

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

Statement of Standalone Unaudited Financial Results for the Quarter and Nine Months ended 31st December, 2013

₹ Crore

Part I Sl. No	Particulars	Quarter ended			Nine Months ended		Year ended
		31st Dec 2013 (Unaudited)	30th Sept 2013 (Unaudited)	31st Dec 2012 (Unaudited)	31st Dec 2013 (Unaudited)	31st Dec 2012 (Unaudited)	31st March 2013 (Audited)
1	(a) Net Sales / Income from operations						
	i) Gross Sales	12716.28	12801.89	11801.41	36879.41	35689.55	49349.09
	ii) Less : Excise Duty	1353.58	1392.12	1306.78	4000.72	3890.99	5388.64
	Sub total (a)-(i-ii)	11362.70	11409.87	10494.63	32878.69	31798.56	43961.05
	(b) Other operating income	96.02	114.40	144.49	345.25	404.40	637.21
	Total Income from Operations (net)	11458.72	11624.27	10639.12	33223.94	32202.96	44598.26
2	Expenses						
	a) Changes in Inventories of Finished Goods, Work in Progress and Stock-in-Trade	-373.89	455.51	-714.34	-529.36	-3142.53	-2016.09
	b) Cost of Materials Consumed	5081.81	4682.48	5296.34	14441.58	16671.28	21198.48
	c) Purchase of Stock in Trade	0.07	0.29	1.07	0.64	2.99	3.21
	d) Employee Benefits Expense	2267.80	2495.43	2081.47	7058.02	6163.78	8637.20
	e) Power & Fuel	1229.83	1287.68	1114.04	3680.08	3611.93	4830.44
	f) Depreciation and Amortisation Expenses	406.74	388.80	404.90	1200.39	1209.36	1402.98
	g) Other Expenses	2121.12	1727.23	1751.58	5645.05	5195.83	7256.14
	Total Expenses	10736.48	11067.42	9938.06	31486.40	29712.64	41314.36
3	Profit from Operations before Other Income, Finance Costs and Exceptional Items (1-2)	723.24	456.85	704.06	1727.54	2490.32	3283.90
4	Other Income						
	i) Interest Earned	148.98	150.10	207.90	427.81	625.50	826.46
	ii) Other Income	59.82	13.85	42.41	198.07	162.63	107.28
	Sub total (i+ii)	208.80	163.95	250.31	625.88	788.13	933.74
5	Profit from ordinary activities before Finance Costs and Exceptional Items (3+4)	932.04	620.80	954.37	2353.42	3278.45	4217.64
6	Finance Cost	246.77	216.48	222.04	655.07	533.07	747.68
7	Profit from ordinary activities after Finance Costs but before Exceptional Items (5-6)	685.27	404.32	732.33	1698.35	2745.38	3469.96
8	Exceptional Items						
	Foreign Exchange Loss (-)/ Gain(+)	19.92	-68.14	-30.71	-136.10	-245.81	-229.32
	Compensation Received for Non Performance of Contract.	0.00	1056.28	0.00	1056.25	0.00	0.00
9	Profit from Ordinary Activities before Tax (7+8)	706.19	1392.44	701.62	2618.51	2499.67	3240.66
10	Tax Expense						
	(a) Current Tax	139.10	288.71	273.24	535.79	735.78	1057.96
	(b) Deferred Tax Liability / Assots (-)	29.41	211.24	-55.92	310.62	40.11	12.44
	(c) MAT Credit	4.00	-288.71	0.00	-392.61	0.00	0.00
	(d) Earlier Years	0.00	0.81	0.00	0.81	-0.14	-0.09
	Sub-Total (a to d)	172.51	212.05	217.32	454.61	775.75	1070.31
11	Net Profit from Ordinary Activities after Tax (9-10)	532.60	1180.39	484.30	2163.90	1723.62	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)	532.60	1180.39	484.30	2163.90	1723.62	2170.36
14	Paid up Equity Share Capital (Face value : Rs. 10 per share)	4130.53	4130.53	4130.53	4130.53	4130.53	4130.53
16	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)	1.29	2.88	1.17	5.24	4.17	5.25

Part II Sl. No	Particulars	Quarter ended			Nine Months ended		Year ended
		31st Dec 2013 (Unaudited)	30th Sept 2013 (Unaudited)	31st Dec 2012 (Unaudited)	31st Dec 2013 (Unaudited)	31st Dec 2012 (Unaudited)	31st March 2013 (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 31st Dec 2013
B	
INVESTOR COMPLAINTS	
Pending at the beginning of the quarter	1
Received during the quarter	9
Disposed off during the quarter	10
Remaining unresolved at the end of the quarter	0

SEGMENT REVENUE, RESULTS AND CAPITAL EMPLOYED						
PARTICULARS	Quarter Ended	Quarter Ended	Quarter Ended	Nine Months ended	Nine Months ended	Year ended
	31st Dec	30th Sept	31st Dec	31st Dec	31st Dec	31st March
	2013	2013	2012	2013	2012	2013
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
Segment Revenue (Net Sales / Income from Operations)						
- Bhilai Steel Plant	4202.28	4298.69	4069.74	12421.73	12351.07	17043.95
- Durgapur Steel Plant	1873.54	1763.98	1776.81	5316.85	5186.85	7372.86
- Rourkela Steel Plant	2118.29	2053.93	1865.19	5938.26	5515.37	7614.59
- Bokaro Steel Plant	3029.66	3181.53	2740.53	9063.29	8439.68	11429.09
- IISCO Steel Plant	761.94	741.89	584.56	2169.37	1972.00	2831.38
- Alloy Steels Plant	184.33	172.67	175.39	577.19	606.82	766.73
- Salem Steel Plant	474.04	451.73	334.58	1276.51	982.88	1359.85
- Visvesvaraya Iron & Steel Plant	45.02	47.78	65.58	155.81	352.57	434.39
- Others	941.46	858.28	735.48	2509.12	2125.78	2807.66
Total Segment Revenue	13630.58	13578.38	12367.86	39488.10	37513.00	51480.50
Less : Inter-Segment Revenue	2171.86	2042.87	1728.74	6264.16	5310.04	6967.64
Net sales / Income from Operations	11458.72	11535.51	10639.12	33223.94	32202.96	44492.58
Segment Results (Profit/(+)/Loss(-) before Interest, Exceptional Items and Tax)						
- Bhilai Steel Plant	818.50	568.01	572.83	1724.75	1841.98	2306.93
- Durgapur Steel Plant	85.16	123.41	133.72	341.59	507.50	673.03
- Rourkela Steel Plant	102.67	27.93	141.17	226.95	457.48	560.77
- Bokaro Steel Plant	140.89	-45.34	112.61	97.42	442.31	551.23
- IISCO Steel Plant	-155.09	-58.15	-47.72	-303.45	-120.01	-105.91
- Alloy Steels Plant	-30.56	-30.97	-34.69	-66.49	-75.82	-112.73
- Salem Steel Plant	-67.93	-75.96	-69.83	-236.87	-226.90	-326.56
- Visvesvaraya Iron & Steel Plant	-43.17	-38.64	-26.50	-111.67	-93.72	-118.61
- Others	281.57	148.51	172.96	703.99	545.43	786.59
Total	632.04	620.80	654.37	2353.42	3278.45	4217.54
Less : Interest Expenses	248.77	216.48	222.04	655.07	593.07	747.66
Less : Exceptional Items - Foreign exchange Fluctuation	-19.92	68.14	30.71	136.10	245.81	229.32
Less : Compensation Received for Non Performance of Contract	0.00	-1096.26	0.00	-1058.28		0.00
Profit before Tax	705.19	1392.44	701.62	2618.51	2499.57	3240.66
Capital Employed						
(Segment Assets less Segment Liabilities excluding Inter Unit Balances)						
- Bhilai Steel Plant	15027.92	14206.16	12497.09	15027.92	12497.09	12588.01
- Durgapur Steel Plant	3157.84	3099.68	3167.00	3157.84	3167.00	2921.50
- Rourkela Steel Plant	13251.97	12717.36	11420.96	13251.97	11420.96	11781.13
- Bokaro Steel Plant	10277.62	9701.72	9822.23	10277.62	9822.23	10011.77
- IISCO Steel Plant	15330.63	15101.27	13913.55	15330.63	13913.55	14268.88
- Alloy Steels Plant	484.15	508.05	630.98	484.15	630.98	560.46
- Salem Steel Plant	2957.24	3124.64	3469.35	2957.24	3469.35	3285.05
- Visvesvaraya Iron & Steel Plant	383.01	414.15	513.59	383.01	513.59	493.50
- Others	-1008.85	487.24	590.55	-1009.65	590.55	328.44
Total Capital Employed in the Company	59870.73	59380.27	56025.20	59870.73	58025.20	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 :

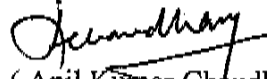
1. The above results have been reviewed by the Audit Committee and taken on record by the Board of Directors in their respective Meetings held on 14th February, 2014.
2. The above results have been reviewed by the Statutory Auditors, as required under Clause 41 of the Listing Agreement.
3. The Board of Directors, in its meeting held on 14th February, 2014, have approved interim dividend of Rs.2.02 per equity share for the Financial Year 2013-14. The record date for payment of Interim Dividend has been fixed as 20th February, 2014.
4. Net Sales include sales to Government Agencies recognised on provisional contract prices during the Nine Months ended 31st December, 2013: ₹2472.83 crore (corresponding Nine Months of previous year: ₹3185.07 crore) and cumulatively upto 31st December, 2013: ₹20716.54 crore (upto the corresponding Nine Months previous year : ₹17518.44 crore).
- 5 a). After expiry of long term wage agreement with non-executive employees on 31st December, 2011, the Company has entered into a Memorandum of Understanding with the Unions, for implementation of wage revision of non-executives w.e.f. 1st January, 2012. Employee Benefits Expense for the quarter/nine months ended 31st December, 2013 are inclusive of wage revision arrears of non-executives upto 31st March, 2013, amounting to ₹339.48 crore on an estimated basis. Further, the wage revision arrears of ₹708.55 crore have been charged to Employee Benefits Expense for the nine months ended 31st December, 2013.
- b). On review, an amount of ₹202.70 crore in Employee Benefits Expense (EBE) and ₹9.72 in Expenditure during construction (EDC) upto 31st March, 2013 and ₹26.53 crore in EBE and ₹1.65 crore in EDC for the half year ended 30th September, 2013, excess provided in respect of other benefits for executives, has been written back during the current quarter/nine months.
6. The auditors in their limited review report for the half year ended 30th September, 2013 have brought out that the Company has not provided for :
 - a) entry tax amounting to ₹82.91 crore in the state of Uttar Pradesh, ₹976.34 crore in the state of Chhatisgarh and ₹204.63 crore in the state of Odisha;
 - b) income tax demand of ₹87.62 crore;
 - c) claims of ₹253.84 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 as on 31st December, 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 ₹451.01 crore (net debit) for the current Nine Months [corresponding Nine Months of previous year- ₹189.01 crore (net debit)], has been adjusted in the carrying cost of the Fixed Assets/Capital Work-in-progress.

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

For and on behalf of Board of Directors


(Anil Kumar Chaudhary)
Director (Finance)

Place: New Delhi
Dated: 14th February, 2014