स्टील अथॉरिटी ऑफ इण्डिया लिमिटेड
STEEL AUTHORITY OF INDIA LIMITED

FAX MESSAGE

No.CA-17(44)/2017 November 2, 2018

The General Manager (MO)
Bombay Stock Exchange
Corporate Relationship Department
1st Floor, New Trading Ring,
Rotunda Building, P.P. Tower,
Dalal Street, Fort,
Mumbai-400001
(Fax No.022-22723121/3719)

The Asstt. Vice President
National Stock Exchange of India Ltd.
Plot No.C/1, G Block,
Bandra-Kurla Complex, Bandra (East),
Mumbai-400 051.
(Fax No.022-26598237/38)

Sub: Unaudited Financial Results for the quarter/half year ended 30th September, 2018,

Ref: Regulation 33 of SEBI(Listing Obligations and Disclosure Requirements) Regulations, 2015: (Security ID:SAIL).

Dear Sir,

The Board of Directors at its meeting held today i.e. 2nd November, 2018, inter-alia, considered and approved the Unaudited Standalone Financial Results for the quarter/half year ended 30th September, 2018 alongwith segment information.

A copy of the following is enclosed pursuant to Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:

- Unaudited Standalone Financial Results for the quarter/half year ended 30th September, 2018 alongwith segment information and the Limited Review Report by the Statutory Auditors.
- Certificate for receipt and noting of information from IDBI Trusteeship Services Ltd. under Regulation 52(5) of SEBI(Listing Obligations and Disclosure Requirements) Regulations, 2015.
- Press Release.

The Board Meeting commenced at 1230 hours and concluded at 1830 hours.

The above are also being uploaded on the website of the Company at www.sail.co.in.

Thanking you,

Yours faithfully,
For Steel Authority of India Limited

(M.C. Jain)
ED(F&A) & Secretary

Encl. As above.

इस्पात भवन, लोदी रोड, नई दिल्ली-110 003, दूरभाष : 011-2436 7481-86 फैक्स : 011-2436 7015 वेबसाईट : www.sail.co.in
Ispat Bhawan, Lodi Road, New Delhi-110 003, **Phone** : 011-2436 7481-86 **Fax** : 011-2436 7015 **Website** : www.sail.co.in
PAN No. AAACS7062F
Corporate Identity No. L27109DL1973 GOI006454

STEEL AUTHORITY OF INDIA LIMITED
CIN: L27109DL1973GO1006454
REGISTERED OFFICE: ISPAT BHAWAN, LODI ROAD, NEW DELHI - 110 003
Tel: +91 11-24367481, Fax: +91- 11 24367015, E-mail: investor.relation@sailex.com, Website: www.sail.co.in

Statement of Unaudited Standalone Financial Results for the Quarter and Half Year ended 30th September, 2018

₹ Crore unless stated otherwise

Sl. No.	Particulars	STANDALONE					
		Quarter ended			Half Year ended		Year Ended
		30th September, 2018	30th June, 2018	30th September, 2017	30th September, 2018	30th September, 2017	31st March, 2018
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	**Income**						
	(a) Revenue from operations	16718.04	15907.19	13617.42	32625.23	26600.88	58962.36
	(b) Other income	114.33	97.76	48.63	212.09	137.94	484.45
	Total Income	**16832.37**	**16004.95**	**13666.05**	**32837.32**	**26738.82**	**59446.81**
2	**Expenses**						
	a) Cost of materials consumed	7500.90	7703.06	6265.06	15203.96	12473.77	26678.81
	b) Changes in inventories of finished goods, work-in-progress and stock-in-trade	42.62	(1279.34)	351.80	(1236.72)	252.58	1135.49
	c) Excise duty	-	-	-	-	1403.90	1403.90
	d) Employee benefits expense	2160.24	2222.86	2327.84	4383.10	4345.56	8850.07
	e) Finance costs	771.07	755.38	643.47	1526.45	1231.33	2822.75
	f) Depreciation and amortisation expenses	826.14	813.61	762.22	1639.75	1456.89	3064.92
	g) Other expenses	4649.24	4684.17	3758.45	9333.41	7294.70	16276.24
	Total Expenses	**15950.21**	**14899.74**	**14108.84**	**30849.95**	**28458.73**	**60232.18**
3	**Profit / (Loss) before Exceptional items and Tax**	**882.16**	**1105.21**	**(442.79)**	**1987.37**	**(1719.91)**	**(785.37)**
	Add: Exceptional items	(34.19)	(277.37)	(297.54)	(311.56)	(307.66)	26.43
4	**Profit / (Loss) before Tax**	**847.97**	**827.84**	**(740.33)**	**1675.81**	**(2027.57)**	**(758.94)**
	Less: Tax expense						
	Current tax (earlier years)	-	-	-	-	-	35.73
	Deferred tax	294.28	287.41	(201.27)	581.69	(687.13)	(312.96)
5	**Net Profit / (Loss) for the period**	**553.69**	**540.43**	**(539.06)**	**1094.12**	**(1340.44)**	**(481.71)**
	Other Comprehensive Income (OCI)						
A	(i) Items that will not be reclassified to profit or loss	56.08	0.50	0.59	56.58	6.11	284.12
	(ii) Income tax relating to items that will not be reclassified to profit or loss	(13.06)	(0.12)	0.15	(13.18)	(0.95)	(97.80)
6	**Total Comprehensive Income / (Loss) for the period**	**596.71**	**540.81**	**(538.32)**	**1137.52**	**(1335.28)**	**(295.39)**
7	Paid-up Equity Share Capital (Face Value of ₹ 10/- each)	4130.53	4130.53	4130.53	4130.53	4130.53	4130.53
8	Other equity excluding Revaluation Reserve						31583.14
9	Earnings per equity share (of ₹10/- each) (not annualised)						
	1. Basic (₹)	1.34	1.31	(1.31)	2.65	(3.25)	(1.17)
	2. Diluted (₹)	1.34	1.31	(1.31)	2.65	(3.25)	(1.17)

Note: Refer accompanying notes to the financial results.

SINGHI & CO. Chartered Accountants

CHATTERJEE & CO. KOLKATA CHARTERED ACCOUNTANTS

V. K. DHINGRA & CO. FRN: 000250N NEW DELHI CHARTERED ACCOUNTANTS

A. K. SABAT & CO. Bhubaneswar Chartered Accountants

STEEL AUTHORITY OF INDIA LIMITED
CIN: L27109DL1973GO1006454
REGISTERED OFFICE: ISPAT BHAWAN, LODI ROAD, NEW DELHI - 110 003
Tel: +91 11-24367481, Fax: +91- 11 24367015, E-mail: investor.relation@sailex.com, Website: www.sail.co.in

STANDALONE BALANCE SHEET AS AT 30TH SEPTEMBER, 2018

₹ Crore

Particulars	As at 30th September, 2018	As at 31st March, 2018
	Unaudited	Audited
ASSETS		
(1) Non-current assets		
(a) Property, plant and equipment	57470.08	57156.09
(b) Capital work-in-progress	18491.26	18395.43
(c) Investment property	1.10	0.83
(d) Intangible assets	1436.42	1454.63
(e) Financial assets		
(i) Investments	1583.11	1491.30
(ii) Loans	520.57	451.46
(iii) Other financial assets	482.02	166.18
(f) Deferred tax assets (net)	3590.40	4185.27
(g) Current tax assets (net)	149.64	190.31
(h) Other non-current assets	1013.79	1060.10
Total non-current assets	**84738.39**	**84551.60**
(2) Current assets		
(a) Inventories	17468.85	16996.67
(b) Financial assets		
(i) Trade receivables	3828.96	3869.94
(ii) Cash and cash equivalents	26.80	79.45
(iii) Bank balances other than (ii) above	176.38	174.61
(iv) Loans	51.85	63.41
(v) Other financial assets	2845.65	2787.20
(c) Other current assets	5298.72	5634.42
	29697.21	**29605.70**
Assets classified as held for sale	8.96	32.50
Total current assets	**29706.17**	**29638.20**
TOTAL ASSETS	**114444.56**	**114189.80**
EQUITY AND LIABILITIES		
(1) Equity		
(a) Equity share capital	4130.53	4130.53
(b) Other equity	32720.66	31583.14
Total equity	**36851.19**	**35713.67**
(2) Non-current liabilities		
(a) Financial liabilities		
(i) Borrowings	30194.13	29777.16
(ii) Trade payables		
(a) total outstanding dues of micro and small enterprises	-	-
(b) total outstanding dues of creditors other than micro and small enterprises	6.75	6.38
(iii) Other financial liabilities	1409.44	1179.36
(b) Provisions	4071.56	3973.28
(c) Other non-current liabilities	136.38	138.33
Total non-current liabilities	**35818.26**	**35074.51**
(3) Current liabilities		
(a) Financial liabilities		
(i) Borrowings	12355.53	12244.32
(ii) Trade payables		
(a) total outstanding dues of micro and small enterprises	52.42	48.22
(b) total outstanding dues of creditors other than micro and small enterprises	7519.49	7492.28
(iii) Other financial liabilities	12872.29	14170.20
(b) Other current liabilities	6662.47	7142.42
(c) Provisions	2312.91	2304.18
Total current liabilities	**41775.11**	**43401.62**
TOTAL EQUITY AND LIABILITIES	**114444.56**	**114189.80**

SINGHI & CO. Chartered Accountants

KOLKATA

V. K. DHINGRA & CO. FRN: 000280N NEW DELHI CHARTERED ACCOUNTANTS

A. K. SABAT & CO. Bhubaneswar Chartered Accountants

STEEL AUTHORITY OF INDIA LIMITED
CIN: L27109DL1973GO1006454
REGISTERED OFFICE: ISPAT BHAWAN, LODI ROAD, NEW DELHI - 110 003
Tel: +91 11-24367481, Fax: +91- 11 24367015, E-mail: investor.relation@sailex.com, Website: www.sail.co.in

SEGMENT REVENUE, RESULTS, ASSETS AND LIABILITIES

₹ Crore unless stated otherwise

Particulars	STANDALONE					
	Quarter ended			Half year ended		Year ended
	30th September, 2018	30th June, 2018	30th September, 2017	30th September, 2018	30th September, 2017	31st March, 2018
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
Segment revenue from operations						
- Bhilai Steel Plant	3872.70	4148.35	3765.68	8021.05	7652.04	16497.88
- Durgapur Steel Plant	2365.02	2147.96	1659.96	4512.98	2950.76	7426.79
- Rourkela Steel Plant	4041.64	3631.78	2941.57	7673.42	5603.04	12530.66
- Bokaro Steel Plant	4287.18	3920.49	3454.12	8207.67	6835.31	14468.71
- IISCO Steel Plant	1937.09	1780.90	1559.63	3717.99	2991.36	6900.29
- Alloy Steels Plant	211.36	182.70	137.51	394.06	309.94	654.60
- Salem Steel Plant	448.33	359.57	311.29	807.90	631.51	1363.14
- Visvesvaraya Iron & Steel Plant	57.10	53.79	37.03	110.89	83.75	164.09
- Others	1161.96	1190.72	919.88	2352.68	1905.75	4061.44
Total segment revenue	18382.38	17416.26	14786.67	35798.64	28963.46	64067.60
Less: Inter-segment revenue	1664.34	1509.07	1169.25	3173.41	2362.58	5105.24
Net revenue from operations	**16718.04**	**15907.19**	**13617.42**	**32625.23**	**26600.88**	**58962.36**
Segment results (Profit / (Loss) before interest, exceptional items and tax)						
- Bhilai Steel Plant	312.34	330.19	303.52	642.53	495.29	1240.52
- Durgapur Steel Plant	122.35	149.90	(50.28)	272.25	(275.11)	(58.57)
- Rourkela Steel Plant	572.18	524.52	56.79	1096.70	(321.45)	398.70
- Bokaro Steel Plant	665.43	552.37	49.82	1217.80	(63.77)	804.13
- IISCO Steel Plant	(132.05)	180.47	(165.34)	48.42	(443.12)	(329.50)
- Alloy Steels Plant	0.04	(1.17)	(6.65)	(1.13)	(8.03)	(25.84)
- Salem Steel Plant	(16.87)	(29.48)	(36.50)	(46.35)	(88.65)	(118.24)
- Visvesvaraya Iron & Steel Plant	(17.99)	(22.33)	(31.28)	(40.32)	(61.54)	(108.34)
- Others	147.80	176.12	80.60	323.92	277.80	234.52
Total	**1653.23**	**1860.59**	**200.68**	**3513.82**	**(488.58)**	**2037.38**
Less: Finance costs	771.07	755.38	643.47	1526.45	1231.33	2822.75
Less: Exceptional items	34.19	277.37	297.54	311.56	307.66	(26.43)
Profit / (Loss) before Tax	**847.97**	**827.84**	**(740.33)**	**1675.81**	**(2027.57)**	**(758.94)**
Segment Assets						
- Bhilai Steel Plant	30066.28	29454.53	27983.99	30066.28	27983.99	28756.68
- Durgapur Steel Plant	6723.45	6759.96	6387.19	6723.45	6387.19	6400.05
- Rourkela Steel Plant	19318.90	19465.89	18774.92	19318.90	18774.92	19484.61
- Bokaro Steel Plant	15051.27	14746.21	13856.66	15051.27	13856.66	14524.30
- IISCO Steel Plant	18822.26	18916.18	18512.67	18822.26	18512.67	18770.09
- Alloy Steels Plant	569.90	546.73	539.96	569.90	539.96	518.32
- Salem Steel Plant	2599.76	2504.22	2395.28	2599.76	2395.28	2459.07
- Visvesvaraya Iron & Steel Plant	439.64	489.52	586.43	439.64	586.43	533.47
- Others	20853.10	22226.97	21793.68	20853.10	21793.68	22743.21
Total	**114444.56**	**115110.21**	**110830.78**	**114444.56**	**110830.78**	**114189.80**
Segment Liabilities						
- Bhilai Steel Plant	7454.40	7411.62	7450.99	7454.40	7450.99	7409.47
- Durgapur Steel Plant	2560.07	2578.88	2289.17	2560.07	2289.17	2364.33
- Rourkela Steel Plant	3991.72	4132.96	3674.42	3991.72	3674.42	4017.17
- Bokaro Steel Plant	3756.78	3697.63	3802.24	3756.78	3802.24	3746.95
- IISCO Steel Plant	1815.37	1917.35	1599.60	1815.37	1599.60	1922.70
- Alloy Steels Plant	226.73	223.15	212.18	226.73	212.18	207.46
- Salem Steel Plant	312.93	331.46	404.18	312.93	404.18	383.28
- Visvesvaraya Iron & Steel Plant	77.22	80.76	121.74	77.22	121.74	79.88
- Others	27204.02	29585.94	37119.29	27204.02	37119.29	28567.73
Unallocated Liabilities	30194.13	28895.98	19483.19	30194.13	19483.19	29777.16
Total	**77593.37**	**78855.73**	**76157.00**	**77593.37**	**76157.00**	**78476.13**

Note:
Operating Segments have been identified in line with the Ind AS 108 - Operating Segments.

STEEL AUTHORITY OF INDIA LIMITED
CIN: L27109DL1973GO1006454
REGISTERED OFFICE: ISPAT BHAWAN, LODI ROAD, NEW DELHI - 110 003
Tel: +91 11-24367481, Fax: +91- 11 24367015, E-mail: investor.relation@sailex.com, Website: www.sail.co.in

Extract of Unaudited Standalone Financial Results for the Quarter and Half Year ended 30th September, 2018

₹ Crore unless stated otherwise

Sl. No.	Particulars	STANDALONE					
		Quarter ended			Half Year ended		Year ended
		30th September, 2018	30th June, 2018	30th September, 2017	30th September, 2018	30th September, 2017	31st March, 2018
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	Total Income from Operations	16718.04	15907.19	13617.42	32625.23	26600.88	58962.36
2	Net Profit / (Loss) for the period (before Tax, Exceptional and / or Extraordinary items)	882.16	1105.21	(442.79)	1987.37	(1719.91)	(785.37)
3	Net Profit / (Loss) for the period before Tax (after Exceptional and / or Extraordinary items)	847.97	827.84	(740.33)	1675.81	(2027.57)	(758.94)
4	Net Profit / (Loss) for the period after Tax (after Exceptional and / or Extraordinary items)	553.69	540.43	(539.06)	1094.12	(1340.44)	(481.71)
5	Total Comprehensive Income / (Loss) for the period [Comprising Profit / (Loss) for the period (after tax) and other Comprehensive Income (after tax)]	596.71	540.81	(538.32)	1137.52	(1335.28)	(295.39)
6	Paid-up Equity Share Capital (Face Value of ₹ 10/- each)	4130.53	4130.53	4130.53	4130.53	4130.53	4130.53
7	Reserves excluding Revaluation Reserve						31583.14
8	Earnings per equity share (of ₹10/- each) (not annualised)						
	1. Basic (₹)	1.34	1.31	(1.31)	2.65	(3.25)	(1.17)
	2. Diluted (₹)	1.34	1.31	(1.31)	2.65	(3.25)	(1.17)

Note:

1) The above Financial Results have been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on 2nd November, 2018.

2) The above is an extract of the detailed format of audited Financial Results for the Quarter/Half year ended 30th September, 2018 filed with the Stock Exchanges under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The full format of these Financial Results are available on the Stock Exchange websites of NSE and BSE at www.nseindia.com and www.bseindia.com respectively and under the Investor Relations section on the Company's website www.sail.co.in.

For and on behalf of Board of Directors

(Anil Kumar Chaudhary)
Chairman

Place: New Delhi
Dated: 2nd November, 2018

Notes to Financial Results:

1. The results have been reviewed by the Audit Committee and taken on record and approved by the Board of Directors in their respective Meetings held on 2nd November, 2018.

2. The results have been reviewed by the Statutory Auditors, as required under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

3. Revenue from operations for the period up to 30th June, 2017 includes excise duty, which is discontinued effective 1st July, 2017 upon implementation of Goods and Services Tax (GST). In accordance with 'Ind AS 18- Revenue'/ 'Ind AS 115- Revenue from Contracts with Customers', GST is not included in Revenue from Operations. In view of the aforesaid change, Revenue from Operations for the current Half Year is not comparable with corresponding figures of Half Year ended 30th September, 2017.

4. The Company has adopted Ind AS 115– Revenue from Contracts with Customers which is mandatory for the reporting periods beginning on or after 1st April, 2018. The application of Ind AS 115 did not have any material impact on the financial results of the Company.

5 Sales include sale to Government Agencies recognised on provisional contract prices during the Half Year ended 30th September 2018: ₹2214.32 crore (corresponding Half Year of previous year: ₹2396.27 crore) and cumulatively upto 30th September, 2018: ₹14454.23 crore (upto the corresponding Half Year of previous year : ₹9865.64 crore).

6. (a) The Nine Judges Constitutional Bench of Hon'ble Supreme Court, vide its judgment dated 11.11.2016, upheld the Constitutional validity of Entry Tax Act enacted by various States and laid down principles/tests for consideration for deciding the specific issues related to levy of Entry Tax. As on 30th September, 2018, the matters are pending before Regular Benches of Hon'ble Supreme Court/Jurisdictional High Courts/assigned authorities in this regard.

   (b) During the current Half Year, Hon'ble Allahabad High Court vide its Order dated 4th May, 2018, dismissed the petition filed by the Company for levy of Entry Tax on goods entering into local areas of Uttar Pradesh. Accordingly, an amount of ₹92.23 crore has been charged in the Statement of Profit and Loss under 'Exceptional Items' during half year (Current Quarter - Nil)

   (c) Pending decision by other Courts/ assigned authorities in this regard, disputed Entry Tax liabilities of ₹1651.25 crore have been treated by the Company as Contingent Liability (as on 31st March, 2018 - ₹1726.16 crore).

7. Pending decision by various Judicial Authorities in the determination of the electricity tariff, claims of ₹587.72 crore up to 31st March, 2017 made by Damodar Valley Corporation (DVC) in respect of electricity supplied to one of the Plants of the Company, the amount whereof has been paid to DVC, have been treated as Contingent Liability. Further, from 1st April, 2017 onwards, full invoice value is being paid and considered in the Financial Results.

8. Exceptional Items for the current Quarter/Half Year include :

   (a) Compensation paid on Voluntary Retirement of employees as per the Scheme amounting to ₹34.19 crore and ₹75.79 crore during the current quarter and half year respectively.

SINGHI & CO. Chartered Accountants

CHATTERJEE & CO. KOLKATA

V. K. DHINGRA & CO. FRN NEW DELHI Chartered Accountants

A. K. SABAT & CO. Bhubaneswar Chartered Accountants

(b) Provision of ₹143.54 crore made during half year (Current Quarter – Nil) on account of payment against the demand of Government of Odisha claiming royalty at sized ore for iron ore fines for the period 1st August, 2009 to 23rd August, 2012 in respect of two iron ore mines of the Company located in the State of Odisha.

(c) Entry Tax amounting to ₹92.23 crore - refer Para 6(b) above.

9. Other expenses for the current Quarter and Half Year ended 30th September, 2018 include ₹170.95 crore and ₹291.63 crore respectively towards loss on account of foreign currency transactions and translations.

10. Pending discussion and finalisation, differential price as claimed by Bharat Coking Coal Limited (BCCL) and Central Coalfields Limited (CCL) for coal supplies from 13th / 14th January, 2017 to 31st March, 2017, respectively amounting to ₹334.45 crore, being the amount billed over and above MoU agreed prices, has not been accounted for. Pending discussion and finalisation, the above liability of ₹334.45 crore has been disclosed as a Contingent Liability.

11. Keeping in view the affordability and financial sustainability clause in Office Memorandum (OM) dated 3rd August, 2017 and 24th November, 2017 issued by the Government of India, Ministry of Heavy Industries & Public Enterprises, Department of Public Enterprises in respect of Pay Revision of employees, provision towards salary revision of ₹132.30 crore and ₹308.24 crore for Executive and Non-executive employees respectively up to 31st December, 2017 had been written back during the quarter ended 31st March, 2018. Accordingly, no liability is envisaged on this account from 1st January, 2017 onwards.

12. Based on DPE Guidelines on superannuation benefits which may include pension benefits to employees, Board of Directors of the Company keeping in view affordability and financial sustainability to pay by the Company, revised pension benefit to 3% of Basic+ DA (as against 9% decided earlier) for Executives and 2% of Basic+ DA (as against 6% decided earlier) for Non-executives and accordingly written back an amount of ₹170.02 crore and ₹288.14 crore respectively (for the period from 1.04.2015 to 31.12.2016) during the year ended 31st March, 2018.

    In view of the reported profit, the pension benefit has been provided at 9% and 6% (of Basic Pay plus DA) for the current quarter/half year for Executive and Non-executive employees respectively.

13. The Auditors, in their Audit Report on the Standalone Financial Statements for the Year ended 31st March, 2018, have brought out that

    I. As per 9th National Joint Committee on Steel (NJCS) Agreement dated 1st July, 2014 (which is valid upto 31st December, 2016) signed by the Company, contribution by the Company towards proposed Pension Fund for Non-executive employees was stipulated at 6% of Basic pay and D.A.. Pending revision of the said Agreement and against reservation of representatives of Non-executive employees, Management of the Company has unilaterally reduced the rate of contribution towards the said Pension Fund to 2% of Basis pay and D.A. and accordingly the Management, in the 4th Quarter of the current year, has written back the provision towards the said Pension Fund for Non-executive employees for the period from 01.04.2015 to 31.12.2016 to the extent of ₹ 288.14 crore.

SINGHI & CO. Chartered Accountants

CHATTERJEE & CO. KOLKATA

V. K. DHINGRA & CO. FRN: 000256N NEW DELHI CHARTERED ACCOUNTANTS

A. K. SABAT & CO. Bhubaneswar Chartered Accountants

II. Wage revision for Non-executives is due since 01.01.2017. During the 4th Quarter of the current year, Management of the Company has reversed adhoc provision already made in last year for the period from 01.01.2017 to 31.03.2017 amounting to ₹77.47 crore. Further the Management has also reversed provision created thereof for nine months ended 31st December 2017 amounting to ₹230.77 crore and also not made any provision thereof for the 4th Quarter of the year. Pending negotiation with Non-executive employees and as per the experience and past practice of earlier wage revisions for Non-executive employees, adhoc provisions from 01.01.2017 to 31.03.2017 of ₹77.47 crore and from 01.04.2017 to 31.12.2017 of ₹230.77 crore should not have been reversed and provision of ₹76.92 crore for the Quarter ended 31.03.2018 should have been made. The aggregate impact of this on Loss before Tax for the current year amounts to ₹ 385.16 crore.

III. The Company has not provided for :

(i) Demand for Entry tax in various States amounting to ₹1,726.16 crore as on 31st March, 2018 and

(ii) Amount paid to Damodar Valley Corporation (DVC) in earlier years against bills raised for supply of power and retained as advance to DVC by Bokaro Steel Plant amounting to ₹587.72 crore as on 31st March, 2018.

In respect of (I) above, the Company's view is that the Pension Scheme was approved by the Board in its Meeting held on 9th February, 2017, with a provision that the contribution towards Pension shall be based on the affordability, sustainability and capacity of the Company, measured as a percentage of Profit Before Tax (PBT) to average Net-worth, in line with the Office Memorandum dated 21.5.2014 issued by the Department of Public Enterprises. If the percentage of PBT to average Net-worth is 8% or above, the contribution towards Pension shall be limited to 6% of Basic Pay plus DA for Non-executives. Further, if the percentage of PBT to average Net-worth is lower than 8%, the amount of contribution will be reduced proportionately. However, a minimum Pension contribution is kept at the rate of 2% of Basic Pay plus DA even in case of loss during a Financial Year. Accordingly, the Board of Directors of the Company has approved the write back of Pension contribution for the period from 1.4.2015 to 31.12.2016 in its meeting held on 30.05.2018.

In respect of (II) above, the Company's view is that SAIL is a Government Company and is required to follow Government Guidelines for revising pay scales of its employees. The Department of Public Enterprises (DPE) issued Office Memorandum dated 24.11.2017 in this regard. The Guidelines inter-alia, state that Management of PSEs would keep in view the affordability and financial sustainability of such wage revision and further where the five year periodicity of wage revision is followed, Management has to ensure that negotiated scales of pay for two successive wage negotiations do not exceed the existing scales of pay of executives/officers and non-unionized supervisors of respective CPSEs for whom ten years periodicity is being followed. The current pay scales of Non-executive employees in SAIL for some of the levels after wage revision effective from 01.01.2012 for 5 years are already higher than the pay scales of certain Executive employees. Accordingly, it has been approved by the Board of Directors of the Company to withdraw the provision of wage revision for Non-executive employees for the period from 01.01.2017 to 31.03.2017 and also for the nine months ended 31st December, 2017 and not to make any provision for the 4th Quarter of Financial Year 2017-18.

SINGHI & CO. Chartered Accountants

CHATTERJEE & CO. KOLKATA CHARTERED ACCOUNTANTS

V. K. DHINGRA & CO. FRN: 00025CN NEW DELHI CHARTERED ACCOUNTANTS

A. K. SABAT & CO. Bhubaneswar Chartered Accountants

In respect of item stated at III(i), the Company's view is that the Nine Judges Bench of Hon'ble Supreme Court, vide its judgment dated 11th November, 2016, upheld the Constitutional validity of levy of Entry Tax by the States and has laid down principles/tests on levy of Entry Tax Acts in various States. The respective regular benches of the Apex Court would hear the matters as per laid down principles. The West Bengal Finance Act, 2017 has included West Bengal Entry Tax in the jurisdiction of West Bengal Taxation Tribunal. Based on the said amendment, Hon'ble Calcutta High Court, vide its Order dated 15th June 2018, has transmitted the Writ Petition of Durgapur Steel Plant and IISCO Steel Plant on Entry Tax to the West Bengal Taxation Tribunal. Pending decision by the regular benches of the Apex Court on levy of Entry Tax in the States of Chhattisgarh, Odisha, Jharkhand and in respect of the case pertaining to West Bengal Taxation Tribunal, the Entry Tax demands under dispute have been treated as Contingent Liability.

During the current Half Year, Hon'ble Allahabad High Court vide its Order dated 4th May, 2018, dismissed the petition filed by the Company for levy of Entry Tax on goods entering into local areas of Uttar Pradesh. Accordingly, an amount of ₹92.23 crore has been charged in the Statement of Profit and Loss under 'Exceptional Items'. However, the Company has filed a Special Leave Petition (SLP) on 02.08.2018 against the decision of the Allahabad High Court and the same is pending before the Hon'ble Supreme Court for its consideration.

In respect of item stated at III(ii), the Company's view is that the cases are sub-judice and pending for adjudication before the various judicial authorities for a long time.

The above stated disputed demands, stated at III(i) and III(ii) above, contested on valid and bonafide grounds, have been treated as contingent liabilities as it is not probable that present obligations exist as on 30th September, 2018. Therefore, there is no adverse impact on loss for the year.

14. The figures of previous periods have been re-grouped, wherever necessary, so as to conform to the current periods classification.

For and on behalf of Board of Directors

(Anil Kumar Chaudhary)
Chairman

Place: New Delhi
Dated: 2nd November, 2018

SINGHI & CO. Chartered Accountants

CHATTERJEE & CO. KOLKATA CHARTERED ACCOUNTANTS

V. K. DHINGRA & CO. FRN: 000250N NEW DELHI CHARTERED ACCOUNTANTS

A. K. SABAT & CO. Bhubaneswar Chartered Accountants

1.	**Singhi & Co.,** Chartered Accountants, 161, Sarat Bose Road, Kolkata-700026	2.	**Chatterjee & Co.,** Chartered Accountants, 153, Rash Behari Avenue, 3rd Floor, Kolkata-700029	3.	**V.K. Dhingra & Co.,** Chartered Accountants, 1-E/15, Jhandewalan Extn., New Delhi-110055	4.	**A.K.Sabat & Co.,** Chartered Accountants, A-348, Sahid Nagar, Bhubaneswar 751007

Independent Auditors' Review Report on Quarterly and Half-yearly Standalone Financial Results of Steel Authority of India Limited Pursuant to the Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To
The Board of Directors,
STEEL AUTHORITY OF INDIA LIMITED

1. We have reviewed the accompanying statement of unaudited standalone financial results (the 'Statement') of **Steel Authority of India Limited** ('the Company') for the quarter and half-year ended 30th September, 2018, attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016 of SEBI.

2. This Statement, which is the responsibility of the Company's Management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard- 34 "Interim Financial Reporting" ("Ind AS 34") prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued there-under and other accounting principles generally accepted in India. Our responsibility is to issue a report on this Statement based on our review.

3. We did not review the financial results of 8 branches/ units included in the Statement. The financial results of these branches/ units have been reviewed by the independent branch auditors whose review reports have been furnished to us, and our conclusion in so far as relates to the amounts and disclosures included in respect of these branches, is based solely on the review reports of such branch auditors.

4. We conducted our review of the Statement in accordance with the Standard on Review Engagement (SRE) 2410, "*Review of Interim Financial Information Performed by the Independent Auditor of the Entity*" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of Company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

10

5. Basis for Qualified Conclusion

I. The Company has not provided for :

(i) Demand for Entry tax in various states amounting to Rs.1,651.25 crore as on 30th September, 2018 (Refer Note No. 6(c));

(ii) Amount paid to Damodar Valley Corporation (DVC) in earlier years against bills raised for supply of power and retained as advance to DVC by Bokaro Steel Plant amounting to Rs.587.72 crore as on 30th September, 2018 (Refer Note No.7);

(iii) Company's contribution towards proposed Pension Fund for Non-executive employees for the period from 01.04.2015 to 31.12.2016 amounting to Rs.288.14 crore as per 9th National Joint Committee on Steel (NJCS) Agreement dated 1st July, 2014 signed by the Company (which was valid up-to 31st December, 2016) (Refer Note No. 12); and

(iv) Wage revision for non-executives which is due since 01.01.2017. Pending negotiation with non-executive employees and as per the experience and past practice of earlier wage revisions for non-executive employees, provision for wage revision should have been made. Provision required for the period from 01.01.2017 to 31.03.2018 was provisionally estimated at Rs.385.16 crore. Provision required for the current quarter and half-year has not been ascertained by the Management (Refer Note No. 13(II) and 11).

Impact of quantifiable part of all the above qualifications on the result for the quarter and half-year ended 30th September 2018 is as under:

Rs. In Crore

Particulars	Quarter ended 30.09.2018		Half-year ended 30.09.2018	
	Reported Results	Results after impact of all the Qualifications which are quantified	Reported Results	Results after impact of all the Qualifications which are quantified
Profit/ (Loss) Before Tax	847.97	(2,064.30)	1,675.81	(1,236.46)
Tax expenses – Debit/ (Credit)	294.28	(723.38)	581.69	(435.97)
Total Comprehensive Income/ (Loss)	596.71	(1,297.90)	1,137.52	(757.09)

6. Qualified Conclusion

Based on our review conducted as above, with the exception of the matters described in the Basis for Qualified Conclusion paragraph No.5 above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited standalone financial results, read with notes on accounts thereon, prepared in accordance with applicable Indian Accounting Standards ("IndAS") prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued there-under and other recognized accounting practices and policies generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement.

7. Emphasis of Matter

We draw attention to the following:

> Revenue from operations include sales to Government agencies for Rs.2,214.32 crore for the half-year (for the quarter Rs.1,070.47 crore) ended 30th September, 2018 which is recognized on provisional contract prices (refer note no. 5).

Our opinion is not qualified in respect of this matter.

For Singhi & Co.
Chartered Accountants
Firm Registration No. 302049E

(Shrenik Mehta)
Partner
M.No.063769

For Chatterjee & Co.
Chartered Accountants
Firm Registration No. 302114E

(R. N. Basu)
Partner
M.No.050430

For V.K. Dhingra & Co.,
Chartered Accountants
Firm Registration No. 000250N

(Vipul Girotra)
Partner
M.No. 084312

For A.K.Sabat & Co.
Chartered Accountants
Firm Registration No. 321012E

(B. R. Mohanty)
Partner
M.No.057266

Date: November 02, 2018
Place: New Delhi

No. SAIL/FSG/COM/2018 Date:2nd Nov 2018

The General Manager(MO) Bombay Stock Exchange Corporate Relationship Department 1st Floor, New Trading Ring, Rotunda Building, P.J. Towers, Dalal Street, Fort, **Mumbai-400001** (Fax No.022-22723121/3719)	The Asstt. Vice President National Stock Exchange of India Ltd Exchange Plaza, Plot No.C/1, G Block Bandra-Kurla Complex, Bandra East, **Mumbai – 400 051** (Fax no. 022-26598237/38)

Sub: Compliance under regulation 52 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015- Scrip Code: 50013

Dear Sir

With reference to the captioned subject, we are furnishing the details as required under regulation 52 (4) of Listing Regulations for the quarter and half year ended 30th September, 2018:

Sl. No.	Particulars	Half Year ended 30th September, 2018	Year ended 31st March, 2018
a)	Credit rating:		
	-by CARE Ratings	CARE AA-	CARE AA-
	-by India Ratings	IND AA-	IND AA-
	-by Brickwork Ratings	Brickwork AA	Brickwork AA
b)	Asset Cover Available (No. of times)	1.99	1.94
c)	Debt-Equity Ratio (No. of times) (Not Annualised)	1.22:1	1.27:1
f)	Debt Service Coverage Ratio	0.72	0.54
g)	Interest Service Coverage Ratio (No. of times)	1.87	0.61
h)	Outstanding redeemable preference shares	Nil	Nil
i)	Debenture Redemption Reserve (Rs. in crore)	1832.32	2340.69
j)	Net Worth (Rs. in crore)	36851.19	35713.67
k)	Net Profit/Loss(-) after tax (Rs. in crore)	1094.12	(481.71)
l)	Earnings per share (in Rupees)(not Annualised)	2.65	-ve

(d & e) Previous due date and next due date of payment of interest/repayment of Principal of Non-convertible Debt Securities -

Tranches	Series	Previous Due Date			Next Due Date	
		Interest	Principal	Status	Interest	Principal
XVIII ISSUE (I- SERIES)	AE	01-May-18		Paid	01-May-19	01-May-19
XIX ISSUE (I- SERIES)	AF	11-May-18		Paid	11-May-19	11-May-19
XX ISSUE (I- SERIES)	AG	22-Jun-18		Paid	22-Jun-19	22-Jun-19
XXI ISSUE (I- SERIES)	AH	11-Aug-18		Paid	11-Aug-19	
XXII ISSUE (I- SERIES)	AI	25-Aug-18		Paid	25-Aug-19	
XXIII ISSUE (I- SERIES)	AJ-II & III**	15-Sep-18		Paid	15-Sep-19	
XXIV ISSUE (I- SERIES)	AK-IV to XII **	26-Oct-18		Paid	26-Oct-19	
XXV ISSUE (I- SERIES)	AL	19-Nov-17		Paid	19-Nov-18	
XXVI ISSUE (I- SERIES)	AM-II	07-Dec-17		Paid	07-Dec-18	

XXVII ISSUE (I- SERIES)	AN	30-Dec-17		Paid	30-Dec-18	
XXVIII ISSUE (I- SERIES)	AO	01-Feb-18		Paid	01-Feb-19	
XXIX ISSUE (I- SERIES)	AP	23-Apr-18		Paid	23-Apr-19	
XXX ISSUE (I- SERIES)	AQ	30-Apr-18		Paid	30-Apr-19	
XXXI ISSUE (I- SERIES)	AR	23-Aug-18		Paid	23-Aug-19	
XXXII ISSUE (I- SERIES)	AS	09-Sep-18		Paid	09-Sep-19	
XXXIII ISSUE (I to V- SERIES)	AT-I to V & 1 – 5 **	25-May-18		Paid	25-May-19	
XXXVI ISSUE (I- SERIES)	AW*	06-May-18	06-May-18	Paid	**Series redeemed**	
XXXVII ISSUE (I- SERIES)	AX	14-Oct-18		Paid	14-Oct-19	
XXXIX ISSUE (I- SERIES)	AZ	21-Jan-18		Paid	21-Jan-19	
ISSUE (I- SERIES)	BA	09-Apr-18	09-Apr-18	Paid	**Series redeemed**	
ISSUE (I- SERIES)	BB	09-Jun-18	09-Jun-18	Paid	**Series redeemed**	
ISSUE (I- SERIES)	BC	27-Jul-18	27-Jul-18	Paid	**Series redeemed**	
ISSUE (I- SERIES)	BD	10-Aug-18	10-Aug-18	Paid	**Series redeemed**	
ISSUE (I- SERIES)	BE	25-Aug-18		Paid	25-Aug-19	
ISSUE (I- SERIES)	BF	19-Nov-17		Paid	19-Nov-18	
ISSUE (I- SERIES)	BG	01-Aug-18		Paid	01-Aug-19	
ISSUE (I- SERIES)	BH	03-Aug-18		Paid	03-Aug-19	
* The Company has exercised the "Put Option" as per terms of the issue which was due on 06.05.2016. The redemption proceeds of Rs.555 crore along with interest were paid to the Bondholders who exercised "Put Option". The balance Rs.245 crore has been redeemed on the due date.						
**Rs.14 crore of AK Series will be redeemed every year till 26th October, 2025. AK V series of Rs. 14 crore has been redeemed on 26.10.2018						
**Rs.50 crore of AJ Series will be redeemed every Fifth year till 15th September 2024.						
**Rs.57 crore of AT (I to V) Series and Rs.15 crore of AT (1-5) will be redeemed every year from 25.05.2018 till 25th May, 2022. A total of Rs.72 crore has been redeemed on 25.05.2018.						

The letter is being submitted as required under regulations 52 (4) & (5) of Listing Regulations.

Kindly take the same on record.

Thanking you,

Yours Faithfully

For Steel Authority of India Ltd

(M C Jain)
ED(F&A) and Secretary

Press Release

SAIL declares more than 550 Crore profit in Q2 FY19; targeting market with volumes and product mix remains top priority says Chairman SAIL

New Delhi, 02 November, 2018: Steel Authority of India Ltd. (SAIL) declared a profit (Profit After Tax – PAT) of Rs 553.69 Crore during the second quarter of this financial year Q2 FY19. During the corresponding period over last year, the Company had posted a loss (after tax) of Rs 539.06 Crore. Over the previous quarter in Q1 FY19, the Company's profit rose 2.5% in Q2 FY19. The turnover in Q2 FY19 was Rs 16,541 Crore, a 23% rise over CPLY and 5% rise over the Q1 FY19. Showing overall improvements including operational performance, the EBITDA for Q2 FY19 at Rs 2,473.54 Crore improved 156% over CPLY which was Rs 966.56 Crore. The numbers indicate a fast recovery in the Company's profitability, operational performance and a collective effort towards driving the full advantage of modernization and expansion.

SAIL, emphasizing on bringing predictability and stability in operations and focussing to raise volumes, is bringing transformative changes across all its functions. While ramping up production from new units, achieving the production and techno-economic targets remain the top priority of the Company. In Q2 FY19, the Company's saleable steel production stood at 3.537 Million Tonnes. In H1 FY19 (April – September 2018) the saleable steel production at 7.151 MT rose 4.2% over CPLY. The Company recorded improvement in Coke Rate by 1% in H1 FY19 over CPLY and best ever H1 production through concast route at 6.575 MT, a 7% rise over CPLY.

Speaking on the occasion, Chairman, SAIL Shri Anil Kumar Chaudhary said that raising volumes, targeting to operate at rated capacities and focussing to meet the requirement of the Railways in terms of Rails and Wheels & Axles are our foremost priorities, along with upholding safety practices at the core. The domestic steel market is offering a positive platform; besides, we must also de-risk our operations from any externalities by being prepared with volumes, value additions and quality products. He also added that SAIL's focus on approaching the market and customers with new products and sales force effectiveness will surely help catering the market requirements more adequately.