

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

Statement of Standalone Unaudited Financial Results for the Half Year ended 30th September 2013

Part I		Quarter ended			Half Year ended		Cr. / De.
Sl. No	Particulars	30th Sept 2013	30th June 2013	30th Sept 2012	30th Sept 2013	30th Sept 2012	31st March 2013
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1	(a) Net Sales / Income from operations						
	i) Gross Sales	12801.99	11361.14	11975.72	24163.13	23898.14	49349.69
	ii) Less : Excise Duty	1392.12	1255.02	1312.52	2647.14	2584.21	5388.64
	Sub total (a) (i-ii)	11409.87	10106.12	10663.20	21515.99	21303.93	43961.05
	(b) Other operating Income	125.84	181.79	152.38	287.43	289.13	637.21
	Total Income from Operations (net)	11635.51	10267.91	10815.56	21803.42	21593.06	44698.26
2	Expenses						
	a) Changes in Inventories of Finished Goods, Work in Progress and Stock-in-Trade	455.51	-810.98	-1120.88	-155.47	-2428.19	-2016.09
	b) Cost of Materials Consumed	4692.48	4667.29	5733.37	9359.77	11374.94	21188.48
	c) Purchase of Stock in Trade	0.29	0.28	0.80	0.57	1.92	3.21
	d) Employee Benefits Expense	2495.43	2294.79	2089.83	4790.22	4082.31	8637.20
	e) Power & Fuel	1297.68	1152.67	1273.93	2450.25	2497.89	4830.44
	f) Depreciation and Amortisation Expenses	398.80	382.85	402.63	791.65	804.46	1402.98
	g) Other Expenses	1727.23	1796.70	1733.85	3523.93	3444.25	7268.14
	Total Expenses	11097.42	9693.50	10113.63	20760.92	19777.88	41314.36
3	Profit from Operations before Other Income, Finance Costs and Exceptional Items (1-2)	468.09	874.41	702.03	1042.50	1816.48	3283.90
4	Other Income						
	i) Interest Earned	150.10	128.73	210.31	278.83	417.60	828.46
	ii) Other Income	2.61	97.44	19.84	100.05	81.00	107.28
	Sub total (4+i+ii)	152.71	226.17	230.15	378.88	508.60	933.74
5	Profit from ordinary activities before Finance Costs and Exceptional Items (3+4)	620.80	800.58	932.18	1421.38	2324.08	4217.64
6	Finance Cost	216.48	191.82	186.15	408.30	311.03	747.66
7	Profit from ordinary activities after Finance Costs but before Exceptional Items (5-6)	404.32	608.76	746.03	1013.08	2013.05	3469.98
8	Exceptional Items						
	Foreign Exchange Loss (-) / Gain (+)	-68.14	-87.88	41.84	-156.02	-215.10	-229.32
	Compensation Received for Non Performance of Contract (ref note 4)	1056.26	0.00	0.00	1056.26	0.00	0.00
9	Profit from Ordinary Activities before Tax (7+8)	1392.44	520.88	787.87	1913.32	1797.95	3240.66
10	Tax Expense						
	(a) Current Tax	288.71	107.90	199.09	396.81	462.54	1057.96
	(b) Deferred Tax Liability / Assets (-)	211.24	69.97	45.81	281.21	98.03	12.44
	(c) MAT Credit	-288.71	-107.90	0.00	-396.81	0.00	0.00
	(d) Earlier Years	0.81	0.00	-0.14	0.81	-0.14	-0.09
	Sub-Total (a to d)	212.05	69.97	244.76	282.02	558.43	1070.31
11	Net Profit from Ordinary Activities after Tax (9-10)	1180.39	450.91	543.11	1631.30	1239.52	2170.35
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)	1180.39	450.91	543.11	1631.30	1239.52	2170.35
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						36894.11
16	Basic and Diluted Earnings per Share (of Rs.10/- each) before and after Extraordinary Items (Not Annualised) (Rupees)	2.80	1.09	1.31	3.95	3.00	5.25
17	Debt Service Coverage Ratio (Number of times)				1.99	2.08	2.81
18	Interest Service Coverage Ratio (Number of times)				1.66	3.39	2.58

Part II		Quarter ended			Half Year ended		Year ended
Sl. No	Particulars	30th Sept 2013	30th June 2013	30th Sept 2012	30th Sept 2013	30th Sept 2012	31st March 2013
		(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	58,53,23,509	82,57,77,391	58,53,23,509	82,57,77,391
	- Percentage of share holding	19.99	19.99	14.17	19.99	14.17	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	354,46,90,285	330,42,93,713	354,46,90,285	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	85.82	80.00	85.82	80.00

Particulars	Quarter ended 30th Sep 2013
B	
INVESTOR COMPLAINTS	
Pending at the beginning of the quarter	2
Received during the quarter	12
Disposed off during the quarter	13
Remaining unresolved at the end of the quarter	1

SEGMENT REVENUE, RESULTS AND CAPITAL EMPLOYED					Annexure - I (contd.)	
PARTICULARS	Quarter Ended 30th Sept 2013 (Unaudited)	Quarter Ended 30th June 2013 (Unaudited)	Quarter Ended 30th Sept 2012 (Unaudited)	Half Year ended 30th Sept 2013 (Unaudited)	Half Year ended 30th Sept 2012 (Unaudited)	Year ended 31st March 2013 (Audited)
						₹ crore
Segment Revenue (Net Sales / Income from Operations)						
- Bhilai Steel Plant	4298.89	3927.05	4348.96	8225.74	8290.84	17059.48
- Durgapur Steel Plant	1783.88	1682.34	1631.65	3448.32	3391.94	7377.00
- Rourkela Steel Plant	2053.83	1768.52	1873.05	3922.39	3653.03	7622.43
- Bokaro Steel Plant	3191.53	2847.01	2806.04	6038.54	5713.07	11482.81
- IISCO Steel Plant	741.89	667.09	651.65	1408.98	1387.92	2643.04
- Alloy Steels Plant	172.67	220.44	214.45	393.11	431.74	767.70
- Salem Steel Plant	451.73	350.82	345.27	802.55	648.51	1360.34
- Visvesvaraya Iron & Steel Plant	47.78	63.17	128.51	110.95	267.79	439.13
- Others	856.28	790.90	730.51	1647.18	1389.56	2814.23
Total Segment Revenue	13578.38	12317.34	12730.10	25895.72	25174.36	51566.20
Less : Inter-Segment Revenue	2042.87	2049.43	1914.54	4092.30	3581.30	6967.94
Net sales / Income from Operations	11535.51	10267.91	10815.56	21803.42	21593.06	44598.26
Segment Results (Profit/+/Loss/-) before Interest, Exceptional Items and Tax						
- Bhilai Steel Plant	588.01	538.24	629.97	1106.25	1269.35	2306.93
- Durgapur Steel Plant	123.41	133.02	148.79	266.43	373.78	673.03
- Rourkela Steel Plant	27.93	96.35	117.17	124.28	316.31	560.77
- Bokaro Steel Plant	-45.34	1.87	105.49	-43.47	329.70	551.23
- IISCO Steel Plant	-58.15	-82.21	-71.50	-148.36	-72.29	-105.01
- Alloy Steels Plant	-30.97	-27.68	-21.44	-58.93	-40.93	-112.73
- Salem Steel Plant	-76.96	-92.78	-83.10	-168.74	-157.07	-326.56
- Visvesvaraya Iron & Steel Plant	-38.64	-29.08	-36.00	-68.50	-67.22	-118.81
- Others	148.51	273.91	142.80	422.42	372.45	768.59
Total	620.80	800.59	932.18	1421.38	2324.08	4217.64
Less : Interest Expenses	216.48	191.82	188.15	408.30	311.03	747.66
Less : Exceptional Items - Foreign exchange Fluctuation	88.14	87.88	-41.84	158.02	215.10	229.32
Less : Compensation Received for Non Performance of Contract	-1056.26	0.00	0.00	-1056.26	0.00	0.00
Profit before Tax	1392.44	620.88	787.87	1913.32	1797.95	3240.66
Capital Employed						
(Segment Assets less Segment Liabilities excluding Inter Unit Balances)						
- Bhilai Steel Plant	14206.18	13530.16	11441.54	14206.18	11441.54	12588.01
- Durgapur Steel Plant	3099.86	2951.65	3002.89	3099.86	3002.89	2821.60
- Rourkela Steel Plant	12717.36	12305.15	10766.65	12717.36	10766.65	11781.13
- Bokaro Steel Plant	9701.72	8974.48	9197.95	9701.72	9197.95	10011.77
- IISCO Steel Plant	15101.27	14725.51	13532.14	15101.27	13532.14	14268.86
- Alloy Steels Plant	508.05	507.58	563.62	508.05	563.62	560.46
- Salem Steel Plant	3124.64	3317.00	3388.72	3124.64	3388.72	3285.05
- Visvesvaraya Iron & Steel Plant	414.15	451.13	526.47	414.15	526.47	493.60
- Others	487.24	76.00	2367.90	487.24	2367.9	328.44
Total Capital Employed in the Company	59360.27	57838.68	54787.88	59360.27	54787.88	56238.72
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:
Statement of Assets and liabilities

	(₹ crore)	
	As at 30th September 2013 (Unaudited)	As at 31st March 2013 (Audited)
Equities and Liabilities		
Shareholders' Funds		
(a) Share Capital	4130.53	4130.53
(b) Reserves and Surplus	38525.98	36894.11
(c) Money received under share warrants	-	-
Sub-total - Shareholders' Funds	42656.51	41024.64
Share application money pending allotment	-	-
Non-current liabilities		
(a) Long-term borrowings	14714.08	13485.55
(b) Deferred tax liabilities (Net)	1989.68	1728.53
(c) Other Long term liabilities	1243.87	1271.12
(d) Long-term provisions	4237.14	4204.16
Sub-total - Non-current liabilities	22184.77	20689.36
Current Liabilities		
(a) Short-term borrowings	8284.78	8015.02
(b) Trade payables	3161.12	3322.04
(c) Other current liabilities	9512.17	8654.70
(d) Short-term provisions	3164.08	2512.70
Sub-total - current liabilities	24122.15	22504.46
TOTAL - EQUITY AND LIABILITIES	88963.43	84218.46
ASSETS		
Non-current assets		
(a) Fixed Assets	57111.54	52668.25
(b) Non-current investments	720.20	718.36
(c) Deferred tax assets (net)	-	-
(d) Long-term loans and advances	3632.93	3165.17
(e) Other non-current assets	51.83	50.70
Sub-total - Non-current assets	61516.50	56602.48
Current assets		
(a) Current investments	-	-
(b) Inventories	16165.03	16008.21
(c) Trade receivables	4177.67	4424.18
(d) Cash and Bank Balances	3959.78	3850.35
(e) Short-term loans and advances	1039.26	990.69
(f) Other current assets	2105.19	2342.55
Sub-total - Current assets	27446.93	27615.98
TOTAL - ASSETS	88963.43	84218.46

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 11th November, 2013.
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 2013: ₹1846.94 crore (corresponding Half Year of previous year: ₹ 2221.36 crore) and cumulatively upto 30th September, 2013: ₹20090.64 crore (upto the corresponding Half Year of previous year : ₹16673.47 crore).
4. During the Current Quarter/Half Year, the Company received an amount of ₹1056.26 crore towards damages due to non supply of full quantity of contracted hard coking coal by foreign suppliers. The amount has been considered as an 'exceptional item' by the Company.
5. The wage revision of the non-executives of the company is due w.e.f 1st January, 2012. Pending finalisation of fresh agreements, cumulative amount of ₹1148.49 crore upto the half year ended 30th September, 2013 (for current half year - ₹537.46 crore), have been provided towards Employee Benefits, on estimated basis for the period 1st January, 2012 to 30th September, 2013.
6. The auditors in their limited review report for the quarter ended 30th June, 2013 have brought out that the Company has not provided for :
 - a) entry tax amounting to ₹82.46 crore in the state of Uttar Pradesh, ₹930.95 crore in the state of Chhatisgarh and ₹179.91 crore in the state of Odisha;
 - b) income tax demand of ₹87.62 crore;
 - c) claims of ₹234.64 crore by DVC for supply of Power;

The Management's view on the above mentioned points is 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 on 30th September, 2013. Therefore, there is no adverse impact on profit. These cases were sub-judice as on 31st March, 2012 also and there is no change in the status of these cases till date.

7. 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 ₹479.39 crore (net debit) for the current Half Year [corresponding Half Year of previous year- ₹24.81 crore (net debit)], has been adjusted in the carrying cost of the Fixed Assets/Capital Work-in-progress.

8. Formulas used for computation of coverage ratios : Debt Service Coverage Ratio = Earnings before interest, exceptional items and tax/principal and interest repayment 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 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



(Anil Kumar Chaudhary)
Director (Finance)

Place: New Delhi

Dated: 11th November, 2013