

**GOVERNMENT OF INDIA
STEEL
LOK SABHA**

UNSTARRED QUESTION NO:2885
ANSWERED ON:17.08.2004
STEEL AUTHORITY OF INDIA
Dubey Shri Chandra Shekhar

Will the Minister of STEEL be pleased to state:

- (a) whether SAIL has shown the improvement in its financial performance during the current fiscal year;
- (b) if so, the details thereof;
- (c) whether the quarterly financial results have shown steady progress despite steep decline in the market price of steel;
- (d) if so, the time by which SAIL is likely to be free from the debt burden; and
- (e) the total borrowings and the interest accumulated thereon so far ?

Answer

MINISTER OF CHEMICALS & FERTILIZERS AND MINISTER OF STEEL(SHRI RAM VILAS PASWAN)

- (a) to (c): Yes Sir. Steel Authority of India Limited (SAIL) has shown the improvement in its financial performance during the current fiscal year by registering a net profit of Rs.1112 crores during the first quarter in comparison to the net profit of Rs.255 crores during the first quarter of 2003-04.
- (d) The debt of SAIL has reduced by about Rs.961 crores during the first quarter of 2004 - 05 and borrowing as on 30.06.2004 has been brought down to Rs.7728 crores. The debt / equity ratio reduced to 1.3 as on 30.06.2004 from 6.5 as on 31.03.2004. Borrowings of SAIL consist of various components like Working Capital Loans from Banks, Bonds, Term Loans, Foreign Loans etc., which have different maturity/repayment dates and this is an ongoing process in a dynamic organisation
- (e) The total borrowings and interest as on 30.06.2004 were Rs.7728 crores and Rs.191 crores respectively.