

## Chapter 2

**(A) Irregular booking and delivery of 'Iron Ore' at Domestic Consumption Rate and results thereof**

**(B) Utilisation of Iron ore not consumed domestically**

**(C) Allocation and allotment of Rakes for Iron ore transport**

### 2.1 Customers eligible for Domestic Rate

The Dual Freight Policy (DFP) introduced in May 2008<sup>18</sup> entitled the manufacturers of Iron and Steel to avail benefit of payment of freight at domestic consumption rate subject to stipulations of the Policy. Subsequently manufacturers of Iron ore pellets and Cement were also included<sup>19</sup> in that category in July 2008 and June 2009 respectively. However, freight for transport of Iron ore pellets for export as well as Iron ore moved for pelletisation for export was to be charged at rate other than domestic consumption rate.

### 2.2 Freight rates applicable to iron ore traffic

Initially the transportation of Iron ore for domestic consumption was assigned Class 170 in May 2008; this was increased to Class 180 with effect from 13 October 2008 and the transportation of iron ore for 'other than domestic consumption' was assigned the higher Class of 200 X<sup>20</sup>. With effect from 6 June 2009, Railway Board revised<sup>21</sup> the freight to be charged on Iron ore traffic for 'other than domestic use', from Class 200 X to Class 180 plus a Distance Based Charge (DBC) which comprised of lump sum amount per Metric Tonne (MT) plus a percentage of basic freight rate (10 *per cent* to 125 *per cent* as per slab). The slab for charging DBC was fixed as follows:

<b>Table 2.1</b>	
<b>DBC for various distance slabs</b>	
<i>Distance slab(in KM)</i>	<i>DBC in terms of Percentage of Basic Freight Rate(BFR)</i>
0 to 200	125% of BFR + lump sum amount
201 to 300	90% of BFR + lump sum
301 to 400	75% of BFR + lump sum
401 to 500	45% of BFR + lump sum
501 to 600	25% of BFR + lump sum
601 to 700	10% of BFR + lump sum
More than 700	Only lump sum amount

The lump sum amount of ₹ 200 fixed initially, was increased from time to time, up to a maximum of ₹1600 till 05-03-2012. Subsequently it was reduced to ₹ 1125 from 06-03-2012 which remained unchanged till date (October 2014).

<sup>18</sup> vide Rate Circular No.24 of 2008

<sup>19</sup> Circular Nos. 30 of 2008 and 36 of 2009

<sup>20</sup> vide Rate Circular 54 of 2008

<sup>21</sup> vide Rate Circular No. 36 of 2009

### **2.3 Documents required to be submitted for availing freight rate for domestic consumption**

As per Rate Circulars issued by Railway Board for implementing Dual Freight Policy<sup>22</sup> for Iron ore transport, for availing freight rate applicable for domestic consumption, submission of verified copies of six documents<sup>23</sup> to the Station Master/Chief Goods Supervisor of loading points along with the indent for every allotment of rake was made mandatory for Iron and Steel manufacturers. However, in case of manufacturer having own Siding, the mandatory documents, except Monthly Excise Returns (MERs), were to be submitted only once i.e. at the time of Registration as one timer with the Divisional Railway Office. The MERs were to be submitted by such manufacturers every quarter. Non-one timer consignees were also required to submit Affidavit and Indemnity Note at unloading points before obtaining delivery in each case. Forwarding Note were required to be submitted along with each indent<sup>24</sup>. Affidavit and Indemnity Bond<sup>25</sup> were also to be submitted once by one-timers and with every indent by non-one timers. Further, if MER are not submitted every quarter by the consignee, it would lose eligibility of one time submission of documents.

For Pelletisation Units, all the prescribed documents were required to be submitted to the Station Master/Chief Goods Supervisor of loading points with indent for each booking irrespective of the condition whether party used own Sidings or other's Sidings.

Audit observed that in case of one time submission of documents no explicit direction has been given for re-submission of documents whose validity had expired to maintain the eligibility of one time submission of documents.

### **2.4 Consequences of non submission/ partial submission of documents and of submission of false /inaccurate misleading Documnets/ Indemnity Notes**

Submission of valid documents was a criteria to avail benefit of freight at domestic consumption rates. All traffic other than that meant for domestic consumption would be charged at higher freight rate. Hence, prior to issue of Railway Receipt/delivery of the consignment, Railway Administration was

<sup>22</sup> Rate Circular 24 of 2008 issued in May 2008 and Rate Circular 36 of 2009 issued in June 2009

<sup>23</sup> Industrial Entrepreneur Memorandum, Consent for Operation from State Pollution Control Board, Factory Licence, Certificate of Registration under Contract Labour Act, Central Excise Registration Certificate and monthly Excise Returns.

<sup>24</sup> Forwarding Note is attached to the mandatory documents declaring that Iron ore transported is meant for domestic consumption.

<sup>25</sup> An Affidavit certifying that the iron ore booked is meant for domestic consumption is required to be submitted at both the loading and unloading points. An Indemnity Note by the consignee to indemnify the Railway against mis-declaration of export iron ore as domestic iron ore for availing a lower freight rate or any other misuse is to be submitted. These documents are required to be submitted once in the Divisional Office by manufacturer having own siding and at the time of registration of each indent for wagons and taking delivery to the Station Master/Chief Goods Supervisor of loading points/unloading points by manufacturer utilising other than own Siding.

required to satisfy themselves that all the required documents have been submitted by the consignor/consignee. Railway receipt was to be issued only in the name of the consignee in respect of whom the prescribed documents were submitted by the consignor to Railway. Also, the delivery of goods so booked was only to be made to the consignee mentioned on the Railway Receipt (RR). Non-submission/ partial submission of documents, submission of false /inaccurate, misleading documents while availing freight meant for domestic consumption of Iron ore was to result in the following:

- Failure to submit any of the prescribed excise-related documents by the one timers would result in disqualification from eligibility of the one-time submission of documents. In such case the manufacturer will be required to submit all documents at the time of registration of each indent at loading points in order to avail freight rate for domestic consumption.
- Partial submission /non-submission of documents or submission of inaccurate, false and misleading Indemnity Note will result in charging freight at Class 180 plus Distance Based Charge (consisting of lump sum amount plus a percentage (as per distance slab) of Basic Freight Rate as per slab and recovery of undercharge will be made.
- As per provisions of DFP<sup>26</sup> if it is detected at any stage that the endorsement mentioned in the Forwarding Note<sup>27</sup> and/or Affidavits were false, inaccurate or misleading, a penalty for mis-declaration would be imposed at the rate of four times of the freight chargeable. Such consignors and consignees would be blacklisted for a period of three years.

### **2.5 Irregularities in booking of Iron ore**

Audit reviewed the systems of notification of consignees having their own siding, for one time submission of documents and for the submission of prescribed documents by consignees at the selected loading and unloading points over Zonal Railways. The review revealed that:

On various occasions, though consignees did not submit some or all documents or submitted invalid documents, to the respective Railway Authorities<sup>28</sup>, Railway Authorities booked Iron ore charging freight at domestic consumption rate, leading to evasion of freight on large scale. In many cases, Forwarding Note and Affidavit were submitted by the consignees with inaccurate and misleading endorsement. These were fit cases to attract penalty as per the prescribed provisions. The Audit findings in this regard at

<sup>26</sup> Railway Board's instructions (May and July 2008)

<sup>27</sup> Every person entrusting any goods to Railway for carriage should execute a Forwarding Note in the specified form. The consignor shall be responsible for the correctness of the particulars furnished and shall indemnify the Railway station against damage suffered by reason of the incorrectness or incompleteness of the particulars in the Forwarding Note (Clause No. 64 of Railways Act, 1989)

<sup>28</sup> Chief Goods Supervisor/Chief Goods Clerk/ Sr. DCM

Railway Divisions and selected loading, unloading points are exhibited in Table below:

Table 2.2 - Summary position of audit findings						
Details	Loading points				Unloading points	
	RRs examined - 90766 Irregularities observed (RRs) – 12425				RRs examined <sup>29</sup> - 120088/20516 Irregularities observed (RRs) - 15889	
	Non-submission of documents	Partial submission of documents	Submission of invalid documents	Invalid Affidavit/ Forwarding Note	Non-submission/partial submission of Indemnity Note and/or Affidavit	Submission of invalid Affidavit/ Indemnity Note <sup>30</sup>
No. of consignees	225	218	49	205	340	150
No. of rakes	2079	5083	190	5041	9943	1251
Freight Evasion (₹ in crore)	957.76	2309.06	108.42	--	4100.72	407.89
Penalty (₹ in crore)	--	--	--	10582.68	--	830.04

Non-submission, partial submission and submission of invalid documents resulted in freight evasion of ₹ 7883.85 crore and penalty of ₹ 11412.72 crore. The details are discussed in the succeeding paragraphs.

### 2.5.1 Non submission of documents at loading points

Audit test-check of 90766 RRs at 83 selected loading points in seven Zonal Railways revealed that in respect of 225 consignees, who booked iron ore by themselves or through their agencies, Railway Authorities<sup>31</sup> allowed booking of 2079 rakes over four<sup>32</sup> Zonal Railways (SER, ECoR, SWR and SECR) charging freight at domestic rate even though none of the prescribed documents were submitted by these consignees.

Table 2.3 Details of non-submission of documents by consignees										
Zonal Railway	where consignees booked iron ore to other than their own siding					where consignees booked iron ore to their own siding				Total
	SER	ECoR	SWR	SECR	Total	SER	ECoR	SWR	Total	
1	2	3	4	2	5	6	7	8	9	10
No. of consignees	132	43	8	2	185	17	22	01 <sup>33</sup>	40	225
No. of rakes	1063	264	25	7	1359	362	71	287	720	2079
Freight Evasion (₹ in crore)	378.47	159.58	13.14	3.61	554.80	169.27	63.60	170.09	402.96	957.76

A check of records pertaining to authorisation<sup>34</sup> in respect of the consignees booking Iron ore to their own Sidings revealed that -

<sup>29</sup> Overall audit checked 120088 RRs at unloading points out of which, 20516 RRs pertained to non-one timers or one-timers who defaulted in submission of documents and thus became non-one timers.

<sup>30</sup> Submission of invalid Indemnity Note resulted in short levy of freight and submission of invalid Affidavit attracted penalty

<sup>31</sup> Chief Goods Clerk/Chief Goods Supervisor

<sup>32</sup> No cases were found in remaining three Zonal Railways (WR, WCR and SR)

<sup>33</sup> Though M/s BMM Ispat Ltd. booked consignments for their own siding, as the company has a pelletization unit, they have to submit all the required documents to the station concerned for each and every rake separately on the basis of Paragraph 5 of Rate Circular No.

- In SER, out of 362 RRs, in respect of 302 RRs consignees, Chief Goods Clerk/Chief Goods Supervisor allowed booking at domestic rate to consignees treating them as one-timers even though, they were not notified by Sr. DCM as one-timers. They did not submit required documents at loading points.
- In respect of remaining 60 RRs, consignees lost status of one timers due to expiry of validity of one or more documents, such as factory license, Certificate of Labor Registration or default in submission of Monthly Excise Returns on quarterly basis. However, there were delays in denotification of consignees by Sr. DCM. Due to this consignees continued to avail benefits admissible to one timers.
- In ECoR, in respect of 71 RRs consignees neither approached Sr. DCM for registration as one timers nor submitted documents at loading points/ Divisions.

Acceptance of indents without obtaining prescribed documents from 225 consignees booking to their sidings/ other than their own sidings and booking rakes at domestic rates by Chief Goods Supervisor/Chief Goods Clerk/ Sr. DCM, led to freight evasion of ₹ 957.76 crore during the period from May 2008 to September 2013 in terms of Railway Board's Rate Circular. Zonal Railway wise list of consignees along with number of rakes in respect of which requisite documents were not submitted is given in *Annexure III (a) and III (b)*.

### 2.5.2 Partial submission of documents at loading points

Audit test-check of 90766 RRs at 83 selected loading points in seven Zonal Railways revealed that in respect of 218 consignees who booked Iron ore by themselves or through their agencies, charging of freight at domestic consumption rate was allowed by Railway authorities<sup>35</sup> while booking 5083 rakes over five<sup>36</sup> Zonal Railways (SER, ECoR, SWR, WCR and WR) even though submission of documents by these consignees was partial. The details of documents that were not submitted are shown in Table below:

<b>Description of documents required</b>	<b>Consignees booking iron ore to other than their sidings</b>		<b>Consignees booking iron ore to their own sidings</b>	
	<b>No. of consignees</b>	<b>No. of RRs in respect of which documents were not submitted</b>	<b>No. of consignees</b>	<b>No. of RRs in respect of which documents were not submitted</b>
<b>1. Industrial Entrepreneur Memorandum (IEM)</b>	63	341	8	47
<b>2. Consent of Operation (CFO)</b>	71	280	8	67

<sup>36</sup> of 2009, but this was not done and rakes were booked at domestic rate without submitting any documents at loading points.

<sup>34</sup> in office of Sr.DCM of the concerned Divisions

<sup>35</sup> Chief Goods Clerk/Chief Goods Supervisor

<sup>36</sup> No cases were found in remaining two Zonal Railways (SECR and SR)

3. Factory License (FL)	72	283	8	64
4. Certificate of Registration under Contract Labour Act (CLA)	75	338	8	46
5. Central Excise Registration Certificate (CERC)	61	254	8	46
6. Monthly Excise Return (MER)	131	558	18	3839
7. Affidavit	108	446	14	3930
8. Indemnity Note/Bond	90	418	18	3984

Acceptance of partial documents and allotting rakes and booking iron ore at domestic rates by Chief Goods Supervisor/Chief Goods Clerk/ Sr. DCM, led to freight evasion of ₹ 2309.06 crore during the period from May 2008 to September 2013 in respect of consignees booking iron ore to their own sidings and consignees booking iron ore to other than their sidings, together. The Zonal Railway wise details are given below:

Table 2.5											
Details of partial submission of documents by consignees											
Zonal Railway	Consignees booking iron ore to other than their sidings						Consignees booking iron ore to their own sidings				Total
	SER	ECOR	SWR	WCR	WR	Total	SER	ECOR	SWR	Total	
No. of consignees	156	32	4	1	1	194	22	1 <sup>37</sup>	1 <sup>38</sup>	24	218
No. of rakes	829	107	17	39	43	1035	4013	13	22	4048	5083
Evasion of freight (₹ in crore)	357.20	53.96	8.92	17.77	18.24	456.09	1839.13	2.19	11.65	1852.97	2309.06

Zonal Railway wise list of consignees along with number of rakes in respect of which requisite documents were partially submitted is given in **Annexure IV (a) and IV (b)**.

### 2.5.3 Submission of invalid, inaccurate, false documents at loading points

Test-check by audit at selected loading points revealed that the documents submitted by 49 consignees (either booking Iron ore to their own Sidings or other than their own Sidings) over four<sup>39</sup> Zonal Railways (SER, ECoR, SWR and WCR) had deficiencies. The deficiencies in the documents included cases such as Monthly Excise Returns submitted for earlier period than that required, Consent of Operation (CFO) not cleared as the case is *subjudice*, consignee name manually corrected etc. The documents in which the deficiencies were observed and number of rakes booked (RRs) with such deficient documents are shown in the Table below:

<sup>37</sup> Though this consignee booked Iron ore to own siding, it was not notified by Sr.DCM. Also in respect of 13 rakes partial documents at loading points were submitted.

<sup>38</sup> M/s BMM Ispat Ltd. booked consignments for their own siding. As the company has a pelletization unit, they were required to submit all the required documents to the station concerned for each and every rake separately as per Paragraph No. 5 of Rate Circular No. 36 of 2009. This was not done and rakes were booked charging freight at domestic consumption rate.

<sup>39</sup> No such cases were found in the remaining three Zonal Railways (SECR, WR, SR)



Name of the requisite documents	No. of consignees	No. of RRs in respect of which documents submitted were deficient
1. Industrial Entrepreneur Memorandum (IEM)	9	25
2. Consent of Operation (CFO)	14	46
3. Factory License (FL)	10	38
4. Certificate of Registration under Contract Labour Act (CLA)	14	87
5. Central Excise Registration Certificate (CERC)	2	2
6. Monthly Excise Return (MER)	9	17
7. Indemnity Note/Bond	35	73

Audit observed that railway booked 190 rakes on the basis of these documents and allowed transportation at domestic consumption rate, which resulted in freight evasion of ₹ 108.42 crore as detailed below:

Zonal Railways	SER	ECoR	SWR	WCR	Total
No. of consignees	26	21	1	1	49
No. of rakes	70	75	1	44	190
Freight Evasion(₹ in crore)	37.84	45.10	0.62	24.86	108.42

Zonal Railway wise list of consignees along with number of rakes in respect of which documents submitted were invalid is given in *Annexure V (a)*.

#### 2.5.4 Imposition of Penalty

Railway Board's instructions dated May and July 2008 stipulated imposition of penalty at the rate of four times of the freight, if it was detected at any stage that the endorsement in the Forwarding Note and/or Affidavits was inaccurate/false/misleading.

Test-check by audit at selected loading points revealed cases involving deficiencies attracting imposition of penalty<sup>40</sup> at four times of the chargeable rate for mis-declaration. The discrepancies included cases such as Affidavit without RR numbers and/or dates or with dates much earlier than or after RR date, signature of deponent not present in affidavit, Forwarding Note not endorsed for domestic use etc. The Zonal Railway wise number of rakes at selected loading points over three<sup>41</sup> Zonal Railways (SER, ECoR and SWR), where Affidavit and/or Forwarding Note submitted were inaccurate is given below:

Zonal Railway	Both Forwarding Note and Affidavits		Affidavit		Forwarding Note		Total	
	No. of RRs	No. of consignees	No. of RRs	No. of consignees	No. of RRs	No. of consignees	No. of RRs	No. of consignees
ECoR	0	0	109	25	0	0	109	25
SER	142	61	464	103	4325	128	4931	179
SWR	0	0	1	1	0	0	1	1
Total	142	61	574	129	4325	128	5041	205

<sup>40</sup> RC 95 of 2006 dated 8.11.2006

<sup>41</sup> No cases were found in remaining Zonal Railways (SECR, WCR, WR, SR)

As the information furnished was inaccurate, false or misleading in these cases, a penalty of ₹ 10582.67 crore at four times the chargeable rate was leviable in respect of these 5041 RRs. These inaccuracies had not been detected by railway administration. The Zonal Railway wise details are given below:

<b>Table 2.9</b>				
<b>Zone wise details of penalty</b>				
<i>Zonal Railways</i>	<i>SER</i>	<i>ECoR</i>	<i>SWR</i>	<i>Total</i>
<i>No. of consignees</i>	179	25	1	205
<i>No. of rakes</i>	4931	109	1	5041
<i>Leviable penalty (₹ in crore)</i>	10121.33	459.18	2.16	10582.67

Zonal Railway wise number of RRs where consignees submitted invalid documents are given in *Annexure V (b)*.

## **2.6 Audit findings at unloading points**

### **2.6.1 Non submission/partial submission of documents at unloading points**

The consignees booking iron ore to other than their own sidings and consignees booking iron ore to their own sidings, but who did not have one timer status were required to submit two documents (Affidavit and Indemnity Note) at unloading point. If material was to be delivered to the authorized agent, the consignee was required to submit proper authorisation letter issued by the Company.

In this regard, Audit checked 120088 RRs at 180 unloading points over 15<sup>42</sup> Zonal Railways. Of these, in respect of 20516 RRs consignees were required to submit Affidavit and Indemnity Bond at unloading points. 10539 RRs of these pertained to non-one-timers, and remaining 9977 RRs pertained to consignees who booked iron ore to their own sidings, but did not have one time timer status. Audit observed that out of 20516 RRs, in 15889 RRs either Affidavit or Indemnity Note or both were not submitted at unloading points, or documents submitted were found deficient. These 15889 RRs included 4695 RRs<sup>43</sup> in respect of which non-submission, partial submission or submission of invalid document was also noticed at respective loading points. Zonal Railway wise non-submission/partial submission/invalid submission of Affidavit and/or Indemnity Note in respect of the remaining 11194 RRs at unloading points is shown in table below:

<sup>42</sup> SER, SWR, WR, SCR, ER, NCR, ECR, NR, SECR, CR, NER, WCR, SR, ECoR and KR

<sup>43</sup> CR-165, ECoR-211, ER-10, KR-9, NER-1, NR-1, SECR-172, SER-3864, SWR-251, WR-11



Zonal Railways	Total no of RRs checked	Both Indemnity Note and Affidavit not submitted	Indemnity Note not submitted	Affidavit not submitted	Submission of invalid Indemnity Note	Submission of invalid Affidavit	Total nos. of rakes
CR	1597	62	277	3	4	24	370
ECoR	26760	193	191	3	74	57	518
ECR	981	0	0	0	0	0	0
ER	10478	13	176	7	561	25	782
KR	269	4	0	17	139	38	198
NCR	203	0	0	0	0	0	0
NER	100	76	0	0	0	0	76
NR	112	10	0	82	1	0	93
SCR	1142	384	0	0	0	0	384
SECR	30061	1895	769	4	7	23	2698
SER	41343	4846	489	11	16	208	5570
SR	2443	35	78	0	0	0	113
SWR	4226	83	0	0	0	0	83
WCR	83	68	0	0	0	0	68
WR	290	77	90	0	69	5	241
<b>Total</b>	<b>120088</b>	<b>7746</b>	<b>2070</b>	<b>127</b>	<b>871</b>	<b>380</b>	<b>11194</b>

As can be seen from the Table above, of the remaining 11194 RRs,

- in 7746 RRs, both Affidavit and Indemnity Note were not submitted at unloading points,
- in 2070 RRs, Indemnity Note were not submitted and
- in respect of 127 RRs, Affidavits were not submitted.
- in 871 RRs Indemnity Notes submitted were invalid/deficient.

Non-submission/partial submission of these two documents and invalid submission of Indemnity Note resulted in freight evasion ₹ 4508.61 crore.

- In respect of remaining 380 RRs Affidavit submitted was deficient/invalid, which attracted penalty of ₹ 830.04 crore.

By allowing delivery of the consignments despite non submission/partial submission/submission of invalid documents, which was in violation to the conditions laid down in the Rate Circulars, railway administration allowed freight evasion of ₹ 4508.61 crore in respect of 10814 RRs. In view of the inaccuracies in the submitted documents (affidavit) in respect of 380 RRs, a penalty of ₹ 830.04 crore would be leviable.

Zonal Railway wise number of RRs where consignees did not submit/partially submit/submitted invalid Affidavit and/or Indemnity Note is given in *Annexure VI (a), VI (b) and VI (c)*.

## 2.7 Non-submission/partial submission of documents by SAIL

It was noticed in audit that Steel Authority of India Limited (SAIL), a Public Sector Undertaking having its own captive mines as well sidings for loading

and unloading of iron ore did not comply with rules and failed to submit required documents relevant to consignees having one timer status. Despite of this Railway Administration did not de-notify SAIL from one timer status. Audit observed that SAIL did not submit any documents in respect of 1184 RRs and submitted partial documents in respect of 7773 RRs at loading points and 1256 RRs at unloading points. This attracted higher freight rate which the Railway Administration fail to realised, leading to under charge of freight to the tune of Rs. 4838.80 crore<sup>44</sup>. In respect of two RRs, an amount of ₹ 5.45 crore was also chargeable towards penalty due to submission of deficient Affidavit.

### **2.8 Iron ore transported availing freight at ‘domestic consumption’ rate but not used for domestic consumption**

As stipulated in the Rate Circulars domestic rate is applicable for iron ore used for production of Iron and Steel etc. at the specified manufacturing units. As such any unauthorised diversion of it or unauthorised removal from the manufacturing units detected subsequently by railway administration would have attracted penalty. This is because the booking is done at domestic rate on the basis of the endorsement given in the Forwarding Note and the assurance given in the Affidavit that the iron ore transported is meant for use at the manufacturing unit.

Audit test checked the documents to see whether there were any unauthorised diversions/short reporting of iron ore booked at domestic rate in the excise Returns or there were any unauthorised removal of it from manufacturing units. For this Audit compared information regarding quantity transported by rail at domestic rate as per CRIS data, use and removal as such from manufacturing units of some of the selected consignees with the aid of Excise Return ER 6/ER 4 (collected from Central Excise Department) and information on use of raw material incorporated by these consignees in their Annual Accounts (collected from Department of Company Affairs). The study revealed the following:

#### **2.8.1 Short Reporting and non use of iron ore transported by Rail at domestic rate at manufacturing unit**

Audit examined Excise Returns in respect of 188<sup>45</sup> Iron and Steel Manufacturing Units out of 303 consignees, as could be collected from Central Excise Department. The total quantity of ‘Iron ore’ transported by Rail at domestic consumption rate by these 188 Consignees<sup>46</sup> was obtained from CRIS data and the same was compared with the corresponding figures of

<sup>44</sup> For 1184 RRs ₹385.76 crore, for 7773 RRs Rs.4106.88 crore & for 1256 RRs ₹ 346.16 crore

<sup>45</sup> SER-46, SECR-37, ECoR -22, SWR-10 , WR- 10 , WCR-1, SR-5, NER-1, CR- 10, KR-2, NCR-2, ECR-16, ER-13, NR-2 and SCR-11

<sup>46</sup> SER-46, SECR-37, ECoR -22, SWR-10 , WR- 10 , WCR-1, SR-5, NER-1, CR- 10, KR-2, NCR-2, ECR-16, ER-13, NR-2 and SCR-11

receipt of 'Iron ore' as available in the Excise Returns (ER 6/ER 4)<sup>47</sup> submitted by consignees to Central Excise Department. It was observed that:

- The quantity shown as received in Excise Returns by the consignees was less than the quantity transported by rail by 71.22 lakh MT in case of 61 Iron and Steel Manufacturing Units. This was an indicator that the quantities booked and transported at freight rate applicable for domestic consumption were diverted for third party trading/export.
- Out of 61 consignees, audit revealed that 48 consignees had failed to submit prescribed documents - Monthly Excise Returns (7669 RRs) and two legal documents viz. Indemnity Note (7918 RRs) and Affidavit (7988 RRs) while booking 8480 rakes. Though these 48 consignees failed to submit required documents, they were allowed to transport Iron ore at domestic consumption rates by concerned Railway Administration. Consignee wise details are given in *Statement C*.

The above indicates that by not checking the Excise Returns of the consignees, Railway Administration failed to assess the quantity of iron ore short reported and not used for domestic purpose, thereby facilitating irregular transport of iron ore at domestic consumption rates. Diversion of iron ore which was transported at domestic consumption rate, before entering the factory premises attracted a penalty of ₹ 5095.97 crore which was not recovered (*Annexure VII*).

### 2.8.2 Wide variations in percentage of removal of iron ore fines

EDRM, Kolkata in July 2008, suggested Railway Board for giving additional allocation to the extent of 25 per cent to compensate for fines generation in the process of crushing iron ore lump for getting the specified size for use in furnace. But, it was required to be done only after verification of the crushing arrangements and process inside the Plants premises of the consignees. It was also stipulated that the normative requirement of 1.7 times was not to be changed. Railway Board accepted the suggestions of EDRM, Kolkata in July 2008 and thus, recognised a limit of 25 per cent for the generation of iron ore fines, out of total quantity of Iron ore booked and transported by rail at freight charged at domestic consumption rate. However, audit observed that Railway Board did not consider these suggestions while framing the Rate Circular 36 of May 2009 and did not lay down any ceiling for residual/ left over quantity of iron ore fines.

Further, this significant clause allowing the left over /residual iron ore fines for export out of the iron ore carried at domestic rate without any limit having financial repercussion was added to the Rate Circular without referring the issue to appropriate technical authority<sup>48</sup>. Audit observed that

<sup>47</sup> ER 4 depicts annual financial information regarding stock position including purchase and consumption of raw materials and ER 6 depicts monthly receipt and consumption of principal inputs and finished excisable goods.

<sup>48</sup> Ministry of Steel, Government of India

(i) Scrutiny of Excise Returns of 188 manufacturing units located in 15 Zonal Railways<sup>49</sup> as collected from Central Excise Department showed that 43 consignees removed 38.16 lakhs MT of 'Iron ore' from the factory premises. out of the quantities booked and transported at domestic consumption rate by rail alone. Of these 43 consignees, 23 consignees, removed 8.79 lakh MT of 'Iron ore', in excess of 25 per cent of receipt by rail. List of these 23 consignees is given in *Annexure VIII*. The percentage of removal was 90 to 100 per cent in case of three<sup>50</sup> consignees in some years.

(ii) Further, the manufacturing units having Pellet or Sinter Plants are able to use the generated fines in the blast furnace by converting the fines into pellet/sinter. As such, removal of iron ore fines should not have been allowed to them. However, it was not stipulated in the Rate Circular.

(iii) Removal of lump and fines from the factory premises could have been checked by assigning separate commodity codes for iron ore fines and iron ore lumps respectively. A separate commodity code was, however, prescribed (July 2013) belatedly for lump and fines. But Audit observed that the same is not implemented fully.

(iv) In FOIS data, unique identification code for each consignor is also essential for deriving correct information of bookings of Iron ore made by each consignee, which was not done.

Railway Board during the Exit Conference (January 2015) stated that as mixed rakes consisting of both iron ore lump and fines could be loaded from the mines and there was no difference in rates for lumps and fines, it was not possible to strictly monitor loading of lumps and fines. Their argument is not valid. If Railways had identified manufacturer by giving unique identification code to all consignees who were not in a position to use iron ore fines due to absence of Pelletisation Plant /Sinter Plant but were indenting rakes for carrying iron ore fines, this could have been the first step towards verification of end use of iron ore transported at domestic rate.

As such, removal of Iron ore from manufacturing units beyond permissible limit of 25 per cent was prima facie irregular and it would have been appropriate for Railways to impose penalty for irregular removal (beyond permissible limit) of 'Iron ore'.

Thus, failure of Railways to ensure submission of complete and valid documents by Iron & Steel manufacturing consignees during the period May 2008 to September 2013 resulted in freight evasion of ₹ 7883.85 crore. In view of the inaccuracies/misleading or false information in the documents submitted, a penalty of ₹ 11412.72 crore was also leviable on various defaulting consignees. Non-submission/partial submission/submission of invalid documents in respect of SAIL resulted in short charging of freight of ₹

<sup>49</sup> SER-46, SECR-37, ECoR -22, SWR-10 , WR- 10 , WCR-1, SR-5, NER-1, CR- 10, KR-2, NCR-2, ECR-16, ER-13, NR-2 and SCR-11

<sup>50</sup> Maheswary Ispat Limited, SPS Steel and Rolling Mills Limited and Rai Mata Ispat India Limited

4838.80 crore besides a penalty of ₹ 5.45 crore on account of submission of invalid affidavits. Further, permission for removal of Iron ore without prescribing upper ceiling limit for Iron ore fines, non-enforcement of use of separate codes for 'Iron ore lumps' and 'Iron ore fines' gave scope of large scale and unquestionable removal of 'Iron ore fines' from manufacturing unit for sale or export.

Railways also failed in noting the details of removal given in the ERs of these consignees to trace the cases where 'Iron ore' transported by rail at 'domestic consumption' rate was not put to domestic use, thereby resulting in attraction of penalty of ₹ 5095.97 crore in respect of 61 consignees, as a result of short reporting of 'Iron ore' in ERs.

Railway Board stated (January 2015) that Railways did not/does not have any obvious in-built mechanism for ascertaining the end-use to which the Iron ore was ultimately put after its delivery had been taken by the consignee at the designated destination station. Moreover, it was the Railways which first detected the cases of freight evasion.

Railway's contention is not acceptable as they did not use the documents submitted by the consignees as per the stipulated requirements. Also the documents prescribed by the Railways such as ERs contained information viz. manufacturing capacity, quantity of iron ore received, used and removed from manufacturing units; essential to establish the applicability or otherwise of lower rate of freight for domestic producers. Thus, prescribing submission of documents without a stipulation of checks of relevant information readily available with them makes them meaningless. In regard to Ministry's claim that it was the Railway which first detected the cases of freight evasion, it is stated that the issue of allowing concessional rates for transportation of iron ore, despite submission of incomplete Affidavit/Indemnity Note at Goods Shed, Bhaga in SER was raised in September 2009 by Audit. After that only, Railway Administration issued Demand Notice against M/s Rashmi Metaliks in August 2011 and to other 16 defaulting consignees during the period September 2012 to March 2013. Further, in spite of the fact that Railway Board was well aware of the weaknesses/lapses in implementation of the policy, Railway Board had not issued any detailed guidelines to arrest the weaknesses /lapses in implementation (January 2015).

## **C Allocation and Allotment of Rakes for Iron ore transport**

### **2.9 Assessment, allocation and allotment of rakes for Iron ore traffic**

In the context of movement of iron ore, the significance of allotment of rakes cannot be overemphasised, considering the fact that the IR has shortage of rakes vis-à-vis demand. Therefore, it is required that rake allocation and allotment is done judiciously and in a manner that unscrupulous consignees are not able to misuse them. There is a system of assessment of requirement of rakes for customers belonging to various categories. Thereafter, allotment of rakes is done against indents placed by the customers.

For the purpose of allotment of rakes, the customers have been divided in four categories. The consumers are assigned preference/priority in that order. The characteristics and priorities/preferences assigned to these categories are given below.

- a) **Central Board of Trade (CBT) Category** – This Category covers customers like Integrated Steel Plants with a production capacity of one Million Tonne Hot Metal (Molten pig iron) and having their own private siding<sup>51</sup>. For CBT Category, Railways are required to make all efforts to fulfil the programmed allotments of rake.
- b) **Wagon Investment Scheme (WIS) category** – This category covers customers who have joined the Wagon Investment Scheme<sup>52</sup>. Railways are required to make all efforts to load all the mandatory number of rakes which are contractually agreed upon.
- c) **Priority C** – Priority C category covers those consignees which have the Plant with Steel producing capacity of 0.50 million tonne i.e. requiring five rakes of 'Iron ore' per month. Railways are required to make all efforts to fulfil the programmed allotments of rakes. While assessing rake requirement, the quantity of 'Iron ore' used for production at the manufacturing unit in the previous three months as mentioned in Excise Returns (ERs) excluding the immediate preceding month of the quarter under consideration is kept in view besides meetings held with the customers. The quarterly assessed requirement is communicated to the concerned Authorities of the Zonal Railway<sup>53</sup>, so as to allot rakes accordingly.
- d) **Priority D** – This category covers all other manufacturers who do not fall under any of the above mentioned three categories. The production by the customers belonging to this category would be less than 0.50 million tonne and requirement of wagon rakes, less than five per month. In this category, the customers are not covered under 'Programmed Traffic' and hence, no assessment is done for them. Thus, neither any rakes are specifically allocated in advance to them nor any prior assurance given. Their requirement is met after meeting the requirement of other three categories.

However, the concept of Oldest Day of Regulation (ODR) has been evolved by Railway Board to extend the benefit of rake availability to the Priority D customers. Under this concept, two days in each week are designated as ODR days, on which allotment is done on the basis of seniority of the indent, irrespective of the category of customers.

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<sup>51</sup> This category at present includes Steel Authority of India Ltd (SAIL), Rashtriya Ispat Nigam Ltd. (RINL), Tata Steel Ltd. (TISCO), Neelachal Ispat Nigam Ltd. (NINL) and Jindal Steel and Power Ltd.

<sup>52</sup> The scheme was introduced in 2005, wherein customers investing in Railway wagons will be assured of supply of a guaranteed number of rakes every month based on the number of rakes procured and the turn round of the type of wagons with 10% concession in freight.

<sup>53</sup> Chief Operations Manager and Divisions (Sr. Divisional Operations Manager)



For SER, ECoR and SECR, in case of customers belonging to categories other than Priority D, the monthly requirement of rakes is assessed manually every quarter by Executive Director Rake Movement of Railway Board (EDRM), Kolkata. In other Zonal Railways, it is assessed by the concerned Commercial Authorities of Zonal Railways.

At loading points, after the receipt of indent for allotment of rakes, the allotment is made manually, except in Chakradharpur (CKP) and Khurda Road (KUR) Division of SER and ECoR, where allotment is made through computerised Rake Allotment System (RAS) on the basis of rakes allocated by EDRM, Kolkata, or concerned Sr. DCM, based on indent received, availability of rakes, and priorities and satisfaction level prescribed for each category of customer and the ODR policy prescribed by Railway Board besides loading capacity, unloading capacity and route capacity. Relevant information is obtained from other modules of FOIS and the factors mentioned above are taken into consideration through inbuilt logic programme.

### **2.9.1 Deficiencies in rake allocation and allotment**

Audit studied the procedure for assessment of the requirement of rakes, allocation and allotment of rakes in five Zonal Railways viz. SER, SECR, ECoR, SWR and WCR. It was noticed that -

- Although the allotment of rakes to Priority D customers was considerable in size, there was no check of use of 'Iron ore' by the consignees for the production of Iron and Steel at their manufacturing units before allocations/allotments of rakes. This is a serious system weakness fraught with risk of misuse. Study of allotment of rakes given to this category in two major loading point Divisions of IR i.e. Chakradharpur Division of SER (from January 2011) and Khurda Road Division of ECoR (from May 2011) revealed that the *percentage* of rakes allotted to the category D customers was *24 per cent to 33 per cent* in case of CKP and *63 per cent to 83 per cent* in case of KUR of total number of rakes allotted.
- Though Priority C customers got assured allocation of rakes consignees showed an increasing preference to be categorised under Priority D rather than under Priority C. In SER, ten consignees<sup>54</sup> got themselves delisted from Priority C and joined Priority D customers during March 2013 to March 2014. It is indicative of the fact that for a customer it was easy to get adequate rakes under Priority D without proving the use of 'Iron ore' at manufacturing units.
- From November 2010 onwards Railway Board allowed<sup>55</sup> Priority C customers to place indents under Priority D subject to submission of requisite documents. This practice of accepting indents under both

<sup>54</sup> Rashmi Metaliks Limited, Atibir Industries, Euro Pratik ispat Pvt Ltd, Shyam Sel and Power limited Group, Mideast Integrated Steel, KIC Metaliks, Satya power and Ispat, Neo Metaliks, Maa Chinnamastika Group of Companies and MB Ispat Limited

<sup>55</sup> Railway Board's letter no. 2007/TT-III(S)/32/16 dated 16.11.2010

categories from same customers was fraught with risk as a customer who is not able to get rakes allotted under Priority C on the basis of data for use of 'Iron ore' can place indents under Priority D and get rakes allotted under that category, where there is no check of quantity of 'Iron ore' used.

- Two customers<sup>56</sup>, decided to withdraw themselves from Priority C in August 2012 and February 2013 respectively. However, requirement of assessment was continued to be done and allocations given to them treating as Priority C.
- Although application of a customer<sup>57</sup> for getting themselves delisted from Priority C was accepted by EDRM on 1 June 2013, allocation of 15 rakes was done during June 2013 under Priority C.
- Allocation of rakes is done on the basis of the consumption of previous quarter by various customers. However, a test-check of allocation allotment of rakes revealed that customers were allotted rakes in excess of actual requirement based on the quantum of consumption during the previous quarter<sup>58</sup>, details of which are shown in the *Statement D*. All the consignees were found removing large quantities of iron ore from their manufacturing units which could have been sold /exported. First three companies of Statement D have also short reported to Excise Authorities the iron ore quantity booked at domestic rate by rail which could have also been sold/exported. The provisions for allotment of wagon rakes under this Category were deficient as a manufacturer with lesser production could get more rakes than required for lifting raw material without informing quantum of production and thereafter can misuse the received raw material.

### 2.9.2 Deficiencies in Rake Allotment System (RAS)

An analysis of the data from Rake Allotment System provided by CRIS and study of User Manual and documentation prepared by CRIS and detailed discussions held with concerned CRIS officials in New Delhi revealed the following:

- For allotment of rakes, timing of registration of indent is very crucial which is captured by the RAS from Terminal Management System (TMS) of Freight Operation Information System (FOIS). However, it was observed that the timing of registration of indents in TMS was being recorded manually by the TMS users<sup>59</sup>. As such, there remains a scope of altering ODR and extending undue benefit to customers.
- The allocation and allotment of rakes to all consignees of Category CBT and Priority C customers in Chakradharpur and Khurda Road Divisions

<sup>56</sup> M/s Shyam Sel and Power Limited and M/s Super Smelters in SER

<sup>57</sup> M/s Jai Balaji Industries Limited in SER

<sup>58</sup> Consumption of previous quarter has been taken from Excise Return whereas rake/weight allotted was taken from Rake Allotment System data.

<sup>59</sup> Chief Goods Supervisor and loading clerks

of SER and ECoR respectively is required to be made automatically by RAS. However, it was observed from the data provided by CRIS that out of 66745 allotments made during the period from 1 April 2011 to 19 May 2014, 13060 (19.57 per cent) allotment were made through manual intervention in RAS (Chakradharpur Division-21 per cent and Khurda Road Division 6.45 per cent) bypassing the inbuilt logic set in the RAS. Party-wise manual allotment of rakes through RAS during the period of review are given in **Statement E**. Manual allotment of rakes to such an extent at Railway Divisions where the allotment has been computerised may not be considered as a good practice as it can be misused.

- CBT consignees are given the highest priority for allotment of rakes. However, manual allotment was made in favour of one non-CBT customer<sup>60</sup> under CBT category in November 2012 which is irregular.
- Password is given for the loading point, which is used by all users posted at that point. Password thus allowed for the Group working on one loading point and not to individuals, is a weak logical access control.

Allotment of rakes through RAS by manual intervention for Priority C and D customers also indicated that there exists a risk of extending undue benefits to select customers bypassing all in-built checks in RAS such as Customer Rake Requirement, route capacity, priority, loading capacity of originating station, unloading capacity of destination station etc.

The above instances also illustrate that allocation/allotment of rakes was done without ascertaining the actual use of iron ore at manufacturing units.

When the issue of non-submission/partial submission/submission of invalid documents was raised with the Railway Board, they stated (January 2015) that the matter had been forwarded to Zonal Railways and since a large number of documents were to be collected and evaluated, it would take time. Railway Board also assured that the checks and balances would be strengthened.

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<sup>60</sup> Bothre Shipping Limited

**Statement C**

<b>Details of non submission, partial submission or deficient submission of documents by the Consignees, which also short reported iron ore in Excise Returns</b>											
<i>Name of the Company</i>	<i>Number of bookings/RRs</i>	<i>IEM</i>	<i>CFO</i>	<i>Factory License</i>	<i>CLA Registration Certificate</i>	<i>CERC</i>	<i>Monthly Excise Returns</i>	<i>Affidavit</i>	<i>Indemnity Bond</i>	<i>Forwarding Note</i>	<i>Whether Demand notice issued by Railways</i>
<i>Adhunik Alloys Power Pvt Ltd</i>	22	5	14	18	13	9	11	10	11	1	
<i>Brahmaputra Metalics Ltd</i>	11	2	6	3	3	3	3	11	8	5	
<i>Bravo Sponge Iron Ltd.</i>	6	1	1	1	1	1	5	2	2	3	
<i>Dhanbad Fuels Ltd</i>	5	1	1	2	1	1	1	5	2	2	
<i>Divya Jyoti Sponge Iron (P) Ltd</i>	1	0	0	0	0	0	0	0	0	1	
<i>Eassar Steel Ltd</i>	103	7	7	8	91	7	10	16	18	8	Yes
<i>Electrosteel Steels Limited</i>	45	7	39	27	7	7	9	20	27	3	
<i>Gallant Ispat Ltd</i>	5	0	0	0	0	0	2	0	0	3	
<i>Haldia Steel</i>	14	0	1	1	1	1	1	9	2	5	Yes
<i>Howrah Gases Ltd</i>	42	3	9	9	9	9	10	34	34	4	
<i>Jai Durga Iron Pvt Ltd</i>	14	0	1	0	0	0	2	2	2	9	
<i>Jai Balaji Industries Ltd.</i>	131	55	59	59	58	58	103	106	96	8	
<i>Jindal Steel &amp; Power Ltd.</i>	3308	2	2	2	2	2	3306	3308	3307	2	
<i>K.I.C. Metaliks Ltd.</i>	18	0	0	0	0	0	2	13	11	6	
<i>M.B Ispat Corporation Ltd.</i>	1	0	0	0	0	0	0	1	0	1	Yes
<i>Maa Chinna Mastika Sponge Iron Ltd.</i>	2	0	0	1	0	1	0	1	0	2	Yes
<i>Maa Chinnamastika Cement &amp; Ispat Pvt Ltd</i>	5	0	1	1	1	1	1	4	2	2	
<i>Maithan Steel &amp; Power Ltd.</i>	10	0	0	0	0	0	3	6	1	3	
<i>Mark Steel Ltd.</i>	2	0	0	0	0	0	0	1	2	0	Yes
<i>Nav Durga Fuel Ltd.</i>	32	1	13	14	15	15	18	18	17	29	
<i>Neelachal Ispat Nigam Ltd.</i>	60	0	1	1	1	1	60	46	47	0	
<i>Prakash Industries Ltd</i>	380	184	196	194	195	192	210	330	286	35	
<i>Raimata Ispat (India) Pvt Ltd</i>	5	5	5	5	5	5	5	5	5	0	
<i>Ramgarh Sponge &amp; Iron Pvt Ltd</i>	5	3	3	3	3	3	4	4	3	1	
<i>Rashmi Ispat(P) Ltd</i>	7	0	0	2	0	0	0	3	5	4	Yes
<i>Rashmi Metalics Ltd.</i>	69	9	63	13	62	9	10	66	68	0	Yes
<i>Rishabh Sponge Pvt Ltd</i>	12	0	0	0	3	1	1	5	0	3	
<i>Rungta Mines. Ltd.</i>	19	4	17	6	17	6	6	19	16	1	
<i>Salasar Steel &amp; Power Ltd</i>	68	63	66	68	66	68	67	64	64	0	
<i>Satyam Iron&amp;Steelco.Pvt.Ltd.</i>	27	0	0	0	0	0	7	3	2	17	
<i>Satyam Smelters Pvt.Ltd.</i>	26	0	1	1	0	0	6	5	1	17	
<i>Shakambhari Ispat &amp; Power Ltd</i>	12	0	1	1	0	1	0	7	5	0	
<i>Shivam Iron &amp; Steel Ltd.</i>	11	0	0	1	0	0	4	6	3	1	
<i>Shree Gopal Govind Sponge (P) Ltd</i>	7	2	2	2	2	2	4	4	2	2	
<i>Shri Venkateshwar Iron &amp; Alloys India Ltd</i>	6	0	0	1	0	0	0	6	0	0	
<i>Sidhi Vinayak Metcom Ltd</i>	6	0	1	0	0	0	0	1	0	6	
<i>Singhal Enterprises Pvt Ltd</i>	139	78	130	130	108	108	107	85	133	7	
<i>Sunflag Iron And Steel Pvt Ltd</i>	106	0	0	9	9	0	20	93	88	8	
<i>Tata Steel Ltd.</i>	3542	435	3541	3541	3541	3541	3541	3542	3542	3541	

<b>Details of non submission, partial submission or deficient submission of documents by the Consignees, which also short reported iron ore in Excise Returns</b>											
<i>Name of the Company</i>	<i>Number of bookings/RRs</i>	<i>IEM</i>	<i>CFO</i>	<i>Factory License</i>	<i>CLA Registration Certificate</i>	<i>CERC</i>	<i>Monthly Excise Returns</i>	<i>Affidavit</i>	<i>Indemnity Bond</i>	<i>Forwarding Note</i>	<i>Whether Demand notice issued by Railways</i>
<i>Taylorolls Limited</i>	17	1	2	2	2	2	2	6	3	10	
<i>Vaswani Industries Limited</i>	1	1	1	1	1	1	1	1	1	0	
<i>Visa Steels Ltd.</i>	69	21	46	41	41	39	41	36	31	21	
<i>Vishal Sponge Pvt.Ltd.</i>	6	2	2	5	2	2	4	5	5	1	Yes
<i>Vision Sponge Iron Pvt.Ltd.</i>	41	10	20	19	20	18	25	24	11	9	
<i>Gopal Sponge and Power Private Limited</i>	32	31	32	31	32	29	31	27	28	0	
<i>Phil Ispat Private Limited</i>	1	0	0	0	0	0	0	1	0	0	
<i>Shivalaya Ispat and Power Private Limited</i>	8	8	8	8	8	8	7	8	8	0	
<i>Sri Bajrang Power and Ispat Limited</i>	21	19	19	19	19	19	19	19	19	5	
<b>Total</b>	<b>8480</b>	<b>960</b>	<b>4311</b>	<b>4250</b>	<b>4339</b>	<b>4170</b>	<b>7669</b>	<b>7988</b>	<b>7918</b>	<b>3786</b>	

*Statement D*

Statement showing the details of customers to whom rakes were allotted in excess of requirement						
S. No	Name of the firm	Quarter	Consumption in previous quarter (in MT)	Weight carried through rakes allotted in current quarter (in MT)	Excess allotment over consumption of previous quarter (in MT)	% of excess allotment
1	Rashmi Metalics Ltd.	April 11 - June 11	6184	310760	304575	4925
		July 11 - Sept 11	10045	157208	147162	1464
		Oct 11 - Dec 11	37125	76776	39650	106
		Jan 12 - March 12	67852	201080	133227	196
2	Rashmi Ispat Ltd.	April 11 - June 11	16457	25592	9134	55
		July 11 - Sept 11	8745	25592	16846	192
		Oct 11 - Dec 11	8770	25592	16821	191
		Jan 12 - March 12	8918	40216	31297	350
3	Mark Steel Ltd.	April 12 - June 12	18408	69464	51056	277
		July 12 - Sept 12	19920	32904	12984	65
		Oct 12 - Dec 12	0	29248	29248	--
		Jan 13 - March 13	11489	40216	28727	250
4	SPS Steel & Rolling Mills Ltd.	April 13 - June 13	0	25592	25592	--
		July 13 - Sept 13	10012.45	29248	19235.55	192



## Statement E

<b>Statement showing company-wise number of rakes allotted through RAS by manual intervention</b>				
<b>S. no</b>	<b>Consignee name</b>	<b>Consignee code</b>	<b>Priority</b>	<b>Number of rakes</b>
1.	BOTHRE SHIPPING LTD	BSL	D	1
2.	STEEL AUTHORITY OF INDIA LTD.	BSP	CBT	1760
3.	CONCAST STEEL & POWER LTD	CON	D	1
4.	EASTERN STEEL AND POWER LTD	ESP	C	1
5.	GLOBAL ASSOCIATES	GA	C	1
6.	JAI BALAJI INDUSTRIES LTD.	JBIL	C	2
7.	JINDAL STEEL & POWER LTD.	JSPL	CBT	1480
8.	JSW STEEL LTD. SALEM	JSWS	D	1
9.	JSW STEEL LTD., TNGL	JSWT	C	3
10.	NEELACHAL ISPAT NIGAM LTD.	NINL	CBT	1
11.	NEELACHAL ISPAT NIGAM LTD.	NINL	CBT	36
12.	RUNGTA MINES. LTD.	RML	D	1
13.	RUNGTA MINES. LTD.	RML	D	2
14.	SRI-SAINATHINDUSTRY-PVT-LTD	SAII	CBT	1
15.	STEEL AUTHORITY OF INDIA LTD.	SAIL	CBT	3090
16.	STEEL AUTHORITY OF INDIA LTD.	SAIL	CBT	203
17.	SKS ISPAT LTD	SKS	C	1
18.	SPSINGLA	SPS	D	2
19.	SHYAM SEL AND POWER LTD	SSP	D	1
20.	TATA STEEL LTD.	TISC	CBT	6471
21.	VISA STEELS LTD.	VISA	C	1