



स्टील अथॉरिटी ऑफ इण्डिया लिमिटेड
STEEL AUTHORITY OF INDIA LIMITED

संख्या:सीए/17(44)11
 No.CA-17(44)/11

फरवरी 13, 2012
 February 13, 2012

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 (E),
Mumbai-400 051.
 Fax No.022-26598237/38

विषय:- 31 दिसम्बर, 2011 को समाप्त नौ-माह/तिमाही के अनंकेक्षित (समीक्षित) वित्तीय परिणाम

**Sub:- Unaudited (Reviewed) Financial Results for nine-months
 and quarter ended 31st December, 2011.**

महोदय,

Dear Sirs,

सूचित करार की शर्तों के अनुसार, सेल के 31 दिसम्बर, 2011 को समाप्त नौ-माह/तिमाही के अनंकेक्षित (समीक्षित) वित्तीय परिणाम निर्धारित फार्म में आपकी सूचना व रिकार्ड हेतु भेजे जा रहे हैं।

In terms of Listing Agreement, please find enclosed the Unaudited (Reviewed) Financial Results of SAIL for Nine-months and quarter ended 31st December, 2011 in the prescribed format for your information and record.

ये वित्तीय परिणाम 13 फरवरी, 2012 को नई दिल्ली में हुई निदेशक मण्डल की बैठक में रिकार्ड में लिये गये। इन परिणामों को 14 फरवरी, 2012 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 February, 2012 at New Delhi. These results are also being published in the newspapers on 14th February, 2012.

भवदीय,

Yours faithfully,

देवेन्द्र कुमार

(Devinder Kumar)

कार्य निदेशक (वित्त) एवं सचिव

ED (F&A) & Secretary

संलग्न: उपरोक्त वर्णित।

Encl: as stated.

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

Unaudited Financial Results for the Nine Months ended 31st December 2011

Sl. No	Particulars	Quarter ended		Nine Months ended		Rs. in Crore
		31st December 2011	30th September 2011	31st December 2010	31st December 2010	Year ended 31st March 2011
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1	(a) Net Sales / Income from operations					
	i) Gross sales	11695.95	11970.35	12276.81	35563.73	33905.04
	ii) Less : Excise Duty	1092.11	1133.67	1133.61	3306.88	3129.59
	Sub total (a) (i-ii)	10593.84	10836.68	11143.20	32256.85	30775.45
	(b) Other operating income	134.94	142.94	136.48	392.97	384.99
	Sub total 1 (a) + (b)	10728.78	10979.62	11279.68	32649.82	31160.44
2	Expenditure					
	a) Increase(-)/Decrease in stock-in-trade and work in progress	-1257.05	-454.79	36.28	-2002.23	-1356.07
	b) Consumption of Raw Materials	5890.85	5808.45	6262.31	16788.88	14843.88
	c) Purchase of traded goods	1.81	1.92	0.50	4.65	2.98
	d) Consumption of stores & spares	657.16	652.10	580.81	1929.19	1761.81
	e) Employees' cost	1864.54	1980.80	1963.47	6111.47	5575.55
	f) Power & Fuel	1128.47	1123.72	887.61	3314.14	2642.58
	g) Depreciation	409.31	303.78	379.33	1177.90	1098.66
	h) Other Expenditure	1076.86	957.91	1084.34	3069.32	2991.66
	i) Loss: Finished Products Internally Consumed	314.95	217.63	198.15	796.16	543.39
	Sub total 2 (a) to (i)	9558.99	10048.28	9896.48	29587.14	27017.66
3	Profit from operations before other income, interest and exceptional items (1-2)	1171.79	933.36	1383.20	3062.68	4142.78
4	Other Income					
	i) Interest earned	370.85	433.75	280.43	1297.15	987.08
	ii) Other Income	13.08	58.51	10.85	83.02	65.50
	Sub total (i+ii)	383.71	490.26	271.08	1340.17	1032.66
5	Profit before interest and exceptional items (3+4)	1555.50	1423.62	1654.28	4392.85	5175.44
6	Interest	185.46	200.01	59.24	556.69	297.92
7	Profit after interest but before exceptional items (5-6)	1370.04	1223.61	1595.04	3836.16	4877.52
8	Exceptional Items-Foreign exchange loss (-)/ gain(+) (Refer note vi)	-466.28	-508.72	33.16	-986.65	91.89
9	Profit from ordinary activities before tax (7+8)	903.76	714.89	1628.20	2849.51	4969.41
10	Tax Expense					
	(a) Current Tax	271.97	235.91	516.22	897.62	1590.65
	(b) Deferred Tax liability / Assets (-)	1.18	-14.63	4.51	-11.31	13.73
	(c) Earlier years	-1.51	-1.03	0.00	-2.54	-9.10
	Sub-Total (a to c)	271.64	220.25	520.73	883.77	1595.28
11	Net Profit from ordinary activities after Tax (9-10)	632.12	494.64	1107.47	1965.74	3374.13
12	Extraordinary items (net of tax expense Rs. Nil)	0.00	0.00	0.00	0.00	0.00
13	Net Profit for the period (11-12)	632.12	494.64	1107.47	1965.74	3374.13
14	Paid up Equity Share Capital (Face value : Rs. 10 per share)	4130.53	4130.53	4130.40	4130.53	4130.40
15	Reserves (excluding revaluation reserve) as per balance sheet of previous accounting year					32939.07
16	Basic and Diluted Earnings per share before and after extraordinary items (Not Annualised) (Rupees)	1.53	1.20	2.68	4.76	8.17
17	Aggregate of public share holding					
	- Number of shares	58,52,22,759	58,52,22,759	58,50,83,715	58,52,22,759	58,50,83,715
	Percentage of share holding	14.17	14.17	14.16	14.17	14.16
18	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	3544690285	3544690285	3544690285	3544690285	3544690285
	- 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)	85.82	85.82	85.82	85.82	85.82

SEGMENT REVENUE, RESULTS AND CAPITAL EMPLOYED						
PARTICULARS	Quarter Ended 31st December 2011 (Unaudited)	Quarter Ended 30th September 2011 (Unaudited)	Quarter Ended 31st December 2010 (Unaudited)	Nine Months ended 31st December 2011 (Unaudited)	Nine Months ended 31st December 2010 (Unaudited)	Rs. In Crores Year ended 31st March 2011 (Audited)
Segment Revenue (Net sales / Income from Operations)						
Bhilai Steel Plant	4239.56	4103.10	4245.40	12606.55	12114.40	16805.24
- Durgapur Steel Plant	1712.70	1639.89	1580.36	4789.37	4430.86	6175.80
- Rourkela Steel Plant	1050.01	1970.24	1819.10	5708.42	5116.21	7044.77
- Bokaro Steel Plant	2676.42	2035.01	3054.48	8337.39	7885.12	10950.14
- IISCO Steel Plant	662.38	652.07	726.88	2017.94	1821.42	2580.31
- Alloy Steels Plant	205.42	293.01	313.40	781.63	952.53	1290.73
- Salem Steel Plant	368.70	286.33	367.36	837.34	1040.10	1412.45
- Visvesvaraya Iron & Steel Plant	141.82	127.88	112.87	389.29	380.80	516.82
- Others	633.53	521.68	385.43	1660.04	1088.86	1495.41
Total Segment Revenue	12386.50	12480.14	12633.32	37218.87	34776.19	48281.82
Less : Inter-Segment Revenue	1857.81	1510.52	1353.64	4569.15	3615.75	4674.48
Net sales / Income from Operations	10728.78	10970.82	11279.60	32649.02	31160.44	43607.30
Segment Results (Profit/(+)/Loss(-) before interest, exceptional items and tax)						
Bhilai Steel Plant	788.63	543.81	699.84	1827.82	2417.28	3550.56
- Durgapur Steel Plant	150.73	81.31	113.10	307.94	347.61	481.88
- Rourkela Steel Plant	188.34	131.27	238.22	533.34	647.52	844.40
- Bokaro Steel Plant	281.99	399.74	372.48	892.58	895.22	1306.56
- IISCO Steel Plant	-122.14	-148.64	8.80	-321.78	-3.82	27.80
- Alloy Steels Plant	-10.25	-10.19	3.82	-38.12	-2.40	-3.52
- Salem Steel Plant	-27.91	-8.38	6.07	-27.06	12.98	22.14
- Visvesvaraya Iron & Steel Plant	32.88	-35.27	-37.12	-103.84	-83.02	-129.07
- Others	357.98	495.44	252.97	1282.28	944.35	1363.07
Total	1656.50	1423.89	1554.28	4392.85	5176.44	7543.83
Less : Interest Expenses	105.40	200.88	68.24	558.89	297.92	474.95
Less : Exceptional Items - Foreign exchange gain (-) / Loss	488.28	508.72	-33.16	986.65	-91.80	-125.43
Profit before tax	803.78	714.89	1626.20	2849.51	4989.41	7194.31
Capital Employed						
(Segment assets less Segment liabilities excluding Inter unit Balances)						
- Bhilai Steel Plant	7928.46	7030.86	8068.69	7026.46	5086.60	5889.85
- Durgapur Steel Plant	2085.03	2080.63	1826.03	2085.56	1826.03	1762.24
- Rourkela Steel Plant	8775.20	8137.24	8080.22	8776.20	8080.22	8682.96
- Bokaro Steel Plant	7371.46	6820.82	6036.16	7371.46	6036.16	5789.93
- IISCO Steel Plant	12111.89	11546.22	9033.87	12111.89	9033.87	10320.39
- Alloy Steels Plant	426.18	377.28	326.98	426.18	326.98	302.13
- Salem Steel Plant	3484.90	3279.07	2717.09	3484.90	2717.09	2827.10
- Visvesvaraya Iron & Steel Plant	506.38	531.66	481.31	506.38	481.31	461.32
- Others	17384.22	24085.85	20872.06	17384.22	20872.06	24327.28
Total Capital Employed in the Company	60563.17	63599.00	51824.01	60563.17	51824.01	68728.03
Note :						
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:

i) 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 February, 2012.

ii) The above results have been reviewed by the Statutory Auditors, as required under Clause 41 of the Listing Agreement.

iii) The information on investors' complaints pursuant to Clause 41 of the Listing Agreement for the quarter ended 31st December, 2011:

Opening Balance	Received during the quarter	Resolved during the quarter	Closing balance
-	6	6	-

iv) The Ministry of Corporate Affairs, vide Order dated 10th June, 2011, notified the approval of amalgamation of Maharashtra Elektros melt Limited (MEL), a subsidiary company, with the Company under Sections 391 to 394 of the Companies Act, 1956. As per the Scheme of Amalgamation, the Appointed Date of Amalgamation is 1st April, 2010. The Amalgamation has been given effect to in accordance with the provisions of the scheme of amalgamation. Accordingly, as stipulated under the Scheme of Amalgamation, balance of the Profit & Loss Account of the MEL, as on 1st April, 2010, has been merged in the accounts of the Company. The profit after tax of MEL for the year 2010-11, has also been credited to the balance of the Profit and Loss Account of the Company. The financial results of the quarter/nine months ended 31st December, 2010 and the year ended 31st March, 2011, do not include the figures of the erstwhile MEL and are, therefore, not comparable with those of the current quarter/nine months. The figures for the current quarter/nine months include the results of erstwhile MEL, consequent to its amalgamation with the Company.

v) The Board of Directors, in their meeting held on 13th February, 2012, have approved interim dividend of Rs.1.20 per equity share for the financial year 2011-12. The record date for payment of interim dividend has been fixed as 18th February, 2012.

vi) Due to unusual and steep depreciation in the value of the Rupee against US Dollar and Euro during the current quarter/nine months, the foreign exchange fluctuation loss on short term foreign currency loans of Rs. 466.28 crore for the current quarter and Rs. 986.65 crore for the current nine months have been considered as an 'Exceptional Item' by the Company.

vii) In accordance with Companies (Accounting Standards) Amendment Rules 2009, relating to Accounting Standard – 11, notified by the Government of India on 31st March 2009 and amended from time to time, the foreign exchange fluctuation loss on long-term foreign currency loans of Rs.138.01 crore for the current quarter & Rs.257.51 crore for the current nine months have been adjusted in the carrying cost of the Fixed Assets/Capital Work-in-progress.

viii) Net Sales include sales to Government agencies recognised on provisional contract prices during the nine months ended 31st December, 2011: Rs.2761.79 crore (corresponding nine months of previous year: Rs.2582 crore) and upto 31st December, 2011: Rs.13907.86 crore (upto the corresponding nine months of previous year : Rs. 10553.21 crore).

ix) The matter regarding pension for non-executives remains to be decided at a later date. The effect thereof, if any, on the financial results is not ascertainable.

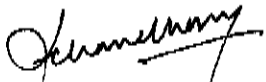
x) a) The matter with regard to imposition of entry tax on coal and iron ore @6% on discriminatory basis in one of the plants of the Company, is pending in the Hon'ble Supreme Court and is sub judice. Till 31st March, 2011, the liability towards entry tax (including penal interest on delayed payment of entry tax) was provided @ 6% on Coking Coal and Iron Ore. Based on the Hon'ble Supreme Court's order dated 9th February, 2010, the actual payment of entry tax is being made @3%. Based on the legal opinion, the accounting treatment in respect of imposition of entry tax was reviewed for the period 1st April to 31st December, 2011 and the liability towards entry tax has been retained in the books to the extent @3% each and the balance liability @3% has been written back during the current quarter, resulting in increase in profit of Rs.42 crore and Rs. 173 crore for the quarter and nine months respectively.

b) The writ petition before Hon'ble Allahabad Court on entry tax in Uttar Pradesh has been dismissed on 23.12.2011. Bank guarantees amounting to Rs.41.78 crore have been invoked and encashed. On SLP before the Hon'ble Supreme Court of India, leave has been granted. Pending final decision by the Hon'ble Supreme Court of India, the amount of Rs.43.83 crore under dispute upto 31.12.2011 has been treated as contingent liability.

xi) The figures of previous periods have been re-grouped, wherever necessary, to conform to current quarter/nine months's classification. Pursuant to the amalgamation of MEL with the Company, as explained in note (iv) above, the figures for the current quarter/nine months are not comparable with the corresponding period of previous year.

For and on behalf of Board of Directors

Place: New Delhi
Dated: 13th February, 2012


(Anil Kumar Chaudhary)
Director (Finance)