



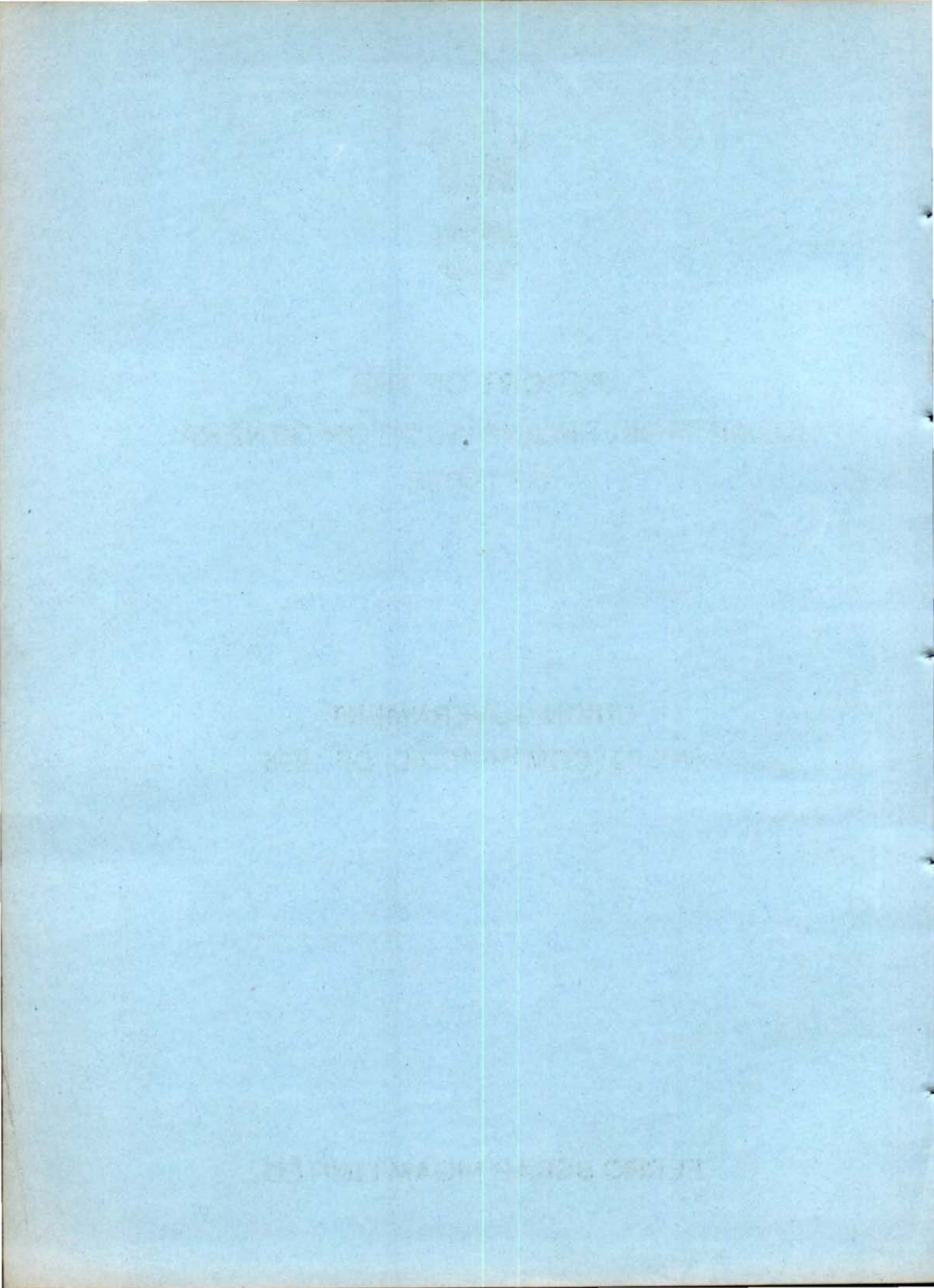
सत्यमेव जयते

**REPORT OF THE  
COMPTROLLER AND AUDITOR GENERAL  
OF INDIA**

**UNION GOVERNMENT  
NO. 22 (COMMERCIAL) OF 1995**

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**FERRO SCRAP NIGAM LIMITED**





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Jairaj Govis, Publications  
No. No. NC 95000 (1)  
29/8/96

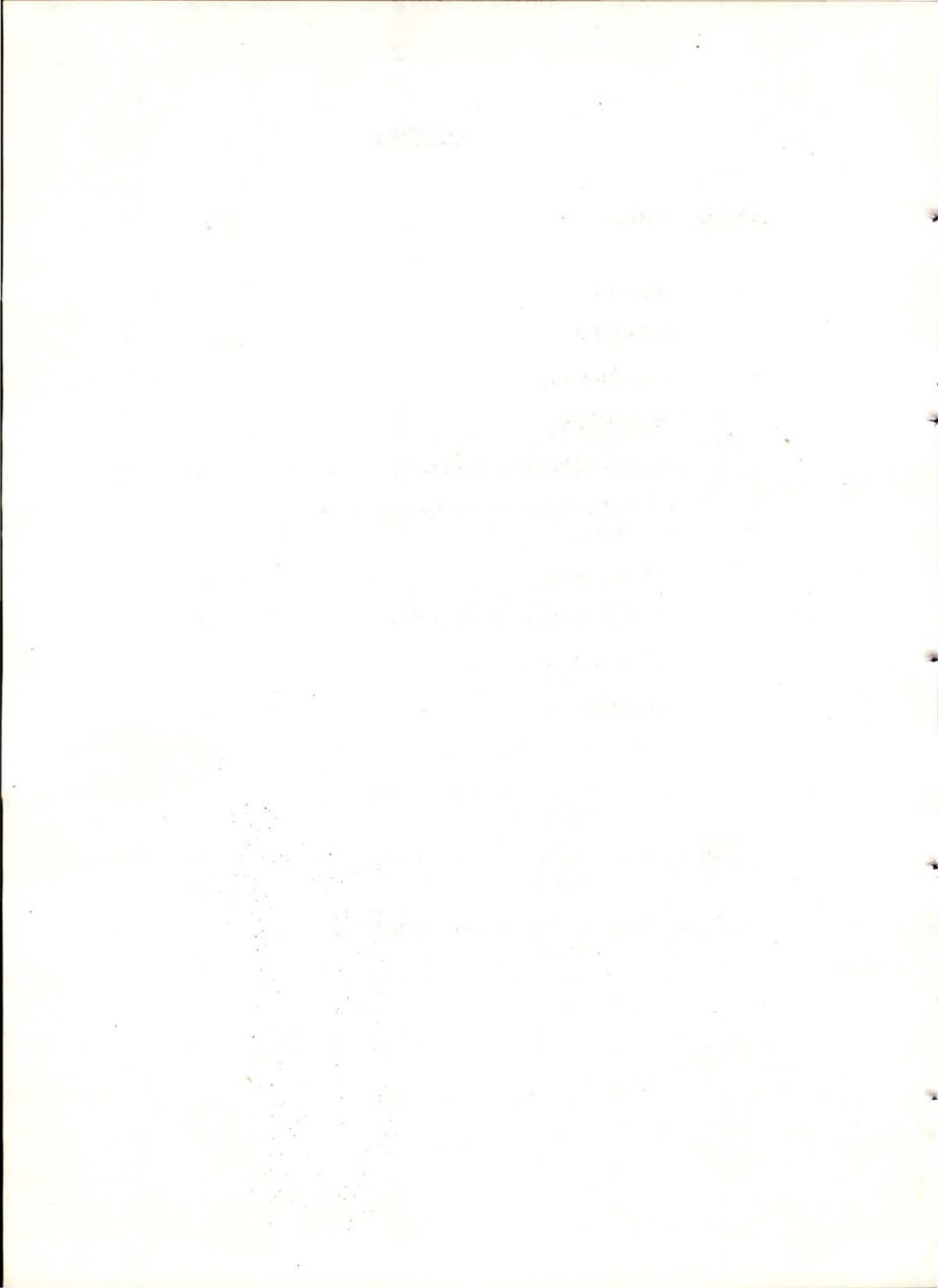
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## PREFACE

A reference is invited to the prefatory remarks in Report of the Comptroller and Auditor General of India-Union Government No.1 (Commercial) 1995 where mention was made that reviews of the performance of Companies/Corporations by the Comptroller and Auditor General of India are presented in separate Reports.

This Report contains a review on the working of Ferro Scrap Nigam Limited.





## OVERVIEW

### 1. *Introduction:*

The Ferro Scrap Nigam Limited (FSNL) was incorporated on 28 March 1979 with an authorised capital of Rs.200 lakhs. It took over the running business of M/s.HECKETT ENGG. COMPANY.(India Branch), a division of HARSCO Corporation (Inc.)USA.

(Para 1)

### 2. *Objectives:*

The main objective of the Company is to carry on the business of processing of steel mills slag and other refuse for the recovery of Iron and Steel Scrap and other metallics. The Company has not formulated its micro objectives.

(Para 2)

### 3. *Production Performance:*

(i) As per CET report, the total quantity of scrap accumulated in dumps upto 1984-85 was 22.40 lakh tonnes but the Company accounted for 9.65 lakh tonnes only. Such difference amounted to 27.13 lakh tonnes as on 31 March 1994. No reconciliation has been made so far.

(Para 3.01)

(ii) In Bhilai Unit, a substantial quantity of 7.58 lakhs tonnes out of total quantity of 10.54 lakh tonnes was got processed through private contractors.

(Para 3.01(i))

(iii) The installed capacity in all the units was fixed on the lower side.

(Para 3.02)

(iv) Due to the failure of the Company to meet its required commitment, private contractors had to be engaged by the Steel Plants for recovery of 9.48 lakh tonnes of scrap during 1985-86 to 1993-94.

(Para 3.03)

#### **4. Material Management & Inventory Control:**

(i) There was an extra expenditure of Rs.1472.77 lakhs on consumption of stores & spares as compared to the norms prescribed by CET, SAIL.

(Para 4.01)

#### **5. Plant & Machinery:**

(i) The percentage of utilisation of productive equipment (Exacavator) ranged between 19.4% and 67.9% of the available hours.

(Para 5.01)

(ii) The Company took equipments worth Rs 499.89 lakhs on lease from Metal Scrap Trading Corporation Limited (MSTC) during 1985-86 and 1986-87 even when it had these equipments.

(Para 5.02)

(iii) There was excess holding of equipments worth Rs.28.56 crores as on 31 March 1994.

(Para 5.03)

#### **6. Financial Performance :**

(i) The income of the Company has been on the increase since 1991-92 whereas the percentage of Net Profit to Income decreased gradually.

(Para 6.01)

(ii) The Company has not prepared a costing manual. It has also not introduced the system of Standard Costing.

(Para 6.02)

#### **7. Manpower Analysis**

(i) The Report submitted by NITIE in April 1994 on Manpower assessment which disclosed shortage of manpower was being implemented in phases.

(Para 7.01)

(ii)The value added per employee in monetary terms decreased from Rs.2.88 lakhs in 1989-90 to Rs.2.07 lakhs in 1993-94.

(Para 7.02)

### **8. Internal Audit :**

The Company does not have its Internal Audit Wing. The Internal Auditors' Reports were not presented to the Board for consideration.

(Chapter-8)

### **9. Other Topics of interest:**

(i) There was an excess consumption of Oxygen & Electricity valued at Rs.10.94 crores.

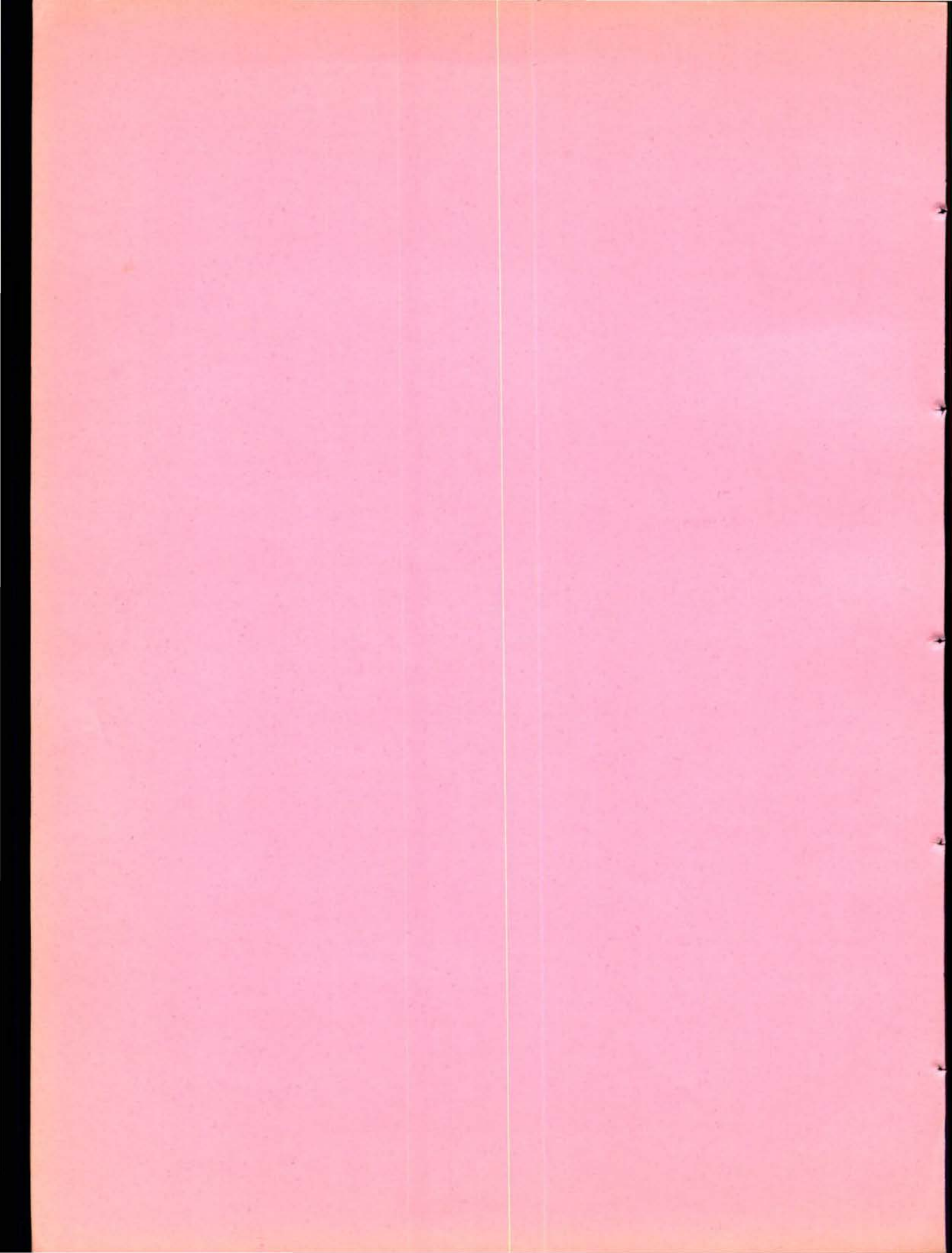
(Para 9.01)

(ii) The Company paid penal interest amounting to Rs.18.97 lakhs on account of delay in filing income tax return and under-estimation of advance tax instalments etc.

(Para 9.02)

(iii)There was an avoidable loss of Rs. 159.85 lakhs due to inefficient management of Employees' Provident Fund Accounts.

(Para 9.03)



## CHAPTER 1

### INTRODUCTION

Consequent on the decision of the Government of India to indigenise the operation of Heckett Engineering Company (a division of Harsco Corporation of USA) a pioneer of scrap recovery technology, the Metal Scrap Trade Corporation Ltd., (MSTC), {the then subsidiary of Steel Authority of India Ltd. (SAIL)} was advised to begin work on this decision. The MSTC, after a comprehensive study recommended the formation of an independent Company for this purpose. Accordingly, Ferro Scrap Nigam Limited (FSNL) Bhilai was incorporated on 28th March, 1979 as a subsidiary of MSTC with an authorised capital of Rs.200 lakhs. It took over the running business of mechanised scrap recovery (iron and steel scrap from slag, debris and other allied waste arisings) of HECKETT Engineering Company (India Branch), operating at Tata Iron and Steel Company (TISCO), Indian Iron & Steel Company (IISCO) and Rourkela Steel Plant (SAIL). Since the Reserve Bank of India at the time of clearing the purchase consideration payable to HECKETT had fixed the cut off date as 1st January, 1979, the operation of the Company during the period from 1st January to 31st July 1979 was allowed to be carried out by HECKETT Engineering Company (India Branch).

The paid-up share capital (Rs.200 lakhs) of FSNL which is a joint sector Company under Ministry of Steel is held in the ratio of 60:40 by MSTC and HARSCO respectively in pursuance of collaboration agreement entered into on 27th June, 1979 between the two Companies to meet the demands of Steel Plants. The FSNL took over the fixed assets of HECKETT Engineering Company at the written down value along with the services of workers with effect from 1st August 1979.

The Company started its activities in Bhilai Steel Plant in March 1983, in Bokaro Steel Plant in 1984-85, in Visakhapatnam Steel Plant in July 1990 and in Durgapur Steel Plant in February 1991.

The scrap recovery unit at TISCO, Jamshedpur had stopped functioning since August, 1987 as they had set up their own scrap recovery unit and introduced upgraded technology.

The present Review covers the period from 1985-86 to 1993-94.

## CHAPTER 2

### OBJECTIVES

The main objectives as per Memorandum of Association of the Company were (i) to take over the running business of HECKETT Engineering Company in India, (ii) to carry on the business of processing of steel mills slag and other refuse and debris for the recovery of iron and steel scrap and other metallics, and to render all kinds of service to manufacturers of steel and iron and other metallics.

The Company has not formulated its micro objectives so far (December 1995) as recommended by COPU in their 38th Report (6th Lok Sabha) in May 1979. However, Memorandum of Understanding for the year 1991-92 signed with Government of India (Ministry of Steel) on 26th October 1991 set out mainly short term objectives like maximisation of recovery of scrap from the internal input/waste materials of steel plants to ensure a fair return on capital employed and to generate adequate internal resources for meeting capital expenditure for AMR (Addition, Modification and Replacement) schemes. Its long term objectives were to modernise and to upgrade technology for scrap processing in steel plants and progressively take over the entire quantity of scrap recovery and processing, slag disposal and to undertake research & development activity with a view to finding cost and environment effective use of slag/muck/fly ash, debris etc., generated during the processing of scrap.

The Ministry stated (December 1995) that as per collaboration agreement M/s Harsco/Heckett Multiserv were required to provide up-to-date latest technology to FSNL free of cost but the same has not been transferred by them for one reason or the other. However, to sort out problems raised by M/s Harsco/Heckett Multiserv, a Task Force had been constituted in May 1992. The Ministry also added that the Company has established an Engineering and Development Department with a view to finding development in existing activities as also diversification and also cost and environment effective use of slag/flyash etc.

In respect of ancillary and incidental objectives, as set out in the Memorandum of Association and long term objectives as set forth in the Memorandum of Understanding with the Government of India, no progress had been achieved. After signing the MOU with Government in 1991-92 the unitwise targets of processing and profitability were laid down for processing of

slag. However, the micro objectives could not be formulated as no long term MOU could be signed with SAIL (December 1995).

The Ministry stated (December 1995) that the micro objectives would be drawn up after approval of the Corporate Plan by the Government. The Corporate Plan was being re-shaped in view of the recent changes in the economic scenario and non-finalisation of the deal with M/s Heckett/Multiserv for transfer of technology.

## CHAPTER 3

### PRODUCTION PERFORMANCE

#### *3.01 Generation of Scrap Arising*

The Company in March 1985 approached SAIL, Centre for Engineering & Technology(CET), for preparation of Project Report for setting up facilities at the Steel Plants to augment recovery of scrap. The CET in its report submitted in June 1985 made a detailed study of scrap arisings in each steel plant and classified the scrap into two categories viz. Primary and Secondary Scrap. Whilst primary scrap consists of the arisings out of ingot moulds, bottom plates, crop ends and cuttings from Rolling mills, ladle repairs, cast house etc., and is relatively clean and usually easy to recover, secondary scrap is the scrap embedded in the slag generated during the process of iron and steel making at Blast Furnace and Steel Melting Shop and is mixed with impurities like slag, refractory, muck etc., and requires a special process for its recovery. It was mentioned in the report that while Bhilai Steel Plant, and Bokaro Steel Plant have in-built facilities for recovery of Primary Scrap, other steel plants have only limited facilities. None of the plants have in-built facilities for recovery of secondary scrap.

CET in its report estimated capital outlay for procurement of equipments in respect of aforesaid plants at Rs.30.41 crores in two phases (Rs 22.66 crores in Phase-I and Rs.7.75 crores in Phase-II). In July 1985, the Board of Directors approved expansion of capacity in existing units by augmenting the resources in terms of replacement/renewal of ageing equipments, procurement of additional equipments etc. The Company invested Rs. 51.31 crores during the period from 1985-86 to 1993-94 on renewal/replacement of old equipments (Rs.14.70 crores) as well as procurement of new equipments (Rs 36.61 crores).

The Ministry stated (December 1995) that the increase in investment over that projected by CET was only to meet the dynamic situation created as a result of the economic liberalisation whereby all Steel Plants had been encouraging private sector entry even as a competitor for FSNL.

As per CET report the total quantity of scrap accumulated in the dumps upto 1984-85 was 22.40 lakh tonnes(Iron scrap = 10.75 lakh tonnes and Steel scrap = 11.65 lakh



tonnes). The Company, however, adopted the Opening balance of steel scrap as 9.65 lakh tonnes against 11.65 lakh tonnes and did not at all take into account the opening balance of iron scrap of 10.75 lakh tonnes. The Ministry stated (December 1995) that the Company did not take any action to recover secondary iron scrap (10.75 lakh tonnes) as it would be uneconomical. It added that the availability of slag dumps as indicated in CET report did not seem to be at all realistic because of (i) the dumps being located outside the perimeter wall of the Steel Plant (ii) socio economic problem coupled with lack of security for FSNL men and machinery (iii) slag free from scrap as the scrap had already been recovered by FSNL and (iv) about 10 lakh tonnes scrap was completely dug up during levelling of the area for IISCO modernisation from 1987-88 to 1989-90 and about 5000 tonnes scrap recovered by private agency was handed over to FSNL. Further, the Company has taken the accumulation of steel scrap as 9.65 lakh tonnes based on their own experience.

The current arisings based on the production anticipated by CET, estimated quantity of scrap arisings assigned to FSNL by different Steel Plants, installed capacity, budgeted production and actual production during the period from 1985-86 to 1993-94 is given below:

Table-1  
(Fig. in lakhs tonnes)

Year	Qty of scrap anticipated by CET (1984-85)	Estimated quantity of scrap assigned to FSNL	Installed capacity	Budgeted production			Actual Production			% of Actual Production to	
				FSNL	Contractor	Total	FSNL	Contractor	Total	Installed Capacity	Budgeted Production
1	2	3	4	5	6	7	8	9	10	11	12
1985-86	6.50	3.81	4.80	5.10	-	5.10	5.63(Negligible)		5.63	117.3	110.4
1986-87	6.99	3.85	6.00	6.12	-	6.12	5.46	0.14	5.60	91.0	89.2
1987-88	7.14	4.85	6.00	5.98	0.42	6.40	4.91	0.74	5.65	81.8	82.1
1988-89	7.49	5.96	6.00	5.65	-	5.65	5.76	1.21	6.97	96.0	101.9
1989-90	7.79	6.46	6.00	6.03	1.29	7.32	6.35	1.73	8.08	105.8	105.3
1990-91	10.19	8.14	6.78	6.17	2.02	8.19	6.41	2.30	8.71	94.5	103.9
1991-92	10.60	9.56	7.90	7.40	1.70	9.10	8.19	1.61	9.80	103.7	110.7
1992-93	10.60	10.31	9.64	10.35	-	10.35	10.28	0.14	10.42	106.6	99.3
1993-94	10.60	10.58	10.15	10.60		10.60	10.79	0.75	11.54	106.3	101.8
Total	77.90	63.52	63.27	63.40	5.43	68.83	63.78*	8.62	72.40		

(Excl- (Excl-  
uding O/B-9.65)  
O/B-22.40)

\*(100.81%  
of Installed  
capacity)

1. From the above it would be seen that though the overall total production during the period from 1985-86 to 1993-94 was more than the installed capacity (i.e. 100.81%) and also the budgeted production (i.e. 100.60%), the Company could not clear all the scrap arisings especially the accumulated backlog quantity worked out in 1984-85. Further, the total production of scrap (8.62 lakh tonnes) by private contractors exceeded the corresponding budgeted production (5.43 lakh tonnes upto 1993-94).

The Ministry stated (December 1995) that in 1984-85, the Company had dumps to operate only at IISCO and RSP. Till 1993-94, dumps at IISCO had already been liquidated and more than half had been operated at RSP.

No reasons have been given for total scrap production by private contractors exceeding the budgeted production.

2 There was a difference of 27.13 lakh tonnes between the stock of backlog quantity worked out by CET (27.90 lakh tonnes) and the quantity considered by the Company (0.77 lakh tonnes) as on 31 March 1994. The Company has neither made a detailed realistic assessment of accumulated backlog upto 1984-85 nor of arisings thereafter every year from 1985-86 to 1993-94 so as to reconcile with the stock worked by CET.

The Ministry stated (December 1995) that estimates given in the CET Report were based on certain assumptions. For comparison with actuals, the estimates were to be revised to the actual areas of jobs taken up as some of the plants did not perform as envisaged in CET report and changed their technology from Open hearth to BOF process. Further, the total scrap arisings were not allotted to FSNL for recovery and processing.

3. Unit-wise total production for the period from 1985-86 to 1993-94 (Annexure-I) also indicated that-

(i) At Bhilai unit, the actual production varied widely between 53.57% (1987-88) and 157.89% (1993-94) of the installed capacity. However, the actual production as compared to budgeted production has been coming down gradually since 1991-92. In 1991-92 it came down to 114.29% from 151.56% (1990-91) and to 93.75% in 1993-94. Further, during the period from

1987-88 to 1993-94, total quantity of 10.54 lakh tonnes primary scrap was processed. Out of this, the Company processed only 2.96 lakh tonnes (28%) whereas private contractors processed 7.58 lakh tonnes (72%), which was more than the quantity earmarked for private contractors in the budgeted production (5.43 lakh tonnes). The Ministry stated (December 1995) that low production of 53.57% in 1987-88 was due to transfer and commissioning of productive equipment from FSNL unit at Jamshedpur to Bhilai unit. It added that upto 1990-91 the job was awarded to outside agency upto 57% of the total production because the job was being given to FSNL by steel plants on temporary basis. From 1991-92, the contribution by the contractors was reduced considerably to 15% as steel plants decided to give job to FSNL on long term basis.

(ii) At Rourkela unit, the budgeted production (14.45 lakh tonnes) was fixed on the lower side as compared to the installed capacity (16.74 lakh tonnes). The Company could not achieve the installed capacity in any of the years from 1985-86 to 1992-93. However, during 1993-94, the actual production was 107.83% of the installed capacity. Further, though no quantity was earmarked for private contractors in the budgeted production, a quantity of 0.08 lakh tonnes was got processed from private contractors. The Ministry stated (December 1995) that the main reason for keeping budgeted production lower than the installed capacity was deployment of two productive equipments for pit digging operation. It added that the processing from private contractors was got done with the approval of the Board.

(iii) At IISCO, Burnpur unit, the budgeted production (17.17 lakh tonnes) fixed was more than the installed capacity. However, the total actual production (15.57 lakh tonnes) upto 1993-94 was even less than the installed capacity (16.08 lakh tonnes). The actual production per annum which was more than the installed capacity upto 1987-88 came down drastically from 96.51% in 1991-92 to 74.36% in 1993-94. The stock of slag and scrap, however, came to 'Nil' (May 1995). The Ministry stated (December 1995) that the low production upto 1993-94 was mainly because of the low metallic content in the dump, resulting in low yield in scrap, the basic unit of the Company's billing. It added that since 1991-92, the Company had to operate on leftover portion of dump where the metallics had already been recovered by private contractors engaged by IISCO earlier.

(iv) At Bokaro unit, only primary scrap was recovered for which the steel plant has inbuilt facilities. However, a quantity of 0.93 lakh tonnes of primary scrap was assigned to private

contractors during the period from 1986-87 to 1989-90 though not earmarked in the budgeted production. Further, the recovery/processing of secondary scrap (11.05 lakh tonnes as estimated by CET for the period from 1985-86 to 1993-94) has not been started by the Company. The Ministry stated (December 1995) that the recovery and processing could not be started as the job was not given to the Company.

(v) At Durgapur unit, the Company started scrap processing work as late as in February 1991. However, upto 1993-94 the total production (1.75 lakh tonnes) remained low i.e. 90.7% of the installed capacity (1.93 lakh tonnes). The Ministry attributed (December 1995) the low production to time taken for developing infrastructure and lower metallic content in the dump as it had already been swept earlier with magnetic crane by private agency.

(vi) At Vizag unit, the Company started scrap processing work from September 1990. The total production (5.00 lakh tonnes) upto 1993-94 was more than the installed capacity (3.98 lakh tonnes) whereas it was less than the budgeted production (i.e. 5.08 lakh tonnes) which indicates that installed capacity has been fixed on the lower side. The Management attributed (September 1993) the actual production in excess of installed capacity to lancing and gas cutting of purchased scrap and construction scrap. The Ministry added (December 1995) that these categories of scrap require less processing by crane i.e. mill rejects, hand picked scrap etc.

### **3.02 Fixing of Installed Capacity on the lower side:**

The installed capacity has been fixed on the lower side as the Company achieved actual average production of 100.81% during the period from 1985-86 to 1993-94 by utilising the productive equipments only upto a maximum of 67.9% of the available hours (Refer para 5.01)

Although 6 major equipments viz. bull dozer, dumper, front loader (Pay loader), crane, excavator and magnetic separator were used for recovering and processing of scrap, the Company has considered only crane and excavator-separator combination as its productive equipments for the purpose of determining the installed capacity. Further, the norm for "net utilisation hours" of productive equipments have also been taken on the lower side. While in the case of excavator and dragline crane, it was 24.8% and 46.5% respectively of the total available

hours (both primary and secondary scrap) it was only 24.8% for primary scrap in the case of MK crane.

The Management stated (January 1994) that the norms for equipment availability and utilisation have been fixed on the basis of past experience and those fixed by steel plants for similar type of equipment. The Ministry added (December 1995) that 67.9% utilisation of productive equipment was quite normal as compared to norms of other similar sectors. The norm in Coal India Limited was 56%.

The fact remains that the installed capacity fixed by the Company was not based on any scientific industrial engineering study.

### **3.03            *Scrap Recovery by Private Parties***

The Company was required to process 100 percent iron and steel scrap arisings in Rourkela, Durgapur, Vizag Steel Plant (VSP) and IISCO Burnpur. The Company could process 100 percent scrap arising in Rourkela and Vizag Steel Plant. It failed to achieve this in other Steel Plants. Due to failure of the Company to meet its required commitment, the Steel Plants at Bhilai, Bokaro, Burnpur and Durgapur engaged private contractors for recovery of 9.48 lakh tonnes of scrap during the period from 1985-86 to 1993-94. The Ministry stated (December 1995) that the Company had been recovering and processing scrap arisings from iron and steel scrap as and when assigned by Steel Plants as per the mutually agreed contract.

## CHAPTER - 4.

### MATERIAL MANAGEMENT & INVENTORY CONTROL

#### **4.01**        *Excess consumption of Stores & Spares.*

The CET in their Project Report prescribed the norms for consumption of stores and spares at 5% and 7.5% in the case of new and old equipments respectively. The consumption of stores and spares in excess of the norms during 1985-86 to 1993-94 resulted in extra expenditure of Rs.1472.77 lakhs. The consumption of stores and spares was abnormally high during 1992-93 and 1993-94 being Rs.812.77 lakhs and Rs.977.33 lakhs respectively as against Rs.370.16 lakhs and Rs. 417.63 lakhs as per norms.

The Management stated (September 1993) that while working out excess consumption, factors like replacement value of assets, saving of interest, escalation in price, sub-standard quality of indigenous stores and spares etc., have not been considered. The Ministry added (December 1995) that the assumption/norm fixed did not take into account the practical nature of work and circumstances under which FSNL had to work in different steel plants. Further, while calculating consumption of stores & spares the cost of equipment taken on lease from MSTC in 1985-86 and also supplied free by VSP has not been taken into consideration. The CET report was prepared in 1985 and since then there had been escalation in the prices in all the commodities to a great extent.

**4.02**        The Company spent Rs.10.53 lakhs towards consumption of stores and spares on idle equipments viz. (i) Magnetic Separators (S-1064 and S-1047), (ii) Dozer T-1158/D during 1984-85 to 1988-89.

The Management stated (September 1993) that the expenditure incurred on Separators and Dozer did not prove successful and economical. The Ministry added (December 1995) that the tyre mounted separators were tried for the first time. After some years the repair and use of Dozer was found uneconomical and it was written off with the approval of the Board in March 1990.

**4.03** The Company has not fixed the minimum and maximum levels of inventory holdings in respect of different items (May 1995). The value of stores and spares not moved for more than 3 years increased from Rs.8.79 lakhs (31 March 1990) to Rs.26.74 lakhs (31 March 1994). The Ministry stated (December 1995) that the inventory for each item for 5 months, considered reasonable, was being followed strictly in view of different lead times required for procurement of various items. Further, attempts had been made to analyse and see whether these surplus spare parts could be used by effecting some modification.

## CHAPTER - 5

### PLANT & MACHINERY

#### **5.01 Machine Utilisaion:**

The percentage utilisation of different productive equipments in the units of Steel Plants during the last nine years from 1985-86 to 1993-94 is given as under :-

(Table-2)

Name of Equipments	Percentage of hrs utilisation in the units					
	Rourkela	Bokaro	Bhilai	Burnpur	Durgapur	Vizag
1.Cranes	59.3	33.2	61.8	62.9	31.5	28.6
2.Excavators	45.9	19.4	67.9	53.0	39.6	25.4
3.Separators	17.0	30.3	23.4	21.5	23.5	—
4.Loaders	26.9	27.6	33.1	27.0	26.1	30.3
5.Dozers	42.4	16.8	48.1	50.5	33.1	31.8
6.Dumpers	39.7	26.0	38.8	34.4	28.3	55.9

It will be seen that the utilisation of Cranes ranged between 28.6%(Vizag) and 62.9%(Burnpur) whereas in the case of Excavators it ranged between 19.4% (Bokaro) and 67.9% (Bhilai). Further, the utilisation of Separators was the lowest which ranged between 17.0% (Rourkela) and 30.3% (Bokaro). The Separators were not at all used in Vizag. In respect of other equipments, the utilisation ranged between 16.8% and 55.9% only of the available hours.

The Management stated (September 1993) that the capacity of equipments cannot be standardised and their utilisation cannot be at the same level because of varying nature of jobs. The Ministry added(December 1995) that utilisation of equipment deployed for recovery and



processing of scrap depends on its application, availability of input material, despatch of process scrap and hence could not be standardised.

**5.01.01** The Company purchased a magnetic separator (S-1064) in 1983-84 at a cost of Rs.34.74 lakhs for its Bhilai unit which could not be utilised till 1989-90. However, during 1990-91 to 1993-94 the equipment was utilised only for 1026 hours(16.2%), 3728 hours(57%), 2475 hours(36.1%) and 1824 hours(30.7%) against the available hours of 6330, 6539, 6853 and 5945 respectively which indicated that the utilisation of equipment has been coming down since 1992-93. The Ministry attributed (December 1995) the under-utilisation to non-supply of special bottom side dump wagon by Bhilai Steel Plant inspite of constant efforts made.

**5.02** *Equipments taken on lease from MSTC.*

Ten Equipments (i.e. 3 Magnetic separators, 4 Dumpers and 3 Dozers) worth Rs.499.89 lakhs were taken on lease in 1985-86 and 1986-87 from MSTC for a period of 10 years. As per lease agreement, the Company had to pay lease rental @ 24% of the cost of equipments per annum for the first 5 years and thereafter @ 6.25% for the remaining 5 years. The Company paid lease rent amounting to Rs.681.47 lakhs during 1985-86 to 1993-94 which was more than the cost of leased equipments. In addition, the Company also incurred Rs.157.17 lakhs on repairs and maintenance of leased equipments. The Company had taken the equipments on lease even when it was having surplus stock of the required equipments e.g. 3 Magnetic separators, 5 dumpers and 3 dozers in 1986-87 (Annexure II a & b). The Ministry stated (December 1995) that the lease agreement was concluded with the mutual consent of both the companies after due consideration of all the facts. The economics of buying the same equipments with loan funds vis-a-vis leasing was also examined before a final decision in favour of leasing was taken.

The fact remains that the Company took certain equipments on lease although it was having these equipments in working condition.

Further, a Magnetic separator (S-1318) costing Rs.102.80 lakhs taken on lease in September 1986 for Burnpur unit was utilised for only 5529 hours (26.6%) during 3 years from 1986-87 to 1988-89 against 20790 available hours. During 1989-90 it remained idle and was

transferred to Bhilai Unit in 1990-91 where it was recommissioned in September 1993. Even after recommissioning, it could be utilised for only 42.7% of the available hours (March 1994).

The Ministry stated (December 1995) that the low utilisation was mainly because of some teething problems in the initial stage as the Separators were developed and fabricated in the country for the first time. Further, the Separator was transferred to BSP when the dump at IISCO was liquidated. The Bhilai also took considerable time for its commissioning because of important modifications of this massive structure.

### 5.03 *Acquisition of excess Plant & Machinery:*

As on 31 March 1987 the Company had 17 equipments valuing Rs.10.54 crores in excess of the requirements. This increased to 32 equipments valuing Rs.28.56 crores as on 31 March 1994 (Annexure-II-b). The Management has not taken any action to reduce the excess holding of Plant and Machinery during the last 8 years.

Further, inspite of excess holding of Dozers (9 nos.), Excavators (4 nos.) and Cranes (8 nos.) as on 31 March 1993, the Company purchased one Dozer (Rs.75 lakhs), one Excavator (Rs.86 lakhs) and four Cranes (Rs.213.92 lakhs) during 1993-94 which clearly shows that no study was made before acquisition of plant and machinery involving huge investment of Rs.374.92 lakhs.

The Management stated (May 1995) that 3 Dozers, 2 Dumpers and 2 Separators were utilised during 1993-94 as standby equipment. The Ministry added (December 1995) that these equipments were procured after obtaining the approval of the Board for meeting the requirement of additional business at various units. Further, FSNL had been very cautious in investing its fund in fixed assets so as to avoid over capitalisation.

The reply of the Ministry is not tenable in view of the fact that a large number of these equipments remained surplus even during 1993-94.

## CHAPTER - 6

### FINANCIAL PERFORMANCE

6.01 The Financial performance of the Company during the last five years ended 31 March 1994 is given below:-

Table-3

	YEARS				
	<u>1989-90</u>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>	<u>1993-94</u>
i) Income (Service charges)	3106.18	3006.33	3722.95	4807.30	5516.07
ii) Gross profit (profit before tax & depreciation)	1481.19	1436.56	1807.36	2061.17	1097.02
iii) Net Profit	443.31	568.83	672.42	846.67	393.94
iv) Percentage of Gross profit to Income	47.69%	47.78%	48.55%	42.88%	19.89%
v) Percentage of Net profit to Income	14.27%	18.92%	18.06%	17.61%	7.14%

Though the Income (Service charges) of the Company has been increasing every year since 1991-92, the percentage of net profit to Income was decreasing gradually (i.e. 18.92% in 1990-91 to 17.61% in 1992-93). However, in 1993-94 it decreased to 7.14% mainly because of increase in Employees' remunerations & benefits, higher consumption of oxygen & gasoline and stores & spares and also prior period expenses. The Ministry while agreeing to the reasons stated (December 1995) that the escalation in the cost of input without having corresponding increase in the revenue has resulted in increase in the cost of production.

6.02 The Company has not prepared a costing manual. It has also not introduced the system of standard costing. The cost per tonne of services rendered during 1983-84 to 1993-94

ranged between Rs.112.69 in 1983-84 and Rs.357.27 in 1993-94 after excluding prior period expenses.

The Management stated (September 1993) that cost control was exercised by the operation of budgetary control system and lack of standard costing system has not rendered it impossible to exercise proper control over variable/controllable cost. A Cost consultant was appointed in November 1993 for designing costing system. The Ministry added (December 1995) that he had submitted a preliminary report and suggested some action before taking up detailed study. The report was under examination (December 1995).

## CHAPTER-7

### **7.01 MANPOWER ANALYSIS**

The total number of personnel as on 31st March during the last 11 years ended 1993-94 ranged between 526 (1983-84) and 1390 (1993-94). There was a sudden spurt in the strength of personnel from 717 in 1989-90 to 1175 in 1991-92 which further increased to 1390 in 1993-94. The Management stated that the increase in manpower was mainly due to opening of new units at Vizag and Durgapur (including taking of employees of previous contractors) during 1990-91.

The Company engaged NITIE (National Institute of Training in Industrial Engineering, Bombay) in January 1993 for industrial engineering study. The Ministry stated (December 1995) that the report submitted by NITIE had shown shortage of manpower in FSNL as a whole with some minor adjustments in some places. The report was being implemented gradually phase-wise as per the needs of the Company.

### **7.02 Productivity Analysis :**

The value added per employee during 1984-85 to 1993-94 in monetary terms ranged between Rs.82728 in 1984-85 and Rs.288011 in 1989-90. However, the value added per employee compared to 1989-90 decreased to Rs. 206539 in 1993-94. The Ministry stated (December 1995) that the slight decrease in the value added per employee in 1993-94 was mainly due to ad-hoc payment to employees, escalation in the cost of input, adjustment of prior period expenses and also foregoing of service charges to be received from Steel Plants (BSP, RSP & IISCO)

## CHAPTER-8

### INTERNAL AUDIT

The Company does not have an Internal Audit Wing. It engaged each year from 1983-84 (except 1985-86) a firm of Chartered Accountants to conduct internal audit. The Company introduced its Internal Audit Manual in 1988. As per Manual, Internal Audit Report alongwith the Comments of the units/Departments thereon was to be submitted to the Board half yearly. However, the reports of Internal Auditors were not presented to the Board for their consideration. The Internal Auditors' reports for the year 1993-94 were not presented to the Board. The Ministry stated (December 1995) that the internal Audit Report for 1993-94 could not be submitted to the Board which was being done now.

## CHAPTER - 9.

### OTHER TOPICS OF INTEREST

#### 9.01 Excess consumption of Oxygen and Electricity-Rs.13.40 crores.

As per agreement dated 5th December, 1981 with Bhilai Steel Plant, a suitable norm for consumption of oxygen and power was to be determined after one year of actual operation and the cost of excess consumption was to be borne by the Company as per rates applicable to third parties from time to time.

While the norms for consumption of power and oxygen were fixed as late as in September 1988 and September 1992 respectively, there was no consensus over the rates of recovery for these services till June 1994. During 1982-83 to 1991-92 the Company consumed oxygen and electricity in excess of the norm valued at Rs.6.96 crores( Rs 6.75 crores -oxygen and Rs 0.21 crore-electricity) as claimed by Bhilai Steel Plant. In May 1994, Bhilai Steel Plant revised its claim to Rs.16.30 crores covering the period upto 1992-93 and unilaterally recovered Rs 7.15 crores from the service charges bills payable to the Company. The Management stated (September 1993) that the excess consumption of oxygen and power was due to faulty meters installed by Bhilai Steel Plant which has been protested. The BSP claimed that meters had been checked many times and found correct. There was also no power meter for measuring consumption of electricity upto 1985-86.

In the meeting held in June 1994, the Company accepted the claim for final settlement at Rs.10.94 crores (Rs 10.74 crores-oxygen and Rs.0.20 crore-electricity). The Ministry stated (December 1995) that the settlement had been approved by the Board. Further the practice of taking oxygen from BSP had been discontinued and FSNL had made its own arrangement for procurement of oxygen from outside.

**9.02            Avoidable payment of penal interest:**

Penal Interest amounting to Rs.18.97 lakhs was levied on the Company for the assessment year 1987-88 on account of delay in filing Income Tax-Return, under-estimation of advance tax instalments, short payment of advance tax and delay in payment of penal interest, etc.

The Management stated (September 1993) that because of the shifting of Corporate Office from Jamshedpur to Bhilai there was a delay in filing the return and non estimation of advance tax, etc. However, the matter was being investigated The Ministry added (December 1995) that though it was not the fault of the Company but Assessing officer imposed penal interest on the ground that Assessee Company had knowledge about the income but did not pay advance tax in time.

**9.03            Avoidable loss due to inefficient management of  
provident fund accounts of Employees.**

The Provident Fund Accounts maintained by the Board of Trustees of the Company started accumulating deficit from 1980-81. In 1982, the matter was placed before the Board of Directors of the Company. However, no concrete steps were taken by the Company to control the deficit which increased to Rs.159.85 lakhs as on 31st March 1994. The deficit accumulated mainly due to (i) loss on account of sale of Government securities before their maturity at lesser amount (ii) non-realisation of securities from custodian and (iii) loss of interest on loans given to members at subsidised rates which were lower than rates of interest on



Provident Fund deposits. Besides Government securities worth Rs.46.36 lakhs stated to be kept under custody of Trustees could not be produced for physical verification to the Auditors who conducted provident fund audit.

As against the deficit of Rs.159.85 lakhs the Company paid Rs.205.84 lakhs upto 31 March 1994 (including securities and interest thereon) to the Provident Fund Trust to make good the deficit.

The Ministry stated (December 1995) that no investigation was done by the Company on the issue of deficit in P.F. accounts as the reason for deficit was assessable from the records available.

No responsibility for the deficit in P.F. Accounts has been fixed so far (December 1995).

New Delhi  
The

04 NOV 1995

(B.P. MATHUR)  
Deputy Comptroller and Auditor General-  
cum-Chairman, Audit Board

Countersigned

New Delhi  
The

04 NOV 1995

(C.G. SOMIAH)  
Comptroller and Auditor General of India

## ANNEXURE-I

STATEMENT SHOWING THE UNITWISE DETAILS OF SCRAP ARISING ASSIGNED, INSTALLED CAPACITY, BUDGETED PRODUCTION, ACTUAL PRODUCTION AND CONTRACTUAL PRODUCTION OF M/S. F.S.N.L., BHILAI DURING THE YEAR 1985-86 TO 1993-94.

(FIG IN LAKH TONNES)

YEAR	ESTIMATED QUANTITY OF SCRAP ARISING ASSIGNED			INSTALLED CAPACITY		BUDGETED PRODUCTION		ACTUAL PRODUCTION			CONTRACTOR PRODUCTION	GRAND TOTAL	PERCENTAGE OF ACTUAL PRODUCTION TO	
	PRIMARY	SECONDARY	TOTAL (3+4)	ATTRIBUTED TO CAPACITY	ATTRIBUTED TO CONTRACTOR	TOTAL (6+7)	PRIMARY	SECONDARY	TOTAL (9+10)	INSTALLED CAPACITY			BUDGETED PRODUCTION	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)
<b>BHILAI UNIT</b>														
O.B.	1.40													
1985-86	0.70	-	0.62	0.62	00.48	-	0.48	0.02	0.67	0.69	-	0.68	111.29	143.75
1986-87	0.66	-	0.62	0.62	00.72	-	0.72	0.01	00.74	0.75	-	0.75	120.97	104.17
1987-88	1.22	0.15	1.25	1.40	00.78	0.42	1.20	0.02	00.73	0.75	0.58	1.33	53.57	96.15
1988-89	2.05	0.15	1.25	1.40	01.04	-	1.04	0.06	01.12	1.18	0.88	2.06	84.20	113.46
1989-90	2.65	0.15	1.25	1.40	01.41	1.29	2.70	0.28	01.57	1.85	1.43	3.28	132.14	131.21
1990-91	3.67	0.16	1.56	1.72	01.28	2.02	3.30	0.38	01.56	1.94	2.30	4.24	112.79	151.56
1991-92	3.65	0.16	1.56	1.72	01.75	1.70	3.45	0.55	01.45	2.00	1.61	3.61	116.28	114.23
1992-93	3.88	0.49	1.41	1.90	02.20	-	2.20	0.99	01.28	2.27	0.12	2.39	119.47	103.18
1993-94	4.25	0.34	1.56	1.90	03.20	-	3.20	0.68	02.32	3.00	0.66	3.67	157.89	93.75
	24.13	1.60	11.08	12.68	12.86	5.43	18.29	2.99	11.44	14.43	7.50	22.01		
<b>ROURKELA UNIT</b>														
O.B.	3.50													
1985-86	1.44	0.37	0.88	1.25	00.96		0.96	0.35	0.79	1.14	-	1.14	91.20	118.75
1986-87	1.37	0.28	0.97	1.25	01.50		1.50	0.21	0.86	1.07	-	1.07	85.60	71.33
1987-88	1.39	0.47	1.17	1.64	01.56		1.56	0.24	1.12	1.36	-	1.36	82.93	87.13
1988-89	1.46	0.62	1.41	2.03	01.48		1.48	0.43	1.23	1.66	-	1.66	81.77	112.16
1989-90	1.45	0.62	1.41	2.03	01.68		1.68	0.42	1.34	1.76	-	1.76	86.70	104.76
1990-91	1.83	0.62	1.41	2.03	01.71		1.71	0.52	1.00	1.52	-	1.52	74.88	88.59
1991-92	1.52	0.62	1.41	2.03	01.37		1.37	0.56	0.84	1.40	-	1.40	68.97	102.19
1992-93	1.53	0.62	1.56	2.18	02.00		2.00	0.73	1.44	2.17	0.02	2.19	99.54	108.50
1993-94	1.81	0.74	1.56	2.30	02.19		2.19	0.59	1.89	2.48	0.06	2.54	107.83	113.24
	17.30	4.96	11.78	16.74	14.45		14.45	4.05	10.51	14.56	0.08	14.64		

BURNPUR UNIT													
O.B.	4.50												
1985-86	1.44	0.38	0.71	1.09	01.68	1.68	1.01	0.74	1.75	-	1.75	160.55	104.17
1986-87	1.38	0.60	1.43	2.03	02.34	2.34	0.89	1.15	2.04	-	2.04	100.49	87.12
1987-88	1.39	0.60	1.43	2.03	03.06	3.06	0.79	1.50	2.29	-	2.29	112.81	74.84
1988-89	1.29	0.60	1.43	2.03	02.43	2.43	0.75	1.17	1.92	-	1.92	94.58	76.81
1989-90	1.06	0.60	1.43	2.03	01.68	1.68	0.56	1.13	1.69	-	1.69	83.25	100.61
1990-91	1.06	0.60	1.43	2.03	01.50	1.50	0.50	1.15	1.65	-	1.65	81.28	109.61
1991-92	1.18	0.50	1.23	1.72	01.50	1.50	0.51	1.15	1.66	-	1.66	96.51	110.61
1992-93	1.20	0.44	1.12	1.56	01.65	1.65	0.41	1.00	1.41	-	1.41	90.38	87.56
1993-94	0.87	0.44	1.12	1.56	01.61	1.61	0.41	0.98	1.16	-	1.16	74.36	95.08
	15.34	4.75	11.33	16.08	17.17	17.17	5.60	9.97	15.57	-	15.57		
BOKARO UNIT													
1985-86	0.23	0.29	-	0.29	0.30	0.30	0.09		0.09	-	0.09	31.03	30.06
1986-87	0.44	0.47	-	0.47	0.12	0.12	0.32		0.32	0.14	0.46	68.09	266.67
1987-88	0.85	0.47	-	0.47	0.48	0.48	0.46		0.46	0.16	0.62	67.87	95.83
1988-89	1.19	0.47	-	0.47	0.70	0.70	1.01		1.01	0.33	1.34	214.89	144.29
1989-90	1.30	0.47	-	0.47	1.26	1.26	1.05		1.05	0.30	1.35	223.40	83.34
1990-91	1.17	0.78	-	0.78	1.03	1.03	1.05		1.05	-	1.05	134.62	101.94
1991-92	1.56	1.50	-	1.50	1.28	1.28	1.49		1.49	-	1.49	99.83	116.41
1992-93	1.74	1.81	-	1.81	2.07	2.07	2.03		2.03	-	2.03	112.15	98.87
1993-94	1.72	1.81	-	1.81	1.66	1.66	1.67		1.67	-	1.67	92.27	108.61
	10.18	8.07	-	8.07	8.90	8.90	9.17		9.17	0.93	10.10		
DURGAPUR UNIT													
O.B.	0.25												
1990-91	0.25	-	0.22	0.22	0.05	0.05		0.00418	0.00418	-	0.00418	1.90	8.36
1991-92	0.22	-	0.31	0.31	0.25	0.25		0.27	0.27	-	0.27	87.10	108.00
1992-93	0.27	-	0.62	0.62	0.76	0.76		0.73	0.73	-	0.73	117.74	96.85
1993-94	0.25	-	0.78	0.78	0.66	0.66		0.75	0.75	-	0.75	96.15	113.64
	0.99		1.93	1.93	1.72	1.72		1.75418	1.75418	-	1.75418		
VIZAG UNIT													
1990-91	0.41	-	-	-	0.60	0.60	0.25	-	0.25	-	0.25	-	41.63
1991-92	1.43	0.62	-	0.62	1.10	1.10	1.35	-	1.35	-	1.35	217.74	122.73
1992-93	1.71	1.56	-	1.56	1.71	1.71	1.67	-	1.67	-	1.67	107.35	97.62
1993-94	1.68	1.80	-	1.80	1.67	1.67	1.73	-	1.73	0.03	1.76	96.14	103.59
	5.23	3.98		3.98	5.08	5.08	5.00		5.00	0.03	5.03		
JAMSHEDPUR UNIT													
1985-86	NOT AVAILABLE	0.23	1.33	1.56	1.68	1.68	0.34	1.62	1.96	-	1.96	125.64	116.63
1986-87	NOT AVAILABLE	0.23	1.33	1.56	1.44	1.44	0.22	1.06	1.28	-	1.28	82.75	88.89
1987-88	(July, 87)	0.06	0.33	0.39	0.10	0.10	0.01	0.05	0.06	-	0.06	15.38	60.00
		0.52	2.99	3.51	3.22	3.22	0.57	2.73	3.30	-	3.30		

Annexure-II(a)

Statment showing details of Equipments taken on lease from  
M/s MSTC for use in various units

Sl. No.	Particulars	Unit No.	Date of taking on lease	Original cost of equipments	Unit at which
1.	Magnetic Separator	S-1319D	26.7.87	10280000	Rourkela
2.	Terex Dumper	DT-1314D	28.2.86	1846166	Rourkela
3.	Dozer	T-3316M	13.1.86	4400810	Bhilai
4.	Dumper	DT-1313M	30.1.86	1848281	Bhilai
5.	Magnetic Separator	S-1318	Sept.86	10280000	Burnpur
6.	Magnetic Separator	S-1320	Dec.86	10280000	Burnpur
7.	Dozer	T-1315	Nov.86	4400810	Burnpur
8.	Dumper	DT-1311	Jan.86	1848281	Burnpur
9.	Dozer	T-1317	Feb.86	4400810	Burnpur
10.	Dumper	DT-1312	Jan.86	1845015	Burnpur

## ANNEXURE-II(b)

Statement Showing the no. of excess equipments and their value during 1986-87 to 1993-94 (Quantity in number)  
(Value: Rs. in lakhs)

Equipment	Unit	1986-87	1987-88	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
<u>CRANES</u>									
	Burnpur	1 No. ----- (Rs.100.00)	1 No. ----- (Rs.102.00)	2 Nos. ----- (Rs.210.00)	1 No. ----- (Rs.105.00)	1 No. ----- (Rs.108.00)	1 No. ----- (Rs.110.00)	1 No. ----- (Rs.110.00)	1 No. ----- (Rs.110.00)
	Rourkela	2 Nos. ----- (Rs.200.00)	3 Nos. ----- (Rs.306.00)	1 No. ----- (Rs.105.00)	1 No. ----- (Rs.105.00)	2 Nos. ----- (Rs.216.00)	2 Nos. ----- (Rs.220.00)	2 Nos. ----- (Rs.220.00)	2 Nos. ----- (Rs.220.00)
	Bokaro	--	--	1 No. ----- (Rs.105.00)	1 No. ----- (Rs.105.00)	2 Nos. ----- (Rs.216.00)	3 Nos. ----- (Rs.330.00)	2 Nos. ----- (Rs.220.00)	3 Nos. ----- (Rs.330.00)
	Bhilai	--	2 Nos. ----- (Rs.204.00)	2 Nos. ----- (Rs.210.00)	2 Nos. ----- (Rs.210.00)	1 No. ----- (Rs.108.00)	1 No. ----- (Rs.110.00)	2 Nos. ----- (Rs.220.00)	1 No. ----- (Rs.110.00)
	Durgapur	--	--	--	--	--	1 No. ----- (Rs.110.00)	1 No. ----- (Rs.110.00)	1 No. ----- (Rs.110.00)
<u>EXCAVATOR</u>									
	Burnpur	--	--	--	--	1 No. ----- (Rs.105.00)	1 No. ----- (Rs.110.00)	1 No. ----- (Rs.110.00)	--
	Rourkela	1 No. ----- (Rs.90.00)	--	1 No. ----- (Rs.95.00)	1 No. ----- (Rs.100.00)	1 No. ----- (Rs.105.00)	--	1 No. ----- (Rs.110.00)	1 No. ----- (Rs.110.00)
	Bokaro	--	--	--	--	--	--	1 No. ----- (Rs.110.00)	1 No. ----- (Rs.110.00)
	Bhilai	--	--	--	--	1 No. ----- (Rs.105.00)	1 No. ----- (Rs.110.00)	1 No. ----- (Rs.110.00)	--
	Durgapur	--	--	--	--	--	--	--	--

<u>MAGNETIC SEPRATOR</u>	Burnpur	2 Nos. (Rs.206.00)	2 Nos. (Rs.210.00)	4 Nos. (Rs.420.00)	2 Nos. (Rs.220.00)	2 Nos. (Rs.230.00)	1 No. (Rs.125.00)	1 No. (Rs.140.00)	1 No. (Rs.140.00)
	Rourkela	1 No. (Rs.103.00)	3 Nos. (Rs.315.00)	3 Nos. (Rs.315.00)	3 Nos. (Rs.330.00)	3 Nos. (Rs.345.00)	4 Nos. (Rs.500.00)	3 Nos. (Rs.420.00)	2 Nos. (Rs.280.00)
	Bhilai	--	2 Nos. (Rs.210.00)	2 Nos. (Rs.210.00)	2 Nos. (Rs.220.00)	1 No. (Rs.115.00)	1 No. (Rs.125.00)	1 No. (Rs.140.00)	2 Nos. (Rs.280.00)
	Bokaro	--	--	--	--	--	--	--	--
	Durgapur	--	--	--	--	--	--	--	1 No. (Rs.140.00)
<u>DOZERE</u>	Burnpur	--	1 No. (Rs.73.00)	--	1 No. (Rs.75.00)	1 No. (Rs.78.00)	1 No. (Rs.80.00)	1 No. (Rs.80.00)	--
	Rourkela	2 Nos. (Rs.140.00)	2 Nos. (Rs.146.00)	2 Nos. (Rs.146.00)	1 No. (Rs.75.00)	2 Nos. (Rs.156.00)	1 No. (Rs.80.00)	2 Nos. (Rs.160.00)	1 No. (Rs.80.00)
	Bhilai	1 No. (Rs.70.00)	1 No. (Rs.73.00)	--	1 No. (Rs.75.00)	3 Nos. (Rs.234.00)	2 Nos. (Rs.160.00)	3 Nos. (Rs.240.00)	2 Nos. (Rs.160.00)
	Bokaro	--	--	--	--	--	2 Nos. (Rs.160.00)	2 Nos. (Rs.160.00)	1 No. (Rs.80.00)
	Durgapur	--	--	--	--	--	--	1 No. (Rs.80.00)	--

PAY LOADERS/ F.L.LOADERS		1 No.	1 No.	1 No.	2 Nos.	2 Nos.	1 No.	1 No.	1 No.
	Burnpur	(Rs.30.00)	(Rs.32.00)	(Rs.35.00)	(Rs.76.00)	(Rs.76.00)	(Rs.46.00)	(Rs.48.00)	(Rs.48.00)
	Rourkela	1 No.	1 No.	--	--	1 No.	--	1 No.	1 No.
		(Rs.30.00)	(Rs.32.00)	--	--	(Rs.38.00)	--	(Rs.48.00)	(Rs.48.00)
	Bhilai	--	--	1 No.	1 No.	3 Nos.	1 No.	--	--
		--	--	(Rs.35.00)	(Rs.38.00)	(Rs.114.00)	(Rs.46.00)	--	--
	Bokaro	--	--	--	--	--	--	1 No.	--
		--	--	--	--	--	--	(Rs.48.00)	--
	Durgapur	--	--	--	--	--	1 No.	1 No.	--
		--	--	--	--	--	(Rs.46.00)	(Rs.48.00)	--
<u>DUMPER</u>									
	Burnpur	4 Nos.	5 Nos.	2 Nos.	3 Nos.	2 Nos.	2 Nos.	2 Nos.	2 Nos.
		(Rs.68.00)	(Rs.100.00)	(Rs.60.00)	(Rs.99.00)	(Rs.70.00)	(Rs.92.00)	(Rs.100.00)	(Rs.100.00)
	Rourkela	1 No.	2 Nos.	1 No.	1 No.	1 No.	2 Nos.	3 Nos.	1 No.
		(Rs.17.00)	(Rs.40.00)	(Rs.30.00)	(Rs.33.00)	(Rs.35.00)	(Rs.92.00)	(Rs.150.00)	(Rs.50.00)
	Bhilai	--	2 Nos.	1 No.	2 Nos.	4 Nos.	2 Nos.	1 No.	2 Nos.
		--	(Rs.40.00)	(Rs.30.00)	(Rs.66.00)	(Rs.140.00)	(Rs.92.00)	(Rs.50.00)	(Rs.100.00)
	Bokaro	--	--	2 Nos.	2 Nos.	3 Nos.	3 Nos.	3 Nos.	3 Nos.
		--	--	(Rs.60.00)	(Rs.66.00)	(Rs.105.00)	(Rs.138.00)	(Rs.150.00)	(Rs.150.00)
	Durgapur	--	--	--	--	--	3 Nos.	3 Nos.	2 Nos.
		--	--	--	--	--	(Rs.138.00)	(Rs.150.00)	(Rs.100.00)
<b>TOTAL</b>		17 Nos.	28 Nos.	26 Nos.	27 Nos.	37 Nos.	37 Nos.	42 Nos.	32 Nos.
		(Rs.1054.00)	(Rs.1883.00)	(Rs.2066.00)	(Rs.1998.00)	(Rs.2699.00)	(Rs.3020.00)	(Rs.3532.00)	(Rs.2856.00)

Note : The value of equipments for 93-94 has been adopted same as 92-93.

