



स्टील अथॉरिटी ऑफ इण्डिया लिमिटेड
STEEL AUTHORITY OF INDIA LIMITED

संख्या:सीए/17(44)15
 No.CA-17(44)/15

6 नवम्बर, 2015
 November 6, 2015

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

महा प्रबंधक (एमओ)
 बॉम्बे स्टॉक एक्सचेंज
 कॉर्पोरेट रिलेशनशिप डिपार्टमेंट
 पहली मंजिल, न्यू ट्रेडिंग रिंग
 रोटुण्डा बिल्डिंग, पी.पी. टॉवर
 दलाल स्ट्रीट, फोर्ट
मुम्बई - 400 001
 फैक्स संख्या 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

सहायक उपसमापति
 नेशनल स्टॉक एक्सचेंज आफ इंडिया लिमिटेड
 प्लॉट संख्या. सी/1, जी ब्लॉक
 बांद्रा-कुर्ला कॉम्प्लेक्स, बांद्रा (पूर्व)
मुम्बई - 400 051
 फैक्स संख्या 022-26598237/38

विषय:- 30 सितम्बर, 2015 को समाप्त अर्धवर्ष/तिमाही के अनकंक्षित वित्तीय परिणाम

Sub:- Unaudited Financial Results for half-year and quarter ended 30th September, 2015.

महोदय,

Dear Sirs,

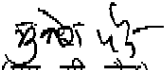
सूचिबद्ध करार की शर्तों के अनुसार, सेल के 30 सितम्बर, 2015 को समाप्त अर्धवर्ष/तिमाही के अनकंक्षित वित्तीय परिणाम निर्धारित फॉर्म में आपकी सूचना व रिकार्ड हेतु भेजे जा रहे हैं।

In terms of Listing Agreement, please find enclosed the Unaudited Financial Results of SAIL for half-year and quarter ended 30th September, 2015 in the prescribed format for your information and record.

ये वित्तीय परिणाम 6 नवम्बर, 2015 को नई दिल्ली में हुई निदेशक मण्डल की बैठक में रिकार्ड में लिये गये। इन परिणामों को समाचार पत्रों में भी प्रकाशित करवाया जा रहा है।

These financial results have been taken on record by the Board of Directors in its Meeting held on 6th November, 2015 at New Delhi. These results are also being published in the newspapers.

भवदीय,
 Yours faithfully,


 (एम. सी. जैन)
 (M.C. Jain)
 कम्पनी सचिव

Company Secretary

संलग्न: उपरोक्त वर्णित।
 Encl: as stated.

STEEL AUTHORITY OF INDIA LIMITED
REGISTERED OFFICE: ISPAT BHAWAN, LODI ROAD, NEW DELHI - 110003

Statement of Standalone Unaudited Financial Results for the Quarter and Half Year ended 30th September 2015

Part I		Quarter ended			Half Year ended		₹ Crore
Sl. No	Particulars	30th September 2015	30th June 2015	30th September 2014	30th September 2015	30th September 2014	Year ended 31st March 2015
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1	(a) Net Sales / Income from operations						
	i) Gross Sales	10244.38	10552.38	12933.89	20795.76	25449.25	50826.85
	ii) Less : Excise Duty	1131.37	1168.84	1368.30	2300.21	2887.98	5418.60
	Sub total (a) (i-ii)	9113.01	9383.54	11565.59	18495.55	22761.27	45208.05
	(b) Other operating income	143.90	119.25	113.08	263.16	257.08	502.73
	Total Income from Operations (net)	9256.91	9502.80	11678.67	18758.71	23018.35	45710.78
2	Expenses						
	a) Changes in Inventories of Finished Goods, Work in Progress and Stock-in-Trade	(324.28)	(1144.01)	(59.64)	(1468.27)	(103.54)	(1408.12)
	b) Cost of Materials Consumed	4388.89	4814.66	4389.14	9203.55	8795.82	18522.90
	c) Purchase of Stock in Trade	0.00	0.00	0.00	0.00	0.00	0.48
	d) Employee Benefits Expense	2416.80	2416.68	2364.54	4833.28	4823.00	9736.33
	e) Power & Fuel	1394.80	1346.59	1475.14	2741.39	2797.46	5423.53
	f) Depreciation and Amortisation Expenses	435.77	428.06	391.66	861.83	799.61	1773.28
	g) Other Expenses	2429.35	2150.57	2193.08	4579.92	4240.89	8832.98
	Total Expenses	10741.16	10010.66	10733.92	20751.70	21363.24	42891.38
3	Profit / loss (-) from Operations before Other Income, Finance and Exceptional Items (1-2)	(1484.24)	(507.75)	944.75	(1991.99)	1655.11	2829.40
4	Other Income						
	i) Interest Earned	81.88	94.78	105.82	176.66	212.57	475.10
	ii) Other Income	48.76	79.47	56.15	128.23	145.70	508.64
	Sub total (i+ii)	130.64	174.25	161.97	304.89	359.27	983.74
5	Profit / (loss) from ordinary activities before Finance Costs and Exceptional Items (3+4)	(1353.60)	(333.50)	1106.72	(1687.10)	2024.38	3813.14
6	Finance Cost	467.42	443.04	355.78	910.46	660.74	1454.23
7	Profit / (loss) from ordinary activities after Finance Costs but before Exceptional Items (5-6)	(1821.02)	(776.54)	750.94	(2597.56)	1363.64	2358.91
8	Profit / (loss) from Ordinary Activities before Tax	(1821.02)	(776.54)	750.94	(2597.56)	1363.64	2358.91
9	Tax Expense						
	(a) Current Tax	0.00	0.00	181.83	0.00	293.89	499.15
	(b) Deferred Tax Liability / (Assets)	(765.06)	(454.90)	101.45	(1219.96)	184.27	282.76
	(c) MAT Credit	0.00	0.00	(161.83)	0.00	(293.89)	(499.15)
	(d) Earlier Years	0.00	0.00	0.00	0.00	0.00	(16.53)
	Sub-Total (a to d)	(765.06)	(454.90)	101.45	(1219.96)	184.27	266.23
10	Net Profit / (loss) from Ordinary Activities after Tax (8-9)	(1055.96)	(321.64)	649.49	(1377.60)	1179.37	2092.68
11	Extraordinary Items (net of Tax Expense Rs. Nil)	0.00	0.00	0.00	0.00	0.00	0.00
12	Net Profit / (loss) for the Period (10-11)	(1055.96)	(321.64)	649.49	(1377.60)	1179.37	2092.68
13	Paid up Equity Share Capital	4130.53	4130.53	4130.53	4130.53	4130.53	4130.53
	(Face value : Rs. 10 per share)						
14	Reserves (Excluding Revaluation Reserve)						39374.25
	as per Balance Sheet of Previous Accounting Year						
15	Basic and Diluted Earnings per Share (of Rs.10/- each) before and after Extraordinary Items (Not Annualised) (Rupees)	-2.56	-0.78	1.57	-3.34	2.86	5.07
16	Debt Service Coverage Ratio (Number of times)				-1.58	1.92	2.62
17	Interest Service Coverage Ratio (Number of times)				-1.34	2.05	1.82

Part II		Quarter ended			Half Year ended	
Sl. No	Particulars	30th September 2015	30th June 2015	30th September 2014	30th September 2015	30th September 2014
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
A	PARTICULARS OF SHAREHOLDING					
1	Public share holding					
	- Number of shares	103,26,10,205	103,26,10,205	82,57,77,391	103,26,10,205	82,57,77,391
	- Percentage of share holding	24.99	24.99	19.99	24.99	19.99
2	Promoters and Promoter group shareholding					
	(a) Pledged / Encumbered					
	- Number of Shares					
	- Percentage of shares (as a % of the total shareholding of the promoter and promoter group)					
	- Percentage of shares (as a % of the total share capital of the company)					
	(b) Non-Encumbered					
	- Number of Shares	309,77,67,449	309,77,67,449	330,42,93,713	309,77,67,449	330,42,93,713
	- Percentage of shares (as a % of the total shareholding of the promoter and promoter group)	100.00	100.00	100.00	100.00	100.00
	- Percentage of shares (as a % of the total share capital of the company)	75.00	75.00	80.00	75.00	80.00

Particulars	Quarter ended 30th September 2015
INVESTOR COMPLAINTS	
Pending at the beginning of the quarter	0
Received during the quarter	8
Disposed off during the quarter	8
Remaining unresolved at the end of the quarter	0

1.	Segments have been identified in line with the Accounting Standard -17 on Segment Reporting taking into account the Organisation and Management Structure and also Internal Financial Reporting System though the Company primarily deals in Iron & Steel items. Segment Revenue, Results and Capital Employed include the respective amounts identifiable to each of the segments.
2.	Since the Company's overseas operations are below 10% of the total operations, the disclosure of geographical segments is not applicable.

Notes to Financial Results:

Statement of Assets and Liabilities

(₹ crore)

	As at 30th September 2015 (Unaudited)	As at 31st March 2015 (Audited)
A. Equities and Liabilities		
1 Shareholders' Funds		
(a) Share Capital	4130.53	4130.53
(b) Reserves and Surplus	37999.32	39374.25
Sub-total - Shareholders' Funds	42129.85	43504.78
2 Non-current liabilities		
(a) Long-term borrowings	16528.79	14025.56
(b) Deferred tax liabilities (Net)	1175.23	2395.19
(c) Other Long term liabilities	1336.66	1239.22
(d) Long-term provisions	3514.02	3705.34
Sub-total - Non-current liabilities	22554.70	21365.31
3 Current Liabilities		
(a) Short-term borrowings	15753.98	14195.16
(b) Trade payables	3870.67	3606.38
(c) Other current liabilities	13840.41	14016.53
(d) Short-term provisions	2699.83	2638.71
Sub-total - current liabilities	36164.89	34456.78
TOTAL - EQUITY AND LIABILITIES	100849.44	99326.87
B. ASSETS		
1 Non-current assets		
(a) Fixed Assets	67570.42	65364.43
(b) Non-current investments	1136.57	919.07
(c) Long-term loans and advances	4710.35	4507.25
(d) Other non-current assets	64.71	53.83
Sub-total - Non-current assets	73482.05	70844.58
2 Current assets		
(a) Inventories	18462.75	17736.37
(b) Trade receivables	2936.81	3192.00
(c) Cash and Bank Balances	2339.94	2305.24
(d) Short-term loans and advances	1805.65	3056.33
(e) Other current assets	1822.24	2192.35
Sub-total - Current assets	27367.39	28482.29
TOTAL - ASSETS	100849.44	99326.87

Annexure-I (Contd.)**Notes to Financial Results :**

1. The above results have been reviewed by the Audit Committee and taken on record by the Board of Directors in their Meeting held on 6th November, 2015.
2. The above results have been reviewed by the Statutory Auditors, as required under Clause 41 of the Listing Agreement.
3. Net Sales include sales to Government Agencies recognised on provisional contract prices during the Half Year ended 30th September, 2015: ₹1571.04 crore (corresponding half year of previous year: ₹1735.42 crore) and cumulatively upto 30th September, 2015: ₹11269.61 crore (upto corresponding quarter of Half Year : ₹8600.08 crore).
4. In accordance with Companies (Accounting Standards) Amendment Rules, 2009, relating to Accounting Standard – 11, notified on 31st March 2009 and amended from time to time, the foreign exchange fluctuation loss on long-term foreign currency loans of ₹137.83 crore (net debit) for the current Half Year [corresponding Half Year of previous year- ₹75.42 crore (net debit)], has been adjusted in the carrying cost of the Fixed Assets/Capital Work-in-progress.
5. Based on technical opinion, the Company has revised the useful lives of Plant & Machinery used in manufacture of steel, applicable from 1st April, 2015. Consequently, loss for the quarter and half year is lower by ₹83.23 crore and ₹167.12 respectively.
6. Pending decision by the Hon'ble Supreme Court of India on levy of Entry Tax in the States of Chhattisgarh, Odisha, and Uttar Pradesh, the Entry Tax demands, under dispute, of ₹1090.05 crore, ₹333.95 crore and ₹94.89 crore upto 30th September, 2015 (upto 31st March, 2015- ₹1084.32 crore, ₹333.95 crore and ₹94.89 crore) respectively, have been treated as contingent liabilities.
7. Pending decision by the various judicial authorities in the determination of the electricity tariff, payments of ₹443.50 crore upto 30th September, 2015 (upto 31st March, 2015- ₹393.59 crore) made by Damodar Valley Corporation in respect of electricity supplied to one of the Plants of the Company, have been treated as contingent liabilities.
8. Formulae used for computation of coverage ratios : Debt Service Coverage Ratio = Earnings before interest, exceptional items and tax/principal repayment and interest payment of long terms loans; and Interest Service Coverage Ratio = Earnings before interest, exceptional items and tax/interest including transferred to Capital Work in Progress.

9. The Auditors in their Limited Review Report on the Financial Results of the Company for the quarter ended 30th June, 2015 have brought out that :

i) the Company has not provided for :

- a) Entry Tax amounting to ₹94.89 crore in the State of Uttar Pradesh, ₹1088.06 crore in the State of Chhattisgarh and ₹333.95 crore in the State of Odisha;
- b) Payments of ₹411.31 crore by DVC for supply of electricity.

ii) At Bokaro and Bhilai Steel Plants, LTA/LTC expenses & leave Encashment of Rs.126.04 crore has been treated as prepaid expenses instead of treating them as expenses.

In respect of items stated at (i) (a) and (b) above, the Company's views are that these cases are sub-judice and pending for adjudication before the various judicial authorities. The disputed demands, contested on valid and bonafide grounds, have been disclosed as contingent liabilities as it is not probable that present obligations exist as on 30th September, 2015. Therefore, there is no adverse impact on loss for the quarter. These cases are sub-judice since 31st March, 2012 and there is no change in the status of these cases till date. In respect of item stated at (ii) above, the Company's views are that such expenses relate to the whole of the FY 2015-16, the same has been correctly accounted for as pre-paid expenses.

10. Ministry of Corporate Affairs, vide notification dated 29th August, 2014, has amended Schedule II to the Companies Act, 2013, requiring mandatory componentisation of assets for financial statements in respect of Financial Year commencing on or after 1st April, 2015. The Company is in the process of technical evaluation of componentisation of fixed assets & useful lives thereof.

11. The figures of previous periods have been re-grouped, wherever necessary, so as to conform to the current Quarter/Half Year's classification.

For and on behalf of Board of Directors

Place: New Delhi
Dated: 6th November, 2015


(Anil Kumar Chaudhary)
Director (Finance)