

**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

₹ Crore

Sl. No	Particulars	Quarter ended			Half Year ended		Year ended 31st March 2014
		30th Sept 2014	30th June 2014	30th Sept 2013	30th Sept 2014	30th Sept 2013	
		(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	1318.68	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
	<b>Total Income from Operations (net)</b>	<b>11678.67</b>	<b>11339.68</b>	<b>11519.78</b>	<b>23018.35</b>	<b>21748.50</b>	<b>46682.38</b>
2	<b>Expenses</b>						
	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	4368.14	4426.68	4692.48	8795.82	9359.77	19271.16
	c) Purchase of Stock in Trade	0.00	0.00	0.29	0.00	0.57	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	1297.88	2797.46	2450.25	4942.15
	f) Depreciation and Amortisation Expenses	391.66	407.85	398.80	799.61	791.65	1716.69
	g) Other Expenses	2193.08	2047.81	1795.37	4240.89	3679.95	7992.36
	<b>Total Expenses</b>	<b>10733.92</b>	<b>10619.32</b>	<b>11135.58</b>	<b>21353.24</b>	<b>20918.94</b>	<b>44396.28</b>
3	Profit from Operations before Other Income, Finance Costs and Exceptional Items ( 1-2)	944.76	720.36	384.22	1666.11	831.56	2286.10
4	<b>Other Income</b>						
	i) Interest Earned	105.82	108.75	150.10	212.57	278.83	584.13
	ii) Other Income	56.15	90.55	18.34	146.70	154.97	265.70
	<b>Sub total (i+ii)</b>	<b>161.97</b>	<b>197.30</b>	<b>168.44</b>	<b>359.27</b>	<b>433.80</b>	<b>849.83</b>
5	Profit from ordinary activities before Finance Costs and Exceptional Items ( 3+4)	1106.72	917.66	552.66	2024.38	1265.36	3135.93
6	Finance Cost	355.78	304.98	216.48	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	<b>Exceptional Items Loss(-)/Gain (+)</b>						
	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	3224.65
10	<b>Tax Expense</b>						
	(a) Current Tax	161.83	132.05	288.71	293.89	396.61	683.26
	(b) Deferred Tax Liability / Assets ( - )	101.45	82.62	211.24	184.27	281.21	331.97
	(c) MAT Credit	-161.83	-132.05	-288.71	-293.89	-396.61	-520.11
	(d) Earlier Years	0.00	0.00	0.81	0.00	0.81	112.95
	<b>Sub-Total ( a to d )</b>	<b>101.45</b>	<b>82.62</b>	<b>212.05</b>	<b>184.27</b>	<b>282.02</b>	<b>608.07</b>
11	<b>Net Profit from Ordinary Activities after Tax ( 9-10 )</b>	<b>649.49</b>	<b>529.88</b>	<b>1180.39</b>	<b>1179.37</b>	<b>1631.30</b>	<b>2616.48</b>
12	Extraordinary Items (net of Tax Expense Rs. Nil)	0.00	0.00	0.00	0.00	0.00	0.00
13	<b>Net Profit for the Period (11-12)</b>	<b>649.49</b>	<b>529.88</b>	<b>1180.39</b>	<b>1179.37</b>	<b>1631.30</b>	<b>2616.48</b>
14	Paid up Equity Share Capital ( Face value : Rs. 10 per share )	4130.53	4130.53	4130.53	4130.53	4130.53	4130.53
15	Reserves (Excluding Revaluation Reserve ) as per Balance Sheet of Previous Accounting Year						38535.82
16	Basic and Diluted Earnings per Share (of Rs.10/- each) before and after Extraordinary Items ( Not Annualised ) ( Rupees )	1.57	1.28	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

Sl. No	Particulars	Quarter ended			Half Year ended		Year ended 31st March 2014
		30th Sept 2014	30th June 2014	30th Sept 2013	30th Sept 2014	30th Sept 2013	
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
A	<b>PARTICULARS OF SHAREHOLDING</b>						
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
<b>INVESTOR COMPLAINTS</b>	
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

SEGMENT REVENUE, RESULTS AND CAPITAL EMPLOYED						
PARTICULARS	₹ crore					
	Quarter Ended	Quarter Ended	Quarter Ended	Half Year ended	Half Year ended	Year ended
	30th Sept	30th June	30th Sept	30th Sept	30th Sept	31st March
	2014	2014	2013	2014	2013	2014
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
<b>Segment Revenue (Net Sales / Income from Operations)</b>						
- Bhilai Steel Plant	4148.48	3813.86	4295.10	7960.32	8214.83	17159.12
- Durgapur Steel Plant	1811.88	1663.35	1763.04	3475.23	3443.21	7379.90
- Rourkela Steel Plant	2284.84	2302.32	2051.89	4587.16	3818.30	8492.87
- Bokaro Steel Plant	3083.12	3101.15	3189.18	6184.27	6030.55	12666.29
- IISCO Steel Plant	518.63	550.69	740.56	1089.32	1405.84	2926.83
- Alloy Steels Plant	195.87	139.38	172.48	335.25	392.81	737.99
- Salem Steel Plant	500.07	476.15	451.55	976.22	802.32	1824.04
- Visvesvaraya Iron & Steel Plant	66.74	72.92	47.63	139.66	110.66	227.34
- Others	819.64	819.83	851.22	1639.47	1622.28	3447.80
<b>Total Segment Revenue</b>	<b>13427.25</b>	<b>12939.65</b>	<b>13582.65</b>	<b>26366.80</b>	<b>25840.80</b>	<b>54862.12</b>
Less : Inter-Segment Revenue	1748.58	1599.97	2042.87	3348.55	4092.30	8179.74
<b>Net sales / Income from Operations</b>	<b>11678.67</b>	<b>11339.68</b>	<b>11519.78</b>	<b>23018.35</b>	<b>21748.50</b>	<b>46682.38</b>
<b>Segment Results (Profit(+)/Loss(-) before Interest, Exceptional Items and Tax)</b>						
- Bhilai Steel Plant	801.18	488.03	538.44	1289.21	1047.34	2320.31
- Durgapur Steel Plant	155.13	154.49	109.74	309.62	228.09	519.55
- Rourkela Steel Plant	118.69	142.00	18.80	260.69	97.22	422.29
- Bokaro Steel Plant	219.05	254.45	-54.19	473.50	-69.30	400.50
- IISCO Steel Plant	-227.36	-239.08	-83.07	-466.44	-164.23	-539.40
- Alloy Steels Plant	-35.46	-34.25	-30.97	-89.71	-58.93	-84.19
- Salem Steel Plant	-60.79	-60.61	-75.98	-121.40	-168.75	-281.58
- Visvesvaraya Iron & Steel Plant	-29.41	-29.16	-38.64	-58.59	-68.50	-122.62
- Others	165.69	241.81	148.51	407.50	422.42	501.07
<b>Total</b>	<b>1106.72</b>	<b>917.66</b>	<b>552.68</b>	<b>2024.38</b>	<b>1265.36</b>	<b>3135.93</b>
Less : Interest Expenses	355.78	304.96	216.48	660.74	408.30	967.64
<b>Exceptional Items - Loss(-)/Gain(+)</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
Add : Compensation Received for Non Performance of Contract.	0.00	0.00	1056.26	0.00	1055.26	1056.26
<b>Profit before Tax</b>	<b>750.94</b>	<b>612.70</b>	<b>1392.44</b>	<b>1363.64</b>	<b>1913.32</b>	<b>3224.55</b>
<b>Capital Employed</b>						
<b>(Segment Assets less Segment Liabilities excluding Inter Unit Balances)</b>						
- Bhilai Steel Plant	15312.70	14788.71	14206.18	15312.70	14206.18	14950.48
- Durgapur Steel Plant	3214.61	3014.43	3099.66	3214.61	3099.66	3077.23
- Rourkela Steel Plant	13734.38	13348.10	12717.36	13734.38	12717.36	13375.75
- Bokaro Steel Plant	10294.36	10102.93	9701.72	10294.36	9701.72	10402.60
- IISCO Steel Plant	15946.33	15526.87	15101.27	15946.33	15101.27	15501.10
- Alloy Steels Plant	428.50	426.88	508.05	428.50	508.05	423.35
- Salem Steel Plant	2702.75	2761.81	3124.64	2702.75	3124.64	2813.29
- Visvesvaraya Iron & Steel Plant	410.78	401.73	414.15	410.78	414.15	391.90
- Others	-3125.57	-1809.01	487.24	-3125.57	487.24	-2596.67
<b>Total Capital Employed in the Company</b>	<b>58918.84</b>	<b>58681.25</b>	<b>59360.27</b>	<b>58918.84</b>	<b>59360.27</b>	<b>58339.03</b>
<b>Note :</b>						
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)
<b>Equities and Liabilities</b>		
<b>Shareholders' Funds</b>		
(a) Share Capital	4130.53	4130.53
(b) Reserves and Surplus	39491.90	38535.82
<b>Sub-total - Shareholders' Funds</b>	43622.43	42666.35
<b>Non-current liabilities</b>		
(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
<b>Sub-total - Non-current liabilities</b>	20163.05	20955.26
<b>Current Liabilities</b>		
(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
<b>Sub-total - current liabilities</b>	29878.21	28340.28
<b>TOTAL - EQUITY AND LIABILITIES</b>	93663.69	91961.89
<b>ASSETS</b>		
<b>Non-current assets</b>		
(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
<b>Sub-total - Non-current assets</b>	68059.27	65071.14
<b>Current assets</b>		
(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
<b>Sub-total - Current assets</b>	25604.42	26890.75
<b>TOTAL - ASSETS</b>	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 13<sup>th</sup> 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 30<sup>th</sup> September 2014: ₹1735.42 crore (corresponding Half Year of previous year: ₹1846.94 crore) and cumulatively upto 30<sup>th</sup> 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 31<sup>st</sup> 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 31<sup>st</sup> 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 1<sup>st</sup> 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 1<sup>st</sup> 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 30<sup>th</sup> 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;

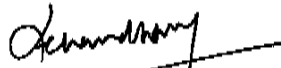
In respect of items stated at (a) and (b) above, the Company's views are that these cases are sub judice and pending for adjudication before the Hon'ble Supreme Court. The disputed demands, contested on valid and bonafide grounds, have been disclosed as contingent liabilities as it is not probable that present obligations exist as on 30<sup>th</sup> September, 2014. Therefore, there is no adverse impact on profit. These cases were sub judice as on 31<sup>st</sup> 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: 13<sup>th</sup> November, 2014

  
( Anil Kumar Chaudhary )  
Director (Finance)