

Peek into a Government of India Undertaking

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My internship as Finance Intern at Rashtriya Ispat Nigam Ltd (RINL) has been an immense learning experience. I worked under the Finance & Accounts (F&A) department. Talking about the industry and company, the most energy, as well as capital-intensive sectors in the Indian economy, is the Iron and Steel industry. It is always noted that steel is also an essential factor for advancement in every modern economy. Rashtriya Ispat Nigam Ltd, the corporate entity of Visakhapatnam Steel Plant is a Navaratna PSE under the Ministry of Steel.

It is fondly called Vizag Steel. It is the first shore based Integrated Steel Plant in the country and is known for its quality products delighting the customers. To fulfill the rising domestic demand for steel, the Indian government had planned to build an integrated steel plant in Visakhapatnam and laid the foundation stone in the year 1971. My Summer Internship Project entails research into a variety of topics, including the importance of the iron and steel industry in India, the organizational profile of RINL, understanding the preparation & presentation of financials for a company/firm based on the accounting standards Ind-AS, and applying various analytical methods to understand the company's financial performance.

Learnings - One interesting take away from the analysis I had performed is that the company has been running its operations while generating worrisome losses and financial operations. Apart from the concern of trade creditors, long-term debt providers, shareholders, and

company's management towards the financial performance, the Government of India has announced and started the process of privatizing the company which is why this study has significance at present. If we look at the wider picture one will feel that the government can look after as alternatives instead of privatizing the company which is for example monetizing the company's massive assets (it has land bank of 19,700 acres valued over Rs. 1 lakh crore) which will eventually help them to pay off its huge debt burden. Iron-ore being the important raw material for steel manufacturing has become costlier. As the company lacks capital mines which is one of the major downsides for the company, the government shall allocate capital mines to reduce its expenses significantly.

Overall, it was a great learning experience as an engineer who has worked in IT sector, I could gain a sneak peek into an interesting Government of India Undertaking while at the same time understand and implement knowledge of finance assimilated during my first year at SDMIMD into action.