6.2 製品製造原価

SSP の製造する製品の製造原価は第 5 年目を見ると，第 6 − 7 表に示す通りである。

Table 6-7. Production Costs of Products per Tonne

Unit: Rs.

	Billet		Bar		
	Carbon Steel (SC)	Alloy Steel (Al)	Carbon Steel (SC)	Alloy Steel (Al)	Spring Steel (SUP)
Variable Cost	6,201	8,259	7,062	9,258	7,501
Labor cost	421	418	573	574	574
Depreciation	1,148	1,218	1,483	1,547	1,498
Others	89	89	88	88	88
Fixed Cost	1,658	1,725	2,144	2,209	2,160
Manufacturing Cost per Ton	7,859	9,984	9,206	11,467	9,661

Remark: Depreciation costs do not include those of the Casting Shop, Sheet & Plate Rolling Mill Shop and Forging Shop.

6.3 財 務 分 析

6.1 項に記した前提条件のもとで再建試案の財務分析が行われる。

Table 6-8-1

Model Case

Debt Equity Ratio (96 : 4)

S A L E S R E V E N U E

(YEAR)	0	1	2	3	4	5	6	7	8
(1) BILLET (SC)									
RATE OF OPERATION									
LOCALLY									
QUANTITY (1TON)		550	610	670	730	800	890	970	1070
UNIT PRICE (RS)		6870	6870	6870	6870	6870	6870	6870	6870
REVENUE (1000RS)		3779	4191	4603	5015	5496	6114	6664	7351
(2) BILLET (AL)									
RATE OF OPERATION									
LOCALLY									
QUANTITY (1TON)		110	120	130	150	170	180	190	210
UNIT PRICE (RS)		10190	10190	10190	10190	10190	10190	10190	10190
REVENUE (1000RS)		1121	1223	1325	1529	1732	1834	1936	2140
(3) BAR (SC)									
RATE OF OPERATION									
LOCALLY									
QUANTITY (1TON)		1150	1270	1400	1540	1690	1860	2050	2260
UNIT PRICE (RS)		9120	9120	9120	9120	9120	9120	9120	9120
REVENUE (1000RS)		10488	11582	12768	14045	15413	16963	18696	20611
(4) BAR (AL)									
RATE OF OPERATION									
LOCALLY									
QUANTITY (1TON)		1810	2000	2200	2420	2670	2920	3220	3550
UNIT PRICE (RS)		12070	12070	12070	12070	12070	12070	12070	12070
REVENUE (1000RS)		21847	24140	26554	29209	32227	35244	38865	42849
(5) BAR (SUP)									
RATE OF OPERATION									
LOCALLY									
QUANTITY (1TON)		4180	4600	5060	5560	6120	6730	7410	8150
UNIT PRICE (RS)		9840	9840	9840	9840	9840	9840	9840	9840
REVENUE (1000RS)		41131	45264	49790	54719	60221	66223	72914	80196
REVENUE FROM PRODUCT (1000RS)		78366	86400	95040	104508	115089	126578	139075	153147
REVENUE (LOCAL) (1000RS)		78366	86400	95040	104508	115089	126578	139075	153147
REVENUE (EXPORT) (1000RS)									
TOTAL REVENUE (1000RS)		78366	86400	95040	104508	115089	126578	139075	153147

S A L E S R E V E N U E

		(YEAR)	9	10
(1) BILLET (SC)				
RATE OF OPERATION				
LOCALLY				
QUANTITY	(	1TON)	1140	1300
UNIT PRICE	(	RS)	6870	6870
REVENUE	(	1000RS)	8107	8931
(2) BILLET (AL)				
RATE OF OPERATION				
LOCALLY				
QUANTITY	(	1TON)	240	260
UNIT PRICE	(	RS)	10190	10190
REVENUE	(	1000RS)	2446	2649
(3) BAR (SC)				
RATE OF OPERATION				
LOCALLY				
QUANTITY	(	1TON)	2480	2720
UNIT PRICE	(	RS)	9120	9120
REVENUE	(	1000RS)	22618	24806
(4) BAR (AL)				
RATE OF OPERATION				
LOCALLY				
QUANTITY	(	1TON)	3890	4280
UNIT PRICE	(	RS)	12070	12070
REVENUE	(	1000RS)	46952	51660
(5) BAR (SUP)				
RATE OF OPERATION				
LOCALLY				
QUANTITY	(	1TON)	8960	9860
UNIT PRICE	(	RS)	9840	9840
REVENUE	(	1000RS)	88166	97072
REVENUE FROM PRODUCT	(	1000RS)	168289	185068
REVENUE (LOCAL)	(	1000RS)	168289	185068
REVENUE (EXPORT)	(	1000RS)		
TOTAL REVENUE	(	1000RS)	168289	185068

PRO FORMA INCOME STATEMENT

		(YEAR)	0	1	2	3	4	5	6	7	8
****REVENUE****											
TOTAL REVENUE		(1000RS)		76366	86400	95040	104508	115089	126378	139075	153147
****COST****											
(1) VARIABLE COST											
BILLET (SC)											
REQUIREMENT		(TON)		550	610	670	730	800	890	970	1070
UNIT PRICE		(RS)		6201	6201	6201	6201	6201	6201	6201	6201
VALUE		(1000RS)		3411	3783	4155	4527	4961	5519	6015	6635
BILLET (AL)											
REQUIREMENT		(TON)		110	120	130	150	170	180	190	210
UNIT PRICE		(RS)		8259	8259	8259	8259	8259	8259	8259	8259
VALUE		(1000RS)		908	991	1074	1239	1404	1487	1569	1736
BAR (SC)											
REQUIREMENT		(TON)		1150	1270	1400	1540	1690	1860	2050	2260
UNIT PRICE		(RS)		7062	7062	7062	7062	7062	7062	7062	7062
VALUE		(1000RS)		8121	8969	9887	10875	11935	13133	14477	15960
BAR (AL)											
REQUIREMENT		(TON)		1810	2000	2200	2420	2670	2920	3220	3550
UNIT PRICE		(RS)		9258	9258	9258	9258	9258	9258	9258	9258
VALUE		(1000RS)		16757	18516	20368	22404	24719	27033	29811	32866
VARIABLE COST											
BAR (SUM)											
REQUIREMENT		(TON)		4180	4600	5060	5560	6120	6730	7410	8150
UNIT PRICE		(RS)		7510	7510	7510	7510	7510	7510	7510	7510
VALUE		(1000RS)		31392	34546	38001	41756	45961	50542	55649	61207
(2) OPERATING LABOUR	(FC)	(1000RS)		6090	6960	7470	7470	7470	9165	9165	9315
(3) DEPRECIATION	(FC)										
OLD		(1000RS)		29445	26380	23802	21480	19386	17501	15801	14263
NEW		(1000RS)		4360	3294	3845	3710	3589	3480	3382	3293
(4) OTHER EXPENCE	(FC)	(1000RS)		2000	2000	2000	2000	2000	2000	2000	2000
TOTAL OPERATING COST		(1000RS)		100482	105489	110602	115467	121425	129862	137869	147273
NET OPERATING INCOME		(1000RS)		-24116	-19039	-15562	-10959	-6336	-3484	1206	5874
INTEREST		(1000RS)		94831	94831	94831	94831	94831	94831	94831	94831
SPECIAL ITEMS		(1000RS)									
NET INCOME BEFORE TAX		(1000RS)		-118947	-113870	-110393	-105784	-101167	-98315	-93625	-88957
INCOME TAX		(1000RS)									
NET INCOME AFTER INT. & TAX		(1000RS)		-118947	-113870	-110393	-105784	-101167	-98315	-93625	-88957

PRO FORMA INCOME STATEMENT

		(YEAR)	9	10
NET INCOME AFTER INT. & TAX				
TOTAL REVENUE	(	1000RS)	168269	185065
****COST****				
(1) VARIABLE COST				
BILLET (SC)				
REQUIREMENT	(	1TON)	1180	1300
UNIT PRICE	(	RS)	6201	6401
VALUE	(	1000RS)	7317	8061
BILLET (AL)				
REQUIREMENT	(	1TON)	240	260
UNIT PRICE	(	RS)	8259	8459
VALUE	(	1000RS)	1982	2147
BAR (SC)				
REQUIREMENT	(	1TON)	2440	2720
UNIT PRICE	(	RS)	7062	7062
VALUE	(	1000RS)	17314	19209
BAR (AL)				
REQUIREMENT	(	1TON)	3890	4280
UNIT PRICE	(	RS)	9258	9454
VALUE	(	1000RS)	36014	39024
VARIABLE COST				
BAR (SUP)				
REQUIREMENT	(	1TON)	8960	9860
UNIT PRICE	(	RS)	7510	7510
VALUE	(	1000RS)	67290	74049
(2) OPERATING LABOUR (FC)	(	1000RS)	9515	9515
(3) DEPRECIATION (FC)				
OLD	(	1000RS)	12886	11640
NEW	(	1000RS)	3215	3743
(4) OTHER EXPENCE (FC)	(	1000RS)	2000	2000
TOTAL OPERATING COST	(	1000RS)	157543	169188
NET OPERATING INCOME	(	1000RS)	10726	15880
INTEREST	(	1000RS)	94831	94831
SPECIAL ITEMS	(	1000RS)		
NET INCOME BEFORE TAX	(	1000RS)	-84075	-78951
INCOME TAX	(	1000RS)		
NET INCOME AFTER INT. & TAX	(	1000RS)	-84075	-78951

CASH FLOW

Unit: Rs. 1,000

	0	1	2	3	4	5	6	7	8	9	10
Capital Increase	60,600	9,000	9,000	7,000							
Total Revenue		78,366	86,400	95,040	104,508	115,089	126,378	139,075	153,147	168,289	185,068
Cash Inflow	60,600	87,366	95,400	102,040	104,508	115,089	126,378	139,075	153,147	168,289	185,068
Capital Investment	60,600	9,000	9,000	7,000							
Total Operating Cost		100,482	105,439	110,602	115,461	121,425	129,862	137,869	147,273	157,533	169,188
Depreciation (Add Back)		-31,803	-29,674	-27,647	-25,190	-22,975	-20,981	-19,183	-17,556	-16,101	-14,785
Interest		94,831	94,831	94,831	94,831	94,831	94,831	94,831	94,831	94,831	94,831
Principal Repayment		0	0	0	0	0	0	0	0	0	0
Cash Outflow	60,600	172,510	179,596	184,786	185,102	193,281	203,713	213,517	224,548	236,263	249,234
Cash Balance	0	-85,144	-84,196	-82,746	-80,594	-78,192	-77,335	-74,442	-71,401	-67,974	-64,166

Remark: Debt: 96% Equity: 4%

INTERNAL RATE OF RETURN (FINANCIAL) (UNIT= 1000RS)

YEAR	INVESTMENT	NET OPERATING INCOME	SPECIAL ITEMS	INCOME TAX AT 100% EQUITY	DEPRE-CIATION	SALVAGE VALUE	RECLAIMED WORKING CAPITAL	NET CASH INFLOW	DISCOUNT FACTOR	PRESENT VALUE OF NET CASH INFLOW
0	366167	0	0	0	0			-366167	1.00000	-366167
1	9000	-22116	0	0	31603			687	1.07728	740
2	9000	-19039	0	0	29674			1635	1.16054	1897
3	7000	-15562	0	0	27647			5085	1.25023	6357
4	0	-10953	0	0	25190			14237	1.34685	19175
5	0	-6336	0	0	22975			16639	1.45095	24142
6	0	-3484	0	0	20981			17497	1.56308	27349
7	0	1206	0	0	19183			20389	1.68388	34333
8	0	3674	0	0	17550			23430	1.81402	42503
9	0	10756	0	0	16101			26857	1.95422	52485
10	0	15880	0	0	14783		44000	74663	2.10523	157185
										TOTAL=0

INTERNAL RATE OF RETURN = -7.174 %

Table 6-8-2

Model Case

Debt Equity Ratio (30 : 70)

S A L E S R E V E N U E

(YEAR)	0	1	2	3	4	5	6	7	8
(1) BILLET (SC)									
RATE OF OPERATION									
LOCALLY									
QUANTITY (TON)		550	610	670	730	800	890	970	1070
UNIT PRICE (RS)		6870	6870	6870	6870	6870	6870	6870	6870
REVENUE (1000RS)		3779	4191	4603	5015	5496	6114	6664	7351
(2) BILLET (AL)									
RATE OF OPERATION									
LOCALLY									
QUANTITY (TON)		110	120	130	150	170	180	190	210
UNIT PRICE (RS)		10190	10190	10190	10190	10190	10190	10190	10190
REVENUE (1000RS)		1121	1223	1325	1529	1732	1834	1936	2140
(3) BAR (SC)									
RATE OF OPERATION									
LOCALLY									
QUANTITY (TON)		1150	1270	1400	1540	1690	1860	2050	2260
UNIT PRICE (RS)		9120	9120	9120	9120	9120	9120	9120	9120
REVENUE (1000RS)		10488	11582	12768	14045	15413	16963	18696	20611
(4) BAR (AL)									
RATE OF OPERATION									
LOCALLY									
QUANTITY (TON)		1810	2000	2200	2420	2670	2920	3220	3550
UNIT PRICE (RS)		12070	12070	12070	12070	12070	12070	12070	12070
REVENUE (1000RS)		21847	24140	26554	29209	32227	35244	38865	42849
(5) BAR (SUP)									
RATE OF OPERATION									
LOCALLY									
QUANTITY (TON)		4180	4600	5060	5560	6120	6730	7410	8150
UNIT PRICE (RS)		9840	9840	9840	9840	9840	9840	9840	9840
REVENUE (1000RS)		41131	45264	49790	54710	60221	66223	72914	80196
REVENUE FROM PRODUCT (1000RS)		78366	86400	95040	104508	115089	126378	139075	153147
REVENUE (LOCAL) (1000RS)		78366	86400	95040	104508	115089	126378	139075	153147
REVENUE (EXPORT) (1000RS)									
TOTAL REVENUE (1000RS)		78366	86400	95040	104508	115089	126378	139075	153147

S A L E S R E V E N U E

		(YEAR)	9	10
(1) BILLET (SC)				
RATE OF OPERATION				
LOCALLY				
QUANTITY	(	1TON)	1140	1300
UNIT PRICE	(	RS)	6870	6870
REVENUE	(	100RS)	8137	8931
(2) BILLET (AL)				
RATE OF OPERATION				
LOCALLY				
QUANTITY	(	1TON)	240	240
UNIT PRICE	(	RS)	10190	10190
REVENUE	(	100RS)	2446	2669
(3) BAR (SC)				
RATE OF OPERATION				
LOCALLY				
QUANTITY	(	1TON)	2410	2720
UNIT PRICE	(	RS)	9120	9120
REVENUE	(	100RS)	22018	24806
(4) BAR (AL)				
RATE OF OPERATION				
LOCALLY				
QUANTITY	(	1TON)	3890	4280
UNIT PRICE	(	RS)	12070	12070
REVENUE	(	100RS)	46952	51660
(5) BAR (SUP)				
RATE OF OPERATION				
LOCALLY				
QUANTITY	(	1TON)	8960	9860
UNIT PRICE	(	RS)	9860	9860
REVENUE	(	100RS)	88356	97022
REVENUE FROM PRODUCT	(	100RS)	168249	185068
REVENUE (LOCAL)	(	100RS)	168249	185068
REVENUE (EXPORT)	(	100RS)		
TOTAL REVENUE	(	100RS)	168249	185068

PRO FORMA INCOME STATEMENT

		(YEAR)	0	1	2	3	4	5	6	7	8
****REVENUE****											
TOTAL REVENUE		(1000RS)		78300	86400	95040	104500	115089	126378	139075	153147
****COST****											
(1) VARIABLE COST											
BILLET (SC)											
REQUIREMENT		(TON)		550	610	670	730	800	890	970	1070
UNIT PRICE		(RS)		6201	6201	6201	6201	6201	6201	6201	6201
VALUE		(1000RS)		3411	3783	4155	4527	4961	5519	6015	6635
BILLET (AL)											
REQUIREMENT		(TON)		110	120	130	150	170	180	190	210
UNIT PRICE		(RS)		8259	8259	8259	8259	8259	8259	8259	8259
VALUE		(1000RS)		908	991	1074	1239	1404	1487	1569	1734
BAR (SC)											
REQUIREMENT		(TON)		1150	1270	1400	1540	1690	1860	2050	2260
UNIT PRICE		(RS)		7062	7062	7062	7062	7062	7062	7062	7062
VALUE		(1000RS)		8121	8969	9887	10875	11935	13135	14477	15960
BAR (AL)											
REQUIREMENT		(TON)		1810	2000	2200	2420	2670	2920	3220	3550
UNIT PRICE		(RS)		9258	9258	9258	9258	9258	9258	9258	9258
VALUE		(1000RS)		16757	18516	20368	22404	24719	27033	29811	32866
VARIABLE COST											
BAR (SUP)											
REQUIREMENT		(TON)		4180	4600	5060	5560	6120	6730	7410	8150
UNIT PRICE		(RS)		7510	7510	7510	7510	7510	7510	7510	7510
VALUE		(1000RS)		31392	34546	38001	41756	45961	50542	55649	61207
(2) OPERATING LABOUR	(FC)	(1000RS)		6090	6960	7470	7470	7470	9165	9165	9315
(3) DEPRECIATION	(FC)										
OLD		(1000RS)		29445	26380	23802	21480	19386	17501	15801	14263
NEW		(1000RS)		2540	3294	3845	3910	3589	3480	3382	3293
(4) OTHER EXPENSE	(FC)	(1000RS)		2000	2000	2000	2000	2000	2000	2000	2000
TOTAL OPERATING COST		(1000RS)		100482	105439	110602	115461	123425	129862	137869	147273
NET OPERATING INCOME		(1000RS)		-22110	-19039	-15562	-10961	-6336	-3484	1206	5874
INTEREST		(1000RS)		29726	29726	29726	29726	29726	29726	29726	29726
SPECIAL ITEMS		(1000RS)									
NET INCOME BEFORE TAX		(1000RS)		-51842	-48765	-45288	-40679	-36062	-33210	-28520	-23852
INCOME TAX		(1000RS)									
NET INCOME AFTER INT. & TAX		(1000RS)		-51842	-48765	-45288	-40679	-36062	-33210	-28520	-23852

P R O F O R M A I N C O M E S T A T E M E N T

		(YEAR)	9	10
NET INCOME AFTER INT. & TAX				
TOTAL REVENUE		(1000RS)	168249	185066
****COST****				
(1) VARIABLE COST				
BILLET (SC)				
REQUIRMENT		(1TON)	1150	1300
UNIT PRICE		(RS)	6201	6201
VALUE		(1000RS)	7317	8061
BILLET (AL)				
REQUIRMENT		(1TON)	240	260
UNIT PRICE		(RS)	8259	8259
VALUE		(1000RS)	1982	2147
BAR (SC)				
REQUIRMENT		(1TON)	2450	2720
UNIT PRICE		(RS)	7062	7062
VALUE		(1000RS)	17314	19209
BAR (AL)				
REQUIRMENT		(1TON)	3890	4280
UNIT PRICE		(RS)	9258	9258
VALUE		(1000RS)	36014	39624
VARIABLE COST				
BAR (SUP)				
REQUIRMENT		(1TON)	8960	9860
UNIT PRICE		(RS)	7510	7510
VALUE		(1000RS)	67290	74049
(2) OPERATING LABOUR	(FC)	(1000RS)	9315	9315
(3) DEPRECIATION	(FC)			
OLD		(1000RS)	12886	11640
NEW		(1000RS)	3215	3163
(4) OTHER EXPENCE	(FC)	(1000RS)	2000	2000
TOTAL OPERATING COST		(1000RS)	157553	169186
NET OPERATING INCOME		(1000RS)	10756	15880
INTEREST		(1000RS)	29726	29726
SPECIAL ITEMS		(1000RS)		
NET INCOME BEFORE TAX		(1000RS)	-18970	-13846
INCOME TAX		(1000RS)		
NET INCOME AFTER INT. & TAX		(1000RS)	-18970	-13846

CASH FLOW

Unit: Rs. 1,000

	0	1	2	3	4	5	6	7	8	9	10
Capital Increase	60,600	9,000	9,000	7,000							
Total Revenue		78,366	86,400	95,040	104,508	115,089	126,378	139,075	153,147	168,289	185,068
Cash Inflow	60,600	87,366	95,400	102,040	104,508	115,089	126,378	139,075	153,147	168,289	185,068
Capital Investment	60,600	9,000	9,000	7,000							
Total Operating Cost		100,482	105,439	110,602	115,461	121,425	129,862	137,869	147,273	157,533	169,188
Depreciation (Add Back)		-31,803	-29,674	-27,647	-25,190	-22,975	-20,981	-19,183	-17,556	-16,101	-14,785
Interest		29,726	29,726	29,726	29,726	29,726	29,726	29,726	29,726	29,726	29,726
Principal Repayment		0	0	0	0	0	0	0	0	0	0
Cash Outflow	60,600	107,405	114,491	119,681	119,997	128,176	138,607	148,412	159,443	171,158	184,129
Cash Balance	0	-20,039	-19,091	-17,641	-15,489	-13,087	-12,229	-9,337	-6,296	-2,869	939

Remark: Debt: 30% Equity: 70%

INTERNAL RATE OF RETURN (FINANCIAL)

(UNIT= 1000RS.)

YEAR	INVESTMENT	NET OPERATING INCOME	SPECIAL ITEMS	INCOME TAX AT 100% EQUITY	DEPRE-CIATION	SALVAGE VALUE	RECLAIMED WORKING CAPITAL	NET CASH INFLOW	DISCOUNT FACTOR	PRESENT VALUE OF NET CASH INFLOW
0	366167	0	0	0	0			-366167	1.00000	-366167
1	9000	-22116	0	0	31603			687	1.07728	740
2	9000	-19039	0	0	29674			1635	1.16034	1897
3	7000	-15562	0	0	27647			5085	1.25023	6357
4	0	-10953	0	0	25190			14237	1.34685	19175
5	0	-7336	0	0	22975			16639	1.45095	24142
6	0	-3484	0	0	20981			17497	1.56308	27349
7	0	1206	0	0	19185			20389	1.68388	34333
8	0	5874	0	0	17556			23430	1.81402	42503
9	0	10756	0	0	16101			26857	1.95422	52485
10	0	15880	0	0	14783		44000	74663	2.10525	157185

TOTAL=0

INTERNAL RATE OF RETURN = -7.176 %

Table 6-9

10% Increase of Selling Prices

Debt Equity Ratio (96 : 4)

S A L E S R E V E N U E

	(YEAR)	0	1	2	3	4	5	6	7	8
(1) BILLET (SC)										
RATE OF OPERATION										
LOCALLY										
QUANTITY	(TON)		550	610	670	730	800	890	970	1070
UNIT PRICE	(RS)		7557	7557	7557	7557	7557	7557	7557	7557
REVENUE	(1000RS)		4156	4610	5063	5517	6046	6726	7330	8086
(2) BILLET (AL)										
RATE OF OPERATION										
LOCALLY										
QUANTITY	(TON)		110	120	130	150	170	180	190	210
UNIT PRICE	(RS)		11209	11209	11209	11209	11209	11209	11209	11209
REVENUE	(1000RS)		1234	1345	1457	1681	1906	2018	2130	2354
(3) BAR (SC)										
RATE OF OPERATION										
LOCALLY										
QUANTITY	(TON)		1150	1270	1400	1540	1690	1860	2050	2260
UNIT PRICE	(RS)		10032	10032	10032	10032	10032	10032	10032	10032
REVENUE	(1000RS)		11537	12741	14045	15449	16954	18660	20566	22672
(4) BAR (AL)										
RATE OF OPERATION										
LOCALLY										
QUANTITY	(TON)		1810	2000	2200	2420	2670	2920	3220	3550
UNIT PRICE	(RS)		13277	13277	13277	13277	13277	13277	13277	13277
REVENUE	(1000RS)		24031	26554	29209	32130	35450	38769	42752	47133
(5) BAR (SUP)										
RATE OF OPERATION										
LOCALLY										
QUANTITY	(TON)		4180	4600	5060	5560	6120	6730	7410	8150
UNIT PRICE	(RS)		10824	10824	10824	10824	10824	10824	10824	10824
REVENUE	(1000RS)		45244	49790	54769	60187	66243	72846	80206	88216
REVENUE FROM PRODUCT	(1000RS)		86601	95040	104543	114958	126599	139019	152984	168461
REVENUE (LOCAL)	(1000RS)		86601	95040	104543	114958	126599	139019	152984	168461
REVENUE (EXPORT)	(1000RS)									
TOTAL REVENUE	(1000RS)		86601	95040	104543	114958	126599	139019	152984	168461

SALES REVENUE

		(YEAR)	9	10
(1) BILLET (SC)				
RATE OF OPERATION				
LOCALLY				
QUANTITY	(	1TON)	1140	1300
UNIT PRICE	(	RS)	7557	7557
REVENUE	(	100'RS)	8617	9824
(2) BILLET (AL)				
RATE OF OPERATION				
LOCALLY				
QUANTITY	(	1TON)	240	460
UNIT PRICE	(	RS)	11209	11209
REVENUE	(	100'RS)	2690	2914
(3) BAR (SC)				
RATE OF OPERATION				
LOCALLY				
QUANTITY	(	1TON)	2480	2720
UNIT PRICE	(	RS)	10032	10032
REVENUE	(	100'RS)	24879	27287
(4) BAR (AL)				
RATE OF OPERATION				
LOCALLY				
QUANTITY	(	1TON)	3890	4480
UNIT PRICE	(	RS)	13277	13277
REVENUE	(	100'RS)	51668	59426
(5) BAR (SUP)				
RATE OF OPERATION				
LOCALLY				
QUANTITY	(	1TON)	8960	9660
UNIT PRICE	(	RS)	10824	10824
REVENUE	(	100'RS)	96963	106725
REVENUE FROM PRODUCT	(	100'RS)	185117	203976
REVENUE (LOCAL)	(	100'RS)	185117	203976
REVENUE (EXPORT)	(	100'RS)		
TOTAL REVENUE	(	100'RS)	185117	203976

PRO FORMA INCOME STATEMENT

		(YEAR)	1	2	3	4	5	6	7	8
****REVENUE****										
TOTAL REVENUE	(	100 RS)	80401	95040	104543	114959	126399	139019	152984	168461
****COST****										
(1) VARIABLE COST										
BILLET (SC)										
REQUIREMENT	(	1TON)	550	610	670	730	800	890	970	1070
UNIT PRICE	(	RS)	6201	6201	6201	6201	6201	6201	6201	6201
VALUE	(	100 RS)	3411	3783	4155	4527	4961	5519	6015	6635
BILLET (AL)										
REQUIREMENT	(	1TON)	110	120	130	150	170	180	190	210
UNIT PRICE	(	RS)	8259	8259	8259	8259	8259	8259	8259	8259
VALUE	(	100 RS)	908	991	1074	1239	1404	1487	1569	1734
BAR (SC)										
REQUIREMENT	(	1TON)	1150	1270	1400	1540	1690	1860	2050	2260
UNIT PRICE	(	RS)	7062	7062	7062	7062	7062	7062	7062	7062
VALUE	(	100 RS)	8121	8969	9887	10875	11935	13135	14477	15960
BAR (AL)										
REQUIREMENT	(	1TON)	1810	2000	2200	2420	2670	2920	3220	3550
UNIT PRICE	(	RS)	9258	9258	9258	9258	9258	9258	9258	9258
VALUE	(	100 RS)	16757	18516	20368	22404	24719	27033	29811	32866
VARIABLE COST										
BAR (SUM)										
REQUIREMENT	(	1TON)	4180	4600	5060	5560	6120	6730	7410	8150
UNIT PRICE	(	RS)	7510	7510	7510	7510	7510	7510	7510	7510
VALUE	(	100 RS)	31392	34546	38001	41756	45961	50542	55649	61207
(2) OPERATING LABOUR (FC)	(	100 RS)	8090	8960	7470	7470	7470	9165	9165	9315
(3) DEPRECIATION (FC)										
OLD	(	100 RS)	29445	26360	23802	21490	19386	17501	15801	14263
NEW	(	100 RS)	2361	3294	3845	3710	3589	3480	3382	3293
(4) OTHER EXPENCE (FC)	(	100 RS)	2000	2000	2000	2000	2000	2000	2000	2000
TOTAL OPERATING COST	(	100 RS)	100484	105459	110602	115461	121425	129862	137869	147273
NET OPERATING INCOME	(	100 RS)	-14481	-10399	-6059	-501	5174	9157	15115	21188
INTEREST	(	100 RS)	94831	94831	94831	94831	94831	94831	94831	94831
SPECIAL ITEMS	(	100 RS)								
NET INCOME BEFORE TAX	(	100 RS)	-109312	-105230	-100890	-95334	-89657	-85674	-79716	-73643
INCOME TAX	(	100 RS)								
NET INCOME AFTER INT. & TAX	(	100 RS)	-109312	-105230	-100890	-95334	-89657	-85674	-79716	-73643

P R O F O R M A I N C O M E S T A T E M E N T

		(YEAR)	9	10
NET INCOME AFTER INT. & TAX	(	1000RS)	185117	203576
TOTAL REVENUE	(	1000RS)		
****COST****				
(1) VARIABLE COST				
BILLET (SC)				
REQUIRMENT	(	TON)	1180	1300
UNIT PRICE	(	RS)	6201	6201
VALUE	(	1000RS)	7317	8061
BILLET (AL)				
REQUIRMENT	(	TON)	240	240
UNIT PRICE	(	RS)	8259	8259
VALUE	(	1000RS)	1982	2147
BAR (SC)				
REQUIRMENT	(	TON)	2480	2720
UNIT PRICE	(	RS)	7042	7062
VALUE	(	1000RS)	17514	19204
BAR (AL)				
REQUIRMENT	(	TON)	3690	4280
UNIT PRICE	(	RS)	9258	9258
VALUE	(	1000RS)	36014	39624
VARIABLE COST				
BAR (SUP)				
REQUIRMENT	(	TON)	8960	9860
UNIT PRICE	(	RS)	7510	7510
VALUE	(	1000RS)	67240	74049
(2) OPERATING LABOUR (FC)	(	1000RS)	9515	9515
(3) DEPRECIATION (FC)				
OLD	(	1000RS)	12866	11646
NEW	(	1000RS)	5215	5743
(4) OTHER EXPENCE (FC)	(	1000RS)	2000	2000
TOTAL OPERATING COST	(	1000RS)	157533	169188
NET OPERATING INCOME	(	1000RS)	27584	34388
INTEREST	(	1000RS)	94831	94831
SPECIAL ITEMS	(	1000RS)		
NET INCOME BEFORE TAX	(	1000RS)	-67247	-60443
INCOME TAX	(	1000RS)		
NET INCOME AFTER INT. & TAX	(	1000RS)	-67247	-60443

INTERNAL RATE OF RETURN (FINANCIAL)

(UNIT= 1000RS)

YEAR	INVESTMENT	NET OPERATING INCOME	SPECIAL ITEMS	INCOME TAX AT 100% EQUITY	DEPRE-CIATION	SALVAGE VALUE	RECLAIMED WORKING CAPITAL	NET CASH INFLOW	DISCOUNT FACTOR	PRESENT VALUE OF NET CASH INFLOW
0	366167	0	0	0	0			-366167	1.00000	-366167
1	9000	-14281	0	0	31803			8522	1.01591	8658
2	9000	-10399	0	0	29674			10275	1.03207	10605
3	7000	-6059	0	0	27647			14588	1.04849	15295
4	0	-503	0	0	25790			24687	1.06517	26296
5	0	5174	0	0	23975			28149	1.08212	30461
6	0	9157	0	0	20981			30138	1.09934	33132
7	0	15115	0	0	19183			34298	1.11683	38305
8	0	21188	0	0	17550			38744	1.13460	43959
9	0	27584	0	0	16101			43685	1.15265	50354
10	0	34382	0	0	14783		44000	93171	1.17099	109103
										TOTAL=0

INTERNAL RATE OF RETURN = -1.266 %

Table 6-10

10% Decrease of Selling Prices

Debt Equity Ratio (96 : 4)

S A L E S R E V E N U E

(YEAR)	0	1	2	3	4	5	6	7	8
(1) BILLET (SC)									
RATE OF OPERATION									
LOCALLY									
QUANTITY (TON)		550	610	670	730	800	890	970	1070
UNIT PRICE (RS)		6183	6183	6183	6183	6183	6183	6183	6183
REVENUE (1000RS)		3401	3772	4143	4514	4946	5503	5998	6616
(2) BILLET (AL)									
RATE OF OPERATION									
LOCALLY									
QUANTITY (TON)		110	120	130	150	170	180	190	210
UNIT PRICE (RS)		9171	9171	9171	9171	9171	9171	9171	9171
REVENUE (1000RS)		1004	1101	1192	1376	1559	1651	1742	1926
(3) BAR (SC)									
RATE OF OPERATION									
LOCALLY									
QUANTITY (TON)		1150	1270	1400	1540	1690	1860	2050	2260
UNIT PRICE (RS)		8208	8208	8208	8208	8208	8208	8208	8208
REVENUE (1000RS)		9439	10424	11491	12640	13872	15267	16826	18550
(4) BAR (AL)									
RATE OF OPERATION									
LOCALLY									
QUANTITY (TON)		1810	2000	2200	2420	2670	2920	3220	3550
UNIT PRICE (RS)		10863	10863	10863	10863	10863	10863	10863	10863
REVENUE (1000RS)		19662	21726	23899	26288	29004	31720	34979	38564
(5) BAR (SUP)									
RATE OF OPERATION									
LOCALLY									
QUANTITY (TON)		4180	4600	5060	5560	6120	6730	7410	8150
UNIT PRICE (RS)		8856	8856	8856	8856	8856	8856	8856	8856
REVENUE (1000RS)		37019	40738	44811	49259	54199	59601	65623	72176
REVENUE FROM PRODUCT (1000RS)		70529	77761	85536	94057	103580	113742	125168	137832
REVENUE (LOCAL) (1000RS)		70529	77761	85536	94057	103580	113742	125168	137832
REVENUE (EXPORT) (1000RS)									
TOTAL REVENUE (1000RS)		70529	77761	85536	94057	103580	113742	125168	137832

SALES REVENUE

		(YEAR)	9	10
(1) BILLET (SC)				
RATE OF OPERATION				
LOCALLY				
QUANTITY	(	1TON)	1160	1300
UNIT PRICE	(	RS)	6183	6183
REVENUE	(	1000RS)	7296	8038
(2) BILLET (AL)				
RATE OF OPERATION				
LOCALLY				
QUANTITY	(	1TON)	240	660
UNIT PRICE	(	RS)	9171	9171
REVENUE	(	1000RS)	2201	2384
(3) BAR (SC)				
RATE OF OPERATION				
LOCALLY				
QUANTITY	(	1TON)	2480	2720
UNIT PRICE	(	RS)	8208	8206
REVENUE	(	1000RS)	20356	22326
(4) BAR (AL)				
RATE OF OPERATION				
LOCALLY				
QUANTITY	(	1TON)	3890	4280
UNIT PRICE	(	RS)	10863	10863
REVENUE	(	1000RS)	42257	46494
(5) BAR (SUP)				
RATE OF OPERATION				
LOCALLY				
QUANTITY	(	1TON)	8960	9860
UNIT PRICE	(	RS)	8856	8856
REVENUE	(	1000RS)	79350	87320
REVENUE FROM PRODUCT	(	1000RS)	151460	166362
REVENUE (LOCAL)	(	1000RS)	151460	166362
REVENUE (EXPORT)	(	1000RS)		
TOTAL REVENUE	(	1000RS)	151460	166362

PRO FORMA INCOME STATEMENT

		(YEAR)	0	1	2	3	4	5	6	7	8
****REVENUE****											
TOTAL REVENUE		(1000RS)		70526	77761	85536	94057	103580	113742	125168	137832
****COST****											
(1) VARIABLE COST											
BILLET (SC)											
REQUIREMENT		(TON)		550	610	670	730	800	890	970	1070
UNIT PRICE		(RS)		6201	6201	6201	6201	6201	6201	6201	6201
VALUE		(1000RS)		3411	3783	4155	4527	4961	5519	6015	6635
BILLET (AL)											
REQUIREMENT		(TON)		110	120	130	150	170	180	190	210
UNIT PRICE		(RS)		8259	8259	8259	8259	8259	8259	8259	8259
VALUE		(1000RS)		908	991	1074	1239	1404	1487	1569	1734
BAR (SC)											
REQUIREMENT		(TON)		1150	1270	1400	1540	1690	1860	2050	2260
UNIT PRICE		(RS)		7062	7062	7062	7062	7062	7062	7062	7062
VALUE		(1000RS)		8121	8969	9887	10875	11935	13133	14477	15960
BAR (AL)											
REQUIREMENT		(TON)		1810	2000	2200	2420	2670	2920	3220	3550
UNIT PRICE		(RS)		9258	9258	9258	9258	9258	9258	9258	9258
VALUE		(1000RS)		16757	18516	20368	22404	24719	27033	29811	32866
VARIABLE COST											
BAR (SUM)											
REQUIREMENT		(TON)		4160	4600	5060	5560	6120	6730	7410	8150
UNIT PRICE		(RS)		7510	7510	7510	7510	7510	7510	7510	7510
VALUE		(1000RS)		31292	34546	38001	41754	45961	50542	55649	61207
(2) OPERATING LABOUR	(FC)	(1000RS)		6090	6960	7470	7470	7470	9165	9165	9315
(3) DEPRECIATION	(FC)										
OLD		(1000RS)		29643	26380	23802	21480	19386	17501	15801	14263
NEW		(1000RS)		2560	3294	3845	3710	3589	3480	3382	3293
(4) OTHER EXPENSE	(FC)	(1000RS)		2000	2000	2000	2000	2000	2000	2000	2000
TOTAL OPERATING COST		(1000RS)		100482	105439	110602	115461	121425	129862	137869	147273
NET OPERATING INCOME		(1000RS)		-29955	-27678	-25066	-21404	-17845	-16120	-12701	-9441
INTEREST		(1000RS)		94831	94831	94831	94831	94831	94831	94831	94831
SPECIAL ITEMS		(1000RS)									
NET INCOME BEFORE TAX		(1000RS)		-124786	-122509	-119897	-116235	-112676	-110951	-107532	-104272
INCOME TAX		(1000RS)									
NET INCOME AFTER INT. & TAX		(1000RS)		-124786	-122509	-119897	-116235	-112676	-110951	-107532	-104272

P R O F O R M A I N C O M E S T A T E M E N T

		(YEAR)	9	10
NET INCOME AFTER INT. & TAX				
TOTAL REVENUE		(1000RS)	151460	160362
****COST****				
(1) VARIABLE COST				
BILLET (SC)				
REQUIRMENT		(1TON)	1180	1300
UNIT PRICE		(RS)	6201	6201
VALUE		(1000RS)	7317	8061
BILLET (AL)				
REQUIRMENT		(1TON)	240	260
UNIT PRICE		(RS)	8259	8259
VALUE		(1000RS)	1982	2147
BAR (SC)				
REQUIRMENT		(1TON)	2480	2720
UNIT PRICE		(RS)	7082	7082
VALUE		(1000RS)	17514	19609
BAR (AL)				
REQUIRMENT		(1TON)	3890	4280
UNIT PRICE		(RS)	9258	9258
VALUE		(1000RS)	36014	39624
VARIABLE COST				
BAR (SUP)				
REQUIRMENT		(1TON)	8960	9860
UNIT PRICE		(RS)	7510	7510
VALUE		(1000RS)	67290	74049
(2) OPERATING LABOUR	(FC)	(1000RS)	9315	9315
(3) DEPRECIATION	(FC)			
OLD		(1000RS)	12846	11040
NEW		(1000RS)	3215	3143
(4) OTHER EXPENSE	(FC)	(1000RS)	2000	2000
TOTAL OPERATING COST		(1000RS)	157533	169188
NET OPERATING INCOME		(1000RS)	-6073	-8826
INTEREST		(1000RS)	94831	94831
SPECIAL ITEMS		(1000RS)		
NET INCOME BEFORE TAX		(1000RS)	-100904	-97457
INCOME TAX		(1000RS)		
NET INCOME AFTER INT. & TAX		(1000RS)	-100904	-97457

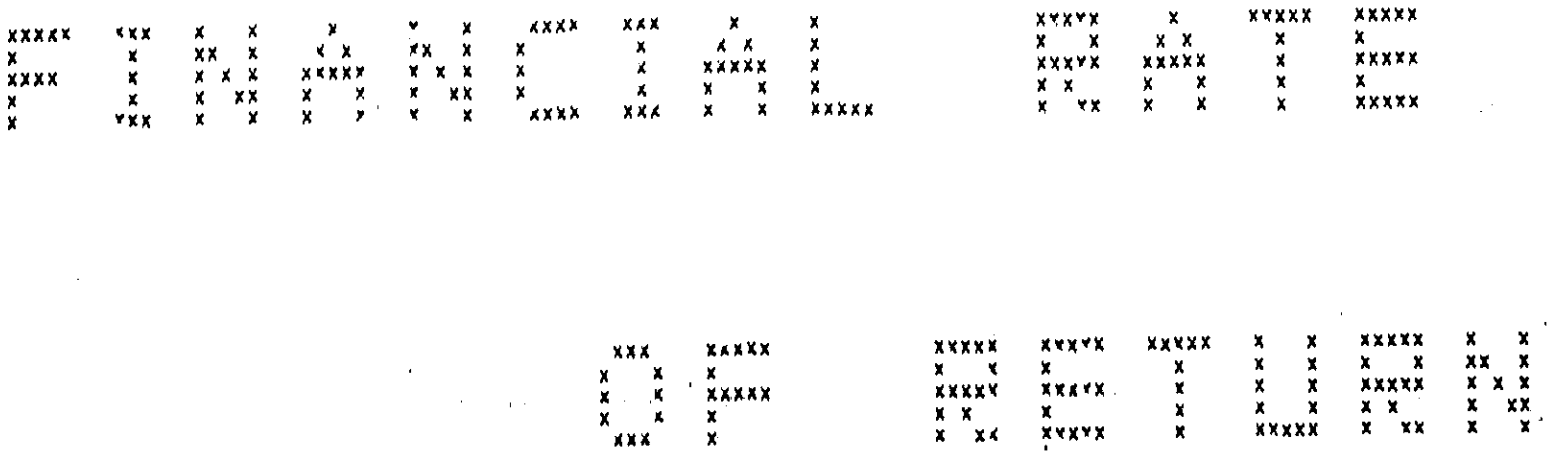
INTERNAL RATE OF RETURN (FINANCIAL)

(UNIT= 1000RS)

YEAR	INVESTMENT	NET OPERATING INCOME	SPECIAL ITEMS	INCOME TAX AT 100% EQUITY	DEPRE-CIATION	SALVAGE VALUE	RECLAIMED WORKING CAPITAL	NET CASH INFLOW	DISCOUNT FACTOR	PRESENT VALUE OF NET CASH INFLOW
0	366167	0	0	0	0			-366167	1.00000	-366167
1	9000	-20953	0	0	31803			-7150	1.17042	-8369
2	9000	-27678	0	0	29674			-7004	1.36990	-9595
3	7000	-25066	0	0	27647			-4419	1.60337	-7085
4	0	-21404	0	0	25190			3786	1.87663	7105
5	0	-17865	0	0	22975			5130	2.19646	11268
6	0	-16120	0	0	20981			4861	2.57080	12497
7	0	-12701	0	0	19183			6482	3.00894	19504
8	0	-9461	0	0	17556			8115	3.52176	28579
9	0	-6073	0	0	16101			10028	4.12197	41335
10	0	-2626	0	0	14783		44000	56157	4.82447	270928
										TOTAL=0

INTERNAL RATE OF RETURN = -14.561 %

Table 6-10



10% Increase of Variable Cost

Debt Equity Ratio (96 : 4)

S A L E S R E V E N U E

	(YEAR)	0	1	2	3	4	5	6	7	8
(1) BILLET (SC)										
RATE OF OPERATION										
LOCALLY										
QUANTITY	(TTON)		550	610	670	730	800	890	970	1070
UNIT PRICE	(RS)		6870	6870	6870	6870	6870	6870	6870	6870
REVENUE	(1000RS)		3779	4191	4603	5015	5496	6114	6664	7351
(2) BILLET (AL)										
RATE OF OPERATION										
LOCALLY										
QUANTITY	(TTON)		110	120	130	150	170	180	190	210
UNIT PRICE	(RS)		10190	10190	10190	10190	10190	10190	10190	10190
REVENUE	(1000RS)		1121	1223	1325	1529	1732	1834	1936	2140
(3) BAR (SC)										
RATE OF OPERATION										
LOCALLY										
QUANTITY	(TTON)		1150	1270	1400	1540	1690	1860	2050	2250
UNIT PRICE	(RS)		9120	9120	9120	9120	9120	9120	9120	9120
REVENUE	(1000RS)		10488	11582	12768	14045	15413	16963	18696	20611
(4) BAR (AL)										
RATE OF OPERATION										
LOCALLY										
QUANTITY	(TTON)		1810	2000	2200	2420	2670	2920	3220	3550
UNIT PRICE	(RS)		12070	12070	12070	12070	12070	12070	12070	12070
REVENUE	(1000RS)		21847	24140	26554	29090	32227	35244	38865	42849
(5) BAR (SUP)										
RATE OF OPERATION										
LOCALLY										
QUANTITY	(TTON)		4180	4600	5060	5560	6120	6730	7410	8150
UNIT PRICE	(RS)		9840	9840	9840	9840	9840	9840	9840	9840
REVENUE	(1000RS)		41131	45264	49790	54719	60221	66223	72914	80196
REVENUE FROM PRODUCT	(1000RS)		76366	86400	95040	104509	115089	126378	139075	153147
REVENUE (LOCAL)	(1000RS)		76366	86400	95040	104509	115089	126378	139075	153147
REVENUE (EXPORT)	(1000RS)									
TOTAL REVENUE	(1000RS)		76366	86400	95040	104509	115089	126378	139075	153147

S A L E S R E V E N U E

(YEAR)		9	10
(1) BILLET (SC)			
RATE OF OPERATION			
LOCALLY			
QUANTITY	(1TON)	1150	1300
UNIT PRICE	(RS)	6870	6870
REVENUE	(1000RS)	8107	8931
(2) BILLET (AL)			
RATE OF OPERATION			
LOCALLY			
QUANTITY	(1TON)	240	260
UNIT PRICE	(RS)	10120	10190
REVENUE	(1000RS)	2446	2649
(3) BAR (SC)			
RATE OF OPERATION			
LOCALLY			
QUANTITY	(1TON)	2440	2720
UNIT PRICE	(RS)	9120	9120
REVENUE	(1000RS)	22618	24806
(4) BAR (AL)			
RATE OF OPERATION			
LOCALLY			
QUANTITY	(1TON)	3890	4280
UNIT PRICE	(RS)	12070	12070
REVENUE	(1000RS)	46952	51660
(5) BAR (SUP)			
RATE OF OPERATION			
LOCALLY			
QUANTITY	(1TON)	8950	9860
UNIT PRICE	(RS)	9840	9840
REVENUE	(1000RS)	88166	97022
REVENUE FROM PRODUCT	(1000RS)	168289	185068
REVENUE (% LOCAL)	(1000RS)	168249	185068
REVENUE (% EXPORT)	(1000RS)		
TOTAL REVENUE	(1000RS)	168289	185068

PRO FORMA INCOME STATEMENT

		(YEAR)	-0	1	2	3	4	5	6	7	8
****REVENUE****											
TOTAL REVENUE		(100'RS)		78560	86400	95040	104509	115089	126378	139075	153147
****COST****											
(1) VARIABLE COST											
BILLET (SC)											
REQUIRMENT		(1TON)		550	610	670	730	800	890	970	1070
UNIT PRICE		(RS)		6821	6821	6821	6821	6821	6821	6821	6821
VALUE		(100'RS)		3752	4161	4570	4979	5457	6071	6616	7298
BILLET (AL)											
REQUIRMENT		(1TON)		110	120	130	150	170	180	190	210
UNIT PRICE		(RS)		9085	9085	9085	9085	9085	9085	9085	9085
VALUE		(100'RS)		999	1090	1181	1363	1544	1635	1726	1908
BAR (SC)											
REQUIRMENT		(1TON)		1150	1270	1400	1540	1690	1860	2050	2260
UNIT PRICE		(RS)		7760	7768	7768	7769	7768	7768	7768	7768
VALUE		(100'RS)		8933	9865	10875	11963	13128	14448	15924	17556
BAR (AL)											
REQUIRMENT		(1TON)		1810	2000	2200	2420	2670	2920	3220	3550
UNIT PRICE		(RS)		10184	10184	10184	10184	10184	10184	10184	10184
VALUE		(100'RS)		18433	20368	22405	24645	27191	29737	32792	36153
VARIABLE COST											
BAR (SUP)											
REQUIRMENT		(1TON)		4180	4600	5060	5560	6120	6730	7410	8150
UNIT PRICE		(RS)		8261	8261	8261	8261	8261	8261	8261	8261
VALUE		(100'RS)		34531	38001	41801	45939	50557	55597	61214	67327
(2) OPERATING LABOUR	(FC)	(100'RS)		6000	6960	7470	7470	7470	9165	9165	9315
(3) DEPRECIATION	(FC)										
OLD		(100'RS)		29643	26380	23802	21680	19386	17501	15801	14263
NEW		(100'RS)		4560	3294	3845	3710	3589	3480	3382	3293
(4) OTHER EXPENCE	(FC)	(100'RS)		2000	2000	2000	2000	2000	2000	2000	2000
TOTAL OPERATING COST		(100'RS)		106541	112119	117949	123541	130322	139634	148620	159173
NET OPERATING INCOME		(100'RS)		-28175	-25719	-22909	-19033	-15233	-13256	-9545	-5966
INTEREST		(100'RS)		94831	94831	94831	94831	94831	94831	94831	94831
SPECIAL ITEMS		(100'RS)									
NET INCOME BEFORE TAX		(100'RS)		-123006	-120550	-117740	-113864	-110064	-108087	-104376	-100797
INCOME TAX		(100'RS)									
NET INCOME AFTER INT. & TAX		(100'RS)		-123006	-120550	-117740	-113864	-110064	-108087	-104376	-100797

P R O F O R M A I N C O M E S T A T E M E N T

		(YEAR)	9	10
NET INCOME AFTER INT. & TAX	(	1000RS)	168249	185068
TOTAL REVENUE				
****COST****				
(1) VARIABLE COST				
BILLET (SC)				
REQUIRMENT	(	1TON)	1140	1300
UNIT PRICE	(	RS)	6821	6821
VALUE	(	1000RS)	8049	8867
BILLET (AL)				
REQUIRMENT	(	1TON)	240	460
UNIT PRICE	(	RS)	9065	9085
VALUE	(	1000RS)	2180	4362
BAR (SC)				
REQUIRMENT	(	1TON)	2440	2720
UNIT PRICE	(	RS)	7768	7768
VALUE	(	1000RS)	19265	21129
BAR (AL)				
REQUIRMENT	(	1TON)	3890	4280
UNIT PRICE	(	RS)	10184	10184
VALUE	(	1000RS)	39616	43588
VARIABLE COST				
BAR (SUP)				
REQUIRMENT	(	1TON)	8900	9860
UNIT PRICE	(	RS)	8261	8261
VALUE	(	1000RS)	74019	81453
(2) OPERATING LABOUR (FC)	(	1000RS)	9315	9315
(3) DEPRECIATION (FC)				
OLD	(	1000RS)	12846	11640
NEW	(	1000RS)	3215	3145
(4) OTHER EXPENCE (FC)	(	1000RS)	2000	2000
TOTAL OPERATING COST	(	1000RS)	170545	183497
NET OPERATING INCOME	(	1000RS)	-2296	1571
INTEREST	(	1000RS)	94831	94831
SPECIAL ITEMS	(	1000RS)		
NET INCOME BEFORE TAX	(	1000RS)	-97087	-93260
INCOME TAX	(	1000RS)		
NET INCOME AFTER INT. & TAX	(	1000RS)	-97087	-93260

INTERNAL RATE OF RETURN (FINANCIAL)

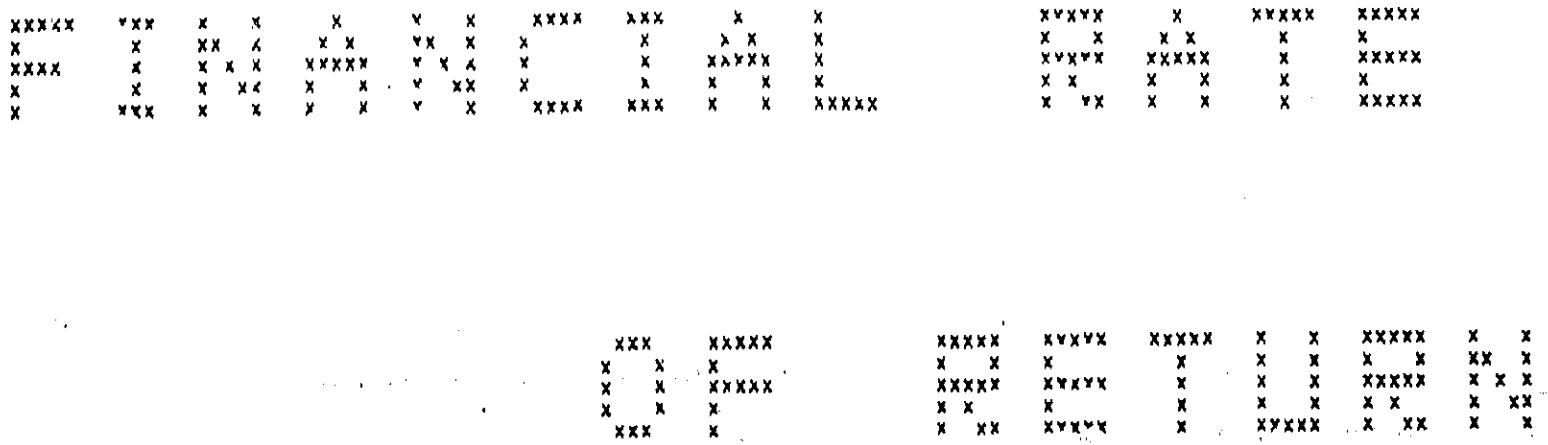
(UNIT= 1000RS)

YEAR	INVESTMENT	NET OPERATING INCOME	SPECIAL ITEMS	INCOME TAX AT 100% EQUITY	DEPRE-CIATION	SALVAGE VALUE	RECLAIMED WORKING CAPITAL	NET CASH INFLOW	DISCOUNT FACTOR	PRESENT VALUE OF NET CASH INFLOW
0	366167	0	0	0	0			-366167	1.00000	-366167
1	9000	-28175	0	0	31805			-5372	1.14480	-6150
2	9000	-25719	0	0	29674			-5045	1.31056	-6612
3	7000	-22909	0	0	27647			-2262	1.50033	-3394
4	0	-19033	0	0	25190			6157	1.71758	10575
5	0	-15753	0	0	22475			7742	1.96629	15223
6	0	-13256	0	0	20981			7725	2.25101	17389
7	0	-9545	0	0	19183			9638	2.57696	24837
8	0	-5966	0	0	17556			11590	2.95011	34192
9	0	-2256	0	0	16101			13845	3.37728	46759
10	0	1571	0	0	14783		44000	60354	3.86632	233348

TOTAL=0

INTERNAL RATE OF RETURN = -12.6048 %

Table 6-11



10% Decrease of Variable Costs

Debt Equity Ratio (96 : 4)

S A L E S R E V E N U E

		(YEAR)	0	1	2	3	4	5	6	7	8
(1) BILLET (SC)											
RATE OF OPERATION											
LOCALLY											
QUANTITY	(	TON)		550	610	670	730	800	890	970	1070
UNIT PRICE	(	RS)		6870	6870	6870	6870	6870	6870	6870	6870
REVENUE	(	1000RS)		3779	4191	4603	5015	5496	6114	6664	7351
(2) BILLET (AL)											
RATE OF OPERATION											
LOCALLY											
QUANTITY	(	TON)		110	120	130	150	170	180	190	210
UNIT PRICE	(	RS)		10190	10190	10190	10190	10190	10190	10190	10190
REVENUE	(	1000RS)		1121	1223	1325	1529	1732	1834	1936	2140
(3) BAR (SC)											
RATE OF OPERATION											
LOCALLY											
QUANTITY	(	TON)		1150	1270	1400	1540	1690	1860	2050	2260
UNIT PRICE	(	RS)		9120	9120	9120	9120	9120	9120	9120	9120
REVENUE	(	1000RS)		10488	11582	12768	14045	15413	16963	18696	20611
(4) BAR (AL)											
RATE OF OPERATION											
LOCALLY											
QUANTITY	(	TON)		1810	2000	2200	2420	2670	2920	3220	3550
UNIT PRICE	(	RS)		12070	12070	12070	12070	12070	12070	12070	12070
REVENUE	(	1000RS)		21847	24140	26554	29209	32227	35244	38865	42849
(5) RAB (SUP)											
RATE OF OPERATION											
LOCALLY											
QUANTITY	(	TON)		4180	4600	5060	5560	6120	6730	7410	8150
UNIT PRICE	(	RS)		9840	9840	9840	9840	9840	9840	9840	9840
REVENUE	(	1000RS)		41131	45264	49790	54719	60221	66223	72914	80196
REVENUE FROM PRODUCT	(	1000RS)		78366	86400	95040	104508	115089	126378	139075	153147
REVENUE (LOCAL)	(	1000RS)		78366	86400	95040	104508	115089	126378	139075	153147
REVENUE (EXPORT)	(	1000RS)									
TOTAL REVENUE	(	1000RS)		78366	86400	95040	104508	115089	126378	139075	153147

S A L E S R E V E N U E

		(YEAR)	9	10
(1) BILLET (SC)				
. RATE OF OPERATION				
LOCALLY				
QUANTITY	(	1TON)	1180	1300
UNIT PRICE	(	RS)	6870	6870
REVENUE	(	1000RS)	8107	8931
(2) BILLET (AL)				
RATE OF OPERATION				
LOCALLY				
QUANTITY	(	1TON)	240	260
UNIT PRICE	(	RS)	10190	10190
REVENUE	(	1000RS)	2446	2649
(3) BAR (SC)				
RATE OF OPERATION				
LOCALLY				
QUANTITY	(	1TON)	2480	2720
UNIT PRICE	(	RS)	9120	9120
REVENUE	(	1000RS)	22618	24806
(4) BAR (AL)				
RATE OF OPERATION				
LOCALLY				
QUANTITY	(	1TON)	3890	4280
UNIT PRICE	(	RS)	12070	12070
REVENUE	(	1000RS)	46952	51660
(5) BAR (SUP)				
RATE OF OPERATION				
LOCALLY				
QUANTITY	(	1TON)	8960	9660
UNIT PRICE	(	RS)	9640	9640
REVENUE	(	1000RS)	88166	97022
REVENUE FROM PRODUCT	(	1000RS)	168289	185068
REVENUE (LOCAL)	(	1000RS)	168289	185068
REVENUE (EXPORT)	(	1000RS)		
TOTAL REVENUE	(	1000RS)	168289	185068

PRO FORMA INCOME STATEMENT

		(YEAR)	0	1	2	3	4	5	6	7	8
****REVENUE****											
TOTAL REVENUE		(1000RS)		78366	86400	95040	104508	115089	126378	139075	153147
****COST****											
(1) VARIABLE COST											
BILLET (SC)											
REQUIREMENT		(TON)		550	610	670	730	800	890	970	1070
UNIT PRICE		(RS)		5581	5581	5581	5581	5581	5581	5581	5581
VALUE		(1000RS)		3070	3404	3739	4074	4465	4967	5414	5972
BILLET (AL)											
REQUIREMENT		(TON)		110	120	130	150	170	180	190	210
UNIT PRICE		(RS)		7433	7433	7433	7433	7433	7433	7433	7433
VALUE		(1000RS)		818	892	966	1115	1264	1338	1412	1561
BAR (SC)											
REQUIREMENT		(TON)		1150	1270	1400	1540	1690	1860	2050	2260
UNIT PRICE		(RS)		6356	6356	6356	6356	6356	6356	6356	6356
VALUE		(1000RS)		7309	8072	8898	9788	10742	11822	13030	14365
BAR (AL)											
REQUIREMENT		(TON)		1810	2000	2200	2420	2670	2920	3220	3550
UNIT PRICE		(RS)		8332	8332	8332	8332	8332	8332	8332	8332
VALUE		(1000RS)		15081	16664	18330	20163	22246	24329	26829	29579
VARIABLE COST											
BAR (SUP)											
REQUIREMENT		(TON)		4180	4600	5060	5560	6120	6730	7410	8150
UNIT PRICE		(RS)		6759	6759	6759	6759	6759	6759	6759	6759
VALUE		(1000RS)		28253	31091	34201	37580	41365	45488	50084	55086
(2) OPERATING LABOUR	(FC)	(1000RS)		6090	6960	7470	7470	7470	9165	9165	9315
(3) DEPRECIATION	(FC)										
OLD		(1000RS)		29443	26380	23802	21480	19386	17501	15801	14263
NEW		(1000RS)		2560	3294	3845	3710	3589	3480	3382	3293
(4) OTHER EXPENSE	(FC)	(1000RS)		2000	2000	2000	2000	2000	2000	2000	2000
TOTAL OPERATING COST		(1000RS)		94424	98757	103251	107580	112527	120090	127117	135434
NET OPERATING INCOME		(1000RS)		-16058	-12357	-8211	-2877	2562	6288	11958	17713
INTEREST		(1000RS)		94831	94831	94831	94831	94831	94831	94831	94831
SPECIAL ITEMS		(1000RS)									
NET INCOME BEFORE TAX		(1000RS)		-110889	-107188	-103042	-97707	-92269	-88543	-82873	-77118
INCOME TAX		(1000RS)									
NET INCOME AFTER INT. & TAX		(1000RS)		-110889	-107188	-103042	-97707	-92269	-88543	-82873	-77118

P R O F O R M A I N C O M E S T A T E M E N T

		(YEAR)	9	10
NET INCOME AFTER INT. & TAX				
TOTAL REVENUE		(1000RS)	168229	185068
****COST****				
(1) VARIABLE COST				
BILLET (SC)				
REQUIRMENT		(1TON)	1160	1300
UNIT PRICE		(RS)	5581	5581
VALUE		(1000RS)	6586	7255
BILLET (AL)				
REQUIRMENT		(1TON)	240	260
UNIT PRICE		(RS)	7433	7433
VALUE		(1000RS)	1784	1933
BAR (SC)				
REQUIRMENT		(1TON)	2480	2720
UNIT PRICE		(RS)	6356	6356
VALUE		(1000RS)	15763	17286
BAR (AL)				
REQUIRMENT		(1TON)	3890	4280
UNIT PRICE		(RS)	8332	8332
VALUE		(1000RS)	32411	35667
VARIABLE COST				
BAR (SUP)				
REQUIRMENT		(1TON)	8960	9860
UNIT PRICE		(RS)	6759	6759
VALUE		(1000RS)	60561	66644
(2) OPERATING LABOUR	(FC)	(1000RS)	9315	9315
(3) DEPRECIATION	(FC)			
OLD		(1000RS)	12886	11640
NEW		(1000RS)	3215	3743
(4) OTHER EXPENSE	(FC)	(1000RS)	2000	2000
TOTAL OPERATING COST		(1000RS)	144521	154879
NET OPERATING INCOME		(1000RS)	23708	30189
---INTEREST---		(1000RS)	94831	94831
SPECIAL ITEMS		(1000RS)		
NET INCOME BEFORE TAX		(1000RS)	-71063	-64642
INCOME TAX		(1000RS)		
NET INCOME AFTER INT. & TAX		(1000RS)	-71063	-64642

INTERNAL RATE OF RETURN (FINANCIAL)

(UNIT= 1000RS)

YEAR	INVESTMENT	NET OPERATING INCOME	SPECIAL ITEMS	INCOME TAX AT 100% EQUITY	DEPRE-CIATION	SALVAGE VALUE	RECLAIMED WORKING CAPITAL	NET CASH INFLOW	DISCOUNT FACTOR	PRESENT VALUE OF NET CASH INFLOW
0	366167	0	0	0	0			-366167	1.00000	-366167
1	9000	-16058	0	0	31803			6745	1.02813	6935
2	9000	-12357	0	0	29674			8317	1.05705	8792
3	7000	-8211	0	0	27647			12436	1.08678	13515
4	0	-2872	0	0	25190			22318	1.11736	24937
5	0	2562	0	0	22975			25537	1.14879	29337
6	0	6288	0	0	20981			27269	1.18110	32208
7	0	11958	0	0	19183			31141	1.21433	37816
8	0	17713	0	0	17556			35269	1.24849	44033
9	0	23768	0	0	16101			39869	1.28361	51176
10	0	30189	0	0	14783		44000	88972	1.31972	117419
										TOTAL=0

INTERNAL RATE OF RETURN = -2.75 %

Table 6-12

20% Decrease of Variable Costs

Debt Equity Ratio (96 : 4)

S A L E S R E V E N U E

	(YEAR)	0	1	2	3	4	5	6	7	8
(1) BILLET (SC)										
RATE OF OPERATION										
LOCALLY										
QUANTITY	(1TON)		550	610	670	730	800	890	970	1070
UNIT PRICE	(RS)		6870	6870	6870	6870	6870	6870	6870	6870
REVENUE	(100'RS)		3779	4191	4603	5015	5496	6114	6664	7351
(2) BILLET (AL)										
RATE OF OPERATION										
LOCALLY										
QUANTITY	(1TON)		110	120	130	150	170	180	190	210
UNIT PRICE	(RS)		10190	10190	10190	10190	10190	10190	10190	10190
REVENUE	(100'RS)		1121	1223	1325	1529	1732	1834	1936	2140
(3) BAR (SC)										
RATE OF OPERATION										
LOCALLY										
QUANTITY	(1TON)		1150	1270	1400	1540	1690	1860	2050	2260
UNIT PRICE	(RS)		9120	9120	9120	9120	9120	9120	9120	9120
REVENUE	(100'RS)		10488	11582	12768	14045	15413	16963	18696	20611
(4) BAR (AL)										
RATE OF OPERATION										
LOCALLY										
QUANTITY	(1TON)		1610	2000	2200	2420	2670	2920	3220	3550
UNIT PRICE	(RS)		12070	12070	12070	12070	12070	12070	12070	12070
REVENUE	(100'RS)		21647	24140	26556	29209	32227	35244	38865	42849
(5) BAR (SUP)										
RATE OF OPERATION										
LOCALLY										
QUANTITY	(1TON)		4180	4600	5060	5560	6120	6730	7410	8150
UNIT PRICE	(RS)		9840	9840	9840	9840	9840	9840	9840	9840
REVENUE	(100'RS)		41131	45264	49790	54710	60221	66223	72916	80196
REVENUE FROM PRODUCT	(100'RS)		78366	86400	95040	104509	115089	126378	139075	153147
REVENUE (LOCAL)	(100'RS)		78366	86400	95040	104509	115089	126378	139075	153147
REVENUE (EXPORT)	(100'RS)									
TOTAL REVENUE	(100'RS)		78366	86400	95040	104509	115089	126378	139075	153147

S A L E S R E V E N U E

		9	10
(1) BILLET (SC)			
RATE OF OPERATION			
LOCALLY			
QUANTITY	(1TON)	1140	1300
UNIT PRICE	(RS)	6870	6870
REVENUE	(1000RS)	8107	8931
(2) BILLET (AL)			
RATE OF OPERATION			
LOCALLY			
QUANTITY	(1TON)	240	260
UNIT PRICE	(RS)	10190	10190
REVENUE	(1000RS)	2446	2649
(3) BAR (SC)			
RATE OF OPERATION			
LOCALLY			
QUANTITY	(1TON)	2480	2720
UNIT PRICE	(RS)	9120	9120
REVENUE	(1000RS)	22618	24808
(4) BAR (AL)			
RATE OF OPERATION			
LOCALLY			
QUANTITY	(1TON)	3890	4280
UNIT PRICE	(RS)	12070	12070
REVENUE	(1000RS)	46952	51660
(5) BAR (SUP)			
RATE OF OPERATION			
LOCALLY			
QUANTITY	(1TON)	8940	9860
UNIT PRICE	(RS)	9840	9840
REVENUE	(1000RS)	88106	97022
REVENUE FROM PRODUCT	(1000RS)	168289	185068
REVENUE (LOCAL)	(1000RS)	168289	185068
REVENUE (EXPORT)	(1000RS)		
TOTAL REVENUE	(1000RS)	168289	185068

PRO FORMA INCOME STATEMENT

		(YEAR)	0	1	2	3	4	5	6	7	8
****REVENUE****											
TOTAL REVENUE		(1000RS)		78560	86400	95040	104508	115089	126378	139075	153147
****COST****											
(1) VARIABLE COST											
BILLET (SC)											
REQUIRMENT		(1TON)		550	610	670	730	800	890	970	1070
UNIT PRICE		(RS)		4961	4961	4961	4961	4961	4961	4961	4961
VALUE		(1000RS)		2729	3026	3324	3427	3969	4415	4812	5308
BILLET (AL)											
REQUIRMENT		(1TON)		110	120	130	150	170	180	190	210
UNIT PRICE		(RS)		6607	6607	6607	6607	6607	6607	6607	6607
VALUE		(1000RS)		727	793	859	991	1123	1189	1255	1387
BAR (SC)											
REQUIRMENT		(1TON)		1150	1270	1400	1560	1690	1860	2050	2260
UNIT PRICE		(RS)		5650	5650	5650	5650	5650	5650	5650	5650
VALUE		(1000RS)		6498	7176	7910	8809	9549	10509	11583	12769
BAR (AL)											
REQUIRMENT		(1TON)		1810	2000	2200	2420	2670	2920	3220	3550
UNIT PRICE		(RS)		7406	7406	7406	7406	7406	7406	7406	7406
VALUE		(1000RS)		13405	14812	16293	17923	19774	21626	23847	26291
VARIABLE COST											
BAR (SUP)											
REQUIRMENT		(1TON)		4180	4600	5060	5560	6120	6730	7410	8150
UNIT PRICE		(RS)		6008	6008	6008	6008	6008	6008	6008	6008
VALUE		(1000RS)		25113	27637	30400	33404	36769	40434	44519	48965
(2) OPERATING LABOUR	(FC)	(1000RS)		6090	6960	7470	7470	7470	9165	9165	9315
(3) DEPRECIATION	(FC)										
OLD		(1000RS)		29443	26380	23802	21480	19386	17501	15801	14263
NEW		(1000RS)		2560	3294	3845	3710	3589	3480	3382	3295
(4) OTHER EXPENSE	(FC)	(1000RS)		2000	2000	2000	2000	2000	2000	2000	2000
TOTAL OPERATING COST		(1000RS)		88365	92078	95903	99509	103629	110519	116364	123591
NET OPERATING INCOME		(1000RS)		-9999	-5678	-863	5207	11460	16059	22711	29556
INTEREST		(1000RS)		94831	94831	94831	94831	94831	94831	94831	94831
SPECIAL ITEMS		(1000RS)									
NET INCOME BEFORE TAX		(1000RS)		-104830	-100509	-95694	-89624	-83371	-78772	-72120	-65275
INCOME TAX		(1000RS)									
NET INCOME AFTER INT. & TAX		(1000RS)		-104830	-100509	-95694	-89624	-83371	-78772	-72120	-65275

P R O F O R M A I N C O M E S T A T E M E N T

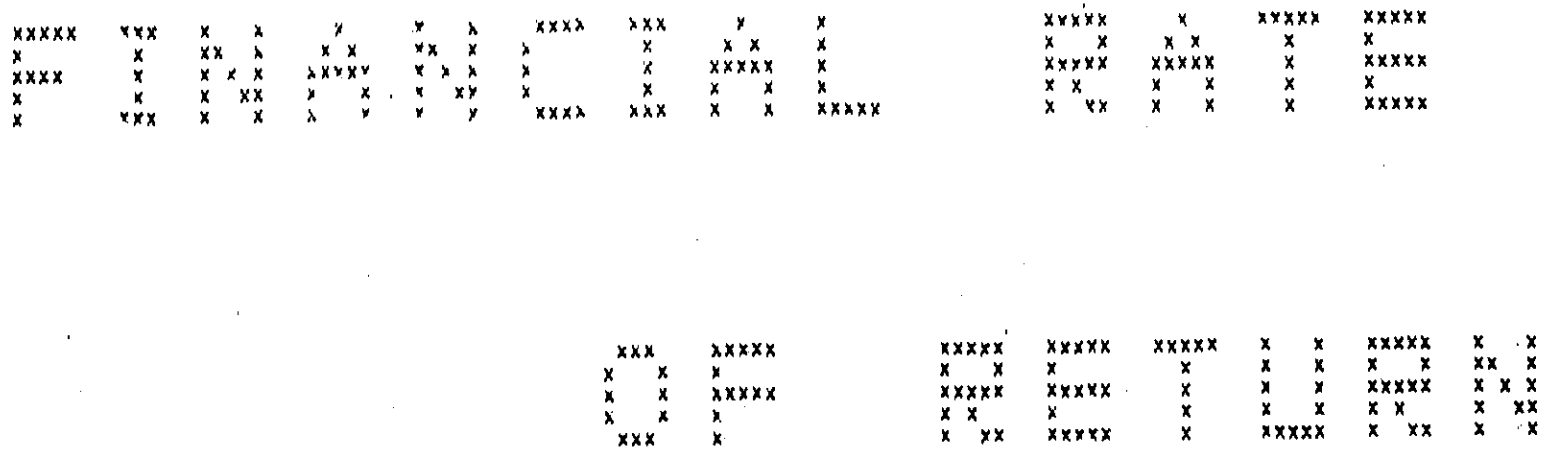
		(YEAR)	9	10
NET INCOME AFTER INT. & TAX				
TOTAL REVENUE	(	1000RS)	168289	185068
****COST****				
(1) VARIABLE COST				
BILLET (SC)				
REQUIRMENT	(	1TON)	1180	1300
UNIT PRICE	(	RS)	4961	4961
VALUE	(	1000RS)	5854	6449
BILLET (AL)				
REQUIRMENT	(	1TON)	240	240
UNIT PRICE	(	RS)	6007	6007
VALUE	(	1000RS)	1586	1716
BAR (SC)				
REQUIRMENT	(	1TON)	2480	2720
UNIT PRICE	(	RS)	5650	5650
VALUE	(	1000RS)	14012	15368
BAR (AL)				
REQUIRMENT	(	1TON)	3890	4280
UNIT PRICE	(	RS)	7406	7406
VALUE	(	1000RS)	28809	31696
VARIABLE COST				
BAR (SUM)				
REQUIRMENT	(	1TON)	8960	9860
UNIT PRICE	(	RS)	6008	6008
VALUE	(	1000RS)	53832	59239
(2) OPERATING LABOUR (FC)	(	1000RS)	9315	9315
(3) DEPRECIATION (FC)				
OLD	(	1000RS)	12886	11060
NEW	(	1000RS)	3215	3143
(4) OTHER EXPENCE (FC)	(	1000RS)	2000	2000
TOTAL OPERATING COST	(	1000RS)	131569	140570
NET OPERATING INCOME	(	1000RS)	36780	44498
INTERRST	(	1000RS)	94831	94831
SPECIAL ITEMS	(	1000RS)		
NET INCOME BEFORE TAX	(	1000RS)	-58051	-50333
INCOME TAX	(	1000RS)		
NET INCOME AFTER INT. & TAX	(	1000RS)	-58051	-50333

INTERNAL RATE OF RETURN (FINANCIAL) (UNIT= 1000RS)

YEAR	INVESTMENT	NET OPERATING INCOME	SPECIAL ITEMS	INCOME TAX AT 100% EQUITY	DEPRE-CIATION	SALVAGE VALUE	RECLAIMED WORKING CAPITAL	NET CASH INFLOW	DISCOUNT FACTOR	PRESENT VALUE OF NET CASH INFLOW
0	366167	0	0	0	0			-366167	1.00000	-366167
1	9000	-9999	0	0	31603			12804	0.98964	12669
2	9000	-5678	0	0	29674			14996	0.97899	14681
3	9000	-863	0	0	27647			19784	0.96865	19164
4	0	5207	0	0	25590			30397	0.95862	29133
5	0	11460	0	0	23473			34435	0.94830	32655
6	0	16059	0	0	20481			37040	0.93829	34754
7	0	22711	0	0	19183			41894	0.92838	38894
8	0	29556	0	0	17556			47112	0.91857	43276
9	0	36780	0	0	16101			52881	0.90887	48062
10	0	44498	0	0	14783		44000	103281	0.89928	92879
										TOTAL=0

INTERNAL RATE OF RETURN = 1.067 %

Table 6-14



Debt Equity Ratio (96 : 4)

Investment	0	277,705,000
	1	9,000,000
	2	9,000,000
	3	7,000,000

SALES REVENUE

	(YEAR)	0	1	2	3	4	5	6	7	8
(1) BILLET (SC)										
RATE OF OPERATION										
LOCALLY										
QUANTITY	(1TON)		550	610	670	730	800	890	970	1070
UNIT PRICE	(RS)		6870	6870	6870	6870	6870	6870	6870	6870
REVENUE	(1000RS)		3779	4191	4603	5015	5496	6114	6664	7351
(2) BILLET (AL)										
RATE OF OPERATION										
LOCALLY										
QUANTITY	(1TON)		110	120	130	150	170	180	190	210
UNIT PRICE	(RS)		10190	10190	10190	10190	10190	10190	10190	10190
REVENUE	(1000RS)		1121	1223	1325	1529	1732	1834	1936	2140
(3) BAR (SC)										
RATE OF OPERATION										
LOCALLY										
QUANTITY	(1TON)		1150	1270	1400	1540	1690	1860	2050	2260
UNIT PRICE	(RS)		9120	9120	9120	9120	9120	9120	9120	9120
REVENUE	(1000RS)		10488	11582	12768	14045	15413	16965	18696	20611
(4) BAR (AL)										
RATE OF OPERATION										
LOCALLY										
QUANTITY	(1TON)		1810	2000	2200	2420	2670	2920	3220	3550
UNIT PRICE	(RS)		12070	12070	12070	12070	12070	12070	12070	12070
REVENUE	(1000RS)		21847	24140	26554	29209	32227	35244	38865	42849
(5) BAR (SUP)										
RATE OF OPERATION										
LOCALLY										
QUANTITY	(1TON)		4180	4600	5060	5569	6120	6730	7410	8150
UNIT PRICE	(RS)		9840	9840	9840	9840	9840	9840	9840	9840
REVENUE	(1000RS)		41131	45264	49790	54719	60221	66223	72914	80196
REVENUE FROM PRODUCT	(1000RS)		78366	86400	95040	104509	115089	126378	139075	153147
REVENUE (LOCAL)	(1000RS)		78366	86400	95040	104509	115089	126378	139075	153147
REVENUE (EXPORT)	(1000RS)									
TOTAL REVENUE	(1000RS)		78366	86400	95040	104509	115089	126378	139075	153147

SALES REVENUE

		9	10
(YEAR)			
(1) BILLET (SC)			
RATE OF OPERATION			
LOCALLY			
QUANTITY	(1TON)	1150	1300
UNIT PRICE	(RS)	6670	6670
REVENUE	(1000RS)	8107	8931
(2) BILLET (AL)			
RATE OF OPERATION			
LOCALLY			
QUANTITY	(1TON)	240	260
UNIT PRICE	(RS)	10190	10190
REVENUE	(1000RS)	2446	2649
(3) BAR (SC)			
RATE OF OPERATION			
LOCALLY			
QUANTITY	(1TON)	2480	2720
UNIT PRICE	(RS)	9120	9120
REVENUE	(1000RS)	22618	24806
(4) BAR (AL)			
RATE OF OPERATION			
LOCALLY			
QUANTITY	(1TON)	3890	4260
UNIT PRICE	(RS)	12070	12070
REVENUE	(1000RS)	46952	51660
(5) BAR (SUP)			
RATE OF OPERATION			
LOCALLY			
QUANTITY	(1TON)	8960	9860
UNIT PRICE	(RS)	9640	9640
REVENUE	(1000RS)	85166	97022
REVENUE FROM PRODUCT	(1000RS)	168289	185068
REVENUE (LOCAL)	(1000RS)	168289	185068
REVENUE (EXPORT)	(1000RS)		
TOTAL REVENUE	(1000RS)	168289	185068

PRO FORMA INCOME STATEMENT

		(YEAR)	0	1	2	3	4	5	6	7	8
****REVENUE****											
TOTAL REVENUE		(100ORS)		78366	86400	95040	104508	115089	126378	139075	153147
****COST****											
(1) VARIABLE COST											
BILLET (SC)											
REQUIREMENT		(TON)		550	610	670	730	800	890	970	1070
UNIT PRICE		(RS)		6201	6201	6201	6201	6201	6201	6201	6201
VALUE		(100ORS)		3411	3783	4155	4527	4961	5519	6015	6635
BILLET (AL)											
REQUIREMENT		(TON)		110	120	130	150	170	180	190	210
UNIT PRICE		(RS)		8259	8259	8259	8259	8259	8259	8259	8259
VALUE		(100ORS)		908	991	1074	1239	1404	1487	1569	1734
BAR (SC)											
REQUIREMENT		(TON)		1150	1270	1400	1540	1690	1860	2050	2260
UNIT PRICE		(RS)		7062	7062	7062	7062	7062	7062	7062	7062
VALUE		(100ORS)		8121	8969	9887	10875	11935	13135	14477	15960
BAR (AL)											
REQUIREMENT		(TON)		1810	2000	2200	2420	2670	2920	3220	3550
UNIT PRICE		(RS)		9258	9258	9258	9258	9258	9258	9258	9258
VALUE		(100ORS)		16757	18516	20368	22404	24719	27033	29811	32866
VARIABLE COST											
BAR (SUP)											
REQUIREMENT		(TON)		4196	4600	5040	5560	6120	6730	7410	8150
UNIT PRICE		(RS)		7510	7510	7510	7510	7510	7510	7510	7510
VALUE		(100ORS)		31392	34546	38001	41758	45961	50542	55649	61207
(2) OPERATING LABOUR	(FC)	(100ORS)		6000	6960	7470	7470	7470	9165	9165	9315
(3) DEPRECIATION	(FC)										
OLD		(100ORS)		20772	18743	16911	15262	13774	12434	11227	10134
NEW		(100ORS)		4306	3946	3845	3710	3589	3480	3382	3293
(4) OTHER EXPENSE	(FC)	(100ORS)		2000	2000	2000	2000	2000	2000	2000	2000
TOTAL OPERATING COST		(100ORS)		92016	97802	103711	109265	115815	124795	133295	143144
NET OPERATING INCOME		(100ORS)		-13650	-11402	-8671	-4757	-724	1583	5780	10003
INTEREST		(100ORS)		94831	94831	94831	94831	94831	94831	94831	94831
SPECIAL ITEMS		(100ORS)									
NET INCOME BEFORE TAX		(100ORS)		-108481	-106233	-103502	-99566	-95555	-93248	-89051	-84828
INCOME TAX		(100ORS)									
NET INCOME AFTER INT. & TAX		(100ORS)		-108481	-106233	-103502	-99566	-95555	-93248	-89051	-84828

P R O F O R M A I N C O M E S T A T E M E N T

		(YEAR)	9	10
NET INCOME AFTER INT. & TAX				
TOTAL REVENUE	(	1000RS)	168289	185065
****COST****				
(1) VARIABLE COST				
BILLET (SC)				
REQUIRMENT	(	1TON)	1180	1300
UNIT PRICE	(	RS)	6201	6201
VALUE	(	1000RS)	7317	8061
BILLET (AL)				
REQUIRMENT	(	1TON)	240	240
UNIT PRICE	(	RS)	8259	8259
VALUE	(	1000RS)	1982	2147
BAR (SC)				
REQUIRMENT	(	1TON)	2480	2720
UNIT PRICE	(	RS)	7062	7062
VALUE	(	1000RS)	17514	19209
BAR (AL)				
REQUIRMENT	(	1TON)	3890	4280
UNIT PRICE	(	RS)	9258	9258
VALUE	(	1000RS)	36014	39624
VARIABLE COST				
BAR (SUP)				
REQUIRMENT	(	1TON)	8960	9860
UNIT PRICE	(	RS)	7510	7510
VALUE	(	1000RS)	67290	74049
(2) OPERATING LABOUR (FC)	(	1000RS)	9315	9315
(3) DEPRECIATION (FC)				
OLD	(	1000RS)	9156	8270
NEW	(	1000RS)	3415	3745
(4) OTHER EXPENCE (FC)	(	1000RS)	2000	2000
TOTAL OPERATING COST	(	1000RS)	155803	165815
NET OPERATING INCOME	(	1000RS)	14446	19250
INTEREST	(	1000RS)	94831	94831
SPECIAL ITEMS	(	1000RS)		
NET INCOME BEFORE TAX	(	1000RS)	-80345	-75581
INCOME TAX	(	1000RS)		
NET INCOME AFTER INT. & TAX	(	1000RS)	-80345	-75581

INTERNAL RATE OF RETURN (FINANCIAL)

(UNIT= 1000RS)

YEAR	INVESTMENT	NET OPERATING INCOME	SPECIAL ITEMS	INCOME TAX AT 100% EQUITY	DEPRE-CIATION	SALVAGE VALUE	RECLAIMED WORKING CAPITAL	NET CASH INFLOW	DISCOUNT FACTOR	PRESENT VALUE OF NET CASH INFLOW
0	277705	0	0	0	0			-277705	1.00000	-277705
1	9000	-13650	0	0	23337			687	1.04131	715
2	9000	-11402	0	0	22039			1635	1.08434	1773
3	7000	-7671	0	0	20756			5085	1.12916	5742
4	0	-4735	0	0	18972			14237	1.17580	16740
5	0	-774	0	0	17363			16639	1.22438	20373
6	0	1583	0	0	15914			17497	1.27497	22308
7	0	5780	0	0	14609			20389	1.32765	27070
8	0	10003	0	0	13427			23430	1.38250	32392
9	0	14486	0	0	12371			26857	1.43963	38664
10	0	19250	0	0	11413		44000	74663	1.49911	111928

TOTAL=0

INTERNAL RATE OF RETURN = -3.967 %

6.3.1 Pro Forma Income Statement

再建試案のPro Forma Income Statementは第6－8－1表に含まれている。このPro Forma Statementは SSP の財務内容の現状（Debt Equity Ratio 96：4）を前提条件としており，第1年目から第10年目までの各年とも多額の欠損が発生する。

また，仮にSSP が提案しているようにDebt Equity Ratio が30：70に改善される場合でも，第6－8－2表のPro Forma Income Statementが示す通りやはり第1年目から第10年目まで欠損が発生する。

6.3.2 キャッシュ・フロー

再建試案のキャッシュ・フローは第6－8－1表に含まれる。各年のキャッシュ・バランスはいずれも多額の現金不足になる。

またDebt Equity Ratio が30：70に改善されると仮定しても，第1年目から第9年目までいずれの年も現金不足が生ずる。

6.3.3 内部利益率（IRR）

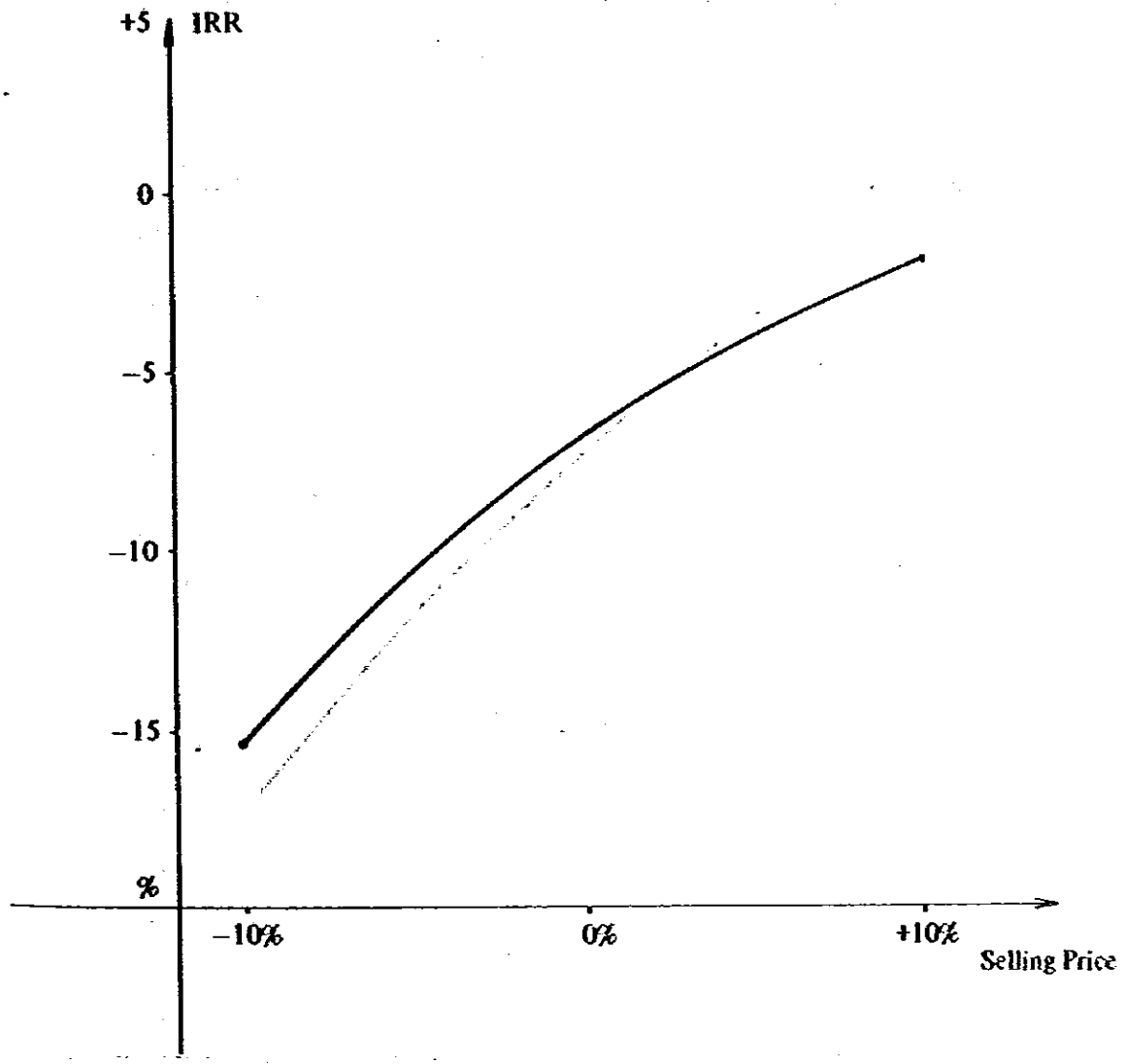
再建案のIRRは－7.174％である。

IRRがマイナスということは，初期投資額が第1年目から第10年目までのネット・キャッシュ・インフローの合計より大であることになる。つまり投資される資本が全額回収されず目減りすることを意味する。

IRRについて，以下3つのケースについて感度分析を実施した。

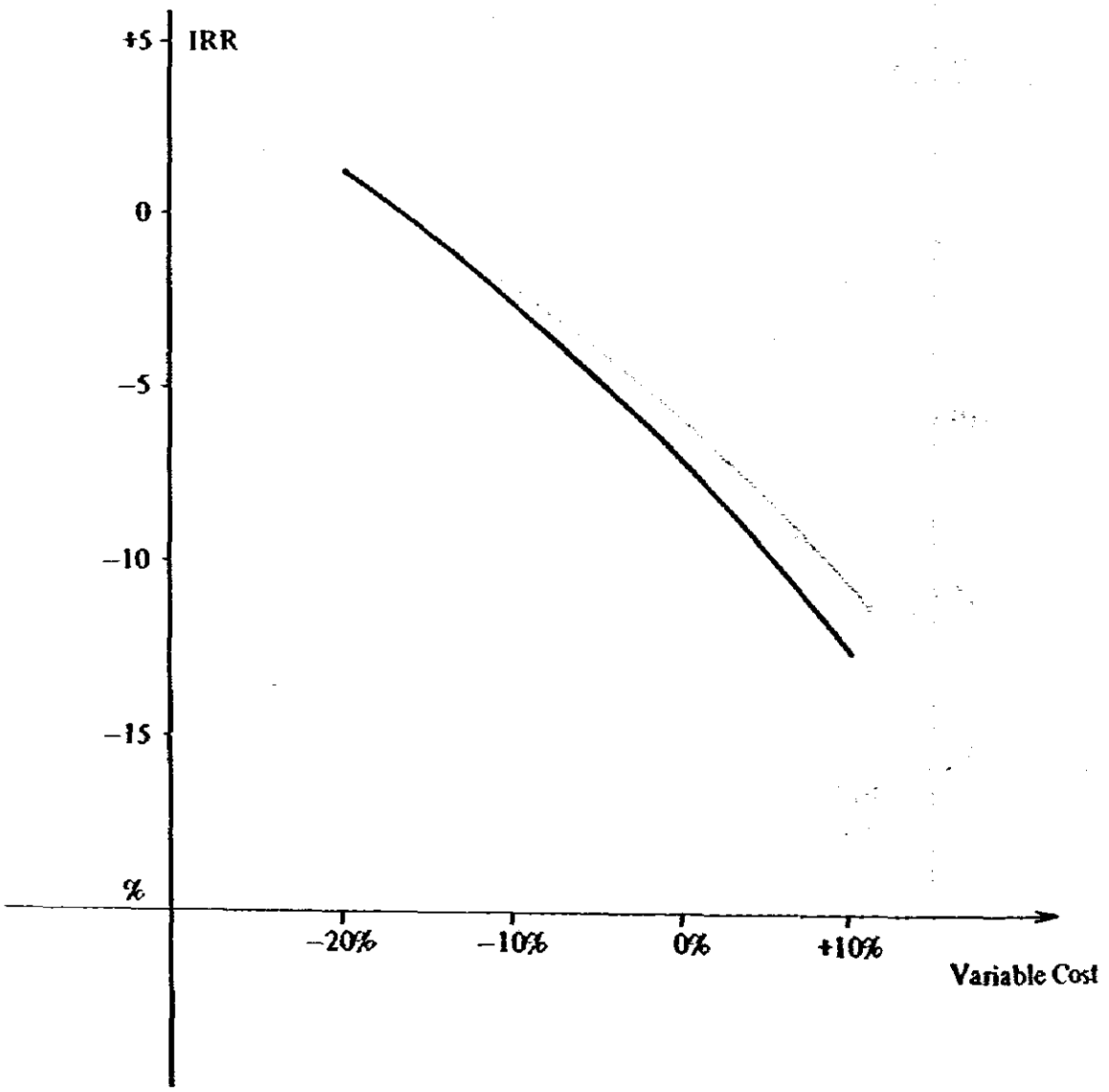
(ii) 再建試案の売価が１０％上昇する場合（第６－９表），売価が１０％下落する場合（第６－１０表）のＩＲＲの変化は第６－１図の通りである。

Fig. 6-1. IRR vs. Selling Price



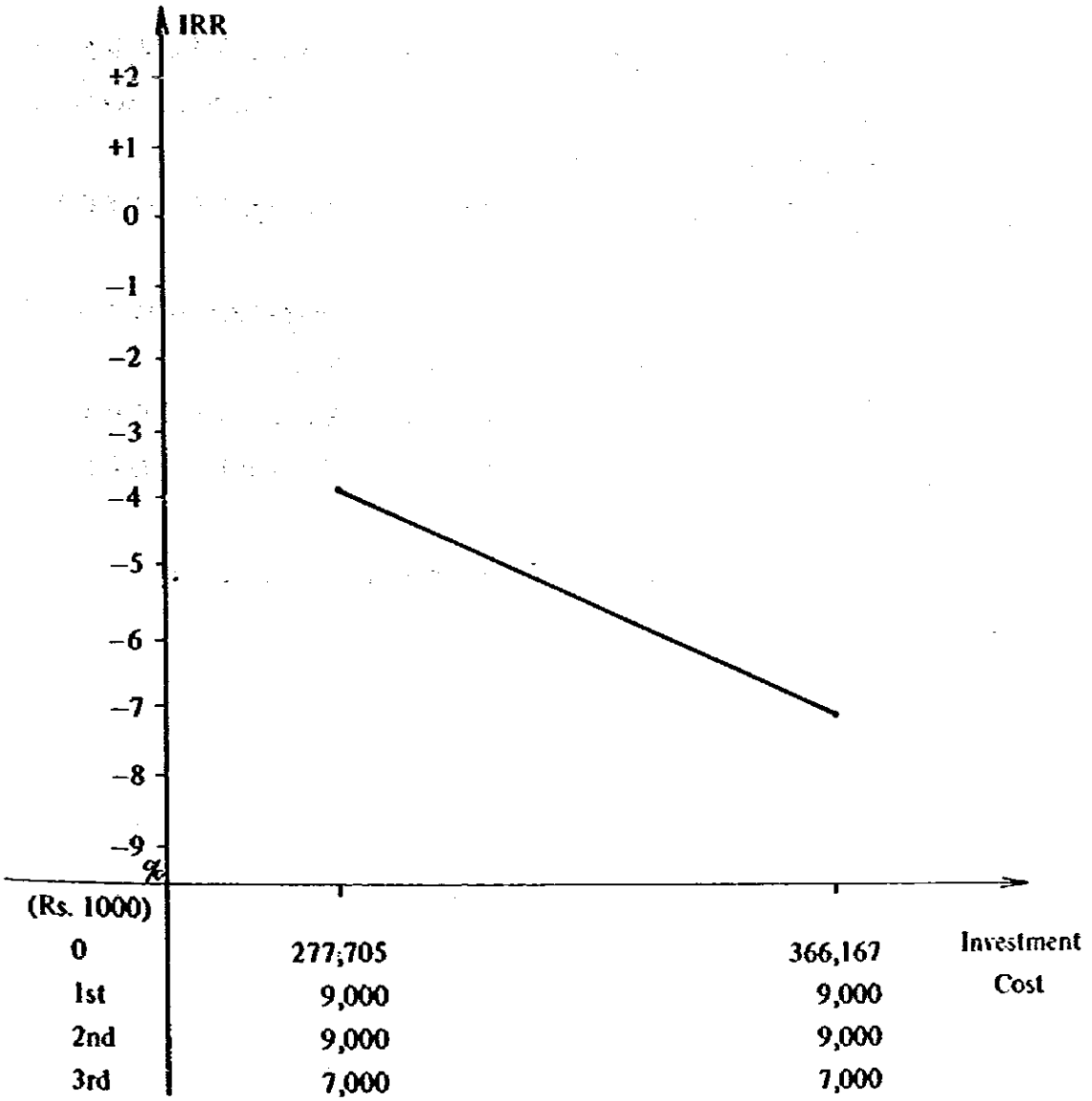
(2) 再建試案の比例費について比例費が１０％増加する場合（第６－１１表），比例費が１０％減少する場合（第６－１２表），また輸入関税がゼロの場合と同様のことを意味する比例費が２０％減少する場合（第６－１３表）のＩＲＲの変化は第６－２図の通りである。

Fig. 6-2. IRR vs. Variable Cost (Raw Material, Utilities, etc.)



(3) 再建試案では，１９７９年６月３０日の有形固定資産の帳簿残高をRs. ３０５,５６７千を０年目の初期投資の一部とした。再建試案に従って生産が中止されるステンレス鋼のシートとプレート，鋳鋼品，鍛鋼品の製造設備（第６－５表　＊印の設備：金額で全設備の約３０％）を除くと帳簿残高はRs. ２１７,１０５千となるので０年目の投資額は運転資金及び追加設備の購入資金（Rs. ６０,６００千）を加えてRs. ２７７,７０５千になる。この場合のＩＲＲの変化についての検討を行ったのが第６－３図である。

Fig. 6-3. IRR vs. Investment Cost



6.4 分析結果の評価

6.3項において，再建試案に関する種々の分析が行なわれた。もともと本再建試案は第4章における記述によっても分るように，数多くの前提条件に基づいており，しかもそれらの前提条件はそのいずれをとっても実施が容易であるとは考えられないものである。ましてや，これらの前提条件の全部が同時に満されるということは現実にはあり得ないと考えられる。

再建試案について6.3項で実施された財務分析は，次のように結論される。

(1) Pro Forma Income Statement（第6－8－1表）が示すように，たとえ本再建試案を採用しても毎年多額の欠損を生じ，欠損解消の目的を達成することはできない。また，SSP が提案しているDebt Equity Ratio 30：70の場合でもやはり欠損が生じ，欠損解消に役立たない。

(2) キャッシュ・フローについていえば，本再建試案を採用しても，毎年多額の現金不足が生じる。もし，SSP が再建試案を実施すると仮定すれば，各年の現金不足は政府あるいはSECからの助成金に依存するより他に方法はない。

Debt Equity Ratio が30：70に改善されるとしても，政府あるいはSECからの助成なしにSSP は存立できない。

(3) 再建試案のIRRは－7.174％である。このことはこの再建試案が採用される場合，投資された資本が全額回収されず目減りすることを意味している。

(4) 製品の販売価格，原材料，ユーティリティー・コストの変動について感度分析を実施した，結果として，多少これらの要因が好転しても，やはり非常に低いIRRしか得られないことが分った。

(5) 以上の財務分析の結果から，本再建試案によってはSSP の企業経営が成立しないことが判明した。

第 7 章

政府，SECの立場からの再建試案の評価

第７章　政府，ＳＥＣの立場からの再建試案の評価

第６章では，再建試案についてＳＳＰ の立場での財務分析を実施した。
この章では，政府あるいはＳＥＣ の立場から再建試案を検討する。

7.1　現金不足に対する資金援助

ＳＳＰ は莫大な負債を抱えており，再建試案を実施すると第６－８－１表のキャッシュ・フローが示すように第１年目から第１０年目まで毎年現金不足が生じる。従って，ＳＳＰ が存続していくためには，この現金不足を政府あるいはＳＥＣ が助成金という形で資金援助する必要がある。

ＳＳＰ の現在のDebt Equity Ratio は９６：４であり，この場合の政府あるいはＳＥＣ が支出せねばならない各年の助成金及び各年の助成金の０年目における現在価値と，現在価値の合計の関係を示したのが第７－１表である。パキスタンの資本の機会費用は市中金利等から判断して約１０％と推定されるので，現在価値を計算するための割引率は１０％とした。第７－１表から明らかなように政府あるいはＳＥＣ が支出しなければならない第１年目から第10年目までの助成金総額はRs. ７６６,１９０千であり，割引率１０％の場合の０年目における助成金の現在価値の合計は，Rs. ４８１,４２６千という莫大な額になる。

ＳＳＰ が提案しているDebt Equity Ratio が３０：７０の場合について，債権者が自己の債権の一部をＳＳＰ の出資金として転換することに同意すると仮定しても，ＳＳＰの現金不足を補填するために政府あるいはＳＥＣ が支出せねばならない各年の助成金及び各年の助成金の０年目の現在価値と，その現在価値の合計との関係についても第７－１表に示した。これによると，第１年目から第１０年目までの助成金総額はRs. １１５,１３９千となり，０年目における助成金の現在価値の合計はRs. ８１,４２０千になる。

以上のように，ＳＳＰ が再建を実施する場合，政府あるいはＳＥＣ は莫大な額の助成金を負担せねばならないことは非常に重大なこととして留意しなければならない。

Table 7-1. Subsidy from Government or SEC

Unit: Rs.1,000

Year	Subsidy*1 (A)	Subsidy*2 (B)	Discount Rate 10% (C)	Present Value (A) x (C)	Present Value (B) x (C)
0			1.000		
1	85,144	20,039	0.909	77,396	18,215
2	84,196	19,091	0.826	69,546	15,769
3	82,746	17,641	0.751	62,142	13,248
4	80,594	15,489	0.683	55,049	10,580
5	78,192	13,087	0.621	48,557	8,127
6	77,335	12,229	0.564	43,617	6,897
7	74,442	9,337	0.513	38,189	4,790
8	71,401	6,296	0.467	33,344	2,940
9	67,974	2,869	0.424	28,821	1,216
10	64,166	-939	0.386	24,768	-362
Total	766,190	115,139	-	481,426	81,420

*1 Debt Equity Ratio 96 : 4
*2 Debt Equity Ratio 30 : 70

7.2 既存工場についての考察

既有工場についての考察を，ＳＳＰは借入金がゼロであり，従って支払金利もゼロであるという仮定のもとで実施する。

新規にＲｓ．８５,６００千を投下することによって，再建試案が生み出すキャッシュ・インフローの第１年目から第１０年目までの合計はＲｓ．２２６,１１８千となる。

新規投資とキャッシュ・インフローとから計算されるネット・キャッシュ・インフローは０年目から１０年目までの合計でＲｓ．１４０,５５５千となる。

第７－２表は投資，キャッシュ・インフロー及びネット・キャッシュ・フローと０年目におけるネット・キャッシュ・インフローの現在価値の関係を示したものである。

Table 7-2. Net Present Value of Return from Existing Plant

Unit: Rs.1,000

Year	Investment	Cash Inflow	Net Cash Inflow	Discount Factor 10%	Present Value
0	60,600		-60,600	1.000	-60,600
1	9,000	9,687	687	0.909	624
2	9,000	10,635	1,635	0.826	1,351
3	7,000	12,085	5,085	0.751	3,819
4		14,235	14,235	0.683	9,748
5		16,639	16,639	0.621	10,339
6		17,496	17,496	0.564	9,868
7		20,389	20,389	0.513	10,460
8		23,480	23,480	0.467	10,942
9		26,857	26,857	0.424	11,387
10		74,665	74,665	0.386	28,820
Total	85,600	226,118	140,555	-	37,758

計算の結果割引率１０％の場合，再建試案を実施することにより0年目の現在価値に直して，Rs．３７,７５８千の収益リターンが得られることが分った。つまり既有工場は，この再建試案によって１０年間でRs．３７,７５８千 の価値を生み出すことが確認されたわけである。

従って，たとえば工場を売却することなどの方法によって，既存工場をRs．３７,７５８千以上に活用する方法があれば，それは本再建試案より優れた選択であるといえる。

第 8 章

結　　論

第８章　結　　論

ＳＳＰ の再建の可能性があるかどうかを検討するために，ＳＳＰ の経営を改善するための最善案として再建試案を作成した。この試案の製品生産計画においては特殊鋼圧延鋼材（プレート，シートを除く）のみは生産することにし，プレート，シート，鋳鋼品，及び鍛鋼品は生産しないことにした。

この製品生産計画に基づいて，ＳＳＰ の企業経営が成立つかどうかを財務分析により評価した結果は第６章，第７章にも記したように下記の通り集約される。

(1)　毎年多額の欠損を生じ，欠損解消の目途はたたない。

(2)　毎年多額の資金不足が発生する。

(3)　ＩＲＲはマイナス値を示し，投資された総資本は目減りすることになる。

このような結果になった理由としては，

１）パキスタンにおける特殊鋼の総需要量が少いということがまず第１に挙られる。この少い需要量の中の限られたサイズの製品しかＳＳＰ の設備では生産できない。

特殊鋼の需要部門である重工業は未発達であり，特に特殊鋼の最大の消費産業である輸送機械製造業はようやく発展の緒についたばかりである。パキスタンでは特殊鋼工場を設置するような経済環境ではなかったし，現在においても同様であると言わざるをえない。

２）特殊鋼の最大の需要先は輸送機械産業であり，従来はほとんど大部分のパーツやその素材は輸入によって賄われている。パーツや素材には多くの品種，サイズがあって，非常に厳しい仕様が要求されるものである。このような製品を製造するにはパキスタンの鉄鋼技術水準は極めて低い。

３）ＳＳＰ の特殊鋼の製造原価が極めて高いということが採算のとれない大きな理由である。製造原価のうち原材料費（比例費）の占める割合は大きい。パキスタンにおける原材料価格は先進国のそれに比べて非常に高い。仮に原材料の輸入関税をゼロにしても，依然として原材料費は高すぎる。

一方パキスタン政府の立場から見ると再建試案を実行した場合には，ＳＳＰ の資金不足に対して政府は毎年多額の資金援助をＳＳＰ のために投入しなければならない。

以上前章までに記されている通りの広汎なしかも詳細な調査及び分析の結果ならびに上記のような考察に基づき，ＳＳＰの再建案は残念ながら見出せなかったと結論される。

APPENDIX

APPENDIX 1. MEMBERS OF MISSION

Mr. Yoshihiro Mitarashi	Project Manager Metallurgical Engineer Japan Consulting Institute
Mr. Mitsuo Nishi	Mechanical Engineer Daido Steel Co., Ltd.
Mr. Kuniyoshi Kazama	Mechanical Engineer Japan Consulting Institute
Mr. Taijo Sato	Techno-Economist Japan Consulting Institute
Mr. Hajime Inagaki	Metallurgical Engineer Daido Steel Co., Ltd.
Mr. Keiji Sasaki	Economist Daido Steel Co., Ltd.
Mr. Yasuji Noda	Economist Japan Consulting Institute
Mr. Hisatoshi Naito	Coordinator Japan International Cooperation Agency

APPENDIX 2. ITINERARY

March 2 (Sun.)	Departed Tokyo
March 3 (Mon.)	Arrived in Karachi. Briefing at Japanese Consulate General. Itinerary adjusted at SSP head office.
March 4 (Tue.)	Inspected SSP factory. Preliminary meeting with SEC. Discussed method of survey at SSP head office.
March 5 (Wed.)	Inspected and surveyed demand at Allwin Eng., Pakistan Machine Tool Factory and Javedan Cement. Inspected SSP factory.
March 6 (Thu.)	Inspected factory of Pakistan Steel Mills Corporation and surveyed the iron and steel situation. Surveyed demand at Siemens, Pakistan Tractors Corp.
March 7 (Fri.)	Holiday. Arranged data.
March 8 (Sat.)	Surveyed demand and production situation at Ahmed Investment, Quality Steels, and Hardware Mfg. Co.
March 9 (Sun.)	Surveyed demand at Trailer Development Corp. and National Motors Ltd. Discussed S/W at SSP head office.
March 10 (Mon.)	Signing of S/W at SSP head office. Received information from Karachi Branch Bank of Tokyo. Discussed data of Pakistan Automobile Corp.
March 11 (Tue.)	Departed Karachi and arrived at Islamabad. Briefing at Japanese Embassy. Surveyed demand at Railway Carriage Factory.
March 12 (Wed.)	Listened to Ministry of Production, Economic Affairs Division, Ministry of Commerce, and Ministry of Finance concerning the Pakistan Government's views of SSP.

March 13 (Thu.)	Surveyed demand at HRF/POF, Heavy Foundry & Forge, and Heavy Mechanical Complex.
March 14 (Fri.)	Holiday.
March 15 (Sat.)	Gathered information at Islamabad. Departed Islamabad and arrived in Lahore.
March 16 (Sun.)	Surveyed demand and production at PECO head office, Badami Bagh factory, and Kot Lakhpat factory.
March 17 (Mon.)	Surveyed demand at Steel Casting Ltd., Starlight Industry, and Babar Industry.
March 18 (Tue.)	Surveyed demand at Chandri Wire Rope Industry, KSB Pump, and Ashraf Engineering Co.
March 19 (Wed.)	Surveyed demand at Punjab Small Industries Center, Surgical Manufacturers & Exporters Association, F.M. Elahi, and HIRBRO.
March 20 (Thu.)	Surveyed demand and production at Pakistan Railway head office, its iron and steel plant and spring plant.
March 21 (Fri.)	Departed Lahore and arrived at Karachi.
March 22 (Sat.)	Gathered factory information at SSP head office.
March 23 (Sun.)	Holiday. Arranged information.
March 24 (Mon.)	Gathered answers to questionnaire of consumers. Prepared interim report.
March 25 (Tue.)	Interim report to SEC. Discussed contents of interim report.
March 26 (Wed.)	Translation of interim report completed. Received answer of questionnaire to SSP.

March 27 (Thu.)	Interim report to consul general. Presented report. Presented interim report to SSP. Departed Karachi.
March 28 (Fri.)	Arrived in Tokyo.

APPENDIX 3. FINANCIAL STATEMENTS

Ford, Rhodes, Robson, Morrow

Auditors' Report

We have examined the annexed Balance Sheet as at 30th June, 1978 and the annexed Profit and Loss Account for the year ended on that date together with the annexed notes which form part of the accounts of SPECIAL STEELS OF PAKISTAN LIMITED and subject to the various bases on which these Accounts have been prepared as explained in Note 1 and the contents of notes 5 (e) (iv), 10 (a) and (d), 11, 15, 16, and 26 and our disclaimer arising therefrom, we report that -

(a) We have obtained all the information and explanations which we have required,

(b) In our opinion, the annexed Balance Sheet and Profit and Loss Account are drawn up in conformity with the law,

(c) Such Balance Sheet exhibits a true and correct view of the state of affairs of the Company according to the best of our information and the explanations given to us, and as shown by the books of the Company,

(d) In our opinion, books of account have been kept by the Company for the year under report as required by the Companies Act, 1913.

Chartered Accountants.

Karachi -
30th January, 1980.

Ford, Rhodes, Robson, Morrow

SPECIAL STEELS OF PAKISTAN LIMITED

BALANCE SHEET AS AT 30TH JUNE, 1978

	Notes	1978 Rs.	1977 Rs.
SHARE CAPITAL	2	42,570,000	42,570,000
DEPOSITS FROM VALIKA GROUP	3	14,294,150	14,294,150
LONG TERM LOANS AND DEFERRED LIABILITIES			
Foreign currency loan	4	241,508,355	188,376,517
Interest and other charges		188,917,877	120,648,837
		430,426,232	309,025,354
Debentures	5	56,617,000	56,617,000
Bridge loan	6	2,500,000	2,500,000
Consortium loan	7	35,610,000	28,710,000
Deferred custom duty	8	7,590,265	7,590,265
Provision for gratuity		3,685,400	3,011,980
		536,428,897	407,454,519
CURRENT LIABILITIES -			
Bank loans and overdrafts	9	190,239,256	150,874,028
Temporary advance from State Heavy Engineering and Machine Tool Corporation Limited		5,397,793	4,328,648
Temporary loan		3,000,000	3,000,000
Creditors provisions and accrued expenses	10	76,405,240	79,656,583
Customers advances		13,274,418	11,828,899
		288,316,707	249,688,158
		Rs. 881,609,754	714,006,827

	Notes	1978 Rs.	1977 Rs.
FIXED ASSETS -	11		
At cost less depreciation as per schedule attached		337,999,156	320,274,126
Capital work-in-progress (at cost)		11,897	11,897
		338,010,053	320,286,023
DEFERRED CHARGES		4,893	4,893
LONG TERM DEPOSITS		921,150	920,650
CLAIMS RECEIVABLE	12	3,163,874	3,210,672
CURRENT ASSETS -			
Stores, spares and accessories	13	33,549,672	35,519,551
Stocks	14	87,320,335	103,092,877
Goods-in-transit, at cost		1,247,698	2,066,331
Trade and sundry debtors	15	3,228,585	4,202,500
Advances, deposits and prepayments	16	1,647,109	6,383,152
Cash and bank balances	17	14,396,133	13,230,737
		141,389,632	165,503,008
INTANGIBLE ASSETS	1(a)	31,599,999	31,599,999
TRIAL PRODUCTION LOSS		59,744,595	59,744,595
PROFIT AND LOSS ACCOUNT - (ADVERSE BALANCE)		306,775,558	132,735,937
		Rs. 881,609,754	714,006,827

Auditors' report dated 30th January, 1980 is annexed hereto.

These accounts should be read in conjunction with the annexed notes.

Ford Rhodes Robson Morrow
Chartered Accountants.

Managing Director.

Karachi -
30th January, 1980.

SPECIAL STEELS OF PAKISTAN LIMITED

SCHEDULE OF FIXED ASSETS AS AT 30th JUNE, 1978

	COST				DEPREC	
	As at 30th June, 1977	Additions during the year 77-78	Adjustments during the year	As at 30th June, 1978	To 30th June, 1977	for t
	Rs.	Rs.	Rs.	Rs.	Rs.	
Leasehold land	59,906	-	-	59,906	-	
Internal roads	960,796	-	-	960,796	49,040	
Factory buildings	29,801,094	239,220	-	30,040,314	1,499,055	1,
Plant, machinery and equipment (see note 3 below)	319,610,887	53,426,865	-	373,037,752	31,961,089	34,
Electric and gas installations	2,408,908	-	-	2,408,908	240,891	
Electric equipment	114,635	865	-	115,500	31,171	
Airconditioners	61,925	-	-	61,925	14,400	
Furniture, fixtures & fittings	354,579	5,580	-	360,159	68,569	
Office equipment	197,495	-	-	197,495	70,574	
Workshop equipment and machinery	89,671	-	-	89,671	8,957	
Permanent tools and moulds	49,020	-	-	49,020	4,902	
Laboratory apparatus	12,240	-	-	12,240	3,180	
Canteen utensils and equipment	39,649	357	-	40,006	6,654	
Fire fighting equipment	84,354	-	-	84,354	29,662	
Motor vehicles	683,043	-	-	683,043	308,449	
Bicycles	666	-	-	666	459	
Motorcycles	15,630	-	-	15,630	4,283	
Other assets	29,811	-	-	29,811	8,229	
Rs.	354,574,309	53,672,887	-	408,247,196	34,300,183	3
1977 Rs.	354,246,657	402,652	75,000	354,574,309	381,414	3

1. Fixed assets are stated at cost less accumulated depreciation except leasehold land which is stated at cost.
2. Depreciation is provided at a fixed rate per annum on reducing balance method at the rates shown in the above schedule of fixed assets.
3. Addition to plant and machinery of Rs.53,426,865 represents increase in liability of foreign currency loan arising due to the change in exchange rates between Pakistan rupee and Japanese yen.
4. As referred to in the annexed Balance Sheet.

Managing Director.

SPECIAL STEELS OF PAKISTAN LIMITED

SCHEDULE OF FIXED ASSETS AS AT 30TH JUNE, 1978

	COST				DEPRECIATION			Written down value as at 30th June, 1978	Rate of Depreciation on written down value
	As at 30th June, 1977	Additions during the year 77-78	Adjustments during the year	As at 30th June, 1978	To 30th June, 1977	For the year	To 30th June, 1978		
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	%
Leasehold land	59,906	-	-	59,906	-	-	-	59,906	Nil
Internal roads	960,796	-	-	960,796	48,040	45,638	93,678	867,118	5
Factory buildings	29,801,094	239,220	-	30,040,314	1,490,055	1,427,513	2,917,568	27,122,746	5
Plant, machinery and equipment (see note 3 below)	319,610,887	53,426,865	-	373,037,752	31,961,089	34,107,666	66,068,755	306,968,997	10
Electric and gas installations	2,408,908	-	-	2,408,908	240,891	216,802	457,693	1,951,215	10
Electric equipment	114,635	865	-	115,500	31,171	8,433	39,604	75,896	10
Airconditioners	61,925	-	-	61,925	14,400	4,753	19,153	42,772	10
Furniture, fixtures & fittings	354,579	5,580	-	360,159	68,569	17,495	86,064	274,095	6
Office equipment	197,495	-	-	197,495	70,574	19,038	89,612	107,883	10
Workshop equipment and machinery	89,671	-	-	89,671	8,967	8,070	17,037	72,634	10
Permanent tools and moulds	49,020	-	-	49,020	4,902	4,412	9,314	39,706	10
Laboratory apparatus	12,240	-	-	12,240	3,780	846	4,626	7,614	10
Canteen utensils and equipment	39,649	357	-	40,006	6,654	3,335	9,989	30,017	10
Fire fighting equipment	84,354	-	-	84,354	29,662	5,469	35,131	49,223	10
Motor vehicles	683,043	-	-	683,043	308,448	74,919	383,367	299,676	20
Bicycles	666	-	-	666	469	40	509	157	20
Motorcycles	15,630	-	-	15,630	4,283	2,269	6,552	9,078	20
Other assets	29,811	-	-	29,811	8,229	2,159	10,388	19,423	10
Rs.	354,574,309	53,672,887	-	408,247,196	34,300,183	35,948,857	70,249,040	337,998,156	
1977 Rs.	354,246,657	402,652	75,000	354,574,309	381,414	33,918,769	34,300,183	320,274,126	

1. Fixed assets are stated at cost less accumulated depreciation except leasehold land which is stated at cost.
2. Depreciation is provided at a fixed rate per annum on reducing balance method at the rates shown in the above schedule of fixed assets.
3. Addition to plant and machinery of Rs.53,426,865 represents increase in liability of foreign currency loan arising due to the change in exchange rates between Pakistan rupee and Japanese yen.
4. As referred to in the annexed Balance Sheet.

Managing Director.

Ford, Rhodes, Robson, Morrow

SPECIAL STEELS OF PAKISTAN LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 30TH JUNE, 1978

	Notes	1978	1977
		Rs.	Rs.
Turnover	18	31,779,918	24,884,315
Cost of goods sold	19	92,445,383	93,235,037
Gross loss		60,555,465	68,350,722
General and administration expenses	21	1,398,293	1,598,081
Selling and distribution expenses	22	469,311	642,190
		1,867,604	2,240,271
Operating loss		62,533,069	70,590,993
Other income	23	(117,863)	(28,654)
		62,415,206	70,562,339
Financial expenses	24	79,443,351	62,174,648
Increase in interest liability due to change in exchange rate		32,180,004	-
		111,623,355	62,174,648
Net loss for the year		174,038,571	132,735,987
Loss brought forward		132,735,987	-
Balance carried to Balance Sheet		Rs. 306,775,558	132,735,987

These accounts should be read in conjunction with the annexed notes.

Managing Director.

SPECIAL STEELS OF PAKISTAN LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 30TH JUNE, 1976

1. BASES OF ACCOUNTING

(a) Intangible Assets:

Expenses incurred on the training of the Company's engineers in Japan amounting to Rs.2,532,995 and the start-up and trial production losses incurred during the year ended 30th June,1975 amounting to Rs.29,067,004, have been capitalised as it is considered that the company would derive enduring benefit from such training and the experience gained during the trial production.

(b) Claims Receivable:

The realisability of certain claims and debtors referred to in notes 12 and 15 amounting to Rs.2,636,302 and Rs.1,222,075 respectively depends upon the outcome of the legal proceedings instituted, appeals preferred and other actions taken by the company. It is therefore not possible to express an opinion as to the outcome of such proceedings and the realisability of the above sums.

(c) Stores, Spares and Accessories:

Consumption

The following bases have been used to record consumption of stores, spares etc.

General stores and accessories - Closing stock as per statement prepared by the Company has been deducted from opening stock plus additions during the year and the resultant figure has been taken as consumed.

Spares - Twenty per cent of the value comprising opening stock and addition during the year has been treated as consumed.

Valuation

General stores and accessories - At estimated values.

Spares - At written down value after writing off twenty per cent thereof.

(d) Stocks:

(i) Valuations

Raw Materials	Average cost.
Returnable scrap carbon	Average cost of carbon steel scrap.
Stainless and alloy steel scrap	Estimated cost.
Work-in-Process	Selling price as adjusted by the stage of completion of the products.
Finished Goods	Estimated net realisable value.

(ii) The stocks include provision for customs duty and sales tax on the value of goods placed in customs bonded warehouse. During the current and previous years stocks and accessories in custom bonded warehouse were withdrawn on which customs duty should have been paid by the Company. The delay in payment is due to the acute financial difficulties being faced by the company.

The provision set up for customs duty and sales tax remains unadjusted and the liability as at the Balance Sheet date remains undetermined.

(iii) It is felt that the cost of raw materials and finished goods are overstated in these accounts as they may not fetch the cost at which they have been valued. It is not possible to quantify the exact amount of such overstatement.

(iv) In the absence of information, the market value of raw materials could not be ascertained.

(v) The company does not undertake physical inventory of stocks due to the bulky nature of the same and the necessity of organising handling facilities on a large scale.

(vi) Reliance has been placed on estimates with regard to the quantity of returnable scrap, work-in-process and finished goods shown as closing stock in these accounts.

(vii) In subsequent years, the company's production has been low and not in accordance with the designed product mix and therefore consumption of high priced ferro alloys have been insignificant. However, these items have been retained at cost.

(viii) Included in the value of raw materials is high carbon ferro chrome amounting to Rs.4,580,636. In the accounts for the year ended 30th June,1975 it was noted that a sampling test revealed the material to be of a different specification and of sub-standard quality. However, during the year under review high carbon ferro chrome amounting to Rs.384,856 has been shown as consumed in these accounts. Pending further investigation this material has been shown at cost.

(ix) The clearing charges included in the cost of the raw materials up to January,1977 have been incorporated in these accounts on ad hoc basis and are yet to be reconciled and settled with the clearing agent. The Company appointed a new firm of clearing agents in December,1976.

(x) Raw materials consumed as per store records and shown in the accounts do not agree with the consumption shown by heat sheet records. The heat sheet records show an excess consumption of Rs.3,925,535, which is not reflected in the Accounts.

(e) Fixed assets:

(i) As stated in the attached schedule of fixed assets, addition to plant and machinery of Rs.53,426,865 represents increase in liability

of foreign currency loan arising due to the change in exchange rate between Pakistan rupee and Japanese Yen.

(ii) The company does not maintain a register of fixed assets.

(iii) The company has not registered one bedford truck.

(f) Advances and deposits:

All the advances and deposits remain unconfirmed.

(g) Long term and other loans:

The following balances remain unconfirmed -

	Rs.
Foreign currency loan and interest thereon	430,426,232
Consortium loan	21,290,000
Bank loans and overdrafts	41,971,662

(h) Confirmation of creditors, debtors and customers advances:

It is not the practice of the Company to seek confirmation of balances with the above parties.

(i) Going Concern:

These accounts have been prepared on going concern basis although the workers were laid off in December, 1979 and other circumstances facing the Company.

2. SHARE CAPITAL

	1978 Rs.	1977 Rs.
Authorised -		
10,000,000 Ordinary Shares of Rs.10/- each	100,000,000	100,000,000
Issued, Subscribed and Paid-up -		
4,257,000 Ordinary Shares of Rs.10/- each	42,570,000	42,570,000

The shares of the company are held by the following public sector Corporations:

	No. of Shares	Amount Rs.
State Heavy Engineering and Machine Tool Corporation Limited -		
Acquired by the Federal Government from former shareholders	27,500	275,000
Fully paid in cash by the Federal Government	4,100,000	41,000,000
Fully paid in cash by the Corporation	41,000	410,000
Carried forward	4,168,500	41,685,000

	No. of Shares	Amount
		Rs.
Brought forward	4,158,500	41,685,000
Pakistan Automobile Corporation Limited - fully paid in cash	40,500	405,000
Federal Light Engineering Corporation Limited - fully paid in cash	40,500	405,000
Acquired by the Federal Government from former shareholders pending transfer to State Heavy Engineering and Machine Tool Corporation Limited	7,500	75,000
	4,257,000	42,570,000

The company is a subsidiary of State Heavy Engineering and Machine Tool Corporation Limited.

3. DEPOSITS FOR SHARES FROM VALIKA GROUP

Deposits were made by the following companies of the Valika Group:

	1978	1977
	Rs.	Rs.
Messrs. Valibhai Kamruddin	12,902,150	12,902,150
Messrs. Valibhai Kamruddin (Sind) Limited	409,000	409,000
Messrs. Valika Properties Limited	605,000	605,000
Messrs. Valika Investment Corporation	378,000	378,000
	14,294,150	14,294,150

(a) The above stated amounts were built up for preparation of the accounts at the time of take-over.

(b) It was decided by the Government on 28th May, 1979 that the Company should issue debentures to the Valika Group redeemable in fifteen years with a grace period of five years carrying interest at 1% above bank rate to satisfy the above debt. The Valika Group, on the other hand, is claiming interest on debentures with effect from 1972.

Later the Government constituted a high powered committee to go through all related issues of receivable/payable, compensation bonds and overdue income-tax in respect of the nationalised industries and to settle these with the ex-owners.

The committee in its meeting held on 2nd October, 1979 decided that the consent of the Controller of Capital Issues be sought in order to issue the debentures amounting to Rs.142.94 lacs by the company in favour of the Valika Group.

4. FOREIGN CURRENCY LOAN

The salient features and terms of the above loan are given below:

(a) The Government of Pakistan agreed in 1968 to finance the foreign currency cost of the project amounting to Japanese Yen 5,318,770,243 by

providing loans out of the fourth, fifth, eighth, ninth and tenth Yen credits from the Export Import Bank of Japan, Tokyo and twelve other private Japanese banks through the Government of Japan.

(b) Although the Yen credits had been made available to the Company as early as December, 1968 and at regular intervals thereafter, the company entered into a formal agreement with the President of Pakistan in August, 1971, which inter alia appointed PICIC as the agent of the President of Pakistan to administer and control the loan. However, according to PICIC, with effect from 1st July, 1976 it is not administering the yen credit.

(c) The loan bears interest, special service charge and commitment charge as follows:

Line of Credit	Rate	Due date of payment
Fourth and Fifth -		
Interest	7½% p.a.	First day of February and August each year on outstanding amount of loan.
Service charge	½% p.a.	- do -
Eighth, Ninth and Tenth -		
Interest	6½% p.a.	First day of February and August each year on outstanding amount of loan.
Service charge	½% p.a.	- do -
All Commitment charges	1½% p.a.	First day of February and August and November each year on the highest undisbursed amount during the preceding quarter.

The obligation for repayment of the principal amount of the loan, interest, special service and commitment charges thereon is to be computed and stated in Japanese Yen and converted into Pakistan currency at the official rate of exchange as determined by the State Bank of Pakistan, on the date of such repayment.

(d) The loan is secured by:

(i) a first legal mortgage on the company's present and future immovable properties wherever situated including all buildings, fixed plants, machinery and fixtures (including trade fixtures thereon);

(ii) a first mortgage by way of hypothecation in respect of all the machinery of the company both present and future;

(iii) a first floating charge on all the other assets of the company, both present and future, subject only to the hypothecation or charge on inventories and commercial goods, created in favour of the Company's bankers to secure short term indebtedness;

(iv) a personal guarantee executed jointly and severally by all the sponsoring directors of the company and the then managing agents undertaking to repay the loan and the exchange risk as if they were the principal debtors; provided that in case of the sponsoring directors, their liability shall be to the extent of their shareholding in the company's capital;

(v) assignment by the company, by way of mortgage of the benefits of its contracts with the suppliers of plant and machinery.

(e) The loan has been sanctioned and utilized in the following amounts up to 30th June, 1978 -

Line of Credit	Sanctioned	Utilized	No. of instalments	Payment schedule First	Payment schedule Last
	J. Yen	J. Yen			
Fourth	574,766,400	574,766,400	26	Feb. 1, 1970	Aug. 1, 1982
Fifth	2,131,200,000	2,131,200,000	26	Aug. 1, 1971	Feb. 1, 1984
Eighth	653,400,000	653,400,000	26	Feb. 1, 1974	Aug. 1, 1986
Ninth	1,477,440,000	1,477,439,998	26	Feb. 1, 1975	Aug. 1, 1987
Tenth	481,963,840	481,948,870	36	Jan. 20, 1980	July 20, 1997
	5,318,770,240	5,318,755,268			
Rs.	243,533,436	243,532,750	@ J.Yen 21.84 = Re 1/-.		

(f) The movement in the above account is as under:

	1978	1977
	J. Yen	J. Yen
Balance brought forward	5,274,542,468	5,254,593,598
Disbursement during the year	-	19,948,870
	5,274,542,468	5,274,542,469
	Rs. 241,506,355	188,375,517
Converted at	JY 21.84 = Re.1	JY 28 = Re.1

(g) The position of over due instalments and those falling due for payment with a year of the date of these accounts is as under:

	1978		1977	
	J.Yen	Rs.	J. Yen	Rs.
Balance brought forward	1,731,128,950	79,264,146	1,359,055,130	48,537,683
Instalments which fell due during the year	372,073,820	17,036,347	372,073,820	13,288,351
	2,103,202,770	96,300,493	1,731,128,950	61,826,034
Instalments Payable within one year	372,073,820	17,036,347	372,073,820	13,288,351
	2,475,276,590	113,336,840	2,103,202,770	75,114,385

Converted at J.Y. 21.84 = Re 1 J.Y. 28 = Re 1

(h) The details of interest and other charges due but remaining unpaid on the above loan are given below:

	1978	1977
	Rs.	Rs.
Interest	126,295,073	82,523,674
Service charges	3,139,246	2,412,123
Commitment charges	3,257,986	2,607,157
Penal interest	56,214,714	33,095,025
Others	10,858	10,858
	Rs. 188,917,877	120,648,837

Penal interest has been provided in accordance with clauses g(i) and g(ii) of section 3.06 of the Agreement with the President of Pakistan and PICIC at the rate of 2% per annum on delayed redemption of principal amount and at 11½% per annum on delayed payment of interest, service and commitment charges.

(i) The overdue and current portion of instalments of foreign currency loan and outstanding interest and charges thereon amounting to Rs.302,254,717 have not been included under current liabilities.

5. DEBENTURES

	1978	1977
	Rs.	Rs.
ICP Syndicate (See note (a) below)	24,710,000	24,710,000
State Life Insurance Corporation (See note (b) below)	10,000,000	10,000,000
National Development Finance Corporation (See note (c) below)	2,500,000	2,500,000
National Investment Trust (See note (d) below)	2,000,000	2,000,000
ICP Second Syndicate (See note (e) below)	17,407,000	17,407,000
	Rs. 56,617,000	56,617,000

(a) Investment Corporation of Pakistan Syndicate:

The Debentures:

(i) have been issued to a syndicate headed by Investment Corporation of Pakistan, and includes nationalised banks.

(ii) carry interest at :

10½% per annum payable half yearly on 30th December and 30th June.

12½% per annum on unpaid instalment of principal and interest from the due date of payment to actual date of payment.

(iii) are redeemable at par in ten half yearly instalments commencing from 30th December, 1975.

(iv) are secured by a Trust Deed executed between the company and Habib Executors and Trustee Company Limited creating -

- a first fixed mortgage on the company's present and future immoveable properties wherever situated including all titles and interest in land, building, fixed plant, machinery and equipment;
- a first floating charge on the company's undertaking and its present and future assets and property including uncalled capital.

(b) State Life Insurance Corporation of Pakistan:

The Debentures:

(i) carry interest at:

2½% per annum above the bank rate payable half yearly on 30th June and 30th December,

4½% per annum above the bank rate on unpaid instalment of principal and interest from the due date of payment of actual date of payment.

(ii) are redeemable at par in ten equal half yearly instalments commencing from 30th June, 1976.

(iii) are secured by a guarantee issued by Government of Pakistan in favour of the lender, and a Trust Deed executed between the Company and Habib Executors and Trustee Company Limited creating -

- a first fixed mortgage on the company's present and future immoveable properties wherever situated including all titles and interest in land, building, fixed plant, machinery and equipment;
- a first floating charge on the Company's undertaking and all its present and future assets and property including uncalled capital.

(c) National Development Finance Corporation:

The Debentures:

(i) carry interest at:

3½% per annum above the bank rate payable half yearly on 30th June and 30th December.

5½% per annum above the bank rate on unpaid instalment of principal and interest from the due date of payment to actual date of payment.

(ii) are redeemable at par in ten equal half yearly instalments commencing from 30th December, 1977.

(iii) are secured by a Trust Deed executed between the company and Habib Executors and Trustee Company Limited creating -

- a first fixed mortgage on the Company's present and future immoveable properties wherever situated including all titles and interest in land, building, fixed plant, machinery and equipment;
- a first floating charge on the company's undertaking and all its present and future assets and property including uncalled capital.

(d) National Investment Trust Limited:

The Debentures:

(i) carry interest at:

4% per annum above the bank rate payable half yearly on 30th June and 30th December.

6% per annum above the bank rate on unpaid instalments of principal from the due date of payment to actual date of payment.

4% per annum above the bank rate on unpaid interest from the due date of payment to actual date of payment.

(ii) are redeemable at par in ten equal half yearly instalments commencing from 1st April, 1978.

(iii) are secured by a Trust Deed executed between the Company and Habib Executors and Trustee Company Limited creating -

- a first fixed mortgage on the company's present and future immoveable properties including all titles and interest in land, building, fixed plant, machinery and equipment.
- a first floating charge on the Company's undertaking and all its present and future assets and property including uncalled capital.

(e) Investment Corporation of Pakistan Second Syndicate:

(i) The debentures have been subscribed by a syndicate comprising of various nationalised banks.

(ii) The Controller of Capital Issues has accorded his consent to the issue of non-convertible debentures of Rs.17,407,000 carrying interest at 2½% above bank rate which is payable half yearly. Debentures are redeemable within a period of five years after a grace period of three years.

(iii) Debenture allotment letters have been issued by the company to the various banks.

(iv) The following formalities with regard to the above issue of debentures remain to be completed;

- renewal of the consent order of the Controller of Capital Issues for issue of debentures as the original permission expired in April, 1976. The Company has applied to the Controller for the extension of the date.

- printing and issue of definitive debenture certificates duly secured by the guarantee of the President of Pakistan in exchange of allotment letters.
- execution of the Trust Deed.

(v) The company has not been able to complete the above formalities as it is facing acute financial difficulties.

(f) General:

The above mortgages and charges created in favour of Investment Corporation of Pakistan Syndicate, State Life Insurance Corporation of Pakistan, National Development Finance Corporation and National Investment Trust Limited shall rank pari passu with the mortgages and charges created in favour of each of them and those created in favour of Pakistan Industrial Credit and Investment Corporation (PICIC) to secure foreign currency loan.

The following instalments of debentures loans overdue and due for repayment within one year of the date of these accounts have not been included in current liabilities as the Company intends to obtain a moratorium for such repayments;

	1978	1977
	Rs.	Rs.
Investment Corporation of Pakistan Syndicate	19,715,000	14,745,000
State Life Insurance Corporation of Pakistan	7,000,000	5,000,000
National Investment Trust	600,000	200,000
National Development Finance Corporation	1,000,000	500,000
	Rs. 28,315,000	20,445,000

6. BRIDGE LOAN

National Development Finance Corporation	2,500,000	2,500,000

National Development Finance Corporation has provided the above bridge loan towards their commitment of underwriting the public issue of shares of the company of Rs.2,500,000. The loan is secured by a credit agreement to create one or more mortgages, first floating charge and hypothecation on company's moveable and immoveable properties, assets, book debts, business and undertaking. The loan bears interest at 4% p.a. above the bank rate with a minimum of 12% p.a. payable at quarterly rest.

7. CONSORTIUM LOAN

1978	1977
Rs.	Rs.
35,610,000	28,110,000

The loan:

(i) has been granted to the Company by a consortium of five nationalised commercial banks.

(ii) has been disbursed to the extent of the above amount out of a total commitment of Rs.49 million.

(iii) carries interest at:

(a) 2% per annum above the bank rate with a minimum of 12½% per annum payable half yearly on 30th June and 30th December.

(b) 2% per annum in addition to interest mentioned in (a) above, on unpaid instalment of principal and interest from the due date of payment to actual date of payment.

(iv) is repayable in ten equal half yearly instalments commencing from 30th June,1978.

(v) is guaranteed by a continuing guarantee furnished by the President of Pakistan for repayment of principal amount not exceeding the sum of Rs.49,000,000 and all interest thereon and other dues.

(vi) The overdue instalment and those falling due for repayment within one year of the date of these accounts amount to Rs.10,593,000.

8. DEFERRED CUSTOMS DUTY

(a) The Company has issued redeemable debentures to the Collector of Customs, Karachi towards deferred element of customs duty on imported machinery payable to Government of Pakistan.

(b) These debentures rank pari passu with each other and are redeemable over the period from 19th August,1974 to 5th December,1979 and carry interest at 1% per annum above the bank rate.

(c) These debentures have been secured in pursuance of an undertaking of the company whereby no particular property is specifically charged by the company, but the company has agreed inter alia to maintain its existing property and assets in proper order.

(d) The repayment position of debentures is as under:

Due 1977-78	7,455,024
Due within one year	135,241
	Rs. 7,590,265

The Company has furnished to the Collector of Customs a proposal for rescheduling of the entire deferred customs duty during the period from 1st January,1979 to 1st January,1984. The request is pending finalisation from the Collector of Customs. It is considered appropriate not to transfer the amount of Rs.7,590,265 to current liabilities.

9. BANK LOANS AND OVERDRAFTS

	1978 Rs.	1977 Rs.
(a) Habib Bank Limited -		
(i) Loan secured by hypothecation of machinery and stock-in-trade	5,622,852	5,284,385
(ii) Loan secured by effective pledge of imported raw materials	137,957,935	104,661,738
(b) Allied Bank of Pakistan Limited -		
Overdraft secured by an agreement to create subsequent registered mortgage on property and machinery	4,680,031	4,140,759
(c) National Bank of Pakistan -		
Cash credit secured by hypothecation of machinery and stock-in-trade	5,723,766	4,951,228
(d) United Bank Limited -		
(i) Overdraft secured by an agreement to create second mortgage on plot of land, buildings, machinery and other equipment and spare parts, etc.	36,247,876	31,589,602
(ii) Overdrawn account	6,776	246,285
	Rs. 190,239,256	150,874,028

10. CREDITORS, PROVISION AND ACCRUED EXPENSES

Creditors -		
Nissho Iwai Company Limited, Tokyo (See (a) below) -		
Reshipment charges of cargo abandoned during December, 1971 war	687,238	692,045
Interest, warehousing and reconditioning charges on delayed shipments	944,263	844,429
Others	4,734	4,734
	1,836,235	1,541,208
Interest payable (see note (b) below)	32,440,671	18,585,708
Unclaimed wages	52,503	58,971
Sales tax payable (see (d) below)	379,751	354,297
For expenses and supplies	17,409,564	13,645,261
Trustees of employees provident fund	1,245,800	790,421
	53,365,524	35,015,865
Provisions -		
War Risks Insurance Premium (see (a) below)	3,339,113	3,339,113
Workers' Children Education Cess (see (f) below)	547,000	452,600
Customs Duty and Sales Tax on Imported Raw Materials placed in the Customs' Bonded Warehouse at the Company's Premises (see (g) below)	18,843,333	22,462,622
Letter of credit expenses	66,518	18,171,812
	22,795,959	44,426,147
Carried forward	76,161,493	79,442,013

	1978	1977
	Rs.	Rs.
Brought forward	76,161,493	79,442,013
Accrued Expenses -		
Interest on Deferred Customs Duty	214,385	199,770
Others	29,362	14,800
	243,747	214,570
	Rs. 76,405,240	79,656,583

(a) The company has made a claim of JY - 10,046,976 (Rs.460,026) for short supply of spares and accessories and certain other claims against the supplier's Kissho - Iwai Co., Ltd. Pending the acceptance of the claims by the supplier, the company has (i) withheld the amount of Rs. 1,836,235 payable to the supplier and (ii) has not deducted the goods short supplied from spares and accessories resulting in its overstatement by Rs. 460,026.

(b) Interest Payable -

	1978	1977
	Rs.	Rs.
I.C.P. Syndicate Debentures	10,894,919	7,213,839
I.C.P. Second Syndicate Debentures	6,392,024	3,648,653
N.D.F.C. - Debentures	564,260	594,673
N.D.F.C. - Bridge Loan	1,015,882	890,949
S.L.I.C. - Debentures	4,260,401	2,585,828
N.I.T. - Debentures	921,610	559,340
Deferred Customs Duty	2,845,375	2,025,061
Consortium Loan	5,400,837	1,010,858
BIM - Loan (see note (c) below)	137,363	56,507
	Rs. 32,440,671	18,585,708

(c) Interest on BIM loan is calculated at 13% whereas BIM letters of October,1977 state the interest rate at 13½%.

(d) Sales-tax Payable -

Balance brought forward	394,297	241,416
Sales-tax deducted from certain invoices (see note below)	47,819	226,634
	442,116	468,050
Less: Sales-tax paid on gases used for manufacture of goods	(31,873)	(73,753)
Other adjustments	(30,492)	-
	Rs. 379,751	394,297

The above amount remains unverified.

(e) Provisions has been made in these accounts in respect of war risks insurance premium, surcharge and interest on unpaid premium on the basis of the assessment order framed in November, 1976 by the Enquiry Officer appointed under the War Risks Insurance Ordinance.

	1978	1977
	Rs.	Rs.
War Risk Insurance Premium -		
Factory Building	330,290	330,290
Plant and Machinery	1,940,101	1,940,101
	2,270,391	2,270,391
20% Surcharge on above	454,078	454,078
Interest on unpaid premium	614,644	614,644
	Rs. 3,339,113	3,339,113

The company has preferred an appeal before the Federal Government against the above assessment.

(f) Workers' education cess has been provided on the basis of highest number of workers employed at any time during the year.

(g) The company obtained a licence from the Collector of Customs, Karachi for the storage of machinery, equipment spare parts and accessories, steel scrap, raw materials and chemicals without payment of customs duty etc. on the first importation of these goods at the Mill's premises which was declared as a private bonded wharehouse.

11. FIXED ASSETS

Leasehold land - Rs.59,906 -

The lease deed between M/s. Valibhai Kamruddin (Sind) Limited and the company dated 25th February,1971 provided a payment of rent on 62.8 acres of land at Rs. 950 per acre per annum with effect from 1st March,1971. A sum of Rs.52,202 representing the rent for the period from 1st March,1971, to 15th January,1972 was capitalised and is included in the cost of the land. Rent for the period prior to 1st March,1971 has not been provided, as the amount if any has not been covered by the lease deed or any other agreement.

The above land sub-leased to the company by Valibhai Kamruddin (Sind) Limited had been leased to them by Deputy Commissioner, Karachi.

The company represented in August,1976 to the Deputy Commissioner (West) Karachi that since the management and ownership of the company was taken over by the Federal Government from Valika Group, the sub-leased land should be mutated in the name of the Company. Consequently, the Deputy Commissioner (West) Karachi mutated on 17th October, 1976 the above land and a further chunk of 30.55 acres in the name of the Company in the Records of Rights with effect from 1972-73 on payment of lease money and other impositions.

In respect of land there are two amounts of Rs.1,500,000 and Rs.335,000 which seem to be in some way related to land. In the absence of any documentary evidence these amounts have been dealt with as stated below -

(i) Rs.1,500,000:

The only document is a letter from Messrs. Valibhai Kamruddin (Sind) Limited asserting that an amount of Rs.1,500,000 be paid to them by the Company for this land. The amount does not appear in these accounts.

(ii) Rs.306,000:

The above amount was paid to Valibhai Kamruddin (Sind) Limited on 4th June,1970. So far it could be ascertained, this payment was towards the cost of chunk of 51 acres freehold land adjacent to and in the vicinity of the leasehold land of the Company. Previously this payment was debited to the loan account of Valibhai Kamruddin (Sind) Limited. The payment appears under advances pending final determination. (See note 16).

12. CLAIMS RECEIVABLE

	1978	1977
	Rs.	Rs.
Customs Duty and Sales Tax (see (a) below)	608,063	608,063
Insurance (see (b) below)	702,545	708,625
National Shipping Corporation (see (c) below)	1,523,000	1,523,000
Excess baggage charges recoverable from company's engineering personnel sent for training to Japan (see (d) below)	87,450	87,450
Others (see (e) below)	242,815	283,534
	Rs. 3,163,874	3,210,672

(a) Included in the amount of customs duty and sales tax is a sum of Rs.594,346 which represents a claim for refund of sales-tax, defence surcharge and rehabilitation tax on a consignment of structural steel received per S.S. Sipsah in 1968. The company has filed a claim for refund which is pending with the Collector of Customs, Karachi.

(b) Included in insurance claim is Rs.187,162 relating to a short landed consignment which was rejected by the carrier's agent on the ground of its having become time barred. The National Insurance Corporation also repudiated the claim because of the expiry of the date of file a suit against the carrier. The company has instituted legal proceedings against both of them for recovery of the claim.

(c) Arrangements were made with National Shipping Corporation to load a consignment of 4,700 metric tons carbon steel scrap at Jeddah on S.S. KAUKHALI, which sailed off after loading only 2,082 metric tons scrap. The National Shipping Corporation did not give the delivery order to the company for lifting the goods unless the payment of sum of Rs.1,523,000 on account of charter party demurrage and dead freight was made. In the absence of a charter party agreement the company was unable to determine its rights and obligation, but in order to avoid the imposition of heavy demurrage by the Karachi Port Trust, the company made the payment under protest. The company has filed a suit, inter alia for the recovery of the above sum against National Shipping Corporation in the High Court of Sind.

(d) Messrs. Nissho Iwai Co. Limited, Tokyo through whom the training of company's engineering personnel in Japan was arranged paid the excess baggage charges at the time of trainees departure to Karachi out of the company's fund held by them. In the absence of any contractual obligations of the company to bear these charges the same are recoverable from the trainees. Recoveries for Rs.87,450 are pending because of stay order issued by a court of law on a suit brought by the trainees against the company. The suit is yet to the adjudicated.

(e) The company has instituted legal proceedings against the concerned parties for the recovery of the sum of Rs.45,400.

13. STORES, SPARES AND ACCESSORIES

	1978	1977
	Rs.	Rs.
General stores including local accessories etc.	2,357,351	2,167,013
Spare and Accessories	31,192,321	34,352,938
	Rs. 33,549,672	36,519,951

14. STOCKS

Raw Materials	57,004,485	62,369,183
Work-in-Process	11,827,850	15,049,423
Finished Goods	13,325,078	13,398,722
Returnable Scrap	5,165,922	12,277,549
	Rs. 87,320,335	103,094,877

15. TRADE AND SUNDRY DEBTORS

(a) This is comprised of -

Trade debtors (see (b) below)	1,660,691	2,994,001
Sundry debtors (see (c) below)	1,567,994	1,208,699
	Rs. 3,228,685	4,202,900

(b) Trade debtors:

Out of the total receivables of Rs.1,660,691 the company has subsequently received Rs.1,368,621. The Company is making efforts to recover the outstanding balance of Rs.292,070.

(c) Sundry debtors:

The above includes -

(i) An amount of Rs.524,779 due from Heavy Foundry and Forge Limited which is outstanding since 30th June,1977. Efforts are being made to recover this amount due from HFF.

(ii) A sum of Rs.394,102 is due by Synthetic Chemicals Limited which is reported to be under liquidation. The full recovery of this sum is therefore doubtful.

(iii) A sum of Rs.4,260 which was reported to be due from staff in the previous year's accounts still remains uncleared.

(iv) Bank interest amounting to Rs.4,463 which remains unrealised.

16. ADVANCES, DEPOSITS AND PREPAYMENTS

	1978 Rs.	1977 Rs.
Advances:		
Nissho Iwai Company Ltd.	-	811,055
Local Suppliers for goods and services (see (c) below)	389,719	628,844
Import Permit Fee (considered doubtful)	2,140	2,140
Valibhai Kamruddin (Sind) Ltd. for purchase of 51 Acres of Land (note 11(ii))	306,000	306,000
Margin on Letter of Guarantee	375,000	217,950
Letters of Credit Margin and Expenses	29,086	3,096,845
Staff (see (b) below)	150,950	721,688
	1,251,905	5,784,522
Deposits:		
Security	1,680	1,680
Bank charges and Insurance with PICIC	15,422	15,422
Marine Insurance Premium with PIC	51,672	51,672
Octroi (see (c) below)	310,255	488,278
	379,029	557,052
Prepayments:		
Rent	-	24,933
Insurance	15,528	21,179
Subscription	647	466
	16,175	46,578
	Rs. 1,647,109	6,388,152

(a)(i) The advance to local suppliers include an amount of Rs.30,000 paid to Cine Colour Laboratory for making a documentary film, the total cost of which was settled at Rs.95,000. As the company did not make payment of any further instalments, the film has not been delivered to it as yet.

(ii) Certain advances in respect of previous years amounting to Rs.302,272 remain unadjusted due to non-availability of certain records. Efforts are being made to obtain the records to clear these advances.

(b) Advances to staff comprises of the following:

Nature	1978 Rs.	Subsequent Clearance Rs.
For Expenses	111,105	18,481
Carried forward	111,105	18,481

Nature	1978	Subsequent Clearance
	Rs.	Rs.
Brought forward	111,106	18,481
Eid Advance (after writing off Rs.551,736)	17,914	17,914
For Travelling	6,480	4,483
Against Salaries	15,460	13,285
	Rs. 150,960	54,163

Certificates in respect of the above amount due from staff are not available.

(c) Octroi deposits were lodged with the Karachi Municipal Corporation for transportation of the imported goods from docks to Mills' premises through municipal limits. These deposits which are refundable were made in the following years.

Year	Amount of Deposit	Subsequent Refund
	Rs.	Rs.
1972-73	626	-
1973-74	101,855	-
1974-75	166,017	48,633
1975-76	7,051	-
1976-77	5,938	744
1977-78	26,466	23,100
	Rs. 310,255	72,477

Efforts are being made to recover these deposits from the Karachi Metropolitan Corporation.

(d) All the advances and deposits remain unconfirmed.

17. CASH AND BANK BALANCES

	1978	1977
	Rs.	Rs.
In Hand	9,022	12,238
At Banks on Current Account	1,053,351	278,377
At Banks on Short Term Deposits	13,333,150	12,943,182
	Rs. 14,396,133	13,233,797

18. TURNOVER

Sales	28,492,863	24,453,732
Services	3,287,055	430,583
	Rs. 31,779,918	24,884,315

19. COST OF GOODS SOLD

	1978 Rs.	1977 Rs.
Opening Stock:		
Raw Materials	62,369,183	63,908,687
Returnable Scrap	12,277,549	13,651,356
	74,646,732	77,560,043
Purchases	4,779,196	18,725,081
	79,425,928	96,285,124
Less: Transferred to general stores	-	695,179
Cost of raw material sold	326,150	6,523
	326,150	701,702
	79,099,778	95,583,422
Less: Closing Stock:		
Raw Materials	57,001,485	62,369,183
Returnable Scrap	5,165,922	12,277,549
	62,167,407	74,646,732
Materials consumed	16,932,371	20,936,690
Manufacturing Expenses (Note 20)	72,217,795	70,955,483
Total Manufacturing Cost	89,150,166	91,932,173
Add : Work-in-Process - Opening Inventory	15,049,423	14,864,248
	104,199,589	106,766,421
Less: Work-in-Process - Closing Inventory	11,827,850	15,049,423
Cost of Goods Manufactured	92,371,739	91,716,998
Add : Finished Goods - Opening Inventory	13,398,722	14,916,761
	105,770,461	106,633,759
Less: Finished Goods - Closing Inventory	13,325,078	13,398,722
Cost of Goods Sold	Rs. 92,445,383	93,235,037

20. MANUFACTURING EXPENSES

Gas, Fuel and Power	4,948,976	5,810,865
Salaries and Wages and Other Benefits	17,472,998	17,305,166
Eid Advances written off	551,736	-
Travel and Sundry	62,949	42,060
Entertainment Expenses	17,210	10,660
Rent, Rates and Property Taxes	37,504	49,504
Water Charges	308,096	217,411
Books and Magazines	1,791	2,297
Legal and Professional Services	20,508	58,734
Repairs and Maintenance	142,443	144,359
Postage, Telegrams and Telephones	56,059	33,387
Carried forward	23,626,270	23,665,043

	1978	1977
	Rs.	Rs.
Brought forward	23,626,270	23,665,043
Printing, Stationery and Supplies less sale of tender documents Rs.11,050	43,989	45,390
Freight, Demurrage and Forwarding Charges	111,154	65,143
Motor Running Expenses	104,699	95,414
Fork Lifter and Crane Running Expenses	1,531	3,942
Miscellaneous	62,134	58,643
Education Cess	108,700	117.200
General stores, spares and accessories	12,020,393	12,878,161
Advertising	39,405	29,221
Scrap Cutting Charges	189,683	132,388
Depreciation	35,909,837	33,873,938
	Rs. 72,217,795	70,965,483

21. GENERAL AND ADMINISTRATION EXPENSES

Salaries and Wages including other benefits	740,130	672,698
Education Cess	2,859	3,600
Travel and Sundry	22,433	21,642
Entertainment	13,406	10,742
Books and Magazines	1,020	5,027
Legal and Professional Services	109,098	143,865
Rent, Rates and Property Taxes	33,750	33,750
Electricity	8,873	3,486
Repairs and Maintenance	2,714	11,920
Postage, Telegrams and Telephones	26,868	19,167
Insurance	23,170	14,115
Printing, Stationery and Office Supplies	25,227	20,758
Miscellaneous	561	48,158
Share in Administration Expenses of SHE & MTC	292,140	479,602
Advertising	1,510	392
Motor Running Expenses	42,183	47,356
Audit Fees	22,500	22,500
Depreciation	29,660	39,303
	Rs. 1,398,293	1,598,081

22. SELLING AND DISTRIBUTION EXPENSES

Salaries and Wages including other Benefits	344,165	350,187
Education Cess	-	1,100
Travel and Sundry	8,539	10,512
Personnel Training	300	-
Entertainment	5,591	3,775
Books and Magazines	3,152	2,705
Carried forward	361,747	368,579

	1978	1977
	Rs.	Rs.
Brought forward	351,747	368,579
Export Registration	-	50
Rent, Rates and Property Taxes	26,640	26,640
Repairs and Maintenance	309	511
Electricity	983	372
Postage, Telegrams and Telephones	13,535	7,393
Export Insurance	-	16,584
Printing, Stationery and Office Supplies	6,713	7,486
Freight and forwarding Charges	-	157,287
Motor Running Expenses	24,902	14,332
Miscellaneous	83	251
Advertising, Sales Production and Supplies	24,975	8,029
Packing Materials	265	26,100
Commission	-	3,048
Depreciation	9,158	5,528
	Rs. 459,311	642,190

23. OTHER INCOME

Profit on sale of raw material :		
Sales	484,114	16,000
Cost of raw material	326,150	6,523
	157,964	9,477
Registration fee	6,900	12,600
Sale of unserviceable stores by auction	231,950	-
Miscellaneous receipt	127	6,577
Miscellaneous charges	(279,078)	-
	Rs. 117,863	28,654

24. FINANCIAL EXPENSES

Bank Interest, Commission and other charges less interest income Rs.571,945	5,579,662	4,633,319
Interest on Bridge Loan	549,134	466,192
Interest on SHE & MTC Loan	553,044	873,557
Interest on Consortium Loan	4,398,106	1,461,392
Interest on BIM Loan	380,027	375,656
Interest and other charges on PICIC Loan	36,089,036	27,939,661
Interest and other charges on LIM	21,726,133	17,359,155
Interest on Debentures	9,703,043	7,327,592
Interest on unpaid balance of Provident Fund Contribution	108,439	31,791
Trusteeship Commission and other Charges	27,295	27,210
Bill of Exchange and Discounting Charges	338,425	662,645
Letter of Credit Expenses	-	1,268
	Rs. 79,443,361	62,174,648

25. CONTINGENT LIABILITIES AND COMMITMENTS

		1978	1977
		Rs.	Rs.
(a) (i)	Claims not acknowledged as debts	2,552,384	1,970,589
(ii)	Demand for short recovery of custom duty and sales tax on machinery and spares and accessories imported during 1972 to 1974	4,054,328	4,001,573
(iii)	Counter guarantees issued to Habib Bank Limited for bank guarantees issued on behalf of company	1,365,456	1,366,456
(iv)	Claim of Valika Group re interest on debentures (see note 3(b))-		
	Interest	11,352,509	9,075,000
	Stamp duty	430,000	430,000
(v)	Stamp duty 2nd Syndicate Debentures (provision not made)	450,000	450,000
		Rs. 20,215,658	17,293,618

(b) The company's fixed assets (except vehicles), stocks, store etc. are not insured against calamities such as fire, flood, earthquake, blasts etc.

The Company is unable to pay the insurance premiums due to financial difficulties.

(c)	Commitment for letters of credit	Rs. 206,300	1,256,000
(d)	Pending Lawsuits against the Company	Rs.2,500,000	-

26. INTERNAL CONTROL

Internal control in a company of this size and operations requires strengthening particularly in areas such as stocks, stores, spares, fixed assets, wages, etc. which suffer from certain deficiencies. This is due to the depletion in the personnel of the accounts and stores departments of the company.

27. GENERAL

(a) Gratuity:

The company operates an unfunded gratuity scheme for the benefit of the workers and officers. It is the practice of the company to provide gratuity for workers in accordance with the settlement with the Collective Bargaining Agent and policy laid down for the officers.

(b) Rate of Exchange:

(i) The Japanese Yen has been converted into Pak Rupee at the following rates:

	Pak Rupee 1/- equivalent to Japanese Yen	
	1 9 7 8	1 9 7 7
(a) Loan disbursed and outstanding as at 30th June	21.84	28
(b) Amount due to Nissho Iwai Co. Ltd. Tokyo	21.84	28
(c) Interest, service and commitment charges on Foreign Currency Loan outstanding and accrued	21.84	At rates notified by PICIC in various demand notes.
(d) Penal Interest on Unpaid principal, interest, service and commitment charges	JY. 21.84	JY. 26.93

The rate of JY. 21.84 = Rs 1 was ruling as at 30th June,1979. This rate has been used to obviate foreign currency adjustments in the accounts for the year ended 30th June,1979.

(c) Cost:

Accounts are prepared on historical cost convention.

(d) Comparative figures:

Figures of the previous year have been re-arranged wherever necessary to facilitate comparison.

Managing Director.

APPENDIX 4. SECOND MISSION AND ITINERARY

1) MEMBERS

Mr. Yoshihiro Mitarashi	Project Manager Metallurgical Engineer Japan Consulting Institute
Mr. Mitsuo Nishi	Mechanical Engineer Daido Steel Co., Ltd.
Mr. Taijo Sato	Techno-Economist Japan Consulting Institute
Mr. Yasuji Noda	Economist Japan Consulting Institute

2) ITINERARY

October 27 (Mon.)	Departed Tokyo. Arrived at Karachi.
October 28 (Tue.)	Briefing at Japanese Consulate General. Discussion of the Report with SEC and SSP at SEC Chairman Room.
October 29 (Wed.)	Discussion of the Report with SEC and SSP at SSP's Head Office.
October 30 (Thu.)	Discussion of the Report with SEC and SSP at SSP's Head Office.
October 31 (Fri.)	Holiday. Departed Karachi. Arrived at Islamabad.
November 1 (Sat.)	Briefing at Japanese Embassy.

November	2 (Sun.)	Discussion of the Report with Joint Secretary of MOP and SEC at MOP's Office. Briefing at Economic Affairs Division.
November	3 (Mon.)	Departed Islamabad. Arrived at Karachi.
November	4 (Tue.)	Final Discussion of the Report with SEC's Chairman and SSP's Managing Director at SSP's Head Office. Briefing at Japanese Consulate General.
November	5 (Wed.)	Departed Karachi. Arrived at Tokyo.

APPENDIX 5　91㎜角以上のビレットについて

分塊工場におけるビレットの切断は，切断時のビレットの温度が高い場合には１００～１２０㎜角の切断は可能であろう。しかし機械はその設計能力の範囲内で常時使用することが必要である。

ビレット製品を製品として出荷する場合には，圧延のままでビレットの頭部及び底部の不良部分を切断せずに出荷することは，需要家においてビレットの頭部部分に存在するパイプの位置や砂かみ，またビレットの底部部分に存在する偏析の位置を発見することができないであろう。

従ってビレット製品を切断しないで出荷することは特殊鋼の品質維持という観点から好ましくないことである。

APPENDIX 6　ステンレス鋼シートを生産中止する理由について補足説明

0.7㎜厚さ以上のステンレス鋼シートの需要は，第3－1表，第3－14表に示す下記数量でである。

1979/80　：　2,880t/y

1984/85　：　3,330　〃

この数量はステンレン鋼シートの全需要の約40％に相当し，板厚の点から見る限りでは大部分SSPで生産出来る。

しかしながら，本報告書の第4章4.2.2(1)（Page 4－3, 4－4）で述べている通り，2級品やスクラップに近いステンレス鋼シートが極めて安い価格で輸入されており，価格及び表面仕上の点でSSPの製品は競争できないと判断している。従ってステンレス鋼のシートは再建試案においては生産しないことにした。

価格の点について補足説明する。

SSPの製品と競合する輸入品の販売価格の基礎になるものはC＆F価格であり，輸入品の販売原価を計算すると次の表の通りである。

Unit: Rs./t

Year	C&F (Karachi)	Sales Cost*
1976/77	9,888	18,491
1977/78	13,516	25,491
1978/79	12,483	33,343
1979/Jan.80	13,024	24,355

Remarks:　* C&F + Import Duty (70%) + Handling Charge (10%)

一方，ＳＳＰにおける予算上の製造原価として表示されているＳＳＰの資料"Cost of Production per metric ton finished at ５０％ capacity utilization"の金額を，１９８０年１０月３０日付の新しく提示された原価単価表によって修正した結果，金利を含まない製造原価は下表の通りである。

Cost of Production per Metric Ton Finished at 50% Capacity Utilization

Unit: Rs./t

	Sheet Stainless Steel C. R.		Sheet Stainless Steel H. R.	
	SSP Data	Amend Data	SSP Data	Amend Data
Material Cost	15,067	13,843	13,089	13,022
Accessories	3,210	13,843	2,882	13,022
General and Consumable Stores	530	13,843	300	13,022
Electricity	2,943	13,843	2,041	13,022
Fuel Gas	1,400	13,843	1,014	13,022
Oxygen Gas	110	13,843	104	13,022
Water	70	13,843	50	13,022
Labour Cost	4,447	13,843	2,539	13,022
Employees Other Benefits	1,426	13,843	876	13,022
Other Production Expenses	423	13,843	262	13,022
Depreciation Charge	5,580	13,843	3,913	13,022
Total Cost of Production per M/Ton without interest	35,205	33,982	27,070	27,003

この表の修正された金額は輸入品の販売原価に比べ，コールド・ロールシートで約４０％，ホット・ロール・シートで約１１％高い。

APPENDIX 7　セメント産業スチールボールの需要について

1　需要予測の前提条件

(1)　１９７９／８０のセメント生産高３０７万ｔが開発５ヶ年計画の年平均伸び率（１３.７５％）で増大する。

(2)　セメント生産高ｔ当りスチールボールの消費原単位は，

鍛造ボールの場合：４００ｇ／ｔ（セメント）

ステンレス鋳鋼ボールの場合：４０ｇ／ｔ（セメント）

である。

現在徐々にステンレス鋳鋼ボールに切替えている（Javedan Cement から聴取）。セメント生産高の１０％が，毎年原単位の低い鋳鋼ボールに切替っていくものと仮定した。

(3)　現在，鍛造ボールはイタリーのほか欧州からの輸入品及びＨＦＦその他の国産品が使用されている（Javedan Cement から聴取）。

鍛造ボールの現在の輸入依存度は３０％，将来は１００％国産化するものと仮定した。

2 需要予測の結果

	Cement Production (10,000 t/y)					Consumption of Ball (t/y)		
	Total Production	Total Production of Forged Balls		Total Production of Cast Steel Balls		Total	Forged Ball	Cast Steel Balls
	A	B	C	D	E	F + G	F	G
1979/80	307	90%	276	10%	31	1,117	1,105 *1	12 *3
1980/81	350	80%	343	20%	70	1,400	1,372	28
1981/82	400	70%	280	30%	120	1,168	1,120	48
1982/83	450	60%	270	40%	180	1,152	1,080	72
1983/84	510	50%	255	50%	255	1,122	1,020	102
1984/85	580	40%	232	60%	348	1,067	928 *2	139 *4

Remarks:

1. $A \times \frac{B}{100} = C$, $C \times 400g/t$ of cement $= F$

Tonnage of the domestic products been used, is described on Table 3-2 in page 3-4, as follows calculation;

$F \times (1979/80)\ 0.7 = 774t$ *1 = about 750t

$F \times (1984/85)\ 1.0 = 928t$ *2 = about 950t

2. $A \times \frac{D}{100} = E$, $E \times 40g/t$ of cement $= G$

12t *3
139t *4 } Described on Page 3-18, Table 3-15

APPENDIX 8. ARRANGEMENT OF PERSONNEL IN 5TH YEAR

Section	Chief of Section	Engineer	Clerk	Foreman	Worker	Total	Remark
Steel Making	1	6	1	13	104	125	10t fce x 1 3t fce x 1 Including Raw Material Handling
Rolling	1					1	
Blooming Mill		3	1	2	28	34	1 shift
Bar Mill		3	1	2	92	98	2 shifts
Inspection & Conditioning	1	6	3	3	55	68	Including Quality Control
Repairing & Maintenance	1	5	2	2*1	29*1	39	Mechanical: 18 *1 Electrical: 10 Crane: 3
Transportation & Storage	1*2	1*2	3		13	18	
Technical Control	1	4	1			6	
Production Control	1*2	4	1			6	
General Affair	1*2	2*2	4	3*3	18*3	28	Guards*3
Others	General Manager: 1 Deputy General Manager: 2 Secretary: 2					5	
Grand Total						428	

Remarks: 1) *2: Clerk

2) Workers are expected to do more than one assignment at various places.

APPENDIX 9 財 務 分 析

１９８０年１１月４日のＳＥＣ，ＳＳＰとＪＩＣＡ調査団との会議でのＳＥＣ，ＳＳＰからの要望により財務計算を実施した。

その過程と計算結果を次の諸表に示す。

بسم الله الرحمن الرحيم

Cable: ALLOYSTEEL
Telex: 23643 NFC PK

Special Steels
OF PAKISTAN LTD.

Manufacturers of Stainless and other Special Alloy Steels

Ref. No. SSP-MD-GM/80/

Date 30th October, '80.

MANAGING DIRECTOR

Dear Mr. Mitarashi,

This is with reference to our discussion held on 29th October, 1980 on the Draft Report prepared by JICA Mission. On page 1-9, Table 1-3 the purchase prices of raw mater-ials as given by SSP were not the prices at which the material was purchased by SSP in the past but wefe the prevailing prices of the materials at that time i.e., around October, 1979. This was the misunderstanding on our part.

These prices correctly indicate the actual prices used in our accounting for the purpose of calculating production cost.

With regards,

Yours sincerely,

(S.M.S.ZAFFAR)

Mr. Yoshihiro Mitrashi,
Project Manager,
Japan International Co-operation Agency,
2-1; Nishi Shinjuku-ku,
Tokyo,
Japan.

Encl. List of prices.

COMMERCIAL DIVISION: 5th Floor, FIDC House, Karachi-4, Pakistan. Phones: 512306, 513379
FACTORY: Landhi Nagar, Hyderabad, Sindh, Pakistan. Phones: 61035, 61141

C&F VALUE AND LANDED COST PER METRIC TON

S.No.	Material	C&F US$	C&F Rs.	Landed cost Rs.
1.	Stainless steel scrap - local purchase	-	-	4475
2.	Carbon steel scrap	137	1360	2170
3.	Pig Iron	239	2376	3286
4.	Fe-Si	1330	13229	13510
5.	Fe. Mn. H.C.	435	4358	6382
6.	Fe Mn. L.C.	833	8286	12392
7.	Silicon Manganese L.C.	743	7385	11045
8.	Fe-Cr. H.C.	619	6156	7285
9.	Fe-Cr. L.C.	1385	13776	20495
10.	Ferro Nickel (78.2% Ni)	3959	39375	54122
11.	Electro Nickel(100% Ni)	5063	50352	69210
12.	Chrome Silicone	1619	16100	22233
13.	Calcium Silicone	1055	10494	14365
14.	Hot top bricks	11	110	195
15.	Graphite electrodes	1073	10673	15930
16.	Calcined Pet Coke (Coke Breeze)	254	2530	3382.

بسم الله الرحمن الرحيم

Cable: ALLOYSTEEL
Telex: 2643 NFC PK

Special Steels
OF PAKISTAN LTD.

Manufacturers of Stainless and other Special Alloy Steels

Ref. No. SSP-MD-JM/80 Date 30th October '80.

MANAGING DIRECTOR

Dear Mr.Mitarashi,

Kindly refer to the discussions we had in connection with the Draft Report on Rehabilitation on SSP to-day the 29th October, 1980. We feel that a Financial Analysis of SSP's Tentative Plan, be also worked out on the following basis :-

i) Debt/Equity ratio:

The debt equity ratio be taken as 30:70.

ii) Depreciation:

(a) The depreciation on plant and machinery of stainless steel sheet mill, casting and forging shops etc., should be excluded from the calculations on account of their non-utilization of these shops for the present Tentative Plan.

(b) The annual rate of depreciation on plant and machinery may be taken as 6% as was recommended by the supplier of the plant i.e., M/s. Nissho-Iwai.

(c) These depreciation charges of 6% per annum are to be further reduced by the capacity utilization factor of the plant.

iii) Interest:

The value of debt may be worked out in accordance with 30:70 debt/equity ratio and ignoring all accrued interest on loans, customs' advances, etc. This debt portion would comprise foreign loans and bank debentures which bear average interest rate of 9 to 10%.

Contd'...P.2.

COMMERCIAL DIVISION: [illegible] Phone: 51236, 51337
FACTORY: [illegible] Phone: [illegible]

iv) IRR:

IRR may be worked out over the project life of 16 years (according to depreciation rate of 6%)

With regards,

Yous sincerely,

(S.M.S.ZAFFAR)

Mr.Yoshihiro Mitarashi,
Project Manager,
Japan International co-operation Agency,
21-1 Nishi Shinjuku-ku,
Tokyo,
Japan.

Production Schedule

Unit: Tonne

Year	1	2	3	4	5	6	7	8	9	10	11	12 - 16
Billet												
SC	550	610	670	730	800	890	970	1,070	1,180	1,300	1,430	-
AL	110	120	130	150	170	180	190	210	240	260	290	-
Bar												
SC	1,150	1,270	1,400	1,540	1,690	1,860	2,050	2,260	2,480	2,720	2,990	3,290
AL	1,810	2,000	2,200	2,420	2,670	2,920	3,220	3,550	3,890	4,980	4,710	5,180
SUP	4,180	4,600	5,060	5,560	6,120	6,730	7,410	8,150	8,960	9,860	10,850	11,940

Variable Cost Data in Steel Making

	Unit Price Rs./t	SC		AL		SUP	
		U.C (t)	Value (Rs.)	U.C (t)	Value (Rs.)	U.C (t)	Value (Rs.)
Purchased Steel Scrap	2,170	0.700	1,519	0.752	1,632	0.750	1,628
Pig Iron	3,286	0.056	184				
Steel Scrap Generated							
SC	2,196	0.234	514				
AL	2,706			0.220	595		
SUP	2,207					0.220	486
Fe-Si	13,510	0.0032	43	0.0039	53	0.0217	293
Fe-Mn (H)	6,382	0.0033	21	0.0035	22		
Fe-Mn (L)	12,392	0.001	12	0.0012	15		
Si-Mn (L)	11,045	0.0027	30			0.0076	84
Fe-Cr (H)	7,285			0.0087	63		
Fe-Cr (L)	20,495			0.0010	21		
Fe-Mo	53,700			0.0025	134		
Fe-Ni (78.2%)	54,122			0.0060	325		
Melting Material (Rs.)			131		135		162
Fuel (Nm^3)	0.36	9.5*	3	9.5*	3	9.5*	3
Electrode	15,930	0.0062	99	0.0067	107	0.0062	99
Power (kwh)	0.55	646*	355	665*	366	646*	355
Refractories (Rs.)			533		533		533
Others for Steel Making (Rs.)			208		208		208
Total			3,652		4,212		3,851

Remark: U.C - Unit Consumption per tonne

Variable Cost of Products

Unit: Rs./t

	Billet		Bar		
	SC	AL	SC	AL	SUP
Steel Making	5,533	6,382	5,890	6,794	6,211
Blooming	250	250	178	178	178
Conditioning & Inspection of Billet	167	167	187	187	187
Bar Rolling			502	502	502
Conditioning & Inspection of Bar			26	26	26
Industrial Water	45	45	45	45	45
Recovery of Steel Scrap	△448	△552	△501	△503	△617
Variable Cost	5,547	6,292	6,327	7,229	6,532

Unit Selling Price and Variable Cost of Product

Unit: Rs./t

	Billet		Bar		
	SC	AL	SC	AL	SUP
Unit Selling Price	6,870	10,190	9,120	12,070	9,840
Variable Cost	5,547	6,292	6,327	7,229	6,532

Annual Interest Calculation

Capital & Liabilities, 30th June 1979

Rs.

Item	Value
Share Capital	43,570,000
Deposits from Valika Group	14,294,150
Foreign Currency Loan	241,508,355
Debentures	56,617,000
Bridge Loan	25,000,000
Consortium Loan	35,610,000
Bank Loan and Overdraft	216,841,784
Others*	359,768,265
Total	992,209,554

(992,209,554 - 359,768,265) x 30% x 10% = 18,973,238

* Others are ignored for interest calculator.

Annual Labour Cost

Year	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
No. of Labour	406	454	498	498	498	611	611	621	621	621	710	710	710	710	710	710
Total Labour Cost	6,090	6,960	7,470	7,470	7,470	9,165	9,165	9,315	9,315	9,315	10,650	10,650	10,650	10,650	10,650	10,650

Depreciation Schedule

Unit: Rs. 1,000

	Book Value (30th June 1979)	Rate	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12	Year 13	Year 14	Year 15	Year 16
Leasehold Land	60	0																
Internal Roads	824	5	43	41	39	37	35	34	32	30	29	27	26	24	23	22	21	20
Factory Building	25,767	5	1,288	1,224	1,163	1,105	1,049	997	947	900	855	812	772	733	696	662	628	597
Plant, Machinery & Equipment	191,678*	6	11,501	10,811	10,162	9,553	8,989	8,440	7,934	7,458	7,011	6,590	6,194	5,823	5,473	5,145	4,836	4,546
Electric and Gas Installation	1,220	6	73	69	65	61	57	54	50	47	44	42	39	37	34	32	30	28
Vehicle	319	20	64	51	41	33	26	21	17	13	10	8	7	5	4	3	3	2
Furniture Fixed	302	6	18	17	16	15	14	13	12	12	11	11	10	9	9	8	8	7
Office Equipment	92	15	14	12	10	8	7	6	5	4	3	3	2	2	2	2	1	1
Other	340	10	34	31	28	25	22	20	18	16	14	13	12	10	9	9	8	7
Sub-Total	220,602*		13,035	12,256	11,524	10,837	10,189	9,585	9,015	8,480	7,977	7,506	7,062	6,643	6,250	5,883	5,535	5,208
Machinery and Equipment	16,600	6	996	936	880	827	778	687	646	607	571	536	504	474	445	419	394	370
Amotization	25,000	900	1,800	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	1,800	700					
Sub-Total			2,796	3,436	3,380	3,327	3,378	3,187	3,146	3,107	3,071	2,336	1,204	474	445	419	394	370
Grand Total			15,831	15,692	14,904	14,164	13,467	12,772	12,161	11,587	11,048	9,842	8,266	7,117	6,695	6,302	5,929	5,578

* Value do not include value of Stainless Steel, Casting anf Forging Plant.

S A L E S R E V E N U E

		0	1	2	3	4	5	6	7	8
(YEAR)										
(1) BILLET (SC)										
RATE OF OPERATION										
LOCALLY										
QUANTITY	(1TON)		550	610	670	730	810	890	970	1070
UNIT PRICE	(RS)		6870	6870	6870	6870	6870	6870	6870	6870
REVENUE	(1000RS)		3779	4191	4603	5015	5496	6114	6666	7351
(2) BILLET (AL)										
RATE OF OPERATION										
LOCALLY										
QUANTITY	(1TON)		110	120	130	150	170	180	190	210
UNIT PRICE	(RS)		10190	10190	10190	10190	10190	10190	10190	10190
REVENUE	(1000RS)		1121	1223	1325	1529	1732	1834	1936	2140
(3) BAR (SC)										
RATE OF OPERATION										
LOCALLY										
QUANTITY	(1TON)		1150	1270	1400	1540	1690	1860	2050	2260
UNIT PRICE	(RS)		9120	9120	9120	9120	9120	9120	9120	9120
REVENUE	(1000RS)		10488	11582	12768	14045	15413	16963	18696	20611
(4) BAR (AL)										
RATE OF OPERATION										
LOCALLY										
QUANTITY	(1TON)		1810	2000	2200	2420	2670	2920	3220	3550
UNIT PRICE	(RS)		12070	12070	12070	12070	12070	12070	12070	12070
REVENUE	(1000RS)		21847	24140	26554	29209	32227	35244	38865	42849
(5) BAR (SUP)										
RATE OF OPERATION										
LOCALLY										
QUANTITY	(1TON)		4180	4600	5060	5560	6120	6730	7410	8150
UNIT PRICE	(RS)		9840	9840	9840	9840	9840	9840	9840	9840
REVENUE	(1000RS)		41131	45264	49790	54710	60241	66223	72916	80196
REVENUE FROM PRODUCT	(1000RS)		78366	86400	95040	104508	115009	126378	139075	153147
REVENUE (LOCAL)	(1000RS)		78366	86400	95040	104508	115009	126378	139075	153147
REVENUE (EXPORT)	(1000RS)									
TOTAL REVENUE	(1000RS)		78366	86400	95040	104508	115009	126378	139075	153147

S A L E S R E V E N U E

	(YEAR)	9	10	11	12	13	14	15	16
(1) BILLET (SC)									
RATE OF OPERATION									
LOCALLY									
QUANTITY	(TON)	1180	1300	1430					
UNIT PRICE	(RS)	6870	6870	6870	6870	6870	6870	6870	6870
REVENUE	(1000RS)	8107	8931	9824					
(2) BILLET (AL)									
RATE OF OPERATION									
LOCALLY									
QUANTITY	(TON)	240	240	290					
UNIT PRICE	(RS)	10190	10190	10190	10190	10190	10190	10190	10190
REVENUE	(1000RS)	2446	2649	2955					
(3) BAR (SC)									
RATE OF OPERATION									
LOCALLY									
QUANTITY	(TON)	2480	2720	2990	3290	3290	3290	3290	3290
UNIT PRICE	(RS)	9120	9120	9120	9120	9120	9120	9120	9120
REVENUE	(1000RS)	22618	24806	27769	30005	30005	30005	30005	30005
(4) BAR (AL)									
RATE OF OPERATION									
LOCALLY									
QUANTITY	(TON)	3890	4280	4710	5180	5180	5180	5180	5180
UNIT PRICE	(RS)	12070	12070	12070	12070	12070	12070	12070	12070
REVENUE	(1000RS)	46952	51660	56850	62523	62523	62523	62523	62523
(5) BAR (SUP)									
RATE OF OPERATION									
LOCALLY									
QUANTITY	(TON)	8960	9860	10850	11940	11940	11940	11940	11940
UNIT PRICE	(RS)	9840	9840	9840	9840	9840	9840	9840	9840
REVENUE	(1000RS)	88166	97022	106766	117490	117490	117490	117490	117490
REVENUE FROM PRODUCT	(1000RS)	168269	185068	203662	210018	210018	210018	210018	210018
REVENUE (LOCAL)	(1000RS)	168269	185068	203662	210018	210018	210018	210018	210018
REVENUE (EXPORT)	(1000RS)								
TOTAL REVENUE	(1000RS)	168269	185068	203662	210018	210018	210018	210018	210018

PRO FORMA INCOME STATEMENT

		(YEAR)	0	1	2	3	4	5	6	7	8
****REVENUE****											
TOTAL REVENUE		(1000RS)		78360	86400	95040	104500	115000	126378	139075	153147
****COST****											
(1) VARIABLE COST											
MILLET (SC)											
REQUIREMENT		(TON)		550	610	670	730	790	850	970	1070
UNIT PRICE		(RS)		5547	5547	5547	5547	5547	5547	5547	5547
VALUE		(1000RS)		3051	3384	3716	4049	4381	4937	5381	5935
MILLET (AL)											
REQUIREMENT		(TON)		110	120	130	150	170	180	190	210
UNIT PRICE		(RS)		6292	6292	6292	6292	6292	6292	6292	6292
VALUE		(1000RS)		692	755	818	944	1070	1133	1195	1321
RAR (SC)											
REQUIREMENT		(TON)		1150	1270	1400	1540	1690	1860	2050	2260
UNIT PRICE		(RS)		6327	6327	6327	6327	6327	6327	6327	6327
VALUE		(1000RS)		7276	8035	8858	9744	10693	11768	12970	14299
RAR (AL)											
REQUIREMENT		(TON)		1810	2000	2200	2420	2670	2920	3220	3550
UNIT PRICE		(RS)		7229	7229	7229	7229	7229	7229	7229	7229
VALUE		(1000RS)		13084	14458	15904	17494	19301	21109	23277	25663
VARIABLE COST											
RAR (SUP)											
REQUIREMENT		(TON)		4180	4600	5040	5560	6120	6730	7410	8150
UNIT PRICE		(RS)		6532	6532	6532	6532	6532	6532	6532	6532
VALUE		(1000RS)		27304	30047	33052	36318	39976	43960	48402	53234
(2) OPERATING LABOUR	(FC)	(1000RS)		6090	6960	7470	7470	7470	9165	9165	9335
		(1000RS)									
		(1000RS)									
		(1000RS)									
(3) DEPRECIATION	(FC)										
OLD		(1000RS)		13035	12256	11524	10837	10190	9585	9015	8480
NEW		(1000RS)		2706	3436	3580	3527	3278	3187	3146	3107
(4) OTHER EXPENCE	(FC)	(1000RS)		2000	2000	2000	2000	2000	2000	2000	2000
TOTAL OPERATING COST		(1000RS)		75328	81331	86722	92183	98415	106864	114551	123356
NET OPERATING INCOME		(1000RS)		3038	5069	8318	12325	16674	19534	24524	29791
INTEREST		(1000RS)		18973	18973	18973	18973	18973	18973	18973	18973
SPECIAL ITEMS		(1000RS)									
NET INCOME BEFORE TAX		(1000RS)		-15935	-13904	-10655	-6648	-2299	561	5551	10818
INCOME TAX		(1000RS)									
NET INCOME AFTER INT. & TAX		(1000RS)		-15935	-13904	-10655	-6648	-2299	561	5551	10818

PRO FORMA INCOME STATEMENT

		(YEAR)	9	10	11	12	13	14	15	16
NET INCOME AFTER INT. & TAX	(	1000RS)	168289	185068	203662	210018	210018	210018	210018	210018
TOTAL REVENUE										
****COST****										
(1) VARIABLE COST										
BILLET (SC)										
REQUIRMENT	(	1TON)	1180	1300	1430	5547	5547	5547	5547	5547
UNIT PRICE	(	RS)	5547	5547	5547					
VALUE	(	1000RS)	6545	7211	7932					
BILLET (AL)										
REQUIRMENT	(	1TON)	240	260	290	6292	6292	6292	6292	6292
UNIT PRICE	(	RS)	6292	6292	6292					
VALUE	(	1000RS)	1510	1636	1825					
BAR (SC)										
REQUIRMENT	(	1TON)	2480	2720	2990	3290	3290	3290	3290	3290
UNIT PRICE	(	RS)	6327	6327	6327	6327	6327	6327	6327	6327
VALUE	(	1000RS)	15691	17209	18918	20816	20816	20816	20816	20816
BAR (AL)										
REQUIRMENT	(	1TON)	3890	4280	4710	5180	5180	5180	5180	5180
UNIT PRICE	(	RS)	7229	7229	7229	7229	7229	7229	7229	7229
VALUE	(	1000RS)	28121	30940	34049	37446	37446	37446	37446	37446
VARIABLE COST										
BAR (SUP)										
REQUIRMENT	(	1TON)	8960	9860	10850	11940	11940	11940	11940	11940
UNIT PRICE	(	RS)	6532	6532	6532	6532	6532	6532	6532	6532
VALUE	(	1000RS)	58527	64406	70872	77992	77992	77992	77992	77992
(2) OPERATING LABOUR (FC)	(	1000RS)	9315	9315	10650	10650	10650	10650	10650	10650
	(	1000RS)								
	(	1000RS)								
	(	1000RS)								
(3) DEPRECIATION (FC)	(	1000RS)	7977	7506	7062	6643	6250	5883	5535	5208
MACHINERY	(	1000RS)	5071	2336	1204	474	445	419	394	370
BUILDING										
(4) OTHER EXPENCE (FC)	(	1000RS)	2000	2000	2000	2000	2000	2000	2000	2000
TOTAL OPERATING COST	(	1000RS)	132757	142559	154312	156021	155599	155216	154833	154482
NET OPERATING INCOME	(	1000RS)	35532	42509	49150	53997	54419	54812	55185	55536
OLD	(	1000RS)	18973	18973	18973	18973	18973	18973	18973	18973
NEW	(	1000RS)	16559	23536	30177	35024	35446	35839	36212	36563
NET INCOME BEFORE TAX	(	1000RS)	16559	23536	30177	35024	35446	35839	36212	36563
INCOME TAX	(	1000RS)								
NET INCOME AFTER INT. & TAX	(	1000RS)								

INTERNAL RATE OF RETURN (FINANCIAL)

(UNIT= 1000RS)

YEAR	INVESTMENT	NET OPERATING INCOME	SPECIAL ITEMS	INCOME TAX AT 100% EQUITY	DEPRE-CIATION	SALVAGE VALUE	RECLAIMED WORKING CAPITAL	NET CASH INFLOW	DISCOUNT FACTOR	PRESENT VALUE OF NET CASH INFLOW
0	281202	0	0	0	0			-281202	1.00000	-281202
1	9000	3038	0	0	15831			9869	0.91135	8994
2	9000	5069	0	0	15602			11761	0.83056	9768
3	7000	8318	0	0	16904			16222	0.75694	12279
4	0	17325	0	0	14164			26489	0.68984	18273
5	0	16674	0	0	13467			30141	0.62869	18950
6	0	19534	0	0	12772			32306	0.57296	18510
7	0	24574	0	0	12161			36685	0.52217	19156
8	0	29791	0	0	11587			41378	0.47588	19691
9	0	35532	0	0	11048			46580	0.43370	20202
10	0	42509	0	0	9842			52351	0.39525	20692
11	0	49150	0	0	8266			57416	0.36022	20687
12	0	53997	0	0	7117			61114	0.32828	20063
13	0	54419	0	0	6695			61114	0.29918	18285
14	0	54817	0	0	6302			61114	0.27266	16666
15	0	55185	0	0	5929			61114	0.24849	15187
16	0	55536	0	0	5578		44000	115114	0.22646	23805

TOTAL=0

INTERNAL RATE OF RETURN = 9.726 %

JICA