2017-18** | **2018-19** | **2019-20** |
| 1 | Growth in Sales | 52.0195 | 67.3988 | 68.6236 | 80.7666 | 84.1941 | 80.2144 | 64.4872 | 74.3364 | 73.4329 | 48.9473 |
| 2 | Total Wages and Salaries Paid out | 6.7887 | 4.8016 | 4.7262 | 4.8488 | 4.9654 | 4.9031 | 8.1586 | 6.2232 | 3.1548 | 2.8477 |
| 3 | Total Gross Value Added | -4.1226 | 3.2979 | 4.8604 | 1.0712 | 5.6201 | 4.0644 | -2.5037 | 3.0855 | 1.5997 | 1.0622 |
| 4 | Total Capital Employed | 5.6662 | 24.5865 | 23.5606 | 18.8608 | 20.4498 | 19.3509 | 7.5636 | 4.5177 | -3.7679 | -3.4261 |
| 5 | Total Borrowing | 371.8747 | 8.3881 | 10.4592 | 11.6426 | 13.6595 | 15.6240 | 19.5983 | 20.6748 | 17.9184 | 19.0778 |
| 6 | Net Worth | -365.3125 | 18.4520 | 14.8032 | 8.4658 | 7.6082 | 3.7724 | -9.4078 | -13.2346 | -15.4638 | -18.1543 |
| 7 | Total Sales and Other Income | 52.3790 | 68.1055 | 71.8498 | 83.8836 | 85.8468 | 80.3253 | 64.6326 | 74.8032 | 74.5834 | 49.4550 |
| 8 | Net Fixed Assets | 6.8583 | 6.4548 | 6.0863 | 5.7357 | 5.3973 | 5.0150 | 4.6870 | 4.0805 | 3.7869 | 3.9779 |
| 9 | Total Net Working Capital | -1.1921 | 18.1317 | 17.4744 | 13.1251 | 15.0524 | 14.3358 | 2.8766 | 0.4372 | -7.5548 | -7.4040 |
| 10 | PBIT | -11.2102 | -1.7665 | -0.0844 | -3.9768 | 0.4578 | -1.0062 | -10.8196 | -3.2542 | -1.6577 | -1.9076 |
| 11 | PBDIT | -10.9113 | -1.5038 | 0.1342 | -3.7775 | 0.6547 | -0.8387 | -10.6622 | -3.1376 | -1.5551 | -1.7855 |
| 12 | Total Interest | 23.0240 | 0.9755 | 1.2642 | 1.4212 | 1.4431 | 1.6202 | 1.6853 | 1.6149 | 1.8092 | 1.8895 |
| 13 | PBT | -34.2342 | -2.7420 | -1.3486 | -5.3980 | -0.9853 | -2.6265 | -12.5049 | -4.8691 | -3.4668 | -3.7971 |
| 14 | PAT | -34.4200 | -1.4316 | -2.9652 | -5.6824 | -0.3638 | -2.6435 | -12.8795 | -4.8586 | -3.4668 | -3.8606 |
| 15 | Total Assets | 47.5572 | 42.8310 | 61.7338 | 49.6665 | 45.0547 | 50.3835 | 43.2450 | 46.7585 | 40.2563 | 48.6390 |
| 16 | Total Current Assets | 40.6989 | 36.3762 | 55.6475 | 43.9309 | 39.6573 | 45.3685 | 38.5580 | 42.6779 | 36.4688 | 44.6605 |
| 17 | Total Current Liabilities | 41.8910 | 18.2444 | 38.1731 | 30.8058 | 24.6049 | 31.0327 | 35.6814 | 42.2408 | 44.0236 | 52.0645 |
| 18 | Cash Loss | -33.9353 | -2.4792 | -1.1300 | -5.1987 | -0.7884 | -2.4589 | -12.3475 | -4.7525 | -3.3643 | -3.6750 |
| 19 | Contribution to Exchequer | 22.8447 | 1.7578 | 2.2781 | 2.2596 | 2.1848 | 2.3828 | 2.2364 | 2.0848 | 2.4637 | 2.6348 |
| FINANCIAL RATIOS | | | | | | | | | | | |
| 1. a | Gross Value Added Per Rupee Wages Paid | (0.6073):1 | 0.6868:1 | 1.0284:1 | 0.2209:1 | 1.1318:1 | 0.8290:1 | (0.3069):1 | 0.4958:1 | 0.5071:1 | 0.3730:1 |
| 2. b | Internal Resource Generation | (1.8729):1 | (0.0505):1 | 0.0150:1 | (0.1897):1 | 0.0416:1 | (0.0347):1 | (1.3889):1 | (0.6687):1 | - | - |
| 3. c | Current Ratio | 0.9715:1 | 1.9938:1 | 1.4578:1 | 1.4261:1 | 1.6118:1 | 1.4620:1 | 1.0806:1 | 1.0103:1 | 0.8284:1 | 0.8578:1 |
| 4. d | Acid Test Ratio | 0.7137:1 | 1.2371:1 | 1.0381:1 | 1.0989:1 | 1.2875:1 | 1.2459:1 | 0.9710:1 | 0.7846:1 | 0.7580:1 | 0.7918:1 |
| 5. e | Debt Equity Ratio | (1.0180):1 | 0.4546:1 | 0.7065:1 | 1.3753:1 | 1.7954:1 | 4.1417:1 | (1.8084):1 | (1.5622):1 | (1.1587):1 | (1.0509):1 |
| 6. f | Net Assets Turn Over Ratio | 9.1807:1 | 2.7413:1 | 2.9126:1 | 4.2822:1 | 4.1171:1 | 4.1453:1 | 8.5260:1 | 16.4546:1 | (19.4891):1 | (14.2868):1 |
| 7. g | Net Fixed Assets Ratio | 7.6373:1 | 10.5511:1 | 11.8052:1 | 14.6249:1 | 15.9054:1 | 16.0169:1 | 13.7897:1 | 18.3318:1 | 19.6951:1 | 12.4323:1 |
| 8. h | Working Capital Turnover Ratio | (43.6369):1 | 3.7172:1 | 3.9271:1 | 6.1536:1 | 5.5934:1 | 5.5954:1 | 22.4179:1 | 170.0434:1 | (9.7200):1 | (6.6109):1 |
| 9. i | Operating Profit Ratio | (0.2155):1 | (0.0262):1 | (0.0012):1 | (0.0492):1 | 0.0054:1 | (0.0125):1 | (0.1678):1 | (0.0438):1 | (0.0226):1 | (0.0390):1 |
| 10. j | Interest Coverage Ratio | (0.4869):1 | (1.8109):1 | (0.0668):1 | (2.7983):1 | 0.3172:1 | (0.6210):1 | (6.4200):1 | (2.0151):1 | (0.9162):1 | (1.0096):1 |
| 11. k | Return On Investment | (0.2357):1 | (0.0412):1 | (0.0014):1 | (0.0801):1 | 0.0102:1 | (0.0200):1 | (0.2502):1 | (0.0696):1 | (0.0412):1 | (0.0392):1 |
| 12. l | Return on Equity | - | (0.0776):1 | (0.2003):1 | (0.6712):1 | (0.0478):1 | (0.7007):1 | - | - | - | - |

From the summarized result of selected restructured SLPEs following results are found:

The year 2010-11 to 2014-15 represent pre restructuring period while the year 2015-16 to 2019-20 have been taken as the post restructuring period. It is found on the basis of above table that the post restructuring performance of all the SLPEs except Britannia Engineering has not been satisfactory.

**West Bengal Agro Textiles Corporation Ltd.: (WBATCL)**

Financial highlights of the company are given in detail in table IV. From which following analysis has been made.

1. **Efficiency:** Efficiency in operation is evaluated on the basis of the followings:

* Growth in sales:

Net sales of W.B.A.T.C.L. has decreased from Rs. 11.4509 crore in 2010-11 to Rs. 0.2113 crore in 01/04/14-20/04/14 just before disinvestment where as it showed an increasing trend after disinvestment i.e. during 2014-15 to 2016-17. After disinvestment highest sale was Rs. 11.8762 crore in 2016-17 and lowest net sales was Rs. 7.8480 crore in 2014-15. But before disinvestment highest net sales was Rs. 12.4066 crore in 2011-12 & lowest sales was Rs4.5911 crore in the year 2013-14.

* Gross Value Added per rupee of Wages:

Table IV exhibits that gross value added per rupee of wages recorded a fluctuating during the pre-disinvestment period where as a clear upward trend during the post disinvestment period. This rapid increase in gross value added of the company witnesses a considerable increase in the average efficiency of its capital funds during post-disinvestment period.

1. **Utilization of Resources**:

* Contribution to Exchequer:

As evidenced from the table IV throughout pre-disinvestment period it showed more or less same picture. During Pre-disinvestment period highest contribution was Rs. 8.8544 crore in 2011-12 and lowest contribution was Rs. 8.5135 crore. Whereas after disinvestment it showed downward trend. Highest contribution was Rs. 0.0371 crore in 2015-16 and lowest contribution was Rs. 0.0299 crore in 2016-17. This downward trend was mainly due to the conversion of outstanding interest on unsecured Govt. Loan to equity share and repayment of accrued interest on Govt. loan by pre-matured encashment of fixed deposits lying with the bank.

1. **Liquidity Analysis**:

* Current Ratio:

It is observed from table IV that during the period under study (2010-11 to 2013-14) WBATC Ltd. registered a decreasing trend regarding its current ratio and it was far below acceptable limit. In this period highest ratio was 0.8423 in 2010-11 & lowest ratio was 0.5158 though it showed decreasing trend in post disinvestment period, it was always above acceptable limit during that period.

1. **Leverage:**

* Debt equity ratio:

A high debt equity ratio implies a large share of financing by the long term creditors. Table IV depicts that WBATC Ltd. registered negative debt equity ratio throughout the pre-disinvestment period (2010-11 to 2013-14) while the figures for post-disinvestment period (2014-15 to 2016-17) varied from 0.1686 to 0.3429.

1. **Utilization of Resources:**

* Net Assets Turnover Ratio:

Table IV shows that WATC Ltd. registered a fluctuating trend throughout the pre-disinvestment period (2010-11 to 2013-14) whereas it recorded an increasing trend during post- disinvestment period. This table also depicts that average Net Assets Turnover Ratio of the company decreased from 9.3575 in pre-disinvestment period to 1.5801 in post-disinvestment period.

* Fixed assets turnover ratio

Table IV shows a fluctuating trend in fixed assets turnover ratio of the company. and an upward trend during the post disinvestment period . In pre-disinvestment period highest ratio was 5.3913 in 2011-12 and in post disinvestment period highest ratio was 6.2588 in 2019-20.

* Working Capital Turnover Ratio:

Table IV shows negative ratio during pre-disinvestment period whereas it shows an increasing trend during post-disinvestment with positive ratio.

1. **Profitability Ratio:**

* Operating Profit Ratio**:**

As evidenced from the table IV throughout the study period it recorded a negative ratio. However in pre-disinvestment period it showed an increasing trend and in post-disinvestment period it showed a declining trend.

* Return on Investment:

From the table it is seen that this ratio was negative throughout the study period but during pre-disinvestment period its rate of negativity increased whereas during post-disinvestment its rate of negativity decreased.

* Return on Equity:

Throughout the study period it did not give any return to its shareholders.

**TABLE – IV**

**FINANCIAL HIGHLIGHTS OF WBATCL** Rs. In Crores

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Sl. No** |  | **2010-11** | **2011-12** | **2012-13** | **2013-14** | **2014-15** | **2015-16** | **2016-17** | **2017-18** |
| 1 | Sales | 11.4509 | 12.4066 | 8.9941 | 4.5911 | 0.2113 | 7.8480 | 11.2787 | 11.8762 |
| 2 | Total Wages and Salaries Paid out | 4.3009 | 4.6949 | 4.2938 | 1.8695 | 0.0836 | 2.1480 | 2.5990 | 2.4034 |
| 3 | Total Gross Value Added | 2.8765 | 2.9556 | 1.8659 | 1.0192 | -0.0952 | 1.9916 | 2.7615 | 2.1211 |
| 4 | Total Capital Employed | 1.1740 | 0.3357 | -1.4649 | -2.7065 | 6.3997 | 7.0653 | 7.3288 | 5.6245 |
| 5 | Total Borrowing | 136.9304 | 142.2705 | 147.1554 | 147.1144 | - | 1.0193 | 1.9702 | 1.4363 |
| 6 | Net Worth | -16.0776 | -26.3783 | -37.3435 | -45.7312 | 6.3998 | 6.0460 | 5.3586 | 4.1882 |
| 7 | Total Sales and Other Income | 11.4509 | 12.4066 | 8.9941 | 4.5911 | 0.2113 | 7.8480 | 11.2787 | 11.8762 |
| 8 | Net Fixed Assets | 11.4509 | 12.4066 | 8.9941 | 4.5911 | 0.2113 | 7.8480 | 11.2787 | 11.8762 |
| 9 | Total Net Working Capital | -1.5522 | -1.9656 | -3.4047 | -4.2735 | 4.9338 | 5.1874 | 5.0073 | 3.7270 |
| 10 | PBIT | -1.7709 | -2.0754 | -2.7056 | -1.0766 | -0.1884 | -0.3432 | -0.1346 | -0.5333 |
| 11 | PBDIT | -1.4244 | -1.7393 | -2.4279 | -0.8503 | -0.1788 | -0.1559 | 0.1625 | -0.2823 |
| 12 | Total Interest | 8.7306 | 8.7781 | 8.7328 | 8.4565 | 0.0000 | 0.0065 | 0.2142 | 0.2099 |
| 13 | PBT | -10.5015 | -10.8535 | -11.4384 | -9.5332 | -0.1884 | -0.3492 | -0.3487 | -0.7433 |
| 14 | PAT | -10.8127 | -11.3998 | -12.0765 | -9.5974 | -0.1884 | -0.3537 | -0.3541 | -0.7433 |
| 15 | Total Assets | 11.0152 | 10.4459 | 8.0325 | 6.1189 | 6.6758 | 9.1794 | 10.5499 | 9.2707 |
| 16 | Total Current Assets | 8.2890 | 8.1446 | 6.0927 | 4.5519 | 5.2099 | 7.3016 | 8.2284 | 7.3731 |
| 17 | Total Current Liabilities | 9.8412 | 10.1102 | 9.4974 | 8.8254 | 0.2762 | 2.1142 | 3.2211 | 3.6462 |
| 18 | Cash Loss | -10.1550 | -10.5174 | -11.1606 | -9.3068 | -0.1788 | -0.1629 | -0.0517 | -0.4922 |
| 19 | Contribution to Exchequer | 8.8015 | 8.8544 | 8.7889 | 8.5135 | 0.0000 | 0.0358 | 0.0371 | 0.0299 |
| FINANCIAL RATIOS | | | | | | | | | |
| 1. a | Gross Value Added per Rupee Wages Paid | 0.6688:1 | 0.6295:1 | 0.4346:1 | 0.5452:1 | (1.1386):1 | 0.9274:1 | 1.0625:1 | 0.8825:1 |
| 2. b | Current Ratio | 0.8423:1 | 0.8056:1 | 0.6415:1 | 0.5158:1 | 18.8651:1 | 3.4536:1 | 2.5545:1 | 2.0222:1 |
| 3. c | Acid Test Ratio | 0.6348:1 | 0.6579:1 | 0.5902:1 | 0.4357:1 | 17.1823:1 | 2.8129:1 | 1.9481:1 | 1.2232:1 |
| 4. d | Debt Equity Ratio | -8.5168:1 | -5.3935:1 | -3.9406:1 | -3.2169:1 |  | 0.1686:1 | 0.3677:1 | 0.3429:1 |
| 5. e | Net Assets Turn Over Ratio | 9.1118:1 | 34.9842:1 | -5.5008:1 | -1.1677:1 | 0.0324:1 | 1.1070:1 | 1.5235:1 | 2.1098:1 |
| 6. f | Net Fixed Assets Ratio | 4.2003:1 | 5.3913:1 | 4.6366:1 | 2.9299:1 | 0.1442:1 | 4.1793:1 | 4.8584:1 | 6.2588:1 |
| 7. g | Working Capital Turnover Ratio | -6.8917:1 | -5.9745:1 | -2.3668:1 | -0.7396:1 | 0.0420:1 | 1.5077:1 | 2.2299:1 | 3.1839:1 |
| 8. h | Operating Profit Ratio | (0.1655):1 | (0.1767):1 | (0.3358):1 | (0.3407):1 | (0.9099):1 | (0.0438):1 | (0.0121):1 | (0.0449):1 |
| 9. i | Interest Coverage Ratio | (0.0228):1 | (0.2364):1 | (0.3098):1 | (0.1273):1 |  | (52.7179):1 | (0.6283):1 | (2.5406):1 |
| 10. j | Return On Investment | (0.1608):1 | (0.1987):1 | (0.3368):1 | (0.1760):1 | (0.0282):1 | (0.0373):1 | (0.0128):1 | (0.0575):1 |
| 11. k | Return on Equity | - | - | - | - | -0.0294:1 | -0.0585:1 | -0.0661:1 | -0.1775:1 |
| 12.l | Return On Capital Employed | -1.7735:1 | -7.8104:1 | - | - | -0.0294:1 | -0.0491:1 | -0.0191:1 | -0.0948:1 |

.

. **West Bengal Chemical Industries Limited. (WBCIL)**

Financial Highlights of the company are given in details in table V

The period 2010-11 to 2013-14 refers to pre-disinvestment period and 2013-14 to 2016-17 represents post-disinvestment era.

1. **Efficiency in operation is evaluated on the basis of the following**:

* Growth in sale :

Net sale of WBCIL showed more or less same trend throughout pre-disinvestment period but in post-disinvestment period i.e. from 2013-14 to 2016-17 it showed an upward trend.

* Gross Value added per rupee of wages:

As evidenced from table V it recorded negative value added during pre-disinvestment period and during post-disinvestment period it showed upward trend.

1. **Utilization of Resources:**

* Internal Resource Generation:

As evidenced from table V, during pre-disinvestment period it showed negative ratio. But during the post-disinvestment period it showed positive ratio with fluctuating trend.

* Contribution to exchequer:

During post- disinvestment period it showed downward trend. Highest contribution was Rs.0.3176 crore in the year 2013-14 and lowest contribution was Rs. 0.2045 crore in the year 2017-18.

1. **Liquidity Analysis:**

* Current Ratio:

It is observed from the table V that during pre-disinvestment period it recorded a decreasing trend whereas during post-disinvestment period it showed an increasing trend. But only in the year 2017-18 it was above the acceptable range.

* Quick Ratio:

Table V shows that it recorded a decreasing trend in quick ratio of the company in pre-disinvestment period and upward trend in post-disinvestment period.

1. **Leverage:**

* Debt Equity Ratio:

Table V depicts that WBCIL registered negative debt equity ratio throughout the pre-disinvestment period. During post-disinvestment period it showed a decreasing trend which indicates less dependence on outsiders’ fund.

1. **Utilization of Resources:**

* Net Assets Turnover Ratio:

In both pre-disinvestment period and post-disinvestment period it showed fluctuating trend.

* Fixed Assets Turnover Ratio:

Table V shows a fluctuating trend in fixed assets turnover ratio of the company during pre-disinvestment period and upward trend in this ratio during the post-disinvestment period. In pre-disinvestment period highest ratio was 2.4355 in the year 2012-13 and in post-disinvestment period highest ratio was 13.7173 in the year 2016-17

* Working Capital Turnover Ratio:

Table V shows a fluctuating trend in pre-disinvestment period whereas it shows a decreasing trend during post-disinvestment period.

1. **Profitability Analysis:**

* Operating profit Ratio:

As evidenced from the table V, it recorded negative ratio in pre-disinvestment period. But in post-disinvestment period it showed a positive ratio with negative trend.

* Interest Coverage Ratio:

From the above table it is seen that this ratio was negative during pre-disinvestment period whereas during post-disinvestment period it recorded a increasing trend with positive ratio.

* Return on Investment:

As evidenced from table V, in pre-disinvestment period it registered negative ratio whereas in post-disinvestment period, it recorded a fluctuating trend with positive ratio.

* Return on Equity:

As evidenced from table V, in pre- disinvestment period it did not give any return to its shareholders due to negative PAT, but during post- disinvestment period it could given positive return to its shareholders.

**TABLE – V**

**FINANCIAL HIGHLIGHTS OF WBCIL Rs. In Crore**

|  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Sl. No.** |  | **2011-12** | **2012-13** | **2013-14** | **2014-15** | **2015-16** | **2016-17** | **2017-18** | | **2018-19** |  |
| 1 | Growth in Sales | 1.3081 | 1.1225 | 1.3652 | 2.4227 | 2.9711 | 5.1307 | 6.7573 | | 7.6792 |
| 2 | Total Wages and Salaries Paid out | 1.9321 | 0.6684 | 0.2724 | 0.2325 | 0.2321 | 0.2269 | 0.2570 | | 0.2930 |
| 3 | Total Gross Value Added | -0.2997 | -0.9925 | -0.0670 | 0.7370 | 0.7417 | 0.9194 | 1.0732 | | 1.1201 |
| 4 | Total Capital Employed | 0.8767 | 0.7797 | 0.1802 | 0.7758 | 0.9798 | 1.1317 | 2.2640 | | 2.8670 |
| 5 | Total Borrowing | 22.0122 | 23.9458 | 2.9917 | 3.3335 | 2.9102 | 2.3079 | 2.1239 | | 2.2801 |
| 6 | Net Worth | -20.6721 | -21.1786 | -0.9436 | -0.7736 | -0.2437 | 0.4208 | 1.6103 | | 1.8952 |
| 7 | Total Sales and Other Income | 1.3491 | 1.1527 | 1.3907 | 2.4820 | 2.9940 | 5.1413 | 6.7642 | | 7.6939 |
| 8 | Net Fixed Assets | 0.7233 | 0.6634 | 0.5710 | 0.5117 | 0.4808 | 0.4106 | 0.4931 | | 0.5837 |
| 9 | Total Net Working Capital | 0.1534 | 0.1163 | -0.3908 | 0.2641 | 0.4989 | 0.7211 | 1.7709 | | 2.2833 |
| 10 | PBIT | -2.3306 | -1.7529 | -0.4141 | 0.4418 | 0.4567 | 0.6450 | 0.7675 | | 0.7630 |
| 11 | PBDIT | -2.2318 | -1.6609 | -0.3394 | 0.5045 | 0.5096 | 0.6925 | 0.8162 | | 0.8270 |
| 12 | Total Interest | 1.2305 | 1.4589 | 0.7037 | 0.2944 | 0.3110 | 0.2588 | 0.2422 | | 0.1914 |
| 13 | PBT | -3.5611 | -3.2118 | -1.1178 | 0.1473 | 0.1457 | 0.3861 | 0.5253 | | 0.5716 |
| 14 | PAT | -3.1012 | -3.2266 | -1.6128 | 0.1282 | 0.1504 | 0.3878 | 0.4983 | | 0.4615 |
| 15 | Total Assets | 2.3636 | 1.9777 | 1.1918 | 2.2367 | 2.4568 | 3.7108 | 4.0540 | | 4.9827 |
| 16 | Total Current Assets | 1.6403 | 1.3143 | 0.6207 | 1.7250 | 1.9759 | 3.3002 | 3.5609 | | 4.3990 |
| 17 | Total Current Liabilities | 1.4869 | 1.1980 | 1.0116 | 1.4610 | 1.4770 | 2.5791 | 1.7900 | | 2.1157 |
| 18 | Cash Loss | -3.4623 | -3.1198 | -1.0431 | - | - | - | - | | - |
| 19 | Contribution to Exchequer | 1.2328 | 1.4641 | 1.0469 | 0.3176 | 0.2964 | 0.2766 | 0.2312 | | 0.2045 |
| FINANCIAL RATIOS | | | | | | | | | | |
| 1. a | Gross Value Added Per Rupee Wages Paid | (0.1551):1 | (1.4850):1 | (0.2461):1 | 3.1702:1 | 3.1957:1 | 4.0517:1 | | 4.1754:1 | 3.8223:1 |
| 2. b | Internal Resource Generation | (2.4330):1 | (2.0121):1 | (1.4697):1 | 0.7312:1 | 0.5741:1 | 0.6540:1 | | 0.3820:1 | 0.3108:1 |
| 3. c | Current Ratio | 1.1032:1 | 1.0971:1 | 0.6136:1 | 1.1807:1 | 1.3378:1 | 1.2796:1 | | 1.9893:1 | 2.0792:1 |  |
| 4. d | Acid Test Ratio | 0.9870:1 | 0.9721:1 | 0.4126:1 | 0.7231:1 | 0.9105:1 | 0.9313:1 | | 1.2501:1 | 1.3482:1 |  |
| 5. e | Debt Equity Ratio | (1.0648):1 | (1.1307):1 | (3.1704):1 | (4.3089):1 | (11.9432):1 | 5.4847:1 | | 1.3190:1 | 1.2031:1 |
| 6. f | Net Assets Turn Over Ratio | 1.4921:1 | 1.4396:1 | 7.5766:1 | 3.1231:1 | 3.0325:1 | 4.5338:1 | | 2.9847:1 | 2.6785:1 |
| 7. g | Net Fixed Assets Ratio | 1.8652:1 | 1.7376:1 | 2.4355:1 | 4.8507:1 | 6.2267:1 | 12.5228:1 | | 13.7173:1 | 13.1803:1 |
| 8. h | Working Capital Turnover Ratio | 8.5274:1 | 9.6479:1 | (3.4930):1 | 9.1746:1 | 5.9551:1 | 7.1151:1 | | 3.8158:1 | 3.3632:1 |
| 9. i | Operating Profit Ratio | (1.7817):1 | (1.5616):1 | (0.3033):1 | 0.1823:1 | 0.1537:1 | 0.1257:1 | | 0.1136:1 | 0.0994:1 |
| 10. j | Interest Coverage Ratio | (1.8940):1 | (1.2015):1 | (0.5884):1 | 1.5005:1 | 1.4684:1 | 2.4919:1 | | 3.1691:1 | 3.9872:1 |
| 11. k | Return On Investment | (0.9860):1 | (0.8863):1 | (0.3474):1 | 0.1975:1 | 0.1859:1 | 0.1738:1 | | 0.1893:1 | 0.1531:1 |
| 12. l | Return on Equity | - | - | - | (0.1658):1 | (0.6173):1 | 0.9216:1 | | 0.3095:1 | 0.2435:1 |

**From the summarized result of selected privatized SLPEs which are restructured, following results are found:**

In most of the cases post-privatization result of both privatized units were better except the debt equity ratio of West Bengal Chemical Ltd. which was not good in pre or post period and West Bengal Agro Textile Corporation Limited did not give any return either in pre or in post disinvestment period.

IV: **Conclusion**

The performance regarding financial affairs of restructured SLPEs were not very significant in the post restructuring period.But the company Britannia Engineering Ltd.performed better in terms of itsprofitability in the post restructuring period as compared to the pre restructuring period.

The performance of disinvested units in West Bengal has been satisfactory after disinvestment.By applying various profitability, liquidity and efficiency ratio it has been seen that privatized units showed better result after privatization.

From the study and analysis it is found that all selected restructured SLPEs need “Nursing on Emergency Basis”,whereas selected disinvested SLPEs are considered as” Good” .

***References***

**Books, Journal, Research Work**

1. Bhunia. A ‘Liquidity Management of Public Sector Iron and Steel Enterprises in India’, Vidyasagar University. Journal of Commerce, 2007.
2. Chakravorty, D. K. ‘Indian Public Enterprises in the Emerging Economic Environment’, Economic Environment and human Resource Management, Banerjee et.al. (ed), Dept. of Commerce, CU 2002.
3. Chakravorty D. K. ‘Post-Privatization Scenario in India: A study on privatized PSUs’-The Management Accounting August Vol. 41 No.8 , 2006.
4. Chowdaru, Nagendra V., , ‘PSU Disinvestment: Concept and Cases’, ICFAI University ,2002.
5. Dattagupta, Arun. K., ‘Public Enterprise Profitability: The Issue Involved’, Indian Journal of Accounting, Vol.-xv, June and December 1985.
6. Dhameja, Nand and Sastry, K.S,, ‘Public Sector Restructuring and Privatization’ Kanishka Publisher, Distributors, New Delhi 2002.
7. Enthoven, A. J. H. ‘Privatization and the Role and Impact of Accounting and Auditing’, Indian Accounting Review, June 2000.
8. Ghosh T. K.,‘State Level Government Companies in West Bengal – An Assessment of performance with particular Reference to Selected Units’, Vidyasagar University, Journal of Commerce, 2006.
9. Ghuman ,B.S. ‘Public Enterprises- The Punjab Experience’, The Economic Times ,June 1,1990.
10. Gupta L.C., ‘Financial Ratios as forewarning Indicators of Corporate Sickness’ ICICI, Bombay, 1979.
11. Gupta, S.P. ‘Need for New Strategy to Strengthen PE in India,’ The Chartered Accountant, February ,2002.
12. Gangadhar, V. & Yadagiri, M., ‘Disinvestment in Public Sector Enterprise,’ The Management Accountant, May 2003.
13. Jeyaraj S. ‘Cost Management Key to Survival in current Global Mealt-down’ The Management Accountant, Vol.45, No.5 May, 2010.
14. Kanwaljit Kaur ‘Industrial Development Performance and Role of State Promotional and Financial Enterprises’, Deep & Deep Publications Pvt. Ltd, 2007.
15. Khatik S. K, Singh P. Kr. ‘Two Tier Analysis of Bharat Heavy Electricals Ltd (BHEL) in India.’ The Management Accountant,. Vol.41, No.10, October 2006.
16. Kothari, C.R. ‘Research Methodology’ 2nd Edition, New Age International (P) Ltd. Publisher, 2004.
17. Laxmikant Jhawar ‘A study on Restructuring of State Level Public Sector sick companies in Karnataka’, Project Report submitted to Christ University, June 2010.
18. Mallik A.K. and Sur D., ‘Financial performance of Indian Public Enterprises in the post Liberalization Era-A Case Study of National Thermal Power Corporation Ltd.’ Research Bulletin , Vol.-XXV, July 2004.
19. Mishra, R.K. “Disinvestment: 1992-2001,” The Chartered Accountant.’, June 2001.
20. Mishra R.K. ‘Performance Evaluation of Public Enterprises’, Anmol Publications Pvt. Ltd., New Delhi, 2003.
21. Mishra R.K, Geeta P and Navin,, ‘The Role of Memorandum of Understanding in Public Enterprise Management,’ Vikas Publishing House, New Delhi, 2002.
22. Mishra R.K, Geeta P and Navin, ‘Economic Liberation and Public Enterprises’, Concept Publishing Company, New Delhi, 2006.
23. Mishra R.K., and Nabin B. “Public Enterprises Reforms: A Study of Madhya Pradesh 2006.”
24. Mishra R.K., Ch. Lakshmi Kumari, ‘Privatization of State level Public Enterprises in India’, Anmol Publications Pvt. Ltd., New Delhi, 2004.
25. Mishra R.K., Ch. Lakshmi Kumari, K. Srinivas, ‘State Level Public Enterprises in India.’ Academic Foundation, New Delhi, 2014.
26. Mohan, T.T Ram, ‘Privatization in India Challenging Economic Orthodoxy’, Routledge Curzon, London, 2005.
27. Mondal T, ‘Public Sector Enterprises in India Reforms and Restructured’, Serial Publication, 2012.
28. Mondal T, ‘Recent Trends Towards Disinvestment in India’, Abhijeet Publication, 2013.
29. Prashad Chandra Shekhar, “Economic Survey of India, 1947-48 to 2008-09.”
30. Sengupta N.K. ‘Government and Business’, Vikas Publishing House Pvt. Ltd, 2001.
31. Singh P ‘Social Performance through Value Added Reporting’ The Management Accountant, Vol.-43, No.8, August 2008.

**Reports:**

1. Report of the Comptroller and Auditor General of India on Public Sector Undertakings, Government of West Bengal from 2004-05 to 2011-12.
2. Government of India, Industrial Policy Resolution of 1956.
3. Government of India, Planning Commission, 1st Five Year Plan, 1950-51, 2nd Five Plan, 1955-56.
4. Government of India, Third Five Year Plan, 1960-61
5. Government of India, Annual Plan, 1966-69.
6. Government of India, Fourth Five Year Plan, 1969-73
7. Government of India, Fifth Five Plan, 1974-79.
8. Government of India, Sixth Five Plan, 1980-85.
9. Government of India, Seventh Five Year Plan 1985-90.
10. Government of India, Eighth Five Year Plan 1992-97.
11. Government of India, Ninth Five Year Plan 1997-02
12. Government of India, Tenth Five Year Plan 2002-07
13. Government of India, Eleventh Five Year Plan 2007-12.
14. Government of India, Twelfth Five Year Plan 2012-17.
15. Government of India, Economic Survey, Various Issues.
16. Government of West Bengal, Economic Reviews, Various Issues.

**Website Visited :**

1. Department of Public Enterprises. <http://dpe.nic.in/>
2. State Development Reports Available at [http://planningcommission.nic,in/plans/sdrbody.html](about:blank)
3. CAG Report (Commercial) [www.cag.gov.in](http://www.cag.gov.in)