

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

**Statement of Audited Financial Results for the Quarter and Year ended 31st March, 2014**

₹ Crore

Sl. No	Particulars	Standalone Quarter ended			Standalone Year ended		Consolidated Financial Results	
		31st March 2014	31st Dec 2013	31st March 2013	31st March 2014	31st March 2013	Year ended 31st March 2014	Year ended 31st March 2013
		(Audited)	(Unaudited)	(Audited)	(Audited)	(Audited)	(Audited)	(Audited)
1	(a) Net Sales / Income from operations							
	i) Gross Sales	14986.58	12716.28	13680.14	51865.99	49349.69	52014.41	49456.77
	ii) Less : Excise Duty	1676.57	1353.58	1497.65	5677.29	5388.84	5666.94	5396.53
	Sub total (a) (i-ii)	13310.01	11362.70	12182.49	46188.70	43961.05	46327.47	44060.24
	(b) Other operating income	199.20	63.54	122.25	509.71	479.53	809.81	479.69
	<b>Total Income from Operations (net)</b>	<b>13509.21</b>	<b>11426.24</b>	<b>12284.74</b>	<b>46698.41</b>	<b>44440.58</b>	<b>46837.28</b>	<b>44539.93</b>
2	Expenses							
	a) Changes in Inventories of Finished Goods, Work in Progress and Stock-in-Trade	1423.99	-373.89	1126.44	894.83	-2016.09	894.48	-2016.10
	b) Cost of Materials Consumed	4829.58	5081.81	4527.20	19271.18	21188.48	19299.31	21207.40
	c) Purchase of Stock in Trade	0.14	0.07	0.22	0.78	3.21	0.78	3.21
	d) Employee Benefits Expense	2520.58	2267.80	2473.40	9578.51	8637.09	9594.03	8649.33
	e) Power & Fuel	1262.07	1229.83	1218.51	4942.15	4830.44	4942.15	4830.44
	f) Depreciation and Amortisation Expenses	516.30	408.74	193.62	1716.69	1402.98	1718.56	1404.79
	g) Other Expenses	2252.01	2121.12	2061.25	7895.22	7255.25	7969.80	7318.79
	<b>Total Expenses</b>	<b>12804.67</b>	<b>10736.48</b>	<b>11600.66</b>	<b>44289.14</b>	<b>41311.36</b>	<b>44418.91</b>	<b>41398.86</b>
3	Profit from Operations before Other Income, Finance Costs and Exceptional Items (1-2)	704.54	690.76	684.09	2399.27	3129.22	2418.37	3141.07
4	Other Income							
	i) Interest Earned	156.32	148.98	200.95	584.13	826.46	588.85	828.24
	ii) Other Income	18.79	92.30	54.14	249.67	261.96	251.16	263.11
					0.00	0.00	0.00	0.00
	<b>Sub Total (4+ii)</b>	<b>175.11</b>	<b>241.28</b>	<b>255.10</b>	<b>833.80</b>	<b>1088.42</b>	<b>838.01</b>	<b>1091.36</b>
5	Profit from ordinary activities before Finance Costs and Exceptional Items (3+4)	879.65	932.04	939.19	3233.07	4217.64	3256.38	4232.42
6	Finance Cost	312.57	246.77	214.59	967.64	747.66	967.68	747.67
7	Profit from ordinary activities after Finance Costs but before Exceptional Items (5-6)	567.08	685.27	724.60	2265.43	3469.98	2288.70	3484.75
8	Exceptional Items Loss(-)/Gain (+)							
	Foreign Exchange Loss	38.98	18.92	16.49	-97.14	-229.32	-97.14	-229.32
	Compensation Received for Non Performance of Contract	0.00	0.00	0.00	1056.26	0.00	1056.26	0.00
9	Profit from Ordinary Activities before Tax (7+8)	606.04	705.19	741.09	3224.55	3240.66	3247.82	3255.43
10	Tax Expense							
	(a) Current Tax	147.47	139.18	322.18	683.26	1057.96	691.84	1082.66
	(b) Deferred Tax Liability / Assets (-)	21.35	29.41	-27.67	331.97	12.44	331.25	12.43
	(c) MAT Credit	-127.50	4.00	0.00	-520.11	0.00	-520.11	0.00
	(d) Earlier Years	112.14	0.00	0.05	112.95	-0.09	112.95	-0.08
	<b>Sub-Total (a to d)</b>	<b>153.46</b>	<b>172.59</b>	<b>294.56</b>	<b>608.07</b>	<b>1070.31</b>	<b>615.93</b>	<b>1074.91</b>
11	Net Profit from Ordinary Activities after Tax (9-10)	452.58	532.60	446.53	2616.48	2170.35	2631.89	2180.52
12	Extraordinary Items (net of Tax Expense Rs. Nil)	0.00	0.00	0.00	0.00	0.00	0.00	0.00
13	Net Profit for the Period (11-12)	452.58	532.60	446.53	2616.48	2170.35	2631.89	2180.52
14	Share of profit/(Loss) of Associate							
15	Minority Interest							
16	Net Profit after taxes, minority interest and share of profit/(Loss) of Associates	452.58	532.60	446.53	2616.48	2170.35	2631.89	2170.35
17	Paid up Equity Share Capital (Face value : Rs. 10 per share)	4130.53	4130.53	4130.53	4130.53	4130.53	4130.53	4130.53
18	Reserves (Excluding Revaluation Reserve) as per Balance Sheet of Previous Accounting Year					36894.11		37513.99
19	Basic and Diluted Earnings per Share (of Rs.10/- each) before and after Extraordinary Items (Not Annualised) (Rupees)	1.10	2.96	1.08	6.33	5.25	6.37	5.28
20	Debt Service Coverage Ratio (Number of times)				3.86	2.81		
21	Interest Service Coverage Ratio (Number of times)				2.31	2.58		

Sl. No	Particulars	Quarter ended			Standalone Year ended		Year ended
		31st March 2014	31st Dec 2013	31st March 2013	31st March 2014	31st March 2013	31st March
		(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 31st Mar 2014
INVESTOR COMPLAINTS	
Pending at the beginning of the quarter	0
Received during the quarter	14
Disposed off during the quarter	14
Remaining unresolved at the end of the quarter	0

SEGMENT REVENUE, RESULTS AND CAPITAL EMPLOYED					
PARTICULARS	Quarter Ended 31st March 2014 (Audited)	Quarter Ended 31st December 2013 (Unaudited)	Quarter Ended 31st March 2013 (Audited)	Year ended 31st March 2014 (Audited)	Year ended 31st March 2013 (Audited)
₹ crore					
<b>Segment Revenue (Net Sales / Income from Operations)</b>					
- Bhilai Steel Plant	4769.53	4176.68	4692.89	17165.33	17015.95
- Durgapur Steel Plant	2063.17	1873.54	2206.00	7379.97	7372.55
- Rourkela Steel Plant	2558.70	2115.29	2096.45	8493.32	7609.85
- Bokaro Steel Plant	3609.77	3028.92	2990.34	12672.26	11427.65
- IISCO Steel Plant	759.04	781.20	657.92	2927.41	2619.61
- Alloy Steels Plant	180.79	184.33	159.91	737.93	765.54
- Salem Steel Plant	547.91	473.81	376.90	1824.04	1359.60
- Visvesvaraya Iron & Steel Plant	71.68	44.98	81.82	227.34	434.32
- Others	884.20	939.35	880.41	3450.55	2803.45
<b>Total Segment Revenue</b>	<b>15424.79</b>	<b>13598.10</b>	<b>13942.64</b>	<b>54878.15</b>	<b>51408.52</b>
Less : Inter-Segment Revenue	1915.58	2171.86	1857.90	8179.74	6967.94
<b>Net sales / Income from Operations</b>	<b>13509.21</b>	<b>11426.24</b>	<b>12284.74</b>	<b>46698.41</b>	<b>44440.58</b>
<b>Segment Results (Profit(+)/Loss(-) before Interest, Exceptional Items and Tax)</b>					
- Bhilai Steel Plant	634.35	618.50	464.95	2359.10	2306.93
- Durgapur Steel Plant	200.38	85.18	165.53	541.97	673.03
- Rourkela Steel Plant	212.05	102.67	103.29	439.00	560.77
- Bokaro Steel Plant	312.68	140.89	108.92	410.10	551.23
- IISCO Steel Plant	-226.40	-155.09	15.00	-529.85	-105.01
- Alloy Steels Plant	5.30	-30.58	-37.11	-84.19	-112.73
- Salem Steel Plant	-44.90	-67.93	-99.66	-281.57	-328.58
- Visvesvaraya Iron & Steel Plant	-10.95	-43.17	-22.89	-122.62	-118.81
- Others	-202.66	281.57	241.16	501.13	788.59
<b>Total</b>	<b>879.65</b>	<b>932.04</b>	<b>939.19</b>	<b>3233.07</b>	<b>4217.64</b>
Less : Interest Expenses	312.57	248.77	214.59	867.64	747.66
<b>Exceptional Items - Loss(-)/Gain(+)</b>					
Add : Foreign exchange Fluctuation	38.96	19.92	18.49	-97.14	-229.32
Add : Compensation Received for Non Performance of Contract	0.00	0.00	0.00	1056.28	0.00
<b>Profit before Tax</b>	<b>606.04</b>	<b>705.19</b>	<b>741.09</b>	<b>3224.55</b>	<b>3240.66</b>
<b>Capital Employed</b>					
( Segment Assets less Segment Liabilities excluding Inter Unit Balances )					
- Bhilai Steel Plant	14950.48	15027.92	12588.01	14950.48	12588.01
- Durgapur Steel Plant	3077.23	3157.84	2921.50	3077.23	2921.50
- Rourkela Steel Plant	13375.75	13251.97	11781.13	13375.75	11781.13
- Bokaro Steel Plant	10402.60	10277.62	10011.77	10402.60	10011.77
- IISCO Steel Plant	15501.10	15330.63	14268.86	15501.10	14268.86
- Alloy Steels Plant	423.35	484.15	560.46	423.35	560.46
- Salem Steel Plant	2813.29	2957.24	3285.05	2813.29	3285.05
- Visvesvaraya Iron & Steel Plant	391.90	393.01	493.50	391.90	493.50
- Others	-2596.67	-1009.65	328.44	-2596.67	328.44
<b>Total Capital Employed in the Company</b>	<b>58339.03</b>	<b>59870.73</b>	<b>58238.72</b>	<b>58339.03</b>	<b>56238.72</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.					

**Notes to Financial Results:**  
**Statement of Assets and liabilities**

(₹ crore)

	As at 31st March 2014 (Audited)	As at 31st March 2013 (Audited)
<b>Equities and Liabilities</b>		
<b>Shareholders' Funds</b>		
(a) Share Capital	4130.53	4130.53
(b) Reserves and Surplus	36535.82	36894.11
(c) Money received under share warrants	-	-
<b>Sub-total - Shareholders' Funds</b>	<b>42666.35</b>	<b>41024.64</b>
<b>Share application money pending allotment</b>	<b>-</b>	<b>-</b>
<b>Non-current liabilities</b>		
(a) Long-term borrowings	13632.22	13485.55
(b) Deferred tax liabilities (Net)	2040.46	1728.53
(c) Other Long term liabilities	1381.30	1271.12
(d) Long-term provisions	3901.28	4204.16
<b>Sub-total - Non-current liabilities</b>	<b>20955.26</b>	<b>20689.36</b>
<b>Current Liabilities</b>		
(a) Short-term borrowings	10634.48	8015.02
(b) Trade payables	3205.34	3322.04
(c) Other current liabilities	12478.51	8654.70
(d) Short-term provisions	2021.95	2512.70
<b>Sub-total - current liabilities</b>	<b>28340.28</b>	<b>22504.46</b>
<b>TOTAL - EQUITY AND LIABILITIES</b>	<b>91961.89</b>	<b>84218.46</b>
<b>ASSETS</b>		
<b>Non-current assets</b>		
(a) Fixed Assets	60421.19	52668.25
(b) Non-current investments	720.20	718.36
(c) Deferred tax assets (net)	-	-
(d) Long-term loans and advances	3794.32	3176.96
(e) Other non-current assets	135.43	568.46
<b>Sub-total - Non-current assets</b>	<b>65071.14</b>	<b>57132.03</b>
<b>Current assets</b>		
(a) Current investments	-	-
(b) Inventories	15200.82	16008.21
(c) Trade receivables	5481.98	4424.18
(d) Cash and Bank Balances	2855.95	3850.35
(e) Short-term loans and advances	1160.51	988.73
(f) Other current assets	2191.49	1814.96
<b>Sub-total - Current assets</b>	<b>26890.75</b>	<b>27086.43</b>
<b>TOTAL - ASSETS</b>	<b>91961.89</b>	<b>84218.46</b>

**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 its meeting held on 28<sup>th</sup> May, 2014. The Audited Accounts are subject to review by the Comptroller and Auditor General of India under section 619(4) of the Companies Act, 1956.
2. The figures for the quarter ended 31<sup>st</sup> March, 2014, are the balancing figures between the audited figures in respect of full financial year ended 31<sup>st</sup> March, 2014 and the published year to date figures upto the 3<sup>rd</sup> quarter ended 31<sup>st</sup> December, 2013.
3. The Company has four Subsidiary Companies: a) IISCO Ujjain Pipe & Foundry Co. Limited (IISCO-Ujjain), b) SAIL Jagdishpur Power Plant Limited, c) SAIL Refractory Company Limited, d) SAIL Sindri Projects Limited. Except 'IISCO-Ujjain', which is under liquidation, the financial results of other subsidiary companies have been considered in the preparation of consolidated financial results. The accounts of joint ventures & associate companies have not been considered in the preparation of consolidated financial results.
4. The Board of Directors, in its meeting held on 14<sup>th</sup> February, 2014, declared interim dividend of Rs.2.02 per equity share of ₹10 each. No further dividend is recommended by the Board for the Financial Year 2013-14.
5. Net Sales include sales to Government agencies recognised on provisional contract prices during the year ended 31<sup>st</sup> March, 2014: ₹3257.40 crore (previous year: ₹3617.90 crore) and cumulatively upto 31<sup>st</sup> March, 2014: ₹6900.19 crore (upto previous year : ₹18288.38 crore).
6. After expiry of long term wage agreement with non-executive employees on 31<sup>st</sup> 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. 1<sup>st</sup> January, 2012. Employee Benefits Expense (EBE) and Expenditure during Construction (EDC) for the year ended 31<sup>st</sup> March, 2014 are inclusive of wage revision arrears of non-executives upto 31<sup>st</sup> March, 2013, amounting to ₹431.30 crore and ₹1.92 crore respectively.
7. Due to determination of contribution rate to post-retirement medical benefit schemes for executive employees, based on actuarial valuation, the provision for pension benefit component of superannuation benefits for executives has been reduced. As a result, an excess amount of other benefits for executives of ₹201.21 crore in EBE and ₹9.63 crore in EDC provided upto 31<sup>st</sup> March 2013, has been written back during the current quarter/year.

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8. The auditors in their limited review report for the Nine Months ended 31<sup>st</sup> December, 2013 have brought out that the Company has not provided for :

- a) entry tax amounting to ₹88.20 crore in the state of Uttar Pradesh, ₹1026.18 crore in the state of Chhattisgarh and ₹213.88 crore in the state of Odisha;
- b) claims of ₹266.72 crore by DVC for supply of Power;
- c) income tax demand of ₹87.62 crore;

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 31<sup>st</sup> March, 2014. Therefore, there is no adverse impact on profit. These cases were sub-judice as on 31<sup>st</sup> March, 2012 also and there is no change in the status of these cases till date. In respect of item stated at (c) above, the Company has made the provision towards the disputed income tax demands in the current quarter.

9. 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 ₹340.44 crore (net debit) for the current year [Previous year- ₹134.53 crore (net debit)], has been adjusted in the carrying cost of the Fixed Assets/Capital Work-in-progress.

10. 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.

11. The figures of previous periods have been re-grouped, wherever necessary, to conform to current quarter/year's classification.

For and on behalf of Board of Directors



( Anil Kumar Chaudhary )  
Director (Finance)

Place: New Delhi  
Dated: 28<sup>th</sup> May, 2014