



स्टील अथॉरिटी ऑफ इण्डिया लिमिटेड
STEEL AUTHORITY OF INDIA LIMITED

13 नवम्बर, 2014

November 13, 2014

संख्या: सीए/17(44)/14
 No.CA-17(44)/14

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)
 बाम्बे 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 उपसभापति
 नेशनल स्टॉक एक्सचेंज आफ इंडिया लिमिटेड
 प्लॉट संख्या. सी/1, जी ब्लॉक
 बांदरा-कुर्ला काम्प्लेक्स, बांदरा (पूर्व)
मुम्बई - 400 051
 फैक्स संख्या 022-26598237/38

विषय:- 30 सितम्बर, 2014 को समाप्त अर्धवर्ष/तिमाही के अनंकेक्षित वित्तीय परिणाम

Sub:- Unaudited Financial Results for half-year and quarter ended 30th September, 2014 .

महोदय,

Dear Sirs,

सूचिबद्ध करार की शर्तों के अनुसार, सेल के 30 सितम्बर, 2014 को समाप्त अर्धवर्ष/तिमाही के अनंकेक्षित 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, 2014 in the prescribed format for your information and record.

ये वित्तीय परिणाम 13 नवम्बर, 2014 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 13th November, 2014 at New Delhi. These results are also being published in the newspapers.

भवदीय,

Yours faithfully,


 (एम. सी. जैन)
 (M.C. Jain)
 सचिव
 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 Sept 2014

Part I		Quarter ended					Year ended
Sl. No	Particulars	30th Sept 2014	30th June 2014	30th Sept 2013	30th Sept 2014	30th Sept 2013	31st March 2014
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1	(a) Net Sales / Income from operations						
	i) Gross Sales	12933.89	12515.36	12801.99	25449.25	24163.13	51865.99
	ii) Less : Excise Duty	1368.30	1319.68	1392.12	2687.98	2647.14	5677.29
	Sub total (a) (i-ii)	11565.59	11195.68	11409.87	22761.27	21515.99	46188.70
	(b) Other operating income	113.08	144.00	109.91	257.08	232.51	493.68
	Total Income from Operations (net)	11678.67	11339.68	11519.78	23018.35	21748.50	46682.38
2	Expenses						
	a) Changes in Inventories of Finished Goods, Work in Progress and Stock-in-Trade	-59.64	-43.90	455.51	-103.54	-155.47	894.63
	b) Cost of Materials Consumed	4369.14	4426.68	4892.48	8795.82	9359.77	19271.18
	c) Purchase of Stock in Trade	0.00	0.00	0.29	0.00	0.67	0.78
	d) Employee Benefits Expense	2364.54	2458.46	2495.43	4823.00	4790.22	9578.51
	e) Power & Fuel	1475.14	1322.32	1297.68	2797.48	2450.25	4942.15
	f) Depreciation and Amortisation Expenses	391.66	407.95	398.80	799.61	791.65	1718.69
	g) Other Expenses	2193.08	2047.61	1795.37	4240.89	3679.95	7992.36
	Total Expenses	10733.92	10618.32	11136.68	21363.24	20916.94	44396.28
3	Profit from Operations before Other Income, Finance Costs and Exceptional Items (1-2)	944.75	720.36	384.22	1655.11	831.56	2286.10
4	Other Income						
	i) Interest Earned	105.82	106.75	150.10	212.57	278.83	584.13
	ii) Other Income	56.15	90.55	18.34	146.70	154.97	265.70
	Sub total (i+ii)	161.97	197.30	168.44	359.27	433.80	849.83
5	Profit from ordinary activities before Finance Costs and Exceptional Items (3+4)	1106.72	917.66	552.66	2024.38	1285.36	3135.93
6	Finance Cost	355.78	304.96	218.48	660.74	408.30	967.64
7	Profit from ordinary activities after Finance Costs but before Exceptional Items (5-6)	750.94	612.70	336.18	1363.64	857.06	2168.29
8	Exceptional Items Loss(-)/Gain (+)						
	Compensation Received for Non Performance of Contract	0.00	0.00	1056.26	0.00	1056.26	1056.26
9	Profit from Ordinary Activities before Tax (7+8)	750.94	612.70	1392.44	1363.64	1913.32	3224.55
10	Tax Expense						
	(a) Current Tax	161.83	132.06	288.71	293.89	396.61	683.26
	(b) Deferred Tax Liability / Assets (-)	101.45	82.82	211.24	184.27	281.21	331.97
	(c) MAT Credit	-161.83	-132.06	-288.71	-293.89	-396.61	-520.11
	(d) Earlier Years	0.00	0.00	0.81	0.00	0.81	112.95
	Sub-Total (a to d)	101.45	82.82	212.05	184.27	282.02	608.07
11	Net Profit from Ordinary Activities after Tax (9-10)	649.49	529.88	1180.39	1179.37	1631.30	2616.48
12	Extraordinary Items (net of Tax Expense Rs. Nil)	0.00	0.00	0.00	0.00	0.00	0.00
13	Net Profit for the Period (11-12)	649.49	529.88	1180.39	1179.37	1631.30	2616.48
14	Paid up Equity Share Capital	4130.53	4130.53	4130.53	4130.53	4130.53	4130.53
	(Face value : Rs. 10 per share)						
15	Reserves (Excluding Revaluation Reserve)						38535.82
	as per Balance Sheet of Previous Accounting Year						
16	Basic and Diluted Earnings per Share (of Rs.10/- each) before and after Extraordinary Items (Not Annualised) (Rupees)	1.57	1.29	2.86	2.86	3.95	6.33
17	Debt Service Coverage Ratio (Number of times)				1.9	2.0	2.8
18	Interest Service Coverage Ratio (Number of times)				2.1	1.7	2.6

Part II		Quarter ended			Half Year ended		Year ended
Sl. No	Particulars	30th Sept 2014	30th June 2014	30th Sept 2013	30th Sept 2014	30th Sept 2013	31st March 2014
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
A	PARTICULARS OF SHAREHOLDING						
1	Public share holding						
	- Number of shares	82,57,77,391	82,57,77,391	82,57,77,391	82,57,77,391	82,57,77,391	82,57,77,391
	- Percentage of share holding	19.99	19.99	19.99	19.99	19.99	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	330,42,93,713	330,42,93,713	330,42,93,713	330,42,93,713	330,42,93,713	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	100.00
	- Percentage of shares (as a % of the total share capital of the company)	80.00	80.00	80.00	80.00	80.00	80.00

Particulars	Quarter ended 30th Sept 2014
INVESTOR COMPLAINTS	
Pending at the beginning of the quarter	0
Received during the quarter	9
Disposed off during the quarter	9
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.

Statement of Assets and liabilities*(₹ crore)*

	As at 30th September 2014 Unaudited)	As at 31st March 2014 (Audited)
Equities and Liabilities		
Shareholders' Funds		
(a) Share Capital	4130.53	4130.53
(b) Reserves and Surplus	39491.90	38535.82
Sub-total - Shareholders' Funds	43622.43	42666.35
Non-current liabilities		
(a) Long-term borrowings	13071.68	13632.22
(b) Deferred tax liabilities (Net)	2224.73	2040.46
(c) Other Long term liabilities	1257.05	1381.3
(d) Long-term provisions	3609.59	3901.28
Sub-total - Non-current liabilities	20163.05	20955.26
Current Liabilities		
(a) Short-term borrowings	11290.35	10634.48
(b) Trade payables	3510.47	3205.34
(c) Other current liabilities	12700.65	12478.51
(d) Short-term provisions	2376.74	2021.95
Sub-total - current liabilities	29878.21	28340.28
TOTAL - EQUITY AND LIABILITIES	93663.69	91961.89
ASSETS		
Non-current assets		
(a) Fixed Assets	62585.97	60421.19
(b) Non-current investments	944.41	720.20
(c) Long-term loans and advances	4466.11	3794.32
(d) Other non-current assets	62.78	135.43
Sub-total - Non-current assets	68059.27	65071.14
Current assets		
(a) Inventories	15362.20	15200.82
(b) Trade receivables	4468.74	5481.98
(c) Cash and Bank Balances	2756.03	2855.95
(d) Short-term loans and advances	1073.50	1160.51
(e) Other current assets	1943.95	2191.49
Sub-total - Current assets	25604.42	26890.75
TOTAL - ASSETS	93663.69	91961.89

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 13th November, 2014.
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 2014: ₹1735.42 crore (corresponding Half Year of previous year: ₹1846.94 crore) and cumulatively upto 30th September, 2014: ₹8600.08 crore (upto the corresponding Half Year of previous year : ₹20090.64 crore).
4. Pending decision by the Hon'ble Supreme Court of India on levy of entry tax in the States of Chattisgarh, Odisha, and Uttar Pradesh, the entry tax demands, under dispute, of ₹1078.10 crore, ₹298.51 crore and ₹92.40 crore respectively, have been treated as contingent liabilities.
5. Pending decision by the Hon'ble Supreme Court of India in the determination of the electricity tariff, claims of ₹291.76 crore upto 31st March, 2014 made by Damodar Valley Corporation in respect of electricity supplied to one of the Plants of the Company, have been treated as contingent liabilities.
6. 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 ₹49.67 crore (net debit) and ₹75.42 crore (net debit) for the current Quarter and Half Year respectively [corresponding Quarter and Half Year of previous year- ₹207.97 crore (net debit) and ₹479.39 crore (net debit)], has been adjusted in the carrying cost of the Fixed Assets/Capital Work-in-progress.
7. The Company has revised the accounting policy for depreciation of tangible assets in alignment with Schedule II to the Companies Act, 2013 which has become applicable from 1st April, 2014. Consequently, profit for the half year is higher by ₹191.73 crore. Further, an amount of ₹223.96 crore has been recognised in the opening balance of the retained earnings where the remaining useful life of such tangible assets is Nil as at 1st April, 2014 in line with the provisions of Schedule - II to the Companies Act, 2013.
8. The Auditors in their Limited Review Report for the quarter ended 30th June, 2014 have brought out that the Company has not provided for :
 - a) entry tax amounting to ₹92.40 crore in the state of Uttar Pradesh, ₹1075.85 crore in the state of Chhattisgarh and ₹243.86 crore in the state of Odisha;
 - b) claims of ₹291.76 crore by DVC for supply of Power;

In respect of items stated at (a) and (b) above, the Company's views are that these cases are sub judice and pending for adjudication before the Hon'ble Supreme Court. 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, 2014. Therefore, there is no adverse impact on profit. These cases were sub judice as on 31st March, 2012, 2013 & 2014, also and there is no change in the status of these cases till date.

9. 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.

10. 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: 13th November, 2014


(Anil Kumar Chaudhary)
Director (Finance)