

# Financial Appraisal of Select Indian Steel Companies: Post-National Steel Policy 2017

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**ABSTRACT:** India since 2019 has been the world's second-largest steel producer and has continuously increased its total production year on year even though other top nations faced dip in their production. The World Steel Association (WSA) in its short-term outlook, predicted that India's steel industry will grow at 6.1% in 2022 and 6.7% in 2023. The Indian steel industry has adapted to the challenges of business cycle highs and lows throughout its lengthy history since independence. After a major shift through policy implication first during Five-Year plans to date India has made several efforts and initiatives to boost India's core industry "Steel." The study covers the trend of Indian production and consumption of steel for a 10-year period. The study also tried to analyse the financial performance of select steel companies in India after the implementation of the National Steel Policy 2017. The financial appraisal is done through ratio analysis for liquidity, profitability, solvency, and turnover ratios for five-year period post-NSP. The analysis of data has been done using descriptive statistics as mean, standard deviation, skewness, kurtosis, and analytical tool as one-way ANOVA analysis. The findings conclude that the trend of production and consumption in India has shown a clearly increasing pattern from 2012 to 2023 and the performance of companies differs significantly. The overall financial performance of select companies was not desirable and they need to enhance their financial strength in to be globally competitive.

**KEY WORD:** Financial appraisal, National Steel Policy, Policy Implication, Core Industry

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## I. INTRODUCTION AND LITERATURE REVIEW

The Indian Steel Industry is one of the Core Industries in the country. A Core Industry can be defined as the main industry which has a multiplier effect on the economy. Among the eight core industries steel is ranked third with an overall weightage of nearly 18 per cent after refinery products and electricity. Steel is treated as a raw material, an intermediary product, and a finished product; thus, its production and consumption are used as major indicators of any country's economic success. India's iron and steel industry is a major contributor to the country's manufacturing output. The steel industry is critical to industries such as construction, infrastructure, automobiles, engineering, and defence and it has grown tremendously throughout the years. The iron and steel sector in India is extremely vital for the country's development. It is the foundation of the country's physical development. The iron and steel industry supports industrial infrastructure as well as regional development. It also opens more opportunities for regional development and job creation.

India since 2019 has been the world's second-largest steel producer and has continuously increased its total production year on year even though other top nations faced dip in their production. As per the Index of Industrial Production, several sectors recorded growth in May 2023 compared to the same period last year, Steel production, accounting for 17.92 per cent, increased by 9.2 per cent. Also, the World Steel Association (WSA) in its short-term outlook, predicted that India's steel industry will grow at 6.1% in 2022 and 6.7% in 2023. Because of readily available raw materials such as iron ore and low-cost labour, India's iron and steel industry has grown. Burange et. al, (2010) three categories of the Iron and Steel Industry in India can be divided into Primary Producers, Secondary Producers and Other Major Producers.

India had only three steel factories when it gained independence in 1947: the Tata Iron and Steel Company, the Indian Iron and Steel Company, and Visveswaraya Iron and Steel Ltd, as well as a few electric arc furnace-based plants. Thus, until 1947, the country had a modest but profitable steel industry that functioned

with a capacity of roughly 1 million tonnes and was entirely private. The Indian steel industry has grown from a minor global presence to a global reputation for product quality. D'Costa (1999) The Indian steel industry has adapted to the challenges of business cycle highs and lows throughout its lengthy history since independence. The first major shift occurred during the first three Five-Year Plans when the iron and steel industry was designated for state control in accordance with the economic order of the day. From the mid-1950s until the early 1970s, the Indian government built huge integrated steel factories in the public sector in Bhilai, Durgapur, Rourkela, and Bokaro.

### **I.1. New Government Initiatives:**

Since the Industrial Revolution in the 18th Century, steel has been an important ingredient for economic growth. In India, steel has an output multiplier effect of nearly 1.4x on GDP and an employment multiplier factor of 6.8x. The steel sector provides 20,00,000 jobs in the country. In recent years, the Government has passed reforms for the growth of the steel industry in India. Some of the reforms are as follows:

- National Steel Policy (NSP), 2017
- Steel Scrap Recycling Policy (SSRP), 2019
- Domestically Manufactured Iron and Steel Products (DMI&SP) Policy 2017
- Production Linked Incentive (PLI) for Specialty Steel 2021
- Steel and Steel Products (Quality Control) Order 2020

### **National Steel Policy (NSP) 2017:**

The National Steel Policy 2017 (NSP 2017) is an effort to steer the industry to achieve its full potential and enhance steel production with a focus on high-end value-added steel while being globally competitive. Earlier the National Steel Policy 2005 (NSP 2005) sought to indicate ways and means of consolidating the gains flowing out of the then economic order and charted out a road map for sustained and efficient growth of the Indian steel industry. However, the unfolded developments in India as well as worldwide, both on the demand and supply sides of the steel market, have warranted a relook at the different elements of the NSP 2005.

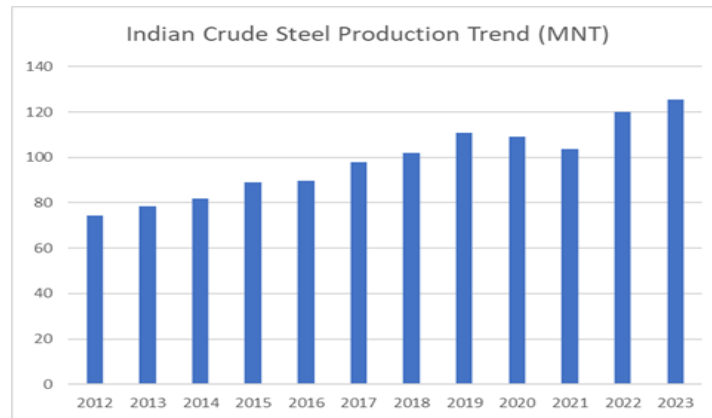
Post 2011, global prices of steel began to decline, marking the beginning of a downturn in the global steel industry triggered by a slowdown in global demand and over capacities in several countries including China. By July 2015, prices had fallen by 50% compared to January 2011 - their lowest in decades, as cheap imports flooded world steel markets.

This significant structural asymmetry between demand and supply also affected the large number of Indian companies leading to a surge in imports resulting in weak pricing conditions, low profitability, lower capacity utilization and even closure of capacities in some cases. Special emphasis is needed to ensure that the industry follows a sustainable path of development with respect to environmental friendliness, mineral conservation, quality of steel products, use of technology and indigenous R&D efforts to ensure that the country can, over time, reach global efficiency benchmarks to become a world leader in steel production technology, as well as in the production of high-end steel.

### **1.2. Trend of Production and Consumption of Steel in India:**

a) As per the Ministry of Steel CRUDE STEEL, the term is internationally used to mean the 1st solid steel product upon solidification of liquid steel. In other words, it includes Ingots (in conventional mills) and Semis (in modern mills with continuous casting facilities). According to the International Iron & Steel Institute (IISI), for statistical purposes, crude steel also includes liquid steel which goes into the production of steel castings.

**Figure 1: Year-wise Crude Steel Production in India**

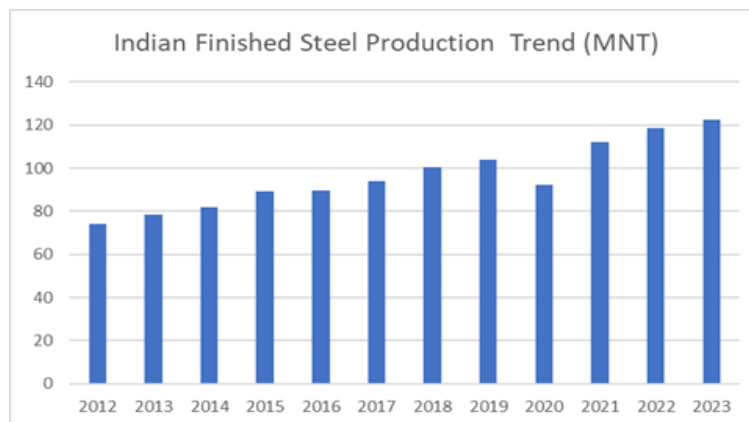


Source: Compiled from the website of Ministry of Steel, World Steel Association and JPC

Over the last five years, Crude Steel production expanded from 109.25 million tonnes (MT) in 2018 to 124.72 MT (provisional) in 2022. Crude Steel production in 2022 showed a year-on-year growth of 5.5% over 2021. However, the capacity for domestic crude steel expanded from 142.236 million tonnes per Annum (MTPA) in 2018 to 157.585 MTPA in 2022. (Source: World Steel Association).

b) The FINISHED STEEL is defined as the products obtained upon hot rolling/forging of Semi-finished steel (blooms/billets/slabs). These cover 2 broad categories of products, namely Long Products and Flat Products. Where long product includes Bars & Rods, CTS Bars & Rods, Wire rod, Angle Shape & Section, Rails, Wire and Bright Bars. And Flat products include Plate, Sheet, Strips, Wide Strips and Narrow Strips.

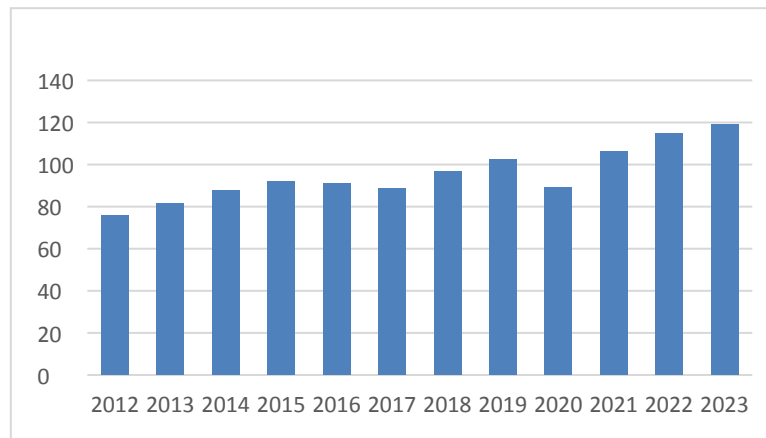
**Figure 2: Year-wise Finished Steel Production in India**



Source: Compiled from the website of the Ministry of Steel, World Steel Association and JPC)

Production for Finished Steel stood at 73.96 million tonnes in 2016, a growth of 10.8% compared to 2015 and production of Total Finished Steel stood at 118.714 MT in 2022 showing a growth of 6.0% over the year.

**Figure 3: Year-wise Finished Steel Production in India**



(Source: Compiled from the website of Ministry of Steel, World Steel Association and JPC)

The consumption of total Finished Steel was 81.52 MT in 2016 to 106.134 MT in the year 2021 showing constant growth and an increase of 18.8% over the previous year 2020.

## II. LITERATURE REVIEW

The existing literature evaluation has been separated into two sections: one for studies conducted before 2017 and one for studies conducted after 2017, as the National Steel Policy was implemented in 2017. Here the various studies which are based on the sample before 2017 have been listed with the sample and its findings. Patjoshi (2016) recorded the impact of profitability and liquidity on the financial components of the organization. Concluded that according to the regression analysis, the current ratio and current assets turnover ratio have the greatest influence on the forecast of all profitability ratios. It also shows that all the liquidity ratios measured by ANOVA have a significant impact on the firm's profitability. Mahajan (2017) concentrates on accounting ratios to analyse the financial performance in terms of the solvency of the selected companies. suggest that the liquidity of all companies is indicating decreasing trends. Also, the leverage ratio for all companies is showing an increasing trend except Tata Steel. The profitability of all the companies is decreasing till 2014 but little improvement in 2015 is observed. Paul and Mukherjee (2017) calculated the efficiency ratio as a financial performance indicator of the steel industry in India. The finding suggests that for ITR and DTR there is no significant difference within the group but Investment TR, FATR and TATR have significant differences within them. Brindha and Suseelamani (2018) tried to investigate the working capital indicators and profitability state of a select group of Indian iron and steel industries. According to the study's finding, Total Assets to Turnover is a negative indication of profitability in all organizations, and debt-equity ratios are nearly negative. Furthermore, the data show that all businesses should prioritize Return on Capital Employed. Meghanath, Rao, Sahyaja and Bhavani (2018) examined the various elements of its financial position and performance. Along with that the authors also focused on whether to invest in the share of a particular company. The findings suggest that the financial performance of Tata Steel Company is better compared to other sample companies. The hypothesis has been rejected for EPS, NPM, and Dividend per share and accepted for ROI. That means ROI significantly differs but the EPS, NPM and Dividend per share do not.

Reddy (2019) focuses on the financial performance analysis of six sample companies. The findings suggest that the PBT margin, basic EPS, ROCE and NP per share are higher and better for Jindal Steel and Power for the years studied. And RONW was found to be in a good position for Jai Balaji Industries. Sivabagyam, Harshitha, Gowthami, Jayakrithika and Nivethitha (2019) applied ratio analysis covering profitability, solvency and turnover ratios for the study which evaluates and compares the performance of 10 steel companies. The study concludes that apart from Tata Steel, Essar Steel, Narayani Steels, and Sunflag rest all the companies need to focus on their financial strength enhancement. Sharma (2020) investigates the financial performance like Liquidity ratio, Solvency ratio, Profitability ratio and Activity ratio of selected Indian steel companies. The finding shows that for the CR, and ROCE there is no significant difference between the companies and for Debt-equity, and OPM there is a significant difference. Based on the study's successive findings, it is concluded that Tata Steels, Jindal Steel & Power (JS&P) and JSW have performed well. Vadivel and Nirmala (2021) analyzed the financial position of the selected companies through liquidity and efficiency levels of selected steel companies using Ratio and Comparative analysis. The finding shows that VISA steel has a high current ratio whereas SAIL has better liquidity and profitability ratios in comparison to other companies. The profitability of the SAIL steel industry is very good and is also due to higher sales volume.

The following section contains research conducted from 2017 and onwards studying the financial appraisal and performance of Steel companies in India. Prabhakar (2020) intends to measure the liquidity, profitability, efficiency, and solvency of five Steel companies in India namely Tata Steel Limited, SAIL, JSW, Jindal Power and Steel and NMDC Ltd. The findings show the inefficiency of all companies from 2016 to 2020 for their solvency whereas profitability liquidity and efficiency for all companies are not good except NMDC. In Sharma (2022) study, SAIL, a Maharatna among Central Public Sector Enterprises, undergoes a comprehensive analysis of its profile, net and gross profits concerning sales, and overall profitability, liquidity, and working capital management. Using financial ratios and statistical tools in MS Excel, the study spans 2017-2022, covering pre- and post-COVID years. Results indicate a 33% turnover increase in 2021-22, attributed to reduced sales during the pandemic. However, challenges emerge, including an average gross profit of 4.12%, an unmet ROCE requirement of 5.52%, a rise in the debt-equity ratio in 2020, and fluctuating variations in the current ratio.

Lakhina and Didwania (2022) analysed the profitability and liquidity of selected steel and iron industries in India and explored the relationship between profitability and liquidity for the financial year 2011 to 2019. The top five industry giants have been selected for the study namely Tata Steel, JSW, SAIL, Visa, and Jindal Power and Steel Limited. According to the data, EPS, ROE, ROCE, and OPR have a substantial positive connection with NPR, and ROCE and OPR are significant predictors of NPR. Furthermore, while DTR, CR, and ITR had no significant association with WCTR, DTR is the most important predictor of WCTR. Shukla, Dhawan and Gupta (2021) assessed the health of selected steel firms based on liquidity, solvency, and profitability with the purpose of comparing prior performances namely SAIL, Tata Steel Limited, JSW and BSL. The findings suggest that there is no significant difference between the ratios for selected companies except ROCE.

Hemashree and Rajan (2022) with the aim of analysing the financial performance of India's steel industry examined profitability, liquidity, and solvency. The companies under study are Tata Steel Ltd., JSW Steel Ltd., Steel Authority of India (SAIL) Ltd., Jindal Steel Ltd., Mahamaya Steel Industries Limited (MSIL) and Kalyani Steels Ltd. The findings indicate that Tata Steel has the highest EPS, gross profit ratio, net profit ratio, and operating profit ratio, while Mahamaya Steel Industries Limited has the highest current ratio, liquid ratio, debt-equity ratio, and fixed assets turnover ratio. Das (2023) assessment of Tata Steel Ltd.'s financial position, spanning 2008-2022, employs various ratios (CR, QR, ROE, NPM, ID, DD, PD, DE%, and EPS) to gauge the company's strength. Notable findings include a current ratio averaging 0.84 times, increasing ROE and NPM, fluctuating debtor days, declining inventory days and a varying debt-equity ratio.

### **II.1.Objective of the Study:**

- i. To examine the financial performance of the selected steel companies
- ii. To test whether there is any significant difference between the profitability, solvency, liquidity, and efficiency of selected companies.
- iii. To offer suitable suggestions to strengthen the financial performance of selected units.

### **II.2.Hypothesis for the Study:**

H0: There is no significant difference in the financial performance of selected Indian steel companies with regard to Profitability, Liquidity, Solvency and Efficiency.

H1: There is a significant difference in the financial performance of selected Indian steel companies with regard to Profitability, Liquidity, Solvency and Efficiency

## **III. RESEARCH METHODOLOGY**

This research is empirical in nature which is partly analytical and partly explanatory. The study uses a purposive sampling method where a respective sample has been selected from the listed steel companies. For the post-National Steel Policy period, we have taken a 5-year time frame ranging from 2019 to 2023. The list of companies includes the top four steel companies based on market capitalisations. The selected companies are:

1. JSW Limited,
2. TATA Steel Limited,
3. Jindal Steel and Power Limited,
4. Steel Authority of India Limited

This study is primarily based on secondary data gathered from the websites of the sample companies' published annual reports. Other pertinent data was gathered from an economy survey, various periodicals, the Ministry of Steel, and various Government websites. Statistical tools will be applied in order to test the hypothesis and the data will be analysed using the one-way ANOVA test to derive suitable conclusions. The analysis will be supported by various tables and charts.

### III.1. Variables for the Study:

Financial appraisal evaluates financial performance as well as the financial strength of a concern. Financial data contained in the income statement and position statement are used to judge financial strength. Financial performance analyses of the Profitability, Liquidity, Solvency and Turnover of companies help the users to do Comparative analysis. Here listed below are the various ratios considered for the present study:

<b>Performance Indicators</b>	<b>Ratios</b>	<b>Formula</b>
Liquidity	Current Ratio	
	Quick Ratio	
Profitability	Return of Assets	
	Return on Capital Employed	
Solvency	Debt Equity Ratio	
	Interest Coverage Ratios	
Turnover	Inventory Turnover Ratio	
	Assets Turnover Ratio	

### III.2. Data Analysis and Interpretation:

**Table 2: Year-Wise Liquidity Ratios Selected Steel Companies and Descriptive Statistics**

Year	Liquidity Ratios							
	Current Ratio				Liquid Ratio			
	JSW	TATA	Jindal	SAIL	JSW	TATA	Jindal	SAIL
2019	0.80	0.97	0.67	0.78	0.45	0.45	0.36	0.31
2020	0.83	0.95	0.69	0.91	0.52	0.45	0.41	0.38
2021	0.83	0.85	1.05	0.78	0.50	0.38	0.75	0.36
2022	1.14	1.02	1.17	0.85	0.55	0.48	0.85	0.24
2023	0.97	0.89	1.00	0.86	0.50	0.33	0.62	0.21
Mean	0.914	0.936	0.916	0.836	0.504	0.418	0.598	0.3
Standard Deviation	0.14	0.07	0.22	0.06	0.037	0.06	0.21	0.07
Kurtosis	0.73	-1.13	-2.66	-1.62	1.22	-1.06	-2.38	-2.42
Skewness	1.30	-0.14	-0.26	0.17	-0.48	-0.78	-0.03	-0.22
Minimum	0.8	0.85	0.67	0.78	0.45	0.33	0.36	0.21
Maximum	1.14	1.02	1.17	0.91	0.55	0.48	0.85	0.38

*(Compiled from year-wise annual reports of companies and resultant of descriptive analysis)*

We observe that both ratios have been continuously below the ideal ratio except for the current ratio in the year 2022. When compared among companies the mean of CR for Tata Steel Ltd. is better followed by JSW and for LR Jindal Power and Steel Ltd. stands at a better place. The standard deviation measures the dispersion from the mean and hence the volatility. The volatility of Tata Steel and SAIL is less which states the stability of performance. The skewness is positive for JSW and SAIL only for CR and the rest are negatively skewed. Kurtosis represents the volatility of the values which is better for JSW.

**Table 3: Year-Wise Profitability Ratios Selected Steel Companies and Descriptive Statistics**

Year	Profitability Ratios							
	ROA				ROCE			
	JSW	TATA	Jindal	SAIL	JSW	TATA	Jindal	SAIL
2019	7.31	4.37	-1.83	1.99	20.21	13.59	4.31	9.00
2020	3.18	0.62	-0.12	1.67	8.12	5.79	6.03	8.98
2021	5.64	3.05	4.66	3.47	15.42	12.69	19.68	13.05

2022	12.19	14.06	7.50	10.19	28.08	28.31	24.96	22.19
2023	2.03	3.04	4.57	1.66	8.91	12.58	13.53	4.96
Mean	6.07	5.028	2.956	3.796	16.148	14.592	13.702	11.636
Standard Deviation	3.99	5.23	3.83	3.65	8.31	8.28	8.80	6.56
Kurtosis	0.54	3.82	-1.84	4.12	-0.81	3.01	-2.03	1.80
Skewness	0.92	1.85	-0.27	2.02	0.63	1.38	0.22	1.25
Minimum	2.03	0.62	-1.83	1.66	8.12	5.79	4.31	4.96
Maximum	12.19	14.06	7.5	10.19	28.08	28.31	24.96	22.19

*(Compiled from year-wise annual reports of companies and resultant of descriptive analysis)*

The greater the mean the better the profitability. We can clearly see that the mean for JSW in both cases is higher than other companies. However, the standard deviation measuring the dispersion has been less volatile for SAIL in both cases. The skewness and kurtosis represent the better state of profitability for all companies except Jindal Power and Steel Ltd.

**Table 4: Year-Wise Solvency Ratios Selected Steel Companies and Descriptive Statistics**

Year	Solvency Ratios							
	Debt-Equity Ratio				Interest Coverage Ratio			
	JSW	TATA	Jindal	SAIL	JSW	TATA	Jindal	SAIL
2019	1.03	1.37	1.07	1.05	3.86	3.06	0.69	2.18
2020	1.66	1.59	0.95	1.23	1.91	1.44	0.97	2.11
2021	1.11	1.10	0.68	0.78	4.04	4.13	3.73	3.37
2022	1.04	0.60	0.36	0.25	8.19	11.77	8.24	13.08
2023	1.21	0.76	0.32	0.47	2.82	5.29	6.91	4.41
Mean	1.21	1.16	0.76	0.83	4.5	5.1	3.41	5.18
Standard Deviation	0.30	0.43	0.32	0.43	2.64	4.58	3.50	5.29
Kurtosis	3.70	0.21	-1.12	0.52	2.27	2.96	0.58	3.75
Skewness	1.92	-0.82	-0.69	-0.99	1.17	1.65	1.21	1.93
Minimum	1.03	0.6	0.36	0.25	1.91	1.44	0.69	2.11
Maximum	1.66	1.59	1.07	1.23	8.19	11.77	8.24	13.08

*(Compiled from year-wise annual reports of companies and resultant of descriptive analysis)*

The ideal debt-equity ratio is 2 or above and for interest coverage ratio it is 1.5. We can see that DER was not ideal over the years. However, ICR has been up to the mark. The mean for the debt-equity ratio of JSW is better and the interest coverage ratio is good for Jindal Power and Steel Ltd. The volatility has been less for JSW in both cases which means that the company is stable over the years. The skewness is in a better state of solvency for JSW for the debt-equity ratio and for TATA for the interest coverage ratio. The kurtosis stating volatility of volatility is much better in all the cases except Jindal for the debt-equity ratio.

**Table 5: Year-Wise Turnover Ratios Selected Steel Companies and Descriptive Statistics**

Year	Turnover Ratios							
	Inventory Turnover Ratio				Assets Turnover Ratio			
	JSW	TATA	Jindal	SAIL	JSW	TATA	Jindal	SAIL
2019	5.83	4.98	6.05	3.43	0.82	67.50	43.94	56.78
2020	5.32	4.79	5.80	2.59	0.59	59.48	41.13	48.58
2021	5.60	0.95	6.56	3.53	0.57	0.39	50.08	57.95
2022	2.92	1.32	2.93	1.96	0.85	0.55	0.65	0.87
2023	2.83	1.55	3.55	2.20	0.82	0.50	0.71	0.84
Mean	4.50	2.718	4.978	2.742	0.73	25.684	27.302	33.004
Standard Deviation	1.49	1.99	1.62	0.71	0.13	34.62833	24.51	29.56
Kurtosis	-3.23	-3.22	-2.66	-2.77	-3.20	-3.16	-3.20	-3.25

Skewness	-0.54	0.56	-0.56	0.20	-0.58	0.64	-0.53	-0.54
Minimum	2.83	0.95	2.93	1.96	0.57	0.39	0.65	0.84
Maximum	5.83	4.98	6.56	3.53	0.85	67.5	50.08	57.95

*(Compiled from year-wise annual reports of companies and resultant of descriptive analysis)*

The inventory turnover ratio is ideal between 5 to 10 for most industries and good assets turnover ratios is above 1. The mean of ITR is not as per ideal ratio over the years but Jindal performed well and ATR is also good for Jindal. However, the standard deviation measuring volatility is good for SAIL for ITR and for JSW for ATR. The skewness of all the cases is less negative and positive in some cases and the kurtosis for all the cases are similar.

### III.3. Result of ANOVA Test:

#### Liquidity Ratios

<i>Source of Variation</i>	<i>SS</i>	<i>df</i>	<i>MS</i>	<i>F</i>	<i>P-value</i>	<i>F crit</i>
Between Groups	2.255138	7	0.322163	19.29984	7.94E-10	2.312741
Within Groups	0.53416	32	0.016693			
Total	2.789298	39				

*(Calculated using one-way Anova analysis)*

#### Profitability Ratios

<i>Source of Variation</i>	<i>SS</i>	<i>df</i>	<i>MS</i>	<i>F</i>	<i>P-value</i>	<i>F crit</i>
Between Groups	994.6513	7	142.093	3.452218	0.007263	2.312741
Within Groups	1317.118	32	41.15993			
Total	2311.769	39				

*(Calculated using one-way Anova analysis)*

#### Solvency Ratios

<i>Source of Variation</i>	<i>SS</i>	<i>df</i>	<i>MS</i>	<i>F</i>	<i>P-value</i>	<i>F crit</i>
Between Groups	140.8286	7	20.11838	2.933437	0.017239	2.312741
Within Groups	219.4654	32	6.858295			
Total	360.2941	39				

*(Calculated using one-way Anova analysis)*

#### Turnover Ratios

<i>Source of Variation</i>	<i>SS</i>	<i>df</i>	<i>MS</i>	<i>F</i>	<i>P-value</i>	<i>F crit</i>
Between Groups	6315.035	7	902.1478	2.689064	0.026133	2.312741
Within Groups	10735.6	32	335.4876			
Total	17050.64	39				

*(Calculated using one-way Anova analysis)*

The table above represents the result of the one-way ANOVA test for the various ratios under the study. With the help of this, we will reject or accept the null hypothesis. Here the significance level <0.05 indicates a significant difference in the financial performance of the companies w.r.t all the performance



measures considered for study. Hence, Null Hypothesis H<sub>0</sub> is rejected. There is a significant difference in financial performance among selected steel companies during the study period.

#### IV. CONCLUSION:

The trend of production of crude steel in India has shown a clearly increasing pattern from 2012 to 2023 with a dip in the year 2021 predicted as an influence of Covid -19. Similarly, the trend of production and consumption of finished steel in India observed an increasing trend except for the year 2020. The pattern of increase in production as well as consumption is majorly due to government initiatives to boost the Indian economy such as Make in India, National Steel Policy (NSP), 2017 and Production Linked Incentive (PLI) for Specialty Steel 2021.

From the analysis of financial data of all four selected companies, we find that most of the financial ratios are not well performed. The only measure indicating the good state of all the companies is the Interest Coverage Ratio for almost all the years. The overall performance of all the selected companies needs to be enhanced for better stability in future. There is very wide fluctuation within the company's performance measures over the years. The company which performed relatively well for the study period as most of its financial performance measures are up to the mark is JSW followed by TATA, Jindal Power & Steel and SAIL.

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