

Annexure-I

PROPOSED COST REDUCTION IN THE PLANTS

(Rs. In Crores)

Unit	Amount
KALOL	3.23
PHULPUR-1	4.15
PHULPUR-II	2.98
AONLA-I	8.59
AONLA-II	3.37
KANDLA	7.09
PARADEEP	52.89
FINANACIAL GAIN DUE TO INCREASED PRODUCTION OF 1.38 LAKH TONNE OF UREA	17.70
<b>TOTAL SAVINGS</b>	<b>100</b>
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## Kalol Unit

### Measures to be adopted for reduction in Revenue Expenditure in 2018-19

Sr. no.	Suggestions	Tangible benefits (lakhs / year )
1	<u>Deferred operation of LTS guard catalyst:</u> At present LT Guard is kept in line throughout the year irrespective of condition of LT Shift converter catalyst. It is proposed that after replacement of LTS and LT Guard catalyst in next turnaround, the LT Guard will be kept in line with bypass valve in open condition. Thus the pressure drop is expected to be reduced by 0.5 Kg/cm <sup>2</sup> g thereby giving advantage of steam saving in synthesis gas drive turbine.	200
2	<u>Reduction in Transportation expenses:</u> Presently the size and quantities of buses plying between Ahmedabad and Plant for transportation of employees as well as for marketing purpose is being reviewed. The same expenses against the transportation shall be reduced by reducing the size and number of buses as well as by rationalising the bus routes.	20
3	<u>Optimization of Neem Oil Consumption :</u> Modification in neem oil spray mechanism is planned to reduce the neem oil consumption by 10%.	35
4	<u>Expenditure on celebrations:</u> Presently the Vigilance, Hindi, Safety, Environment weeks are celebrated throughout the 'Week'. This shall be celebrated as 'Day'. Also the size of tents, no. of bouquets, expenditure against decoration etc. shall be also be reduced.	5
5	<u>Expenditure on Staff Welfare:</u> At present two Recreation Clubs are operated for employees in Ahmedabad as well as in Kasturingar. This shall be merged and expenditure against the same shall be reduced. Also liveries like soaps etc.	10
6	<u>Courtesy and Entertainment expenses:</u> This shall be controlled and rationalised	3
7	<u>Guest House expenses:</u> This shall be reduced by making staff canteen facilities better and reducing use of Guest House to only High Dignitaries.	5
8	<u>Training Expenses:</u> The training of staff shall be carried out on need basis only.	2

9	<b>Reducing Local Conveyance expenses:</b> This shall be reduced by reducing one car and hiring one contract driver against it for who shall be used will Company vehicle.	3
10	<b>Other and Miscellaneous measures:</b> Various measures like Reduction in Medical bills against pathology, Reduction in printing expenses, Reduction in travelling expenses etc.	
	<b><u>Other Measures</u></b>	
1	To explore possibilities of rate contract for Pipes, Pipe Fittings , Flanges and Mechanical Valves	
2	Disposal of Construction surplus material like Pipes, Fittings, Flanges , Valves and fasteners.	
3	Outsourcing of Contract Services in place of retiring 'Non Technical' employees.	
4	Rent for various facilities like Baratghar, Club loan etc. To be reviewed for realistic rates.	
5	Contract terms for chemical dozing in CT shall be done reviewed and start of new contract be aligned with shutdown to shutdown.	40
6	ARC for civil consumable items like steel / cement / bathroom fittings, For procurement of local make Rathi steel / Kamdhenu steel may be resorted to over Tata / SAIL steel. Similarly other fittings being used in public buildings / residence may also be sourced from local brands	
7	Magazine like Kasturi shall be published once in six months against quarterly publication.	
8	Spare charge of synthesis and Methanator catalyst should not be kept in inventory. The same may be procured just prior to requirement for replacement at any particular unit	
	<b>Total Savings envisaged in Revenue Expenditure.</b>	<b>323</b>

## IFFCO Kalol Unit

Proposed Reduction in Fixed cost over approved ORB 2018-19			
			(Rs in Lakhs)
Year --->	2018-19		
Item	Approved ORB 2018-19	Proposed Reduction	Proposed revised expenditure for ORB 2018-19
<b>Consumption of</b>			
a. Chemicals	291	0	291
b. Catalysts	575	0	575
c. Resins	37	0	37
<b>Total</b>	<b>903</b>	<b>0</b>	<b>903</b>
<b>Repair &amp; Maintenance Expenses</b>			
Consumption of Stores & Spares	903	50	853
Contract Jobs	1850	0	1850
<b>Total</b>	<b>2753</b>	<b>50</b>	<b>2703</b>
<b>Employees' Remuneration and Benefits</b>			
Celebration expenses	60	5	55
Liveries to Staff	48	5	43
Staff Welfare Expenses	98	10	88
School Expenses	75	0	75
Other Expenses	195	10	185
<b>TOTAL</b>	<b>476</b>	<b>30</b>	<b>446</b>
<b>Other Manufacturing and Administration Expenses</b>			
Loose Tools Written Off	15	0	15
Electricity and Water Charges	150	0	150
Travelling Expenses - Employees	150	0	150
Local Conveyance Expenses	377	0	377
Printing and Stationery Expenses	50	0	50
Rent, Rates and Taxes	70	0	70
Communication Expenses	35	0	35
Publicity and Sales Promotion Expenses	11	0	11
Vehicle Hire, Running and Maint. Expenses	343	10	333
Horticulture Expenses	188	0	188
Security Expenses	370	0	370
Legal and Professional Charges	43	0	43
Bank and Finance Charges	20	0	20
Research and Development Expenditure	30	0	30
Books, Periodicals and Newspapers	149	0	149
Seminar and Conference Expenses	25	0	25
Guest House Expenses	45	5	40
Stores Overhead	50	5	45
Courtesy and Entertainment Expenses	22	2	20
Training Expenses	18	2	16
EDP Charges	123	5	118
Fixed Assets - Written Off / Loss on Sale	100	15	85
Miscellaneous Expenses	108	12	96
<b>Total</b>	<b>2491</b>	<b>56</b>	<b>2435</b>
<b>Grand Total</b>	<b>6623</b>	<b>136</b>	<b>6487</b>

Saving percentage	2.1%
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## PHULPUR UNIT -I

ORB 2018-19

Sl. No.	Head of Expenses	ORB 2018-19	Proposed Reduction	Revised Budget 2018-19
I	<u>Consumption of :</u>			
	Chemicals	533.38	44.00	489.38
	Catalysts	257.29		257.29
	Resins	6.21		6.21
	Stores & Spares (excl. adj. towards slow/non moving)	1417.83	84.00	1333.83
	<b>Total: ( I )</b>	<b>2214.71</b>	<b>128.00</b>	<b>2086.71</b>
II	<u>Employees' Remuneration &amp; Benefits</u>			
	Medical Expenses	567.05	25.00	542.05
	Celebration Expenses	40.00	10.00	30.00
	Staff Welfare Expenses	234.44	25.00	209.44
	School Expenses	359.23		359.23
	EMPLOYER CONTRIBUTION TOWARDS BEN. FUND.	19.80		19.80
	Club House Exp	18.91		18.91
	Award to employee	8.00		8.00
	Family Planning Incentive	0.25		0.25
	Transfer Exp	8.00		8.00
	Scholarship Exp	4.00		4.00
	Honarium to employee	0.00		0.00
	<b>Total: ( II )</b>	<b>1259.68</b>	<b>60.00</b>	<b>1199.68</b>
III	<u>Manufacturing &amp; Administration Expenses</u>			
	Repairs & Maintenance-Contract Jobs	2400.00	120.00	2280.00
	Printing & Stationery	20.00		20.00
	Rent, Rates & Taxes	51.00		51.00
	Electricity & Water Charges	0.00		0.00
	Insurance Expenses	700.00	35.00	665.00
	Travelling Expenses	80.30	5.00	75.30
	Communication Expenses	39.50	2.00	37.50
	Vehicle Hire, Running & Maintenance Charges	200.00	10.00	190.00
	Courtesy/Entertainment Expenses	70.00	3.50	66.50
	Horticulture Expenses/Township Exp.	240.00	15.00	225.00
	Bank & Finance Charges	25.00		25.00
	Training/Seminar Expenses	52.00	2.60	49.40
	EDP Charges	25.00		25.00
	Social Overhead Expenses	50.00	2.50	47.50
	Legal/Professional Charges	100.00	5.00	95.00
	Security Expenses	350.00	17.50	332.50
	Advertisement for Recruitment & Tender	0.50		0.50
	Miscellaneous Expenses - Gift	1.00		1.00
	AGM/ Delegate/Election Expenses	0.00		0.00
	Subscription Charges	3.00		3.00
	Sport Expenses & Cultural Exp	8.00		8.00
	Research & Development exp.	3.30		3.30
	Store overhead exp.	162.00	8.00	154.00
	laboratory exp.	16.00		16.00
	Kisanseva fund	2.67		2.67
	Guest House Expenses	25.00		25.00
	loose tools written off	30.00		30.00
	licence fees	15.00		15.00
	Scholarship Exp	0.00		0.00
	Assets Written Off	100.00		100.00
	Loss on Disposal of Assets	12.00	1.00	11.00
	Product Advertising	10.00		10.00
	Misc Expenses other sundry expenses	10.00		10.00
	<b>Total: ( III )</b>	<b>4801.27</b>	<b>227.10</b>	<b>4574.17</b>
	<b>GRAND TOTAL:( I+II+III)</b>	<b>8275.66</b>	<b>415.10</b>	<b>7860.56</b>
			<b>% Reduction</b>	<b>5.02</b>

## PHULPUR UNIT -II

ORB 2018-19

Sl. No.	Head of Expenses	ORB 2018-19	Proposed Reduction	Revised Budget 2018-19
I	<u>Consumption of :</u>			
	Chemicals	1090.37	50.00	1040.37
	Catalysts	324.46		324.46
	Resins	52.42		52.42
	Stores & Spares (excl. adj. towards slow/non moving)	550.00	33.00	517.00
	<b>Total: ( I )</b>	<b>2017.25</b>	<b>83.00</b>	<b>1934.25</b>
II	<u>Employees' Remuneration &amp; Benefits</u>			
	Celebration Expenses	40.00	10.00	30.00
	Staff Welfare Expenses	73.12	25.00	48.12
	School Expenses	115.77		115.77
	Club House Exp	6.09		6.09
	Award to employee	3.00		3.00
	Family Planning Incentive	0.10		0.10
	Transfer Exp	7.00		7.00
	Scholarship Exp	1.00		1.00
	Honorium to employee	0.00		0.00
	<b>Total: ( II )</b>	<b>246.08</b>	<b>35.00</b>	<b>211.08</b>
III	<u>Manufacturing &amp; Administration Expenses</u>			
	Repairs & Maintenance-Contract Jobs	1692.34	100.00	1592.34
	Printing & Stationery	20.00		20.00
	Rent, Rates & Taxes	0.00		0.00
	Electricity & Water Charges	0.00		0.00
	Insurance Expenses	800.00	40.00	760.00
	Travelling Expenses	25.00	5.00	20.00
	Communication Expenses	10.00		10.00
	Vehicle Hire, Running & Maintenance Charges	202.00	10.00	192.00
	Courtesy/Entertainment Expenses	10.00		10.00
	Horticulture Expenses/Township Exp.	240.00	15.00	225.00
	Bank & Finance Charges	4.00		4.00
	Training/Seminar Expenses	14.00		14.00
	EDP Charges	25.00		25.00
	Social Overhead Expenses	0.00		0.00
	Legal/Professional Charges	5.00		5.00
	Security Expenses	310.00	6.00	304.00
	Advertisement for Recruitment & Tender	0.00		0.00
	Miscellaneous Expenses - Gift	0.50		0.50
	AGM/ Delegate/Election Expenses	0.00		0.00
	Subscription Charges	1.00		1.00
	Sport Expenses & Cultural Exp	2.00		2.00
	Research & Development exp.	4.71		4.71
	Store overhead exp.	60.00	3.00	57.00
	laboratory exp.	16.00	1.00	15.00
	Kisanseva fund	0.83		0.83
	Guest House Expenses	25.00		25.00
	loose tools written off	2.00		2.00
	licence fees	15.00		15.00
	Scholarship Exp	0.00		0.00
	Assets Written Off	100.00		100.00
	Loss on Disposal of Assets	0.00		0.00
	Product Advertising	0.00		0.00
	Misc Expenses other sundry expenses	2.50		2.50
	<b>Total: ( III )</b>	<b>3586.88</b>	<b>180.00</b>	<b>3406.88</b>
	<b>GRAND TOTAL:( I+II+III)</b>	<b>5850.21</b>	<b>298.00</b>	<b>5552.21</b>
			<b>% Reduction</b>	<b>5.09</b>

## IFFCO AONLA UNIT - I

Point 1: Reduction of 5% in Revenue Expenditure  
Proposed reduction of revenue expenses under different heads during 2018-19

PARTICULARS	Rs./lakhs		
	Original Budget 2018-19	Proposed Reduction	Revised Budget 2018-19
<b>Chemicals, Catalysts and Resins</b>			
A. Chemicals	718.00	94.00	624.00
B. Catalysts	510.00	-	510.00
C. Resins	34.00	-	34.00
sub-total	1,262.00	94.00	1,168.00
<b>Medical &amp; Other Welfare Exp.</b>			
Medical Expenses	300.00	15.00	285.00
Medical Exp. Recruitment	3.00	-	3.00
Hospital Supplies & Dr.'s Honorarium	45.00	-	45.00
Award To Employees	40.00	-	40.00
Liveries	42.00	-	42.00
Club House Expenses	16.00	-	16.00
Grant to School	215.00	5.00	210.00
Celebration Expenses	60.00	-	60.00
Family Planning Expenses	0.10	-	0.10
Staff Welfare & Cable TV exp.	50.00	-	50.00
Honorarium To Staff	1.00	-	1.00
Cont. To Benevolent/Medical Fund	16.00	-	16.00
Scholarship Expenses	25.00	-	25.00
Superannuation Expenses	25.00	-	25.00
Ex-Gratia payment	5.00	-	5.00
Sub Total	843.10	20.00	823.10
<b>Repairs and Maintenance</b>	3,773.50	205.00	3,568.50
<b>Insurance</b>	1,400.00	70.00	1,330.00
<b>Other Manufacturing &amp; Adm. Exp.</b>			
Security Expenses	350.00	15.00	335.00
Loose Tools Written Off	20.00	-	20.00
Travelling Expenses - Others	1.00	-	1.00
Travelling Expenses - Inland	35.00	-	35.00
Travelling Expenses - Abroad	30.00	10.00	20.00
Travelling Expenses - Recruitment	0.50	-	0.50
Rent, Rates And Taxes	35.00	-	35.00
Printing & Stationery Expenses	29.00	-	29.00
Communication Expenses	30.00	-	30.00
Advertisement for Recrument & Tender	3.00	-	3.00
Publicity Expenses	6.00	-	6.00
Vehicle Running And Maintenance	36.00	-	36.00
Vehicle Hire Charges	175.00	10.00	165.00
Laboratory Expenses	6.00	-	6.00
Miscellaneous Expenses	4.00	-	4.00
Books, Periodicals & Newspapers	170.00	-	170.00
Railway Staff Salary	16.00	-	16.00
Expenses On Attending Seminars	8.00	-	8.00
Licence Fees	7.00	-	7.00
Horticulture Expenses	65.00	10.00	55.00
Guest House Expenses	50.00	10.00	40.00
Stores Overheads	75.00	-	75.00
Courtesy Expenses	22.00	-	22.00
Training Expenses - Inland	10.00	-	10.00
Local conveyance	0.70	-	0.70
F.L.T. Expenses	500.00	30.00	470.00
Legal And Professional Expenses	40.00	-	40.00
Bank Charges	20.00	-	20.00
Demurrage Charges	3.00	-	3.00
EDP Charges	15.00	-	15.00
Social Overhead Exp.	25.00	-	25.00
Loss on Disposal of Assets	50.00	-	50.00
Amount Charged Off/Adjusted	5.00	-	5.00
Assets Written off	20.00	-	20.00
Foreign Exchange Fluctuation	10.00	-	10.00
Cont. to Kisan Seva Fund	2.50	-	2.50
Sports Expenses	7.00	-	7.00
Subscription & Membership Fee-Emp.	1.00	-	1.00
Subscription & Membership Fee-Society	4.00	-	4.00
Recruitment Expenses	1.00	-	1.00
Commission on Disposal of Assets/Scrap	15.00	-	15.00
Honorarium Charges	1.00	-	1.00
Gift Exp.	1.00	-	1.00
Sub Total	1,904.70	85.00	1,819.70
<b>GRAND TOTAL</b>	<b>9,183.30</b>	<b>474.00</b>	<b>8,709.30</b>
			<b>5.16%</b>

PARTICULARS	Rs./lakhs		
	Original Budget 2018-19	Proposed Reduction	Revised Budget 2018-19
<b>Chemicals,Catalyts and Resins</b>			
A. Chemicals	688.00	57.00	631.00
B. Catalysts	375.00	-	375.00
C. Resins	28.00	-	28.00
sub-total	1,091.00	57.00	1,034.00
<b>Medical &amp; Other Welfare Exp.</b>			
Medical Expenses	200.00	10.00	190.00
Medical Exp. Recruitment	2.00	-	2.00
Hospital Supplies & Dr.'s Honorarium	8.00	-	8.00
Award To Employees	45.00	-	45.00
Liveneis	46.00	-	46.00
Club House Expenses	5.00	-	5.00
Grant to School	215.00	5.00	210.00
Celebration Expenses	40.00	-	40.00
Family Planning Expenses	0.24	-	0.24
Staff Welfare & Cable TV exp.	50.00	-	50.00
Honorarium To Staff	1.00	-	1.00
Transfer Expenses	6.00	-	6.00
Cont.To Benevolent/Medical Fund	17.00	-	17.00
Scholarship Expenses	15.00	-	15.00
Superannuation Expenses	8.00	-	8.00
Ex-Gratia payment	3.00	-	3.00
Sub Total	661.24	15.00	646.24
<b>Repairs and Maintenance</b>	2,567.00	215.00	2,352.00
<b>Insurance</b>	725.00	-	725.00
<b>Other Manufacturing &amp; Adm. Exp.</b>			
Security Expenses	350.00	15.00	335.00
Loose Tools Written Off	16.00	-	16.00
Travelling Expenses - Others	1.00	-	1.00
Travelling Expenses - Inland	30.00	-	30.00
Travelling Expenses - Abroad	10.00	5.00	5.00
Travelling Expenses - Recruitment	0.30	-	0.30
Rent, Rates And Taxes	12.00	-	12.00
Printing & Stationery Expenses	18.00	-	18.00
Communication Expenses	30.00	-	30.00
Advertisement for Recrument & Tender	1.00	-	1.00
Publicity Expenses	2.00	-	2.00
Vehicle Running And Maintenance	12.00	-	12.00
Vehicle Hire Charges	175.00	5.00	170.00
Laboratory Expenses	3.00	-	3.00
Miscellaneous Expenses	1.00	-	1.00
Books, Periodicals & Newspapers	145.00	-	145.00
Railway Staff Salary	15.00	-	15.00
Expenses On Attending Seminars	4.00	-	4.00
Licence Fees	45.00	-	45.00
Horticulture Expenses	65.00	10.00	55.00
Guest House Expenses	50.00	5.00	45.00
Stores Overheads	40.00	-	40.00
Courtesy Expenses	8.00	-	8.00
Training Expenses - Inland	5.00	-	5.00
Training Expenses - Abroad	2.00	-	2.00
Training Expenses - Others	0.50	-	0.50
Local conveyance	0.75	-	0.75
F.L.T. Expenses	350.00	10.00	350.00
Legal And Professional Expenses	50.00	-	50.00
Bank Charges	12.00	-	12.00
Demurrage Charges	2.00	-	2.00
EDP Charges	15.00	-	15.00
Social Overhead Exp.	25.00	-	25.00
Loss on Dosposal of Assets	50.00	-	50.00
Amount Charged Off/Adjusted	5.00	-	5.00
Assets Written off	20.00	-	20.00
Foreign Exchange Fluctuation	10.00	-	10.00
Cont. to Kisan Seva Fund	2.50	-	2.50
Sports Expenses	5.00	-	5.00
Subscription & Membership Fee-Emp.	1.00	-	1.00
Subscription & Membership Fee-Society	2.00	-	2.00
Recruitment Expenses	1.00	-	1.00
Commission on Disposal of Assets/Scrap	20.00	-	20.00
Honorarium Charges	1.00	-	1.00
Gift Exp.	1.00	-	1.00
Sub Total	1,624.05	50.00	1,574.05
<b>GRAND TOTAL</b>	<b>6,668.29</b>	<b>337.00</b>	<b>6,331.29</b>
			5.05%



## Aonla Unit - I

Reference to Office Order dated 07.02.2018.

### Point No 3: Achieving best efficiency norms in operations.

Although IFFCO Aonla Unit has achieved one of the best operating efficiency norms in the world for Urea producing Units after completing ESP Project successfully in the current financial year, we are still striving to save energy to generate more Revenue in the next financial year as per the following measures:

#### Saving in energy:

SI No	Description	Energy saving in terms of Gcal/MT of Ammonia	Annual Monetary saving (Rs./lakhs)
01	Start of FD fan motor (MK-1202) by stopping FD fan turbine. This shall reduce net MP steam consumption by 8 MT/hr. and additional electrical power shall be used for motor (Considering operation for 5 months).	0.069	385

## IFFCO Kandla Unit

## Reduction of 5% in Revenue Expenditure

## Proposed Reduction of Revenue Expenses Under Different Budget Heads During 2018-19

Rs. / Lakhs

Particulars	Original Budget 2018-19	Proposed Reduction	Revised Budget 2018-19	
<b>1. CHEMICALS</b>	171.00		171.00	
<b>2. MEDICAL &amp; OTHER WELFARE EXPENSES</b>				
REIMBURSEMENT OF MEDICAL EXPENSES	240.00		240.00	
HOSPITAL SUPPLIES	8.70		8.70	
DOCTOR'S HONORARIUM	26.00		26.00	
MEDICAL EXPENSES - RECRUITMENT	1.81		1.81	
LIVERIES- EMPLOYEES	50.00		50.00	
STAFF WELFARE EXPENSES	94.00		94.00	
AWARD TO EMPLOYEES	44.00		44.00	
CELEBRATION EXPENSES	95.00	10.00	85.00	
CLUB HOUSE EXPENSES	8.50		8.50	
SCHOOL EXPENSES	318.00		318.00	
TRANSFER EXPENSES	5.57		5.57	
SUPERANNUATION EXPENSES	22.21		22.21	
FAMILY PLANNING INCENTIVE	0.40		0.40	
HONORARIUM TO EMPLOYEES	0.50		0.50	
EMPLOYER CONTRIBUTION TOWARDS BEN. FUND.	19.19		19.19	
<b>Sub Total</b>	<b>933.88</b>	<b>10.00</b>	<b>923.88</b>	
<b>3. REPAIRS &amp; MAINTENANCE</b>	<b>7,500.10</b>	<b>490.30</b>	<b>7,009.80</b>	
<b>4. INSURANCE</b>	<b>295.00</b>		<b>295.00</b>	
<b>5. OTHER MANUFACTURING &amp; ADMN. EXPENSES</b>				
Travelling Exp.: (Inland)	75.00	5.00	70.00	
Travelling Exp.: (Abroad)	35.00	5.00	30.00	
Travelling Exp.: (Other than Employee)	2.00		2.00	
LOOSE TOOLS WRITTEN OFF	15.00		15.00	
ELECTRICITY & WATER CHARGES	501.00	25.00	476.00	
FIXED LOCAL TRAVELLING EXPENSES	453.00		453.00	
PRINTING & STATIONERY CHARGES	40.00	2.00	38.00	
RENT, RATES & TAXES	2,094.00	90.00	2,004.00	
COMMUNICATION EXPENSES	72.25	2.00	70.25	
ADVERTISEMENT EXPENSES	32.00	5.00	27.00	
VEHICLE FUEL, RUNNING & MAINT. EXPENSES	400.19		400.19	
HORTICULTURE EXPENSES	145.00	4.00	141.00	
SECURITY EXPENSES	503.00	70.00	433.00	
LEGAL / PROF. CONSL. CHARGES	73.00		73.00	
BANK CHARGES	15.00		15.00	
Forward Cover Premium			-	
RESEARCH & DEVELOPMENT EXP	35.00		35.00	
PER. BOOKS & NEWS PAPERS- EMPLOYEES	185.00		185.00	
SEMINAR & CONF. EXP.	15.00		15.00	
Guest House Expenses	14.50		14.50	
STORES OVERHEAD	80.00		80.00	
COURTESY & ENTERTAINMENT EXPENSES	19.00	1.00	18.00	
TRAINING EXPENSES	27.00		27.00	
EDP CHARGES	20.00		20.00	
AMOUNTS CHARGED OFF / ADJUSTED	275.00		275.00	
Misc. Expenses	92.93		92.93	
<b>Sub Total</b>	<b>5,218.87</b>	<b>209.00</b>	<b>5,009.87</b>	
<b>Grand Total</b>	<b>14,118.85</b>	<b>709.30</b>	<b>13,409.55</b>	<b>5.02%</b>

**Proposed Savings in revenue expenditure and improvement in operational efficiencies in Paradeep unit.**

**ITEM No. 1: Proposed Reductions of Rs.14.20 Crore in Revenue Expenditure during F.Y. 2018-19**

The Revenue Expenditure budgeted for the Financial Year 2018-19 under various heads has been further reviewed, it is proposed to further reduce the expenditure by Rs.15.50 Crore which works out to 5.77%. The head wise details are given as under:

(Rs. Crore)

Account Head	Proposed expenditure as per ORB 18-19	Revised expenditure ORB 18-19	budgeted under	Proposed Reduction
Repair & Maintenance Exp.	157.16		148.00	9.16
Other manufacturing & Admn. Exp.	66.64		62.40	4.24
Medical & Other Welfare Exp. (Part of Employees Cost)	19.52		19.52	0.00
Insurance	17.50		17.00	0.50
Consumption of Chemicals & Catalysts	7.82		7.52	0.30
	268.64		254.44	14.20
Saving due to improvement in operation	-		-	37.11
Grand total				51.31

The Account Head wise details are given at Annexure-I.

## COST EFFICIENCY - SAVINGS BY ENHANCED PRODUCTION

### UNIT WISE SHEET ON PRODUCTION

Based on Present Rs. 1285/- per MT Reimbursement

PLANT	Unit	ORB 2018-19	Per Day Capacity	On-Stream Days Proposed	Projected Production	Extra Production	Additional Yearly Savings Possible
		MT	MT		MT	MT	Rs Crore
KALOL *	MT	600000	1850	340	600000	-	-
PHULPUR-I	MT	735000	2200	340	748000	13000	1.7
PHULPUR-II	MT	1050000	3250	340	1105000	55000	7.1
AONLA-I	MT	1070000	3250	340	1105000	35000	4.5
AONLA-II	MT	1070000	3250	340	1105000	35000	4.5
<b>Total</b>						<b>138000</b>	<b>17.7</b>

ORB 2018-19 Production            45.25 Lakh MT

Proposed                                    46.63 Lakh MT