

STEEL

5. Steel

As on 31.03.2014, there were 5 Central Public Sector Enterprises in the Steel group. The names of these enterprises along with their year of incorporation in chronological order are given below: -

S. No.	Enterprise	Year of Incorporation
1	MISHRA DHATU NIGAM LTD.	1973
2	STEEL AUTHORITY OF INDIA LTD.	1973
3	FERRO SCRAP NIGAM LTD.	1979
4	RASHTRIYA ISPAT NIGAM LTD.	1982
5	SAIL REFRACTORY COMPANY LTD.	2011

2. The enterprises falling in this group are mainly engaged in producing of saleable steel, pipes, casting, spun, pipes, casting, sponge iron, special steel and various allied products.

3. The consolidated financial position, the working results and the important management ratios of these enterprises are appended.

4. **Turnover:** The details of turnover of individual enterprises are given below:

(₹ in crore)

S. No.	Enterprise	Turnover	
		2013-14	2012-13
1	FERRO SCRAP NIGAM LTD.	224.14	186.79
2	MISHRA DHATU NIGAM LTD.	562.71	558.59
3	RASHTRIYA ISPAT NIGAM LTD.	13431.5	13565.28
4	SAIL REFRACTORY COMPANY LTD.	148.51	107.08
5	STEEL AUTHORITY OF INDIA LTD.	52375.7	49986.9
TOTAL :		66742.5	64404.64

5. **Net Profit / Loss:** The details of enterprises, which earned net profit or sustained net loss (-) are given below:

(₹ in crore)

S. No.	Enterprise	Net Profit / Loss	
		2013-14	2012-13
1	FERRO SCRAP NIGAM LTD.	8.42	1.96
2	MISHRA DHATU NIGAM LTD.	82.46	82.52
3	RASHTRIYA ISPAT NIGAM LTD.	366.45	352.83
4	SAIL REFRACTORY COMPANY LTD.	15.42	10.18
5	STEEL AUTHORITY OF INDIA LTD.	2616.48	2170.35
TOTAL :		3089.23	2617.84

6. **Dividend:** The details of dividend declared by the individual enterprises are given below:

(₹ in crore)

S. No.	Enterprise	Dividend	
		2013-14	2012-13
1	FERRO SCRAP NIGAM LTD.	1.68	0.4
2	MISHRA DHATU NIGAM LTD.	37.47	37.47
3	RASHTRIYA ISPAT NIGAM LTD.	82.6	136.57
4	SAIL REFRACTORY COMPANY LTD.	3	0
5	STEEL AUTHORITY OF INDIA LTD.	834.35	826.1
TOTAL :		959.1	1000.54

7. **Social Overhead and Township:** The total number of persons employed and the expenditure incurred on social overheads and townships are given below:

S. No.	Particulars	Township and Social Overheads	
		2013-14	2012-13
1	No. of employees (in number)	118440	122256
2	Social overheads: (Rupees in Crore)		
	(i) Educational	88.73	77.11
	(ii) Medical Facilities	48.54	39.55
	(iii) Others	41.78	36.44
3	Capital cost of township (Rupees in Crore)	401.6	392.32
4	No. of houses constructed (in numbers)	8866	8866

8. Company wise details in respect of Balance Sheet, Profit and Loss Account, Important Indicators and Financial Ratios along with the write up of individual company are given in the page below.

STEEL

BALANCE SHEET				PROFIT & LOSS ACCOUNT			
(₹ in Lakhs)				(₹ in Lakhs)			
PARTICULARS	2013-14	2012-13	2011-12	PARTICULARS	2013-14	2012-13	2011-12
I. EQUITY & LIABILITIES				(I) Revenue from Operations (Gross)	6674254	6440464	6630989
AUTHORISED CAPITAL	1320205	1320205	1320205	Less : Excise Duty	709817	685581	604375
(1) Shareholders' Funds				Revenue from Operations (Net)	5964437	5754883	6026614
(a) Share Capital				(II) Other Income	122726	145383	198347
(i) Central Govt	923148	983845	1145535	(III) Total Revenue (I+II)	6087163	5900266	6224961
(ii) Others	82829	82829	58789	(IV) Expenditure on:			
(b) Reserves & Surplus	4540506	4343625	4197374	(a) Cost of materials consumed	2654415	2948345	3164129
(c) Money received against share warrants	0	0	0	(b) Purchase of stock-in-trade	78	321	488
Total Shareholders' Funds (1(a)+1(b)+1(c))	5546483	5410299	5401698	(c) Changes in inventories of finished goods, work-in-progress and stock in trade	90357	-229762	-130852
(2) Share application money pending allotment	0	0	400	(d) Stores & Spares	294096	272193	234014
(3) Non-current Liabilities				(e) Power & Fuel	569131	553103	498170
(a) Long Term Borrowings	1485392	1474366	1160901	(f) Salary, Wages & Benefits/Employees Expense	1152480	1028995	958137
(b) Deferred tax liabilities (Net)	246590	195806	170600	(g) Other Operating/direct/manufacturing Expenses	211675	302504	215013
(c) Other Long-term liabilities	176196	170550	125821	(h) Rent, Royalty & Cess	126185	99280	86761
(d) Long-term provisions	447364	467041	403853	(i) Loss on sale of Assets/Investments	40	0	0
Total Non-Current Liabilities 3(a) to 3(d)	2355542	2307763	1861175	(j) Other Expenses	358643	232944	255735
(4) Current Liabilities				Total Expenditure (IV (a to j))	5458187	5214830	5281595
(a) Short Term Borrowings	1441280	1173856	721116	(V) PROFIT BEFORE DEPRECIATION, & IMPAIRMENT, FINANCE CHARGES/INTEREST, EXCEPTIONAL & EXTRAORDINARY ITEMS & TAXES (PBDIEET)(III-IV)	628976	685436	943366
(b) Trade Payables	415516	416013	365070	(VI) Depreciation, Depletion & Amortisation	200897	160749	192790
(c) Other current liabilities	1828780	1456720	1252911	(VII) Impairment	0	0	0
(d) Short-term provisions	247748	292297	312979	(VIII) PROFIT BEFORE FINANCE COST/INTEREST, EXCEPTIONAL, EXTRA-ORDINARY ITEMS & TAXES (PBIEET)(V-VI-VII)	428079	524687	750576
Total Current Liabilities 4(a) to 4(d)	3933324	3338886	2652076	(IX) Finance Cost			
TOTAL EQUITY & LIABILITIES (1+2+3+4)	11835349	11056948	9915349	(a) On Central Government Loans	228	343	402
II. ASSETS				(b) On Foreign Loans	55546	44288	34114
(1) Non-Current Assets				(c) Others	176512	152847	140176
(a) Total Gross Fixed Assets	6824265	5570284	5253103	(d) Less Finance Cost Capitalised	101166	85950	86857
(ai) Accumulated Depreciation, Depletion & Amortisation	3675016	3499238	3348138	(e) Charged to P & L Account (a+b+c+d)	131120	111528	87835
(a(ii)) Accumulated Impairment	0	0	0	(X) PROFIT BEFORE EXCEPTIONAL & EXTRA-ORDINARY ITEMS & TAX (PBEET)(VIII-IXe)	296959	413159	662741
(b) Total Net Fixed Assets ((a)-(ai)-(a(ii)))	3149249	2071046	1904965	(XI) Exceptional Items	-95863	22937	26508
(c) Capital work in progress	4443878	4599283	3866230	(XII) PROFIT BEFORE EXTRA-ORDINARY ITEMS & TAX (PBET)(X-XI)	392822	390222	636233
(d) Intangible assets under developmet	3078	2287	1568	(XIII) Extra-Ordinary Items	-262	0	0
(e) Non-Current Investments	108483	108304	104962	(XIV) PROFIT BEFORE TAX (PBT)(XII-XIII)	393084	390222	636233
(f) Deferred Tax Assets (Net)	565	495	375	(XV) TAX PROVISIONS	84161	128438	199770
(g) Long Term Loans and Advances	442206	367468	227115	(XVI) NET PROFIT / LOSS FOR THE PERIOD FROM CONTINUING OPERATIONS AFTER TAX(XIV-XV)	308923	261784	436463
(h) Other Non-Current Assets	19888	13428	5602	(XVII) Profit/Loss from discontinuing operations	0	0	0
Total Non-Current Assets (b+c+d+e+f+g+h)	8167347	7162311	6110817	(XVIII) Tax expenses of discontinuing operations	0	0	0
(2) Current Assets				(XIX) Profit/Loss from discontinuing operations (after Tax)(XVII-XVIII)	0	0	0
(a) Current Investments	0	0	0	(XX) Profit/Loss for the period (XVI+XIX)	308923	261784	436463
(b) Inventories	1954112	2034638	1761430	Financial Ratios			
(c) Trade Recievables	656803	573218	535352	(i) Sales : Capital Employed	84.82	83.59	91.83
(d) Cash & Bank Balance	328408	573024	875117	(ii) Cost of Sales : Sales	94.88	93.41	90.84
(e) Short-term Loans & Advances	494038	464366	391633	(iii) Salary/Wages : Sales	19.32	17.88	15.9
(f) Other Current Assets	234641	249392	241000	(iv) Net Profit : Net Worth	5.57	4.84	8.08
Total Current Assets (a+b+c+d+e+f)	3668002	3894638	3804532	(v) Debt : Equity	1.48	1.38	0.96
TOTAL ASSETS (1+2)	11835349	11056948	9915349	(vi) Current Ratio	0.93	1.17	1.43
Important Indicators				(vii) Trade Recievables : Sales	11.01	9.96	8.88
(i) Investment	2491369	2541040	2365625	(viii) Total Inventory : Sales	32.76	35.35	29.23
(ii) Capital Employed	7031875	6884665	6562999				
(iii) Net Worth	5546483	5410299	5402098				
(iv) Net Current Assets	-265322	555752	1152456				
(v) Cost of Sales	5659044	5375579	5474385				
(vi) Net Value Added (at market price)	2893883	2820571	2774095				
(vii) Total Regular Employees (Nos.)	118440	122256	126537				
(viii) Avg. Monthly Emoluments per Employee(₹)	81087	70139	63100				

Ferro Scrap Nigam Ltd.

FSNL Bhavan, Equipment Chowk, Central Avenue, Bhilai, Chattisgarh-490001

www.fsnl.nic.in

The Company

Ferro Scrap Nigam Ltd. (FSNL) was incorporated on 28.03.1979 in collaboration with M/s Harsco Corporate (Inc.), USA as a wholly owned subsidiary of M/s MSTC Limited with the objective to indigenise the entire scrap recovery process in the steel sector under SAIL, RINL IISCO and to reclaim iron and steel scrap from slags in all the integrated steel plants under SAIL, IISCO and RINL.

FSNL is a Schedule-‘C’ / Mini Ratna CPSE in Steel sector under the administrative control of Ministry of Steel. The company employed 1010 regular employees (Executives 136 & Non-Executives 874) as on 31.3.2014. Its Registered and Corporate offices are at Bhilai (Chhattisgarh).

Vision / Mission

The vision of the Company is to become the admired scrap processing company with leadership in market share and profit by distinctive scrap processing and other steel mill services capabilities by inculcating a performance culture and always adhering to its values, based on its obligations as the trustees of its customers.

The mission of FSNL is to generate “Wealth from Waste” by maximizing recovery from waste material generated by Iron & Steel making and other manufacturing process

Industrial / Business Operations

FSNL is engaged in the business of processing of steel mills slag and other refuse and debris for the recovery of iron and steel scrap and other metallic scrap and to render all kind of services to manufacturer of steel and iron and other metallic products through its units at Rourkela, Burnpur, Bhilai, Bokaro, Vizag, Durgapur, Dovli, Duburi, Haridwar and Bengaluru.

Performance Highlights

The average capacity utilization for all the products / services of the company was 95.83% during 2013-14 as against 93.61% during previous year. The physical performance of the company during the last three years is given below:

Main Products / Services	Unit	Performance during		
		2013-14	2012-13	2011-12
Production of Scrap	‘000 MT	2520	2326	2159
Slag Haulage	‘000 MT	5288	4623	3993

Total Revenue of the company registered an increase of ₹40.05 crore during 2013-14, which went up to ₹237.87 crore in 2013-14 from ₹ 197.82 crore in 2012-13 (Fig.1). The profit of the company has also gone up by ₹ 6.46 crore to ₹ 8.42 crore in 2013-14, from ₹ 1.96 crore in previous year, mainly due to increase in service charge rate at SAIL Steel Plants and increase in production.

Return on Net Worth of the company has increased to 5.76% in 2013-14 from 1.40% in 2012-13. Net profit Ratio of the company increased to 3.76% in 2013-14 from 1.05% in 2012-13 (Fig.2). The current ratio of company is at 2.79:1 during 2013-14 as against 2.08:1 in the previous year. Balance Sheet and Profit & Loss Account of the company and selected financial ratios during the period 2011-12 to 2013-14 can be seen on the adjoining page.

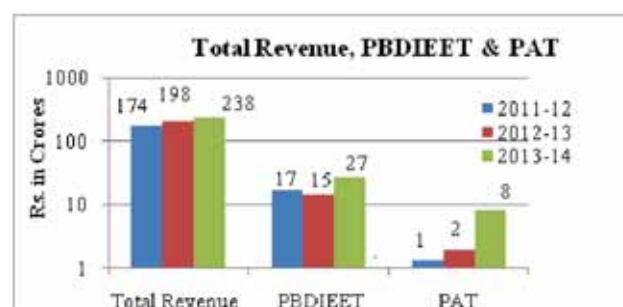


Fig. 1

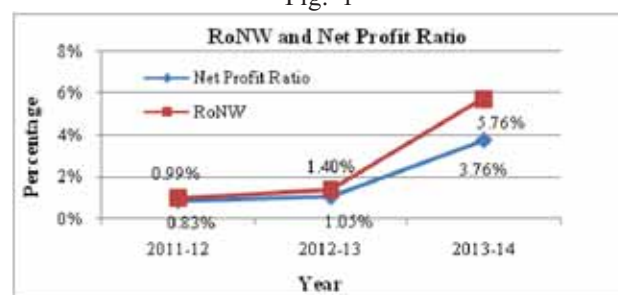


Fig.2

Strategic Issues

The technological development / modernization in steel making have brought down the generation of scrap in steel plants which resulted in gradual reduction in availability of scrap. To improve the growth and profitability, the Company is looking for new areas of business. The Company has already entered new area of business viz., rendering of Custodian & Ware Housing services to customers of MSTC / STC at 27 sites.

PERRO SCRAP NIGAM LTD.

BALANCE SHEET				(₹ in Lakhs)			
PARTICULARS	2013-14	2012-13	2011-12	PROFIT & LOSS ACCOUNT			
				(₹ in Lakhs)			
PARTICULARS	2013-14	2012-13	2011-12	PARTICULARS	2013-14	2012-13	2011-12
I. EQUITY & LIABILITIES				(I) Revenue from Operations (Gross)	22414	18679	18076
AUTHORISED CAPITAL	200	200	200	Less : Excise Duty	0	0	1613
(1) Shareholders' Funds				Revenue from Operations (Net)	22414	18679	16463
(a) Share Capital				(II) Other Income	1373	1103	986
(i) Central Govt	0	0	0	(III) Total Revenue (I+II)	23787	19782	17449
(ii) Others	200	200	200	(IV) Expenditure on:			
(b) Reserves & Surplus	14426	13781	13631	(a) Cost of materials consumed	2294	0	0
(c) Money received against share warrants	0	0	0	(b) Purchase of stock-in-trade	0	0	0
Total Shareholders' Funds (1(a)+1(b)+1(c))	14626	13981	13831	(c) Changes in inventories of finished goods, work-in-progress and stock in trade	0	0	0
(2) Share application money pending allotment	0	0	0	(d) Stores & Spares	883	2719	2440
(3) Non-current Liabilities				(e) Power & Fuel	79	279	316
(a) Long Term Borrowings	0	297	255	(f) Salary, Wages & Benefits/Employees Expense	8304	7507	6550
(b) Deferred tax liabilities (Net)	0	0	0	(g) Other Operating/direct/manufacturing Expenses	9469	7100	439
(c) Other Long-term liabilities	370	0	0	(h) Rent, Royalty & Cess	0	0	151
(d) Long-term provisions	3043	2837	2359	(i) Loss on sale of Assets/Investments	40	0	0
Total Non-Current Liabilities 3(a) to 3(d)	3413	3134	2614	(j) Other Expenses	8	702	5877
(4) Current Liabilities				Total Expenditure (IV (a to j))	21085	18307	15773
(a) Short Term Borrowings	1054	875	2683	(V) PROFIT BEFORE DEPRECIATION, & IMPAIRMENT, FINANCE CHARGES/INTEREST, EXCEPTIONAL & EXTRAORDINARY ITEMS & TAXES (PBDIEET)(III-IV)	2702	1475	1676
(b) Trade Payables	1553	1840	2215	(VI) Depreciation, Depletion & Amortisation	1289	1066	1078
(c) Other current liabilities	1687	1553	1548	(VII) Impairment	0	0	0
(d) Short-term provisions	1757	939	483	(VIII) PROFIT BEFORE FINANCE COST/INTEREST, EXCEPTIONAL, EXTRA-ORDINARY ITEMS & TAXES (PBIEET)(V-VI-VII)	1413	409	598
Total Current Liabilities 4(a) to 4(d)	6051	5207	6929	(IX) Finance Cost			
TOTAL EQUITY & LIABILITIES (1+2+3+4)	24090	22322	23374	(a) On Central Government Loans	0	0	0
II. ASSETS				(b) On Foreign Loans	0	0	0
(1) Non-Current Assets				(c) Others	121	151	90
(a) Total Gross Fixed Assets	18626	18780	20305	(d) Less Finance Cost Capitalised	0	0	0
(ai) Accumulated Depreciation, Depletion & Amortisation	13341	13500	14722	(e) Charged to P & L Account (a+b+c+d)	121	151	90
(a ii) Accumulated Impairment	0	0	0	(X) PROFIT BEFORE EXCEPTIONAL & EXTRA-ORDINARY ITEMS & TAX (PBEET)(VIII-IXe)	1292	258	508
(b) Total Net Fixed Assets ((a)-(ai)-(a ii))	5285	5280	5583	(XI) Exceptional Items	49	5	306
(c) Capital work in progress	84	172	211	(XII) PROFIT BEFORE EXTRA-ORDINARY ITEMS & TAX (PBET)(X-XI)	1243	253	202
(d) Intangible assets under developmet	67	67	67	(XIII) Extra-Ordinary Items	0	0	0
(e) Non-Current Investments	0	0	0	(XIV) PROFIT BEFORE TAX (PBT)(XII-XIII)	1243	253	202
(f) Deferred Tax Assets (Net)	427	428	309	(XV) TAX PROVISIONS	401	57	65
(g) Long Term Loans and Advances	1030	828	682	(XVI) NET PROFIT / LOSS FOR THE PERIOD FROM CONTINUING OPERATIONS AFTER TAX(XIV-XV)	842	196	137
(h) Other Non-Current Assets	321	4692	375	(XVII) Profit/Loss from discontinuing operations	0	0	0
Total Non-Current Assets (b+c+d+e+f+g+h)	7214	11467	7227	(XVIII) Tax expenses of discontinuing operations	0	0	0
(2) Current Assets				(XIX) Profit/Loss from discontinuing operations (after Tax)(XVII-XVIII)	0	0	0
(a) Current Investments	0	0	0	(XX) Profit/Loss for the period (XVI+XIX)	842	196	137
(b) Inventories	347	438	530	Financial Ratios			
(c) Trade Recievables	1390	1596	1983	(i) Sales : Capital Employed	153.25	130.82	116.87
(d) Cash & Bank Balance	10052	5596	9828	(ii) Cost of Sales : Sales	99.64	103.72	102.36
(e) Short-term Loans & Advances	181	250	347	(iii) Salary/Wages : Sales	37.05	40.19	39.79
(f) Other Current Assets	4906	2975	3459	(iv) Net Profit : Net Worth	5.76	1.4	0.99
Total Current Assets (a+b+c+d+e+f)	16876	10855	16147	(v) Debt : Equity	0	1.48	1.27
TOTAL ASSETS (1+2)	24090	22322	23374	(vi) Current Ratio	2.79	2.08	2.33
Important Indicators				(vii) Trade Recievables : Sales	6.2	8.54	12.05
(i) Investment	200	497	455	(viii) Total Inventory : Sales	1.55	2.34	3.22
(ii) Capital Employed	14626	14278	14086				
(iii) Net Worth	14626	13981	13831				
(iv) Net Current Assets	10825	5648	9218				
(v) Cost of Sales	22334	19373	16851				
(vi) Net Value Added (at market price)	11613	11010	9244				
(vii) Total Regular Employees (Nos.)	1010	1051	1066				
(viii) Avg. Monthly Emoluments per Employee(₹)	68515	59523	51204				

Mishra Dhatu Nigam Limited

PO Kanchanbagh, Hyderabad – 500 058

www.midhani.gov.in

The Company

Mishra Dhatu Nigam Ltd (MIDHANI) was established in November 1973 to achieve self-reliance in areas of special grade super alloys, steel, titanium and magnetic alloys. These alloys find applications in the strategic sectors such as Defence, Space, Aeronautics, Nuclear and various other commercial industries.

MIDHANI is a schedule- 'B' Mini Ratna CPSE in Steel sector under the administrative control of Ministry of Defence, Department of Defence Production with 100 % shareholding by the Government of India. The company employed 904 regular employees (Executives-257 & Non-Executives- 647) as on 31.3.2014. Its Registered and Corporate offices are located at Hyderabad, Andhra Pradesh

Vision / Mission

The Vision / Mission of the Company are to achieve self-reliance in the research, development, manufacture and supply of critical alloys and products of National Security and Strategic Importance.

Industrial / Business Operations

MIDHANI is engaged in the manufacture of some of the very complex alloys, like super alloys, maraging steels, titanium & titanium alloys, special purpose steels, soft magnetic alloys, molybdenum products and welding electrodes, which only a few advanced countries in the world produce through its single operating unit at Hyderabad.

Performance Highlights

The physical performances of the company along with market share of major products in India for last three years are given below in the tables:

Main Product / Services	Unit	Performance during		
		2013-14	2012-13	2011-12
Super alloys, Special Stainless steel & Titanium Alloys, Production	MT	4111	4687	3482

S.No	Alloy group	Domestic Market share in %		
		2013-14	2012-13	2011-12
1.	Maraging steel (MDN250)	75	72	70
2.	Maraging steel (MDN350)	100	100	100
3.	Titanium Alloys	65	66	64

Total Revenue of the company registered an increase of ₹1.80 crore during 2013-14, which went up to ₹575.55 crore in 2013-14 from ₹ 573.75 crore in 2012-13 (Fig.1). However, the profit of the company has gone down marginally by ₹ 0.06 crore to ₹ 82.46 crore in 2013-14 from ₹ 82.52 crore in previous year .

Return on Net Worth of the company was marginally down 18.52% in 2013-14 from 20.29 % in 2012-13. Net profit Ratio of the company has also decreased slightly to 14.87% in 2013-14 from 14.90% in 2012-13 (Fig.2) The current ratio of company is at 1.67:1 during 2013-14 as against 1.90:1 in the previous year . Balance Sheet and Profit & Loss Account of the company and selected financial ratios during the period 2011-12 to 2013-14 can be seen on the adjoining page.

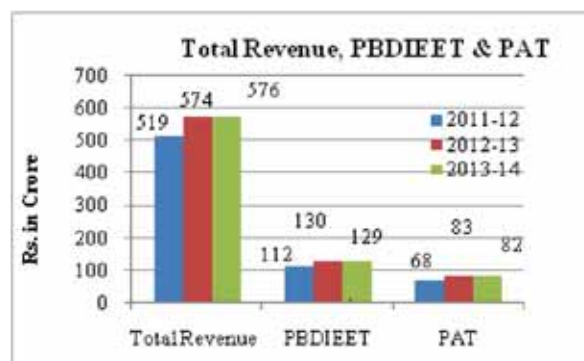


Fig.1

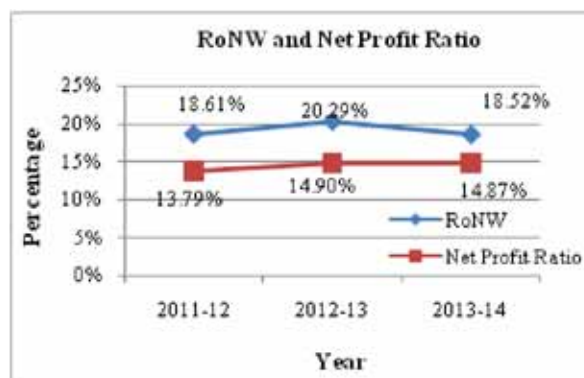


Fig.2

Strategic issue

The company is adopting new technologies for improvement in production/design and production process. The Modernization & Up-gradation program is scheduled in different Phases, Phase –I have been completed and the same are yielding better results. The Phase –II of expansion plan focused mainly on the conversion facilities for saleable products commenced in 2009. The expansion is being supported by the internal resources and rs. 100 Crore equity and loan by the GOI. This phase imitates procurement of facilities such as Ring Rolling Mill, 6000T Forge Press and EAF/LRF/VD/VOD largely aligning to the Corporate Plan 2020. Major Expansion under Phase-III has commenced during the year 2013-14. This phase envisages introduction of new products line by setting up of a Wide Plate Mill and an Electron Beam Melting furnace.

MISHRA DHATU NIGAM LTD.

BALANCE SHEET				PROFIT & LOSS ACCOUNT			
(₹ in Lakhs)				(₹ in Lakhs)			
PARTICULARS	2013-14	2012-13	2011-12	PARTICULARS	2013-14	2012-13	2011-12
I. EQUITY & LIABILITIES				(I) Revenue from Operations (Gross)	56271	55859	50901
AUTHORISED CAPITAL	20000	20000	20000	Less : Excise Duty	809	470	1271
(1) Shareholders' Funds				Revenue from Operations (Net)	55462	55389	49630
(a) Share Capital				(II) Other Income	2093	1986	2224
(i) Central Govt	18734	18734	18334	(III) Total Revenue (I+II)	57555	57375	51854
(ii) Others	0	0	0	(IV) Expenditure on:			
(b) Reserves & Surplus	25779	21942	18044	(a) Cost of materials consumed	19608	17739	14462
(c) Money received against share warrants	0	0	0	(b) Purchase of stock-in-trade	0	0	0
Total Shareholders' Funds (1(a)+1(b)+1(c))	44513	40676	36378	(c) Changes in inventories of finished goods, work-in-progress and stock in trade	-956	2122	1302
(2) Share application money pending allotment	0	0	400	(d) Stores & Spares	2545	2079	1624
(3) Non-current Liabilities				(e) Power & Fuel	4239	3459	3466
(a) Long Term Borrowings	1817	1358	1980	(f) Salary, Wages & Benefits/Employees Expense	9664	9637	11212
(b) Deferred tax liabilities (Net)	643	32	54	(g) Other Operating/direct/manufacturing Expenses	7644	1412	1278
(c) Other Long-term liabilities	21140	32938	8508	(h) Rent, Royalty & Cess	12	41	0
(d) Long-term provisions	49	1492	1363	(i) Loss on sale of Assets/Investments	0	0	0
Total Non-Current Liabilities 3(a) to 3(d)	23649	35820	11905	(j) Other Expenses	1703	7793	7266
(4) Current Liabilities				Total Expenditure (IV (a to j))	44651	44396	40610
(a) Short Term Borrowings	2785	5635	9864	(V) PROFIT BEFORE DEPRECIATION, & IMPAIRMENT, FINANCE CHARGES/INTEREST, EXCEPTIONAL & EXTRAORDINARY ITEMS & TAXES (PBDIEET)(III-IV)	12904	12979	11244
(b) Trade Payables	9694	7428	4316	(VI) Depreciation, Depletion & Amortisation	604	516	479
(c) Other current liabilities	28151	26719	18111	(VII) Impairment	0	0	0
(d) Short-term provisions	26241	21996	19026	(VIII) PROFIT BEFORE FINANCE COST/INTEREST, EXCEPTIONAL, EXTRA-ORDINARY ITEMS & TAXES (PBIIEET)(V-VI-VII)	12300	12463	10765
Total Current Liabilities 4(a) to 4(d)	66871	61778	51317	(IX) Finance Cost			
TOTAL EQUITY & LIABILITIES (1+2+3+4)	135033	138274	100000	(a) On Central Government Loans	228	343	402
II. ASSETS				(b) On Foreign Loans	0	0	0
(1) Non-Current Assets				(c) Others	477	637	513
(a) Total Gross Fixed Assets	24698	19975	18704	(d) Less Finance Cost Capitalised	286	295	0
(ai) Accumulated Depreciation, Depletion & Amortisation	13151	13158	12636	(e) Charged to P & L Account (a+b+c+d)	419	685	915
(a(ii) Accumulated Impairment	0	0	0	(X) PROFIT BEFORE EXCEPTIONAL & EXTRA-ORDINARY ITEMS & TAX (PBET)(VIII-IXe)	11881	11778	9850
(b) Total Net Fixed Assets ((a)-(ai)-(a(ii))	11547	6817	6068	(XI) Exceptional Items	0	0	0
(c) Capital work in progress	11793	13502	1022	(XII) PROFIT BEFORE EXTRA-ORDINARY ITEMS & TAX (PBET)(X-XI)	11881	11778	9850
(d) Intangible assets under developmet	0	0	0	(XIII) Extra-Ordinary Items	-262	0	0
(e) Non-Current Investments	210	210	210	(XIV) PROFIT BEFORE TAX (PBT)(XII-XIII)	12143	11778	9850
(f) Deferred Tax Assets (Net)	0	0	0	(XV) TAX PROVISIONS	3897	3526	3005
(g) Long Term Loans and Advances	139	287	1904	(XVI) NET PROFIT / LOSS FOR THE PERIOD FROM CONTINUING OPERATIONS AFTER TAX(XIV-XV)	8246	8252	6845
(h) Other Non-Current Assets	1	8	107	(XVII) Profit/Loss from discontinuing operations	0	0	0
Total Non-Current Assets (b+c+d+e+f+g+h)	23690	20824	9311	(XVIII) Tax expenses of discontinuing operations	0	0	0
(2) Current Assets				(XIX) Profit/Loss from discontinuing operations (after Tax)(XVII-XVIII)	0	0	0
(a) Current Investments	0	0	0	(XX) Profit/Loss for the period (XVI+XIX)	8246	8252	6845
(b) Inventories	45279	48293	44336	Financial Ratios			
(c) Trade Recievables	24363	26738	13523	(i) Sales : Capital Employed	119.71	131.77	128.05
(d) Cash & Bank Balance	10565	17298	15036	(ii) Cost of Sales : Sales	81.6	81.08	82.79
(e) Short-term Loans & Advances	30399	22714	15786	(iii) Salary/Wages : Sales	17.42	17.4	22.59
(f) Other Current Assets	737	2408	2008	(iv) Net Profit : Net Worth	18.52	20.29	18.61
Total Current Assets (a+b+c+d+e+f)	111343	117451	90689	(v) Debt : Equity	0.1	0.07	0.11
TOTAL ASSETS (1+2)	135033	138274	100000	(vi) Current Ratio	1.67	1.9	1.77
Important Indicators				(vii) Trade Recievables : Sales	43.93	48.27	27.25
(i) Investment	20551	20092	20714	(viii) Total Inventory : Sales	81.64	87.19	89.33
(ii) Capital Employed	46330	42034	38758				
(iii) Net Worth	44513	40676	36778				
(iv) Net Current Assets	44472	55673	39372				
(v) Cost of Sales	45255	44912	41089				
(vi) Net Value Added (at market price)	27091	27703	27403				
(vii) Total Regular Employees (Nos.)	904	976	1052				
(viii) Avg. Monthly Emoluments per Employee(₹)	89086	82283	88815				

Rashtriya Ispat Nigam Ltd.

Visakhapatnam Steel Project, Administrative Building., Visakhapatnam 530031
www.vizagsteel.com

The Company

RINL-VSP was incorporated on 18.2.1982 under the Companies Act, 1956 and it is a schedule- 'A' Navratna company in Steel sector, under the administrative control of Ministry of Steel with 100% shareholding by the Government of India.

The enterprise employed 18371 regular employees (Executives 5441, Non-unionised supervisors 853 and workmen 12077), as on 31.3.2014. Its Registered and Corporate office is at Visakhapatnam.

Vision / Mission

The Vision of the Company is to be a continuously growing world class company Its endeavor is to harness its growth potential and sustain profitable growth; deliver high quality and cost competitive products and be the first choice of customers; create an inspiring work environment to unleash the creative energy of people; achieve excellence in enterprise management; be a respected corporate citizen; ensure clean and green environment and develop vibrant communities.

The Mission of the Company is to attain 20 Mt liquid steel capacity through technological up-gradation, operational efficiency and expansion; augmentation of assured supply of raw materials; to produce steel at international standards of Cost & Quality; and to meet the aspirations of the stakeholders.

Industrial / Business Operations

Main activities of RINL-VSP include production of steel products in the long product category / basic grade pig iron from its operating unit at Visakhapatnam, Andhra Pradesh and marketing them through a network of 23 branch offices, 22 stockyards, and 4 CSAs cater to the delivery requirements across the country.

The principal products of RINL-VSP include bars, wire rods, rounds, structural, billets and pig iron and the company also markets the resulting by-products like coal chemicals (Ammonium Sulphate, Benzol products etc.) and slag.

The company has one subsidiary, Eastern Investment Limited (EIL) with 51% shareholding. The company is a partner in 2 Joint Ventures, RINMOIL and ICVL with 50 % and 14.286 % shareholding respectively.

Performance Highlights

RINL, with exclusive product mix of longs is the largest long products producer in the country with a market share of nearly 8 % in 2013-14. The iron & steel products, which account for 98% of total sales, are used in construction, wire drawing industry, forging industry, and foundry and re rolling industry. The performance of major products during the last three years is as follows:

Major Products /Services	Unit	Production during (% capacity utilisation)		
		2013-14	2012-13	2011-12
Bar Products	Mt	0.873 (123%)	0.867 (122%)	0.872 (123%)
Wire rods	Mt	0.998 (117%)	0.973 (114%)	1.016(119%)
MMSM Products	Mt	0.934 (110%)	0.878 (103%)	0.943 (111)%
Pig Iron	Mt	0.327 (59%)	0.493 (89%)	0.395 (71%)

Total Revenue of the company registered a decrease of ₹230.79 crore during 2013-14, which went down to ₹12335.32 crore in 2013-14 from ₹ 12566.11 crore in 2012-13 (Fig.1). However, the net profit of the company has increased by ₹ 13.62 crore and went up to ₹ 366.45 crore in 2013-14 from ₹ 352.83 crore in previous year due to less cost of materials consumption.

Return on Net Worth of the company has increased to 3.02% in 2013-14 from 2.83% in 2012-13. Net profit Ratio of the company increased to 3.05% in 2013-14 from 2.91% in 2012-13 (Fig.2). The current ratio of company is at 0.82:1 during 2013-14 as against 0.98:1 in the previous year. Balance Sheet and Profit & Loss Account of the company and selected financial ratios during the period 2011-12 to 2013-14 can be seen on the adjoining page.

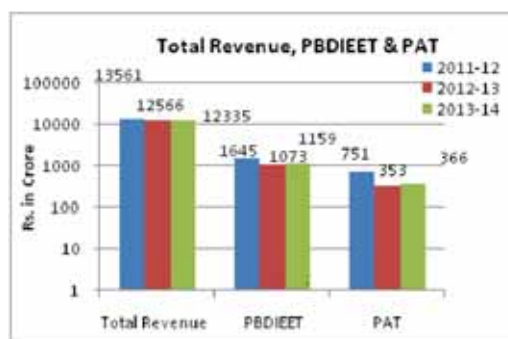


Fig. 1

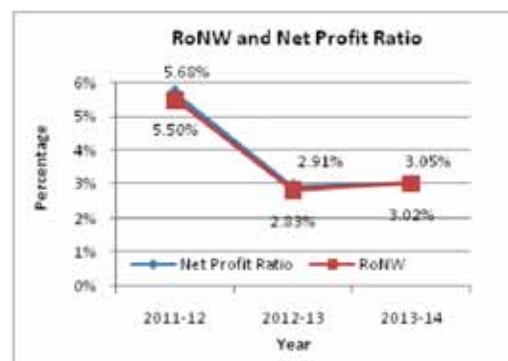


Fig.2

Strategic Issues

Iron ore Slurry Pipeline and Pellet Plant Project with NMDC: The project includes a 13 mtpa slurry pipeline from Nagarnar, Chhatisgarh to Visakhapatnam and a 6 mtpa Pellet plant at Visakhapatnam. TEFR has been prepared by MECON and Financial Due Diligence being done IFCI Ltd. Route survey for pipeline being carried out by M/s WAPCOS.

Forged Wheel Plant: A specialized unit, 80000 wheels per annum, is catering to the need of special grade wheels for Indian Railways. Foundation stone laid on 08/10/2013.

Axle Plant: Setting up a unit, 50,000 Axles per annum in New Jalpaiguri, West Bengal.

RASHTRIYA ISPAT NIGAM LTD.

BALANCE SHEET		(₹ in Lakhs)		
PARTICULARS	2013-14	2012-13	2011-12	
I. EQUITY & LIABILITIES				
AUTHORISED CAPITAL	800000	800000	800000	
(1) Shareholders' Funds				
(a) Share Capital				
(i) Central Govt	573985	634682	772732	
(ii) Others	0	0	0	
(b) Reserves & Surplus	640089	613050	593197	
(c) Money received against share warrants	0	0	0	
Total Shareholders' Funds (1(a)+1(b)+1(c))	1214074	1247732	1365929	
(2) Share application money pending allotment	0	0	0	
(3) Non-current Liabilities				
(a) Long Term Borrowings	120353	124156	0	
(b) Deferred tax liabilities (Net)	41901	22921	6098	
(c) Other Long-term liabilities	16556	10500	8323	
(d) Long-term provisions	53143	41477	47973	
Total Non-Current Liabilities 3(a) to 3(d)	231953	199054	62394	
(4) Current Liabilities				
(a) Short Term Borrowings	373993	365844	257514	
(b) Trade Payables	82993	73794	39019	
(c) Other current liabilities	548405	561519	364584	
(d) Short-term provisions	15765	17309	61044	
Total Current Liabilities 4(a) to 4(d)	1021156	1018466	722161	
TOTAL EQUITY & LIABILITIES (1+2+3+4)	2467183	2465252	2150484	
II. ASSETS				
(1) Non-Current Assets				
(a) Total Gross Fixed Assets	1361619	1258834	1039387	
(ai) Accumulated Depreciation, Depletion & Amortisation	908341	879853	860703	
(aii) Accumulated Impairment	0	0	0	
(b) Total Net Fixed Assets ((a)-(ai)-(aii))	453278	378981	178684	
(c) Capital work in progress	1066947	996524	1059608	
(d) Intangible assets under developmet	3011	2220	1501	
(e) Non-Current Investments	36253	36258	36258	
(f) Deferred Tax Assets (Net)	0	0	0	
(g) Long Term Loans and Advances	61605	49836	24189	
(h) Other Non-Current Assets	6023	3658	1033	
Total Non-Current Assets (b+c+d+e+f+g+h)	1627117	1467477	1301273	
(2) Current Assets				
(a) Current Investments	0	0	0	
(b) Inventories	386304	382860	340311	
(c) Trade Recievables	80365	100965	42715	
(d) Cash & Bank Balance	17589	162502	206834	
(e) Short-term Loans & Advances	346135	341775	236654	
(f) Other Current Assets	9673	9673	22697	
Total Current Assets (a+b+c+d+e+f)	840066	997775	849211	
TOTAL ASSETS (1+2)	2467183	2465252	2150484	
Important Indicators				
(i) Investment	694338	758838	772732	
(ii) Capital Employed	1334427	1371888	1365929	
(iii) Net Worth	1214074	1247732	1365929	
(iv) Net Current Assets	-181090	-20691	127050	
(v) Cost of Sales	1144805	1168039	1226039	
(vi) Net Value Added (at market price)	452206	420521	428360	
(vii) Total Regular Employees (Nos.)	18371	18072	18079	
(viii) Avg. Monthly Emoluments per Employee(₹)	79432	67742	67559	

PROFIT & LOSS ACCOUNT		(₹ in Lakhs)		
PARTICULARS	2013-14	2012-13	2011-12	
(I) Revenue from Operations (Gross)	1343148	1356528	1455176	
Less : Excise Duty	140315	145459	131915	
Revenue from Operations (Net)	1202833	1211069	1323261	
(II) Other Income	30699	45542	32839	
(III) Total Revenue (I+II)	1233532	1256611	1356100	
(IV) Expenditure on:				
(a) Cost of materials consumed	702582	809866	847258	
(b) Purchase of stock-in-trade	0	0	0	
(c) Changes in inventories of finished goods, work-in-progress and stock in trade	1865	-30374	4537	
(d) Stores & Spares	55698	52988	51830	
(e) Power & Fuel	67134	63095	46236	
(f) Salary, Wages & Benefits/Employees Expense	175110	146907	146567	
(g) Other Operating/direct/manufacturing Expenses	0	78465	68559	
(h) Rent, Royalty & Cess	213	192	189	
(i) Loss on sale of Assets/Investments	0	0	0	
(j) Other Expenses	114168	26748	26377	
Total Expenditure (IV (a to j))	1117657	1149351	1191553	
(V) PROFIT BEFORE DEPRECIATION, & IMPAIRMENT, FINANCE CHARGES/INTEREST, EXCEPTIONAL & EXTRAORDINARY ITEMS & TAXES (PBDEET)(III-IV)	115875	107260	164547	
(VI) Depreciation, Depletion & Amortisation	27148	18688	34486	
(VII) Impairment	0	0	0	
(VIII) PROFIT BEFORE FINANCE COST/INTEREST, EXCEPTIONAL, EXTRA-ORDINARY ITEMS & TAXES (PBIEET)(V-VI-VII)	88727	88572	130061	
(IX) Finance Cost				
(a) On Central Government Loans	0	0	0	
(b) On Foreign Loans	20435	13373	7046	
(c) Others	29802	28223	12022	
(d) Less Finance Cost Capitalised	16425	5671	8	
(e) Charged to P & L Account (a+b+c+d)	33812	35925	19060	
(X) PROFIT BEFORE EXCEPTIONAL & EXTRA-ORDINARY ITEMS & TAX (PBET)(VIII-IXe)	54915	52647	111001	
(XI) Exceptional Items	0	0	0	
(XII) PROFIT BEFORE EXTRA-ORDINARY ITEMS & TAX (PBET)(X-XI)	54915	52647	111001	
(XIII) Extra-Ordinary Items	0	0	0	
(XIV) PROFIT BEFORE TAX (PBT)(XII-XIII)	54915	52647	111001	
(XV) TAX PROVISIONS	18270	17364	35855	
(XVI) NET PROFIT / LOSS FOR THE PERIOD FROM CONTINUING OPERATIONS AFTER TAX(XIV-XV)	36645	35283	75146	
(XVII) Profit/Loss from discontinuing operations	0	0	0	
(XVIII) Tax expenses of discontinuing operations	0	0	0	
(XIX) Profit/Loss from discontinuing operations (after Tax)(XVII-XVIII)	0	0	0	
(XX) Profit/Loss for the period (XVI+XIX)	36645	35283	75146	
Financial Ratios				
(i) Sales : Capital Employed	90.14	88.28	96.88	
(ii) Cost of Sales : Sales	95.18	96.45	92.65	
(iii) Salary/Wages : Sales	14.56	12.13	11.08	
(iv) Net Profit : Net Worth	3.02	2.83	5.5	
(v) Debt : Equity	0.21	0.2	0	
(vi) Current Ratio	0.82	0.98	1.18	
(vii) Trade Recievables : Sales	6.68	8.34	3.23	
(viii) Total Inventory : Sales	32.12	31.61	25.72	

2013-14 PROVISIONAL

SAIL Refractory Co Ltd.

Salem Steel Plant, Post Box No. 565, Salem, Tamilnadu – 636 005

The Company

Salem Refractory Unit of Burn Standard Company Limited (BSCL) became a wholly-owned subsidiary of SAIL w.e.f. December 16, 2011 as per the financial restructuring of BSCL. The unit has now been renamed as SAIL Refractory Company Limited (SRCL).

SRCL is un-categorized CPSE in Steel sector under the administrative control of Ministry of Steel with 100% shareholding by SAIL. The company employed 258 regular employees (Executives 28 & Non-Executives 230) as on 31.3.2014. Its registered office is at Salem, Tamilnadu.

Vision / Mission

The Vision / Mission of the company is to be a respected world class corporation and the leader in Indian steel business in quality, productivity, profitability and customer satisfaction.

Industrial / Business Operations

SRCL range of products includes Magnesite bricks, Magnesite-chrome bricks, Magnesite-carbon bricks, Bulk & monolithics, Dunite & Dunite fractions and Ground calcined magnesite. It also endowed with 1718.30 acres of leasehold mining land spread over three locations. SRCL's estimated quantum of magnesite reserves is about 10 MT and about 9 MT of dunite. The open cast mines are adequately equipped with heavy earth moving machinery.

SRCL's products are used by all SAIL steel plants, Rail Wheel Factory, Metal & Steel Factory, Bharat Heavy Electricals Ltd, Hindustan Copper Ltd, JSW Steel Co. Ltd, etc.

Performance Highlights

The company starts its commercial operation in the financial year 2011-12. The physical performances of the company for last three years are given below:

Main Product	Unit	Performance during		
		2013-14	2012-13	2011-12
Magnesite Bricks	MT	38653	28824	31727
Fired Brick	MT	12669	12043	-
Magnesite Carbon Bricks	MT	4259	1398	-
Calcined Products	MT	11545	9623	-

Total Revenue of the company registered an increase of ₹ 40.79 crore during 2013-14, which went up to ₹ 143.07 crore in 2013-14 from ₹ 102.28 crore in 2012-13 (Fig.1). The profit of the company has also gone up by ₹ 5.24

crore to ₹ 15.42 crore in 2013-14, from ₹ 10.18 crore in previous year due to increase in sales.

Return on Net Worth of the company has increased to 23.24% in 2013-14 from 18.69% in 2012-13 (Fig.2). Net profit Ratio of the company increased to 11.10% in 2013-14 from 10.26% in 2012-13. The current ratio of company is at 2.04 during 2013-14 as against 2.03:1 in the previous year. Balance Sheet and Profit & Loss Account of the company and selected financial ratios during the period 2011-12 to 2013-14 can be seen on the adjoining page.

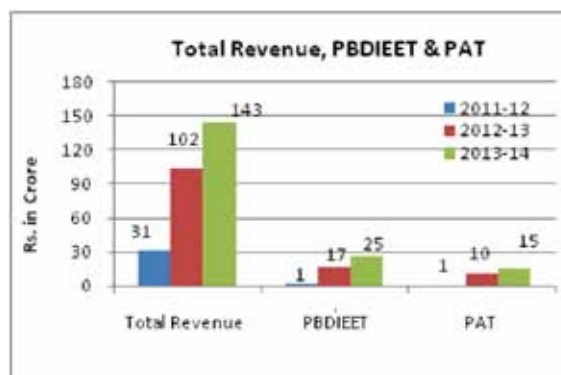


Fig. 1

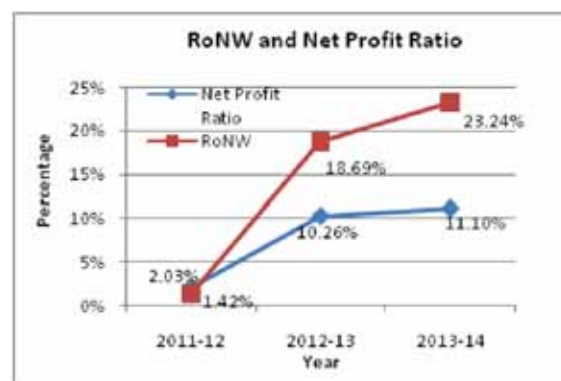


Fig.2

Strategic issues

In 1976, the Government of India took over Burn Standard Co. Ltd. (BSCL) as a subsidiary of Bharat Bhari Udyog Nigam Limited under the administrative control of the Ministry of Heavy Industries. Soon after, BSCL underwent a modernisation & expansion programme in order to meet the growing demand of high quality basic refractories in the modern steel plants of SAIL and other private sector steel processors of non-ferrous, cement and glass industries. Since refractory material is a critical input required for iron & steel plants based on the basic oxygen furnace route, SRCL's merger with SAIL is expected to go a long way in ensuring mutual benefit and growth.

SAIL REFRACTORY COMPANY LTD.

BALANCE SHEET		₹ in Lakhs)		
PARTICULARS	2013-14	2012-13	2011-12	
I. EQUITY & LIABILITIES				
AUTHORISED CAPITAL	5	5	5	
(1) Shareholders' Funds				
(a) Share Capital				
(i) Central Govt	0	0	0	
(ii) Others	5	5	5	
(b) Reserves & Surplus	6630	5441	4423	
(c) Money received against share warrants	0	0	0	
Total Shareholders' Funds (1(a)+1(b)+1(c))	6635	5446	4428	
(2) Share application money pending allotment	0	0	0	
(3) Non-current Liabilities				
(a) Long Term Borrowings	0	0	0	
(b) Deferred tax liabilities (Net)	0	0	0	
(c) Other Long-term liabilities	0	0	0	
(d) Long-term provisions	1001	819	814	
Total Non-Current Liabilities 3(a) to 3(d)	1001	819	814	
(4) Current Liabilities				
(a) Short Term Borrowings	0	0	0	
(b) Trade Payables	742	747	478	
(c) Other current liabilities	2686	1459	522	
(d) Short-term provisions	1790	783	1547	
Total Current Liabilities 4(a) to 4(d)	5218	2989	2547	
TOTAL EQUITY & LIABILITIES (1+2+3+4)	12854	9254	7789	
II. ASSETS				
(1) Non-Current Assets				
(a) Total Gross Fixed Assets	2486	2453	1892	
(ai) Accumulated Depreciation, Depletion & Amortisation	412	225	0	
(aii) Accumulated Impairment	0	0	0	
(b) Total Net Fixed Assets ((a)-(ai)-(aii))	2074	2228	1892	
(c) Capital work in progress	0	0	475	
(d) Intangible assets under developmet	0	0	0	
(e) Non-Current Investments	0	0	0	
(f) Deferred Tax Assets (Net)	138	67	66	
(g) Long Term Loans and Advances	0	0	0	
(h) Other Non-Current Assets	0	0	0	
Total Non-Current Assets (b+c+d+e+f+g+h)	2212	2295	2433	
(2) Current Assets				
(a) Current Investments	0	0	0	
(b) Inventories	2100	2226	2016	
(c) Trade Recievables	2487	1501	999	
(d) Cash & Bank Balance	4607	2593	1849	
(e) Short-term Loans & Advances	1272	558	269	
(f) Other Current Assets	176	81	223	
Total Current Assets (a+b+c+d+e+f)	10642	6959	5356	
TOTAL ASSETS (1+2)	12854	9254	7789	
Important Indicators				
(i) Investment	5	5	5	
(ii) Capital Employed	6635	5446	4428	
(iii) Net Worth	6635	5446	4428	
(iv) Net Current Assets	5424	3970	2809	
(v) Cost of Sales	11975	8749	3008	
(vi) Net Value Added (at market price)	5143	3611	905	
(vii) Total Regular Employees (Nos.)	258	279	336	
(viii) Avg. Monthly Emoluments per Employee(₹)	50097	36559	14955	

PROFIT & LOSS ACCOUNT		₹ in Lakhs)		
PARTICULARS	2013-14	2012-13	2011-12	
(I) Revenue from Operations (Gross)	14851	10708	3240	
Less : Excise Duty	964	788	139	
Revenue from Operations (Net)	13887	9920	3101	
(II) Other Income	420	308	0	
(III) Total Revenue (I+II)	14307	10228	3101	
(IV) Expenditure on:				
(a) Cost of materials consumed	2815	892	327	
(b) Purchase of stock-in-trade	0	0	0	
(c) Changes in inventories of finished goods, work-in-progress and stock in trade	-15	99	160	
(d) Stores & Spares	967	1085	213	
(e) Power & Fuel	3464	3226	1178	
(f) Salary, Wages & Benefits/Employees Expense	1551	1224	603	
(g) Other Operating/direct/manufacturing Expenses	3006	1530	64	
(h) Rent, Royalty & Cess	0	115	26	
(i) Loss on sale of Assets/Investments	0	0	0	
(j) Other Expenses	0	397	393	
Total Expenditure (IV (a to j))	11788	8568	2964	
(V) PROFIT BEFORE DEPRECIATION, & IMPAIRMENT, FINANCE CHARGES/INTEREST, EXCEPTIONAL & EXTRAORDINARY ITEMS & TAXES (PBDIEET)(III-IV)	2519	1660	137	
(VI) Depreciation, Depletion & Amortisation	187	181	44	
(VII) Impairment	0	0	0	
(VIII) PROFIT BEFORE FINANCE COST/INTEREST, EXCEPTIONAL, EXTRA-ORDINARY ITEMS & TAXES (PBIET)(V-VI-VII)	2332	1479	93	
(IX) Finance Cost				
(a) On Central Government Loans	0	0	0	
(b) On Foreign Loans	0	0	0	
(c) Others	4	1	0	
(d) Less Finance Cost Capitalised	0	0	0	
(e) Charged to P & L Account (a+b+c+d)	4	1	0	
(X) PROFIT BEFORE EXCEPTIONAL & EXTRA-ORDINARY ITEMS & TAX (PBEET)(VIII-IXe)	2328	1478	93	
(XI) Exceptional Items	0	0	0	
(XII) PROFIT BEFORE EXTRA-ORDINARY ITEMS & TAX (PBET)(X-XI)	2328	1478	93	
(XIII) Extra-Ordinary Items	0	0	0	
(XIV) PROFIT BEFORE TAX (PBT)(XII-XIII)	2328	1478	93	
(XV) TAX PROVISIONS	786	460	30	
(XVI) NET PROFIT / LOSS FOR THE PERIOD FROM CONTINUING OPERATIONS AFTER TAX(XIV-XV)	1542	1018	63	
(XVII) Profit/Loss from discontinuing operations	0	0	0	
(XVIII) Tax expenses of discontinuing operations	0	0	0	
(XIX) Profit/Loss from discontinuing operations (after Tax)(XVII-XVIII)	0	0	0	
(XX) Profit/Loss for the period (XVI+XIX)	1542	1018	63	
Financial Ratios				
(i) Sales : Capital Employed	209.3	182.15	70.03	
(ii) Cost of Sales : Sales	86.23	88.2	97	
(iii) Salary/Wages : Sales	11.17	12.34	19.45	
(iv) Net Profit : Net Worth	23.24	18.69	1.42	
(v) Debt : Equity	0	0	0	
(vi) Current Ratio	2.04	2.33	2.1	
(vii) Trade Recievables : Sales	17.91	15.13	32.22	
(viii) Total Inventory : Sales	15.12	22.44	65.01	

Steel Authority of India Ltd.

Ispat Bhawan, Lodhi Road, New Delhi-110003

www.sail.co.in

The Company

Steel Authority of India Ltd. (SAIL) was incorporated on 24.1.1973 with the objective to plan, promote and organize an integrated and efficient development of iron and steel and associated input industries. Subsequently, “The Public Sector Iron and Steel Companies (Restructuring and Miscellaneous Provisions) Act, 1978” was enacted and it came into force with effect from 1st May, 1978 with the objective to provide for restructuring of iron and steel companies in the Public Sector so as to secure better management and greater efficiency in their working. The aim was to bring all the Public Sector Plants under the overall control of an integrated company (i.e. SAIL) which is to function as an integral Steel Complex.

SAIL is a Schedule- ‘A’ listed Maharatna CPSE, in steel sector under the administrative control of M/o Steel with a Government shareholding of 80%. The company employed 97897 regular employees (Executives- 14780 & Non-Executives- 83117) as on 31.3.2014. The Registered Office of the company is located at New Delhi.

Vision\Mission

The Vision/Mission of the Company is to be a respected world-class corporation and the leader in India Steel business in quality, productivity, profitability and customer satisfaction.

Industrial / Business Operation

SAIL is engaged in production of Iron and Steel and other by products through its 9 manufacturing plants. SAIL owns and operates nine manufacturing plants which include 5 integrated plants namely Bhilai Steel Plant, Chhattisgarh, Durgapur Steel Plant, West Bengal, IISCO Steel plant, West Bengal, Rourkela in Orissa and Bokaro in Jharkhand producing carbon steel, and 4 special steel plants namely Alloy Steel Plant, Salem Steel Plant, Visvesvaraya Iron & Steel Plant and Chandrapur Ferro Alloy Plant .The Company also has 4 units producing refractories.

Currently, SAIL has four subsidiaries namely, IISCO-Ujjain Pipe & Foundry Company, SAIL Sindri Projects Ltd. (SSPL), SAIL Jagadishpur Power Plant Ltd. (SIPPL) and SAIL Refractory Company Limited (SRCL). The company also has 23 Joint Ventures (JVs).

SAIL offers 50 mild, special and alloy steel products in 1000 qualities and 5000 dimensions. SAIL’s products basket comprises Flat Products, Long products, Rails and Pips including branded products such a SAIL-TMT & SAIL JYOTI.

Performance Highlights

The company is India’s largest producer of iron ore. The physical performances of the company for last three years are given below:

Main Product	Unit	Performance during		
		2013-14	2012-13	2011-12
Saleable Steel	Million tonnes	12.90	12.38	12.40
Capacity utilization	%	116%	110%	110%

Total Revenue of the company registered an increase of ₹ 2017.12 crore during 2013-14, which went up to ₹ 47579.82 crore in 2013-14 from ₹ 45562.70 crore in 2012-13 due to increase in the turnover (Fig.1). The profit of the company has also gone up by ₹ 446.13 crore to ₹ 2616.48 crore in 2013-14 from ₹ 2170.35 crore in previous year.

Return on Net Worth of the company has increased to 6.13% in 2013-14 from 5.29% in 2012-13. Net profit Ratio of the company increased to 5.60% in 2013-14 from 4.87% in 2012-13 (Fig.2). The current ratio of company is at 0.95:1 during 2013-14 as against 1.23:1 in the previous year. Balance Sheet and Profit & Loss Account of the company and selected financial ratios during the period 2011-12 to 2013-14 can be seen on the adjoining page.

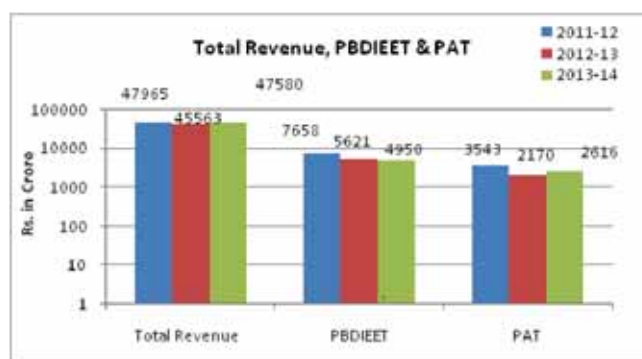


Fig.1

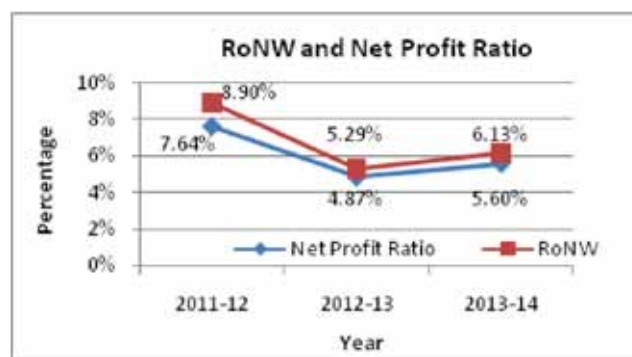


Fig.2

Strategic issue

SAIL is in the process of forming several strategic alliances and has signed MoU with various companies for exploring synergetic business opportunities in diverse fields. Revival of Sindri Unit of the Fertilizer Corporation of India Ltd. SAIL has also proposed to set up a 5.6 mtpa steel plant, a 1.15 mtpa fertilizer plant in JV with NFL as partner. SAIL is planning to expand the captive power generation capacity at BSP and RSP through its joint venture with NTPC by installing 2X250 MW Units at BSP and 1X250 MW Units at RSP.

STEEL AUTHORITY OF INDIA LTD.

BALANCE SHEET		₹ in Lakhs)		
PARTICULARS	2013-14	2012-13	2011-12	
I. EQUITY & LIABILITIES				
AUTHORISED CAPITAL	500000	500000	500000	
(1) Shareholders' Funds				
(a) Share Capital				
(i) Central Govt	330429	330429	354469	
(ii) Others	82624	82624	58584	
(b) Reserves & Surplus	3853582	3689411	3568079	
(c) Money received against share warrants	0	0	0	
Total Shareholders' Funds (1(a)+1(b)+1(c))	4266635	4102464	3981132	
(2) Share application money pending allotment	0	0	0	
(3) Non-current Liabilities				
(a) Long Term Borrowings	1363222	1348555	1158666	
(b) Deferred tax liabilities (Net)	204046	172853	164448	
(c) Other Long-term liabilities	138130	127112	108990	
(d) Long-term provisions	390128	420416	351344	
Total Non-Current Liabilities 3(a) to 3(d)	2095526	2068936	1783448	
(4) Current Liabilities				
(a) Short Term Borrowings	1063448	801502	451055	
(b) Trade Payables	320534	332204	319042	
(c) Other current liabilities	1247851	865470	868146	
(d) Short-term provisions	202195	251270	230879	
Total Current Liabilities 4(a) to 4(d)	2834028	2250446	1869122	
TOTAL EQUITY & LIABILITIES (1+2+3+4)	9196189	8421846	7633702	
II. ASSETS				
(1) Non-Current Assets				
(a) Total Gross Fixed Assets	5416836	4270242	4172815	
(ai) Accumulated Depreciation, Depletion & Amortisation	2739771	2592502	2460077	
(a) Total Net Fixed Assets ((a)-(ai)-(a))	2677065	1677740	1712738	
(b) Capital work in progress	3365054	3589085	2804914	
(c) Intangible assets under developmet	0	0	0	
(e) Non-Current Investments	72020	71836	68494	
(f) Deferred Tax Assets (Net)	0	0	0	
(g) Long Term Loans and Advances	379432	316517	200340	
(h) Other Non-Current Assets	13543	5070	4087	
Total Non-Current Assets (b+c+d+e+f+g+h)	6507114	5660248	4790573	
(2) Current Assets				
(a) Current Investments	0	0	0	
(b) Inventories	1520082	1600821	1374237	
(c) Trade Recievables	548198	442418	476132	
(d) Cash & Bank Balance	285595	385035	641570	
(e) Short-term Loans & Advances	116051	99069	138577	
(f) Other Current Assets	219149	234255	212613	
Total Current Assets (a+b+c+d+e+f)	2689075	2761598	2843129	
TOTAL ASSETS (1+2)	9196189	8421846	7633702	
Important Indicators				
(i) Investment	1776275	1761608	1571719	
(ii) Capital Employed	5629857	5451019	5139798	
(iii) Net Worth	4266635	4102464	3981132	
(iv) Net Current Assets	-144953	511152	974007	
(v) Cost of Sales	4434675	4134506	4187398	
(vi) Net Value Added (at market price)	2397830	2357726	2308183	
(vii) Total Regular Employees (Nos.)	97897	101878	106004	
(viii) Avg. Monthly Emoluments per Employee(₹)	81536	70650	62357	

PROFIT & LOSS ACCOUNT		₹ in Lakhs)		
PARTICULARS	2013-14	2012-13	2011-12	
(I) Revenue from Operations (Gross)	5237570	4998690	5103596	
Less : Excise Duty	567729	538864	469437	
Revenue from Operations (Net)	4669841	4459826	4634159	
(II) Other Income	88141	96444	162298	
(III) Total Revenue (I+II)	4757982	4556270	4796457	
(IV) Expenditure on:				
(a) Cost of materials consumed	1927116	2119848	2302082	
(b) Purchase of stock-in-trade	78	321	488	
(c) Changes in inventories of finished goods, work-in-progress and stock in trade	89463	-201609	-136851	
(d) Stores & Spares	234003	213322	177907	
(e) Power & Fuel	494215	483044	446974	
(f) Salary, Wages & Benefits/Employees Expense	957851	863720	793205	
(g) Other Operating/direct/manufacturing Expenses	191556	213997	144673	
(h) Rent, Royalty & Cess	125960	98932	86395	
(i) Loss on sale of Assets/Investments	0	0	0	
(j) Other Expenses	242764	197304	215822	
Total Expenditure (IV (a to j))	4263006	3994208	4030695	
(V) PROFIT BEFORE DEPRECIATION, & IMPAIRMENT, FINANCE CHARGES/INTEREST, EXCEPTIONAL & EXTRAORDINARY ITEMS & TAXES (PBDIEET)(III-IV)	494976	562062	765762	
(VI) Depreciation, Depletion & Amortisation	171669	140298	156703	
(VII) Impairment	0	0	0	
(VIII) PROFIT BEFORE FINANCE COST/INTEREST, EXCEPTIONAL, EXTRA-ORDINARY ITEMS & TAXES (PBIEET)(V-VI-VII)	323307	421764	609059	
(IX) Finance Cost				
(a) On Central Government Loans	0	0	0	
(b) On Foreign Loans	35111	30915	27068	
(c) Others	146108	123835	127551	
(d) Less Finance Cost Capitalised	84455	79984	86849	
(e) Charged to P & L Account (a+b+c -d)	96764	74766	67770	
(X) PROFIT BEFORE EXCEPTIONAL & EXTRA-ORDINARY ITEMS & TAX (PBEET)(VIII-IXe)	226543	346998	541289	
(XI) Exceptional Items	-95912	22932	26202	
(XII) PROFIT BEFORE EXTRA-ORDINARY ITEMS & TAX (PBET)(X-XI)	322455	324066	515087	
(XIII) Extra-Ordinary Items	0	0	0	
(XIV) PROFIT BEFORE TAX (PBT)(XII-XIII)	322455	324066	515087	
(XV) TAX PROVISIONS	60807	107031	160815	
(XVI) NET PROFIT / LOSS FOR THE PERIOD FROM CONTINUING OPERATIONS AFTER TAX(XIV-XV)	261648	217035	354272	
(XVII) Profit/Loss from discontinuing operations	0	0	0	
(XVIII) Tax expenses of discontinuing operations	0	0	0	
(XIX) Profit/Loss from discontinuing operations (after Tax)(XVII-XVIII)	0	0	0	
(XX) Profit/Loss for the period (XVI+XIX)	261648	217035	354272	
Financial Ratios				
(i) Sales : Capital Employed	82.95	81.82	90.16	
(ii) Cost of Sales : Sales	94.96	92.71	90.36	
(iii) Salary/Wages : Sales	20.51	19.37	17.12	
(iv) Net Profit : Net Worth	6.13	5.29	8.9	
(v) Debt : Equity	3.3	3.26	2.81	
(vi) Current Ratio	0.95	1.23	1.52	
(vii) Trade Recievables : Sales	11.74	9.92	10.27	
(viii) Total Inventory : Sales	32.55	35.89	29.65	