

## News Makers

SAIL's relentless drive to fast-track its modernisation & expansion plan (MEP), resulted in commissioning of projects worth Rs 2700 crore in April-June'13, the highest in any quarter, since inception. The company's capital expenditure during Q-1FY14 was Rs. 2082 crore. Under the Modernization & Expansion Plan, cumulative orders worth Rs 58,579 crore were placed and an expenditure of Rs 46,064 crore incurred until June '13. In April-June'13 quarter, the significant projects which have commenced production, included the new 7 meter tall battery complex along with coke dry cooling plant and the 2500-mm wide slab caster, both at Rourkela Steel Plant.

# SAIL Achieves 5% Growth in Sales in April-June'13



*"The much-awaited capacity addition in SAIL has taken concrete shape with the commencement of hot metal production from India's largest operational blast furnace at our Rourkela steel plant. This ushers in, an era of quantum jump in SAIL's production capacity, which will enable us fulfil the country's growing demand of quality steel."*

**- C. S. VERMA**  
Chairman, SAIL

Maintaining its thrust on higher sales, the company achieved a growth of 5% in total sales during the quarter April-June'13 which were 2.62 million tonnes, as against 2.49 million tonnes in the corresponding quarter of last year. Production of value added steel touched the best ever Q1 mark, at 1.29 MT, a y-o-y growth of 4%. Efficiency in production also got a boost with specific energy consumption lower by 2% than CPLY, and BF productivity better by 1%. There was an improvement of 2% in concast production, and captive power generation increased by 8% compared to CPLY.

The unaudited financial results of Steel Authority of India Limited (SAIL) for the quarter April-June '13 were taken on record by its Board of Directors today. The company recorded Profit After Tax (PAT) of Rs. 451 crore in Q1 of FY14, down 35% compared to Rs 696 crore in CPLY. The sharp decline in NSR of 10.9% per ton of steel in Q-1 FY'14 due to subdued market conditions, adversely affected the profitability of SAIL, although record 1st quarter production of 3.2 million tonnes of saleable steel was achieved, which was higher by 6% over CPLY.

In an effort to reduce costs, the company achieved a reduction in its average rate of borrowing which was down to 5.5% in April-June'13. Further, adverse impact of foreign exchange fluctuation was contained through hedging and reduction in the foreign

currency debt. For the first time, SAIL's manpower declined to under 100,000 as on 30.06.13, although the wage bill was higher due to provision for wage revision and actuarial impact. During the quarter April-June'13 the net worth of the company increased to Rs 41,476 crore as on 30.6.13 as compared to Rs 41,025 crore as on 31.3.13.

SAIL became instrumental in enabling India to become 5th nation in the world to have indigenous aircraft carrier (IAC), when INS Vikrant was launched on 12th August this year. This marks India's entry into the self-reliant group of nations that have battleship designing and building capabilities. In its construction, 26,000 tonnes of high grade DMR 249 steel plates were used. All requirements were met by SAIL plants, with the steel plates withstanding extra low temperatures whilst having high corrosion resistance and ultra high strength.

"Durga", the largest Blast Furnace of the country became operational at SAIL's Rourkela Steel Plant in August, 2013. Built at an expenditure of Rs 1600 crore approximately, the furnace has a useful volume of 4060 cubic metres, and will increase SAIL's hot metal capacity by 2.5 million tonnes per annum (MTPA). The blast furnace has a daily hot metal production capacity of 8000 tonnes per day, and an enhanced campaign life of 20 years.