



No.CA-17(44)/2016

May 30, 2016

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

Sub: Audited Financial Results for the Financial Year ended 31st March, 2016,

Ref: Regulation 33 of SEBI(Listing Obligations and Disclosure Requirements) Regulations, 2015: Security ID:SAIL.

Dear Sir,

The Board of Directors at its meeting held on 30th May, 2016, inter-alia considered and approved the Annual Audited Standalone & Unaudited Consolidated Financial Results for the year ended 31st March, 2016 alongwith segment information.

A copy of the following is enclosed pursuant to Regulation 33 SEBI(Listing Obligations and Disclosure Requirements) Regulations, 2015:

1. Annual Audited Standalone & Unaudited Consolidated Financial Results for the year ended 31st March, 2016 alongwith segment information.
2. Auditor's Report on Quarterly Standalone Financial Results and Standalone Year to Date Results of Steel Authority of India Limited pursuant to the Regulation 33 of the SEBI(Listing Obligations and Disclosure Requirements) Regulations, 2015..
3. Statement on Impact of Audit Qualifications for the Financial Year ended 31st March, 2016.
4. Certificate for receipt and noting of information from IDBI Trusteeship Services Ltd. under Regulation 52(5) of SEBI(Listing Obligations and Disclosure Requirements) Regulations, 2015.
5. Press Release issued by the Company

The above are also being made available on the website of the Company at www.sail.co.in.

Thanking you,

Yours faithfully,
For Steel Authority of India Limited


(M.C. Jain)

Company Secretary

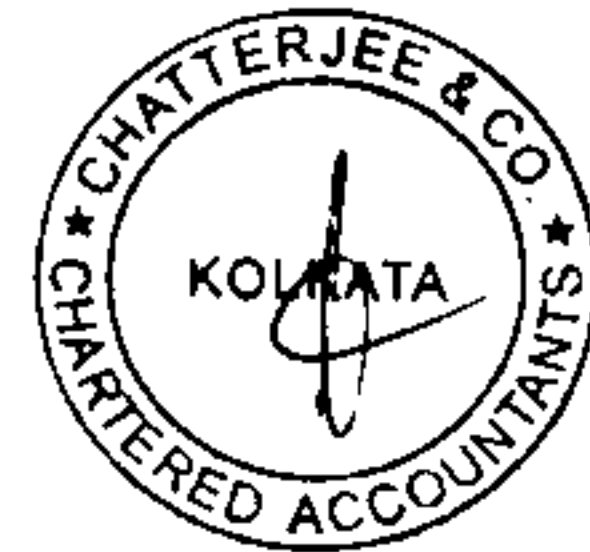
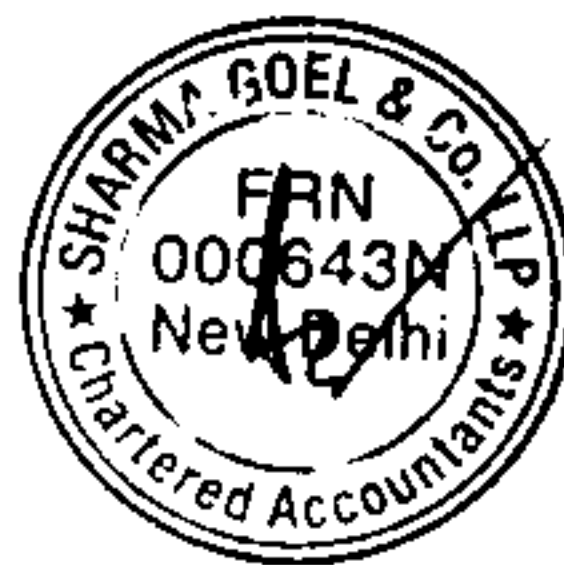
Encl. As above.

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

Statement of Standalone and Consolidated Financial Results for the year ended 31st March 2016

₹ Crore

Sl. No	Particulars	Standalone				Consolidated	
		Quarter ended		Year ended		Year ended	Year ended
		31st March 2016 (Unaudited)	31st December 2015 (Unaudited)	31st March 2015 (Unaudited)	31st March 2016 (Audited)	31st March 2015 (Audited)	31st March 2016 (Unaudited)
1	Income From Operations						
	(a) Net Sales / Income from Operations (net of Excise Duty)	11211.86	8805.29	11469.37	38513.70	45208.05	38944.08
	(b) Other Operating Income	159.69	139.61	121.18	572.54	522.31	518.76
	Total Income from Operations (net)	11371.55	8944.90	11590.55	39086.24	45730.36	39462.84
2	Expenses						
	a) Cost of Materials Consumed	3789.84	4157.22	5060.87	17150.61	18522.90	17787.46
	b) Purchase of Stock in Trade	0.00	0.00	0.22	0.00	0.48	14.96
	c) Changes in Inventories of Finished Goods, Work in Progress and Stock in Trade	2026.85	(17.97)	(853.98)	540.61	(1408.12)	549.00
	d) Employee Benefits Expense	2640.38	2420.15	2613.05	9893.81	9736.35	10037.10
	e) Depreciation and Amortisation Expense	778.59	459.12	507.01	2099.54	1773.28	2219.85
	f) Power & Fuel	1498.08	1381.71	1275.26	5621.18	5423.53	4584.81
	g) Other Expenses	2539.91	2379.49	2381.22	9512.78	8869.99	9759.36
	Total Expenses	13273.65	10779.72	11183.65	44818.63	42918.41	44962.54
3	Profit / loss (-) from Operations before Other Income, Finance Costs and Exceptional Items (1-2)	(1902.10)	(1834.82)	406.90	(5732.39)	2811.95	(5489.70)
4	Other Income	173.52	98.81	295.21	680.60	1001.19	682.40
5	Profit / (loss) from ordinary activities before Finance Costs and Exceptional Items (3+4)	(1728.58)	(1736.01)	702.11	(5151.69)	3813.14	(4807.30)
6	Finance Cost	612.05	524.24	428.92	2046.75	1454.23	2120.40
7	Profit / (loss) from ordinary activities after Finance Costs but before Exceptional Items (5-6)	(2340.63)	(2260.25)	273.19	(7198.44)	2358.91	(7027.70)
8	Exceptional items Loss(-)/Gain (+)						
9	Profit / (loss) from ordinary activities before Tax (7 - 8)	(2340.63)	(2260.25)	273.19	(7198.44)	2358.91	(7027.70)
10	Tax Expense						
	(a) Current Tax	0.00	0.00	55.74	0.00	499.15	60.80
	(b) Deferred Tax Liability / (Assets)	(1109.77)	(654.94)	(59.79)	(2984.67)	282.76	(2985.30)
	(c) MAT Credit	0.00	0.00	(55.74)	0.00	(499.15)	(27.52)
	(d) Earlier Years	0.07	(76.58)	0.76	(76.51)	(16.53)	(74.42)
	Sub-Total (a to d)	(1109.70)	(731.52)	(89.03)	(3061.18)	266.23	(3026.44)
11	Net Profit/ (loss) from ordinary activities after tax (9-10)	(1230.93)	(1528.73)	334.22	(4137.26)	2092.68	(4001.26)
12	Extraordinary Items (net of tax expense ₹ Nil)						
13	Net Profit / (loss) for the period (11-12)	(1230.93)	(1528.73)	334.22	(4137.26)	2092.68	(4001.26)
14	Share of profit/(Loss) of Associate					0.26	0.14
15	Minority Interest						
16	Net Profit after taxes, minority interest and share of profit/(Loss) of Associates (13+14-15)	(1230.93)	(1528.73)	334.22	(4137.26)	2092.68	(4001.00)
17	Paid up Equity Share Capital (Face value : ₹. 10 per share)	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				35150.73	39374.25	35859.61
19	Basic and Diluted Earnings per Share (of ₹. 10/- each) before and after Extraordinary Items (Not Annualised) (Rupees)	(2.98)	(3.70)	0.81	(10.02)	5.07	(9.69)
20	Debt Service Coverage Ratio (Number of times)				(1.79)	2.62	
21	Interest Service Coverage Ratio (Number of times)				(1.91)	1.82	



Notes to Financial Results:

Stand alone and Consolidated Statement of Assets and Liabilities

(₹ crore)

Particulars	Standalone		Consolidated	
	As at 31st March 2016 (Audited)	As at 31st March 2015 (Audited)	As at 31st March 2016 (Unaudited)	As at 31st March 2015 (Unaudited)
A. Equities and Liabilities				
1 Shareholders' Funds				
(a) Share Capital	4130.53	4130.53	4130.53	4130.53
(b) Reserves and Surplus	35150.73	39374.25	35859.61	40039.96
(c) Money received against share warrants	-	-	-	-
Sub-total - Shareholders' Funds	39281.26	43504.78	39990.14	44170.49
2 Share application money pending allotment	-	-	2.91	30.85
3 Non-current liabilities				
(a) Long-term borrowings	15980.72	14025.56	16310.65	14436.48
(b) Deferred tax liabilities (Net)	0.00	2395.19	0.00	2566.41
(c) Other Long term liabilities	1289.98	1239.22	1298.83	1240.86
(d) Long-term provisions	3642.85	3705.34	3813.69	4068.60
Sub-total - Non-current liabilities	20913.55	21365.31	21423.17	22312.35
4 Current Liabilities				
(a) Short-term borrowings	15530.31	14195.16	15660.79	14322.17
(b) Trade payables	4002.66	3606.38	4087.85	3636.09
(c) Other current liabilities	15805.26	14016.53	16152.53	14351.81
(d) Short-term provisions	2736.40	2638.71	2761.10	2497.46
Sub-total - current liabilities	38074.63	34456.78	38662.27	34807.53
TOTAL - EQUITY AND LIABILITIES	98269.44	99326.87	100078.49	101321.22
B. ASSETS				
1 Non-current assets				
(a) Fixed Assets	69146.66	65364.43	70794.54	67067.35
(b) Non-current investments	1243.04	919.07	581.98	408.56
(c) Deferred tax assets (net)	707.85	-	507.71	-
(d) Long-term loans and advances	4958.44	4507.25	5210.66	4788.20
(e) Other non-current assets	39.84	53.83	41.88	55.08
Sub-total - Non-current assets	76095.83	70844.58	77136.77	72319.19
2 Current assets				
(a) Current investments	-	-	78.08	42.03
(a) Inventories	15134.94	17735.39	15314.39	17944.93
(b) Trade receivables	2833.19	3192.00	2932.01	3223.96
(c) Cash and Bank Balances	297.65	2305.24	669.68	2606.59
(d) Short-term loans and advances	2128.91	3064.14	2109.76	2888.20
(e) Other current assets	1778.92	2185.52	1837.80	2296.32
Sub-total - Current assets	22173.61	28482.29	22941.72	29002.03
TOTAL - ASSETS	98269.44	99326.87	100078.49	101321.22

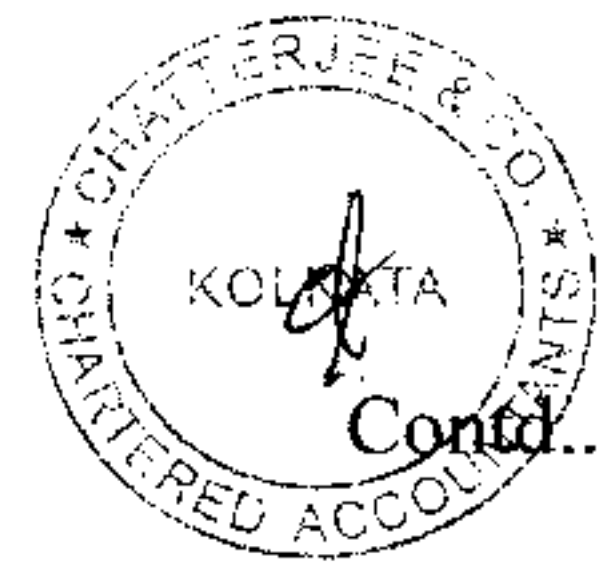
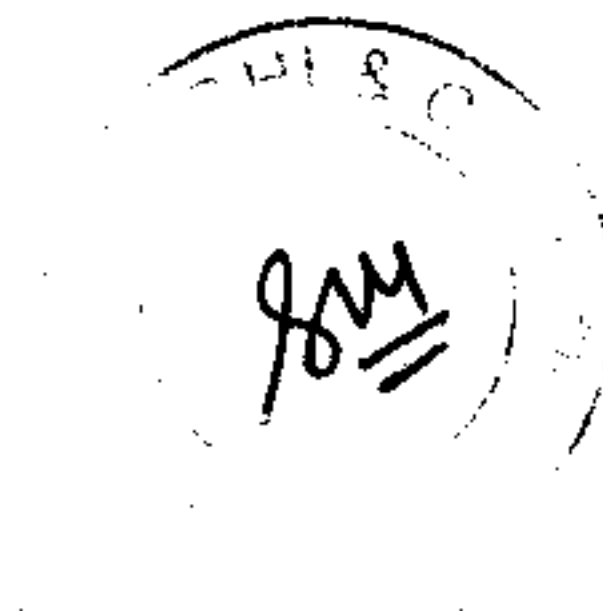


SEGMENT REVENUE, RESULTS AND CAPITAL EMPLOYED								₹ crore
PARTICULARS	STANDALONE				CONSOLIDATED			
	Quarter Ended	Quarter Ended	Quarter Ended	Year ended	Year ended	Year ended	Year ended	
	31st March	31st December	31st March	31st March	31st March	31st March	31st March	
	2016	2015	2015	2016	2015	2016	2015	
	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)	(Audited)	(Unaudited)	(Unaudited)	
Segment Revenue (Net Sales / Income from Operations)								
- Bhilai Steel Plant	3834.13	3294.89	4122.06	13865.87	16114.31	15730.33	17335.59	
- Durgapur Steel Plant	1527.80	1435.61	1964.59	5687.10	7264.34	6467.87	7821.60	
- Rourkela Steel Plant	2069.55	1595.40	1887.82	7044.25	8702.60	8011.39	9384.46	
- Bokaro Steel Plant	2561.92	1638.56	2938.79	8331.22	11891.98	9382.75	13013.20	
- IISCO Steel Plant	1085.84	712.77	369.40	3055.35	1836.81	4152.07	1128.01	
- Alloy Steels Plant	126.19	131.35	190.69	555.07	721.15	620.84	752.74	
- Salem Steel Plant	372.65	400.20	482.60	1585.97	1974.48	1783.11	2218.20	
- Visvesvaraya Iron & Steel Plant	56.35	56.61	68.68	232.42	257.78	251.89	279.33	
- Power						1389.42	1275.48	
- Others	876.05	968.09	1116.72	3928.64	3743.03	4070.62	4041.85	
Total Segment Revenue	12510.48	10227.70	13141.35	44285.89	52506.48	51860.29	57250.46	
Less : Inter-Segment Revenue	1138.93	1288.58	1570.38	5199.65	6776.12	8044.23	6296.87	
Net sales / Income from Operations	11371.55	8939.12	11570.97	39086.24	45730.36	43816.06	50953.59	
Segment Results (Profit / (Loss) before Interest, Exceptional Items and Tax)								
- Bhilai Steel Plant	202.31	19.87	566.65	708.20	2490.04	708.20	2490.04	
- Durgapur Steel Plant	(124.24)	(164.13)	201.40	(392.40)	622.05	(392.40)	622.05	
- Rourkela Steel Plant	(624.27)	(601.39)	216.12	(1964.85)	618.63	(1964.85)	618.63	
- Bokaro Steel Plant	(507.43)	(482.98)	179.90	(1776.96)	786.49	(1776.96)	786.49	
- IISCO Steel Plant	(310.53)	(525.13)	(164.72)	(1454.50)	(835.85)	(1454.50)	(835.85)	
- Alloy Steels Plant	(2.73)	(12.31)	(17.64)	(60.86)	(117.72)	(60.86)	(117.72)	
- Salem Steel Plant	(135.69)	(85.58)	(67.19)	(348.76)	(249.55)	(348.76)	(249.55)	
- Visvesvaraya Iron & Steel Plant	(22.44)	(33.77)	(8.87)	(115.54)	(97.29)	(115.54)	(97.29)	
- Power						225.30	228.98	
- Others	(203.56)	149.41	(203.54)	253.98	596.34	273.07	553.76	
Total	(1728.58)	(1736.01)	702.11	(5151.69)	3813.14	(4907.30)	3999.52	
Less : Interest Expenses	612.05	524.24	426.92	2046.75	1454.23	2120.40	1535.24	
Profit / (loss) before Tax	(2340.63)	(2260.25)	275.19	(7198.44)	2358.91	(7027.70)	2464.28	
Capital Employed								
(Segment Assets less Segment Liabilities excluding Inter Unit Balances)								
- Bhilai Steel Plant	17949.44	18082.83	16718.36	17949.44	16718.36	17949.44	16718.36	
- Durgapur Steel Plant	3600.52	3671.72	3333.18	3600.52	3333.18	3600.52	3333.18	
- Rourkela Steel Plant	15114.21	15616.62	14907.40	15114.21	14907.40	15114.21	14907.40	
- Bokaro Steel Plant	10942.97	11501.95	11074.13	10942.97	11074.13	10942.97	11074.13	
- IISCO Steel Plant	17390.45	17697.83	17096.69	17390.45	17096.69	17390.45	17096.69	
- Alloy Steels Plant	358.53	334.88	399.38	358.53	399.38	358.53	399.38	
- Salem Steel Plant	2342.98	2470.39	2696.20	2342.98	2696.20	2342.98	2696.20	
- Visvesvaraya Iron & Steel Plant	508.22	514.59	458.42	508.22	458.42	508.22	458.42	
- Power						1635.74	1666.61	
- Others	(13653.19)	(12427.35)	(6758.23)	(13653.19)	(6758.23)	(14046.97)	(7146.14)	
Total Capital Employed in the Company	54554.13	57463.46	59925.53	54554.13	59925.53	55796.09	61204.23	
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.								



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 30th May, 2016 . The Audited Accounts are subject to review by the Comptroller and Auditor General of India under section 143(6) of the Companies Act, 2013.
2. The figures for the Quarter ended 31st March, 2016, are the balancing figures between the audited figures in respect of full Financial Year ended 31st March, 2016 and the published year to date figures upto the 3rd Quarter ended 31st December, 2015.
3. Net Sales include sales to the Government Agencies recognised on provisional contact prices during the year ended 31st March, 2016: ₹3376.11 crore (previous year: ₹2907.36 crore) and cumulatively upto 31st March, 2016: ₹13074.67 crore (upto previous year : ₹9750.99 crore).
4. Pending decision by the Hon'ble Supreme Court of India on levy of Entry Tax in the States of Chhattisgarh, Odisha, and Uttar Pradesh, the Entry Tax demands, under dispute, of ₹1091.02 crore, ₹341.15 crore and ₹97.22 crore upto 31st March, 2016 (upto 31st March, 2015- ₹1084.32 crore, ₹333.95 crore and ₹94.89 crore) respectively, have been treated as contingent liabilities.
5. Pending decision by the various judicial authorities in the determination of the electricity tariff, demands of ₹491.27 crore upto 31st March, 2016 (upto 31st March, 2015- ₹393.59 crore) 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 31st March 2009 and amended from time to time, the foreign exchange fluctuation loss on long-term foreign currency loans of ₹154.64 crore (net debit) for the current Year (previous year - ₹66.57 crore (net credit), has been adjusted in the carrying cost of the Fixed Assets/Capital Work-in-progress.
7. The Company has assessed the useful life of the assets and major components of Plant & Machinery, Factory Buildings, Railway Line & Sidings and Water Supply & Sewerage based on technical parameters/assessment and supported by external technical advice. Accordingly, depreciation of ₹86.58 crore (net of deferred tax liability ₹45.82 crore) on account of fixed assets with no remaining useful life as on 1st April, 2015 has been adjusted in retained earnings and depreciation for the year ended 31st March, 2016 is higher by ₹54.07 crore.



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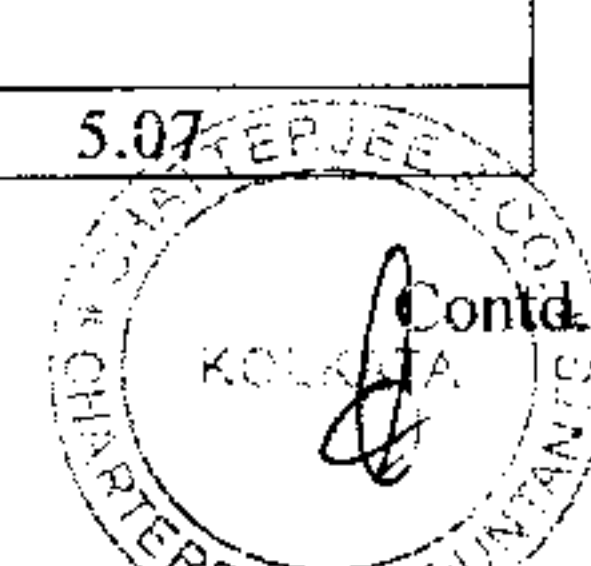
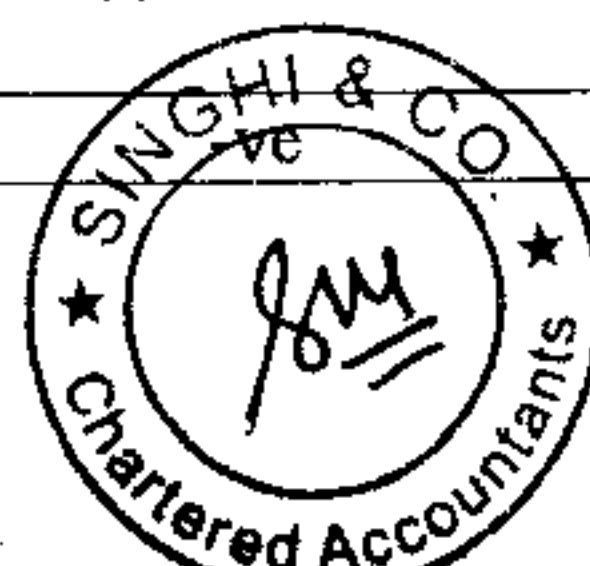
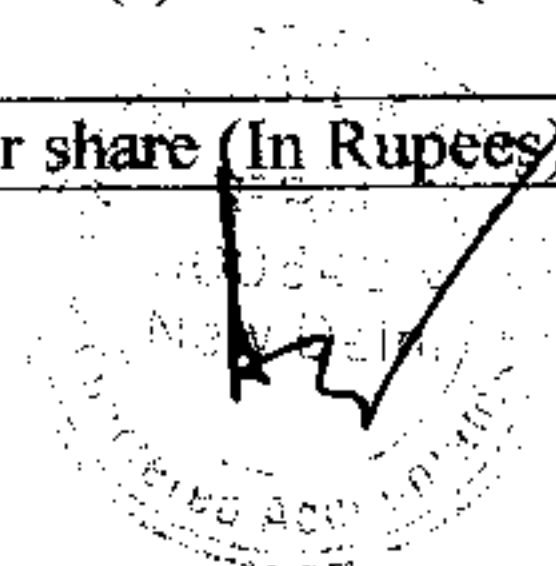
8. A). The Auditors, in their Audit Report on the Annual Accounts of the Company for the Year ended 31st March, 2015, have brought out that :
- i) The Company has not provided for :
 - a) Entry Tax amounting to ₹94.89 crore in the State of Uttar Pradesh, ₹1084.32 crore in the State of Chhattisgarh and ₹333.95 crore in the State of Odisha;
 - b) demands of ₹393.59 crore by DVC for supply of electricity.
 - ii) estimated quantity of 9089 Tonnes of skull, extractable from slag, valued at ₹51.80 crore included in inventory at Salem Steel Plant of the Company. The Auditors have qualified the valuation of skull as there is no separate distinguishable physical existence of skull.
- B). The Auditors in their Limited Review Report on the Financial Results for the quarter and nine months ended 31st December, 2015 have brought out that :
- i) The Company has not provided for :
 - a) Entry Tax amounting to ₹94.89 crore in the State of Uttar Pradesh, ₹1092.65 crore in the State of Chhattisgarh and ₹342.34 crore in the State of Odisha;
 - b) demands of ₹466.11 crore by DVC for supply of electricity.

In respect of items stated at A(i) & B(i), the Company's view is that these cases are sub-judice for a long time and pending for adjudication before the various judicial authorities. 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 March, 2016. There is no change in the status of these cases till date. In respect of item stated at A(ii), the quantity of Skull extractable from Slag has not been valued in the accounts for the quarter/year ended 31st March, 2016.

9. Pending receipt of Financial Statements from Subsidiaries/Joint Ventures of International Coal Venture Limited (a Joint Venture company of SAIL), the Subsidiaries/Joint Ventures of ICVL are not included in the above Consolidated Financial Results. Management is taking steps to obtain the Financial Statements and will present the Consolidated Audited Financial Statements shortly. As such, the consolidated financial results of the Company have neither been audited nor been reviewed.

10. Other disclosures as per regulation 52(4) of SEBI(Listing Obligations and Disclosure Requirements) Regulations, 2015 :

Sl. No.	Particulars	Year ended 31 st March, 2016	Year ended 31 st March, 2015
i)	Credit rating		
	-by CARE Ratings	CARE AA+	CARE AAA
	-by India Ratings	IND AAA	IND AAA
ii)	Asset Cover Available (Times)	2.35	2.73
iii)	Outstanding redeemable preference shares	Nil	Nil
iv)	Debenture redemption reserve (Rs. in crore)	1449.96	1008.88
v)	Net Worth (Rs. in crore)	39281.26	43504.78
vi)	Net Profit/Loss(-) after tax (Rs. in crore)	(-) 4137.26	2092.68
vii)	Earnings per share (In Rupees)		5.07



(viii) Previous due date and next due date of payment of interest/repayment of Principal of non-convertible debt securities :

Tranches	Series	Previous Due Date			Next Due Date	
		Interest	Principal	Status	Interest	Principal
XXVIII ISSUE (I- SERIES)	AE	01-May-15		Paid	01-May-16	
XXIX ISSUE (I- SERIES)	AF	11-May-15		Paid	11-May-16	
XXX ISSUE (I- SERIES)	AG	22-Jun-15		Paid	22-Jun-16	
XXXI ISSUE (I- SERIES)	AH	11-Aug-15		Paid	11-Aug-16	
XXXII ISSUE (I- SERIES)	AI	25-Aug-15		Paid	25-Aug-16	
XXXIII ISSUE (I- SERIES)	AJ-II & III	15-Sep-15		Paid	15-Sep-16	
XXXIV ISSUE (I- SERIES)	AK-II	26-Oct-15	26-Oct-15	Paid	Redeemed	Redeemed
XXXIV ISSUE (I- SERIES)	AK-III	26-Oct-15		Paid	26-Oct-16	26-Oct-16**
XXXIV ISSUE (I- SERIES)	AK-IV to XII	26-Oct-15		Paid	26-Oct-16	
XXXV ISSUE (I- SERIES)	AL	19-Nov-15		Paid	19-Nov-16	
XXXVI ISSUE (I- SERIES)	AM-II	07-Dec-15		Paid	07-Dec-16	
XXXVII ISSUE (I- SERIES)	AN	30-Dec-15		Paid	30-Dec-16	
XXXVIII ISSUE (I- SERIES)	AO	01-Feb-16		Paid	01-Feb-17	
XXXIX ISSUE (I- SERIES)	AP	23-Apr-15		Paid	23-Apr-16	
XXXIX ISSUE (I- SERIES)	AQ	30-Apr-15		Paid	30-Apr-16	
XXXIX ISSUE (I- SERIES)	AR	23-Aug-15		Paid	23-Aug-16	
XXXIX ISSUE (I- SERIES)	AS	09-Sep-15		Paid	09-Sep-16	
XXXIX ISSUE (I- SERIES)	AT-I to V & 1-5	25-May-15		Paid	25-May-16	
XXXIX ISSUE (I- SERIES)	AU	27-Aug-15		Paid	27-Aug-16	
XXXIX ISSUE (I- SERIES)	AV	08-Nov-15	08-Nov-15	Paid*	Redeemed*	Redeemed*
XXXIX ISSUE (I- SERIES)	AW	06-May-15		Paid	06-May-16	
XXXIX ISSUE (I- SERIES)	AX	14-Oct-15		Paid	14-Oct-16	
XXXIX ISSUE (I- SERIES)	AY	16-Dec-15		Paid	16-Dec-16	
XXXIX ISSUE (I- SERIES)	AZ	21-Jan-16		Paid	21-Jan-17	
XXXIX ISSUE (I- SERIES)	BA	15-Apr-15		NA	15-Apr-16	
XXXIX ISSUE (I- SERIES)	BB	09-Jun-15		NA	09-Jun-16	
XXXIX ISSUE (I- SERIES)	BC	27-Jul-15		NA	27-Jul-16	
XXXIX ISSUE (I- SERIES)	BD	10-Aug-15		NA	10-Aug-16	
XXXIX ISSUE (I- SERIES)	BE	25-Aug-15		NA	25-Aug-16	
XXXIX ISSUE (I- SERIES)	BF	19-Nov-15		NA	19-Nov-16	

* The Company has exercised the "Call option" as per terms of the issue and paid the principal amount of Rs.500 crore along with interest to the bondholders on 9th November, 2015 (with 1 day additional interest)

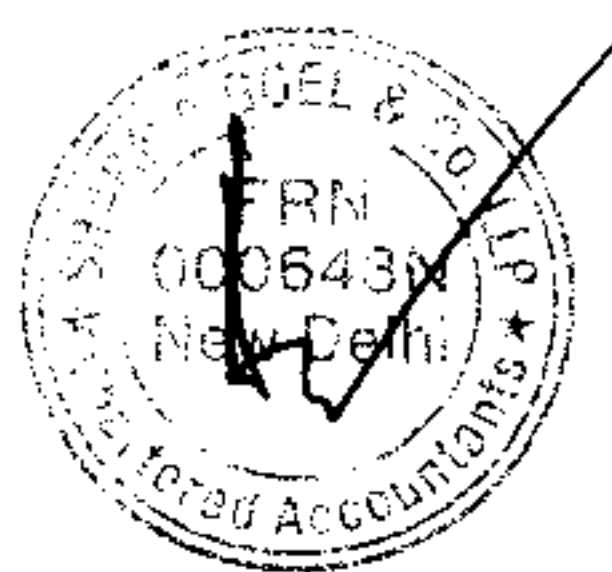
**Rs.14 crore of AK Series will be redeemed every year till 26th October, 2025.

11. 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.

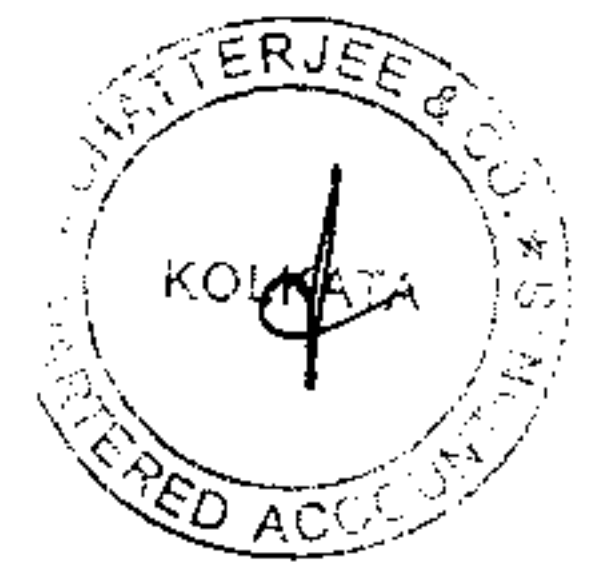
12. The figures of previous periods have been re-grouped, wherever necessary, to conform to current Quarter/Year's classification.

For and on behalf of Board of Directors

Place: New Delhi
Dated: 30th May, 2016



Anil Kumar Chaudhary
(Anil Kumar Chaudhary)
Director (Finance)



1.	M/s. B.N. Misra & Co., Chartered Accountants, S-29, Maitri Vihar, Phase-II, <u>Bhubneswar-751023.</u>	2.	M/s. Sharma Goel & Co. LLP, Chartered Accountants, A-47, Lower Ground Floor, Hauz Khas, <u>New Delhi-110016.</u>	3.	M/s. Singhi & Co., Chartered Accountants, 1-B Old Post Office Street Kolkata, <u>Kolkata-700001</u>	4.	M/s. Chatterjee & Co., Chartered Accountants, 153, Rash Behari Avenue, 3 rd Floor, <u>Kolkata-700029.</u>
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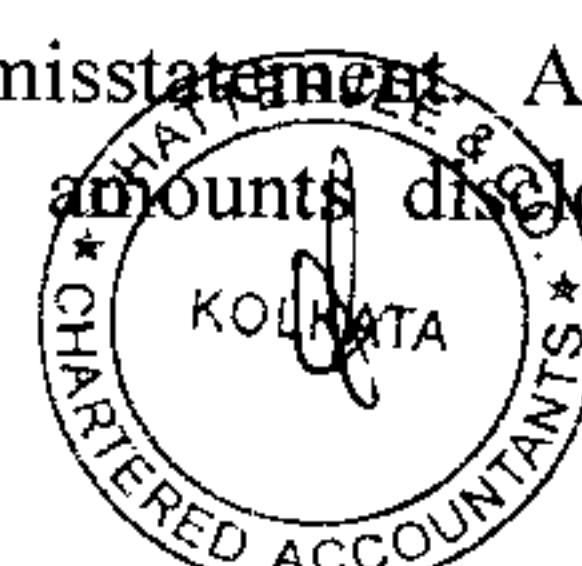
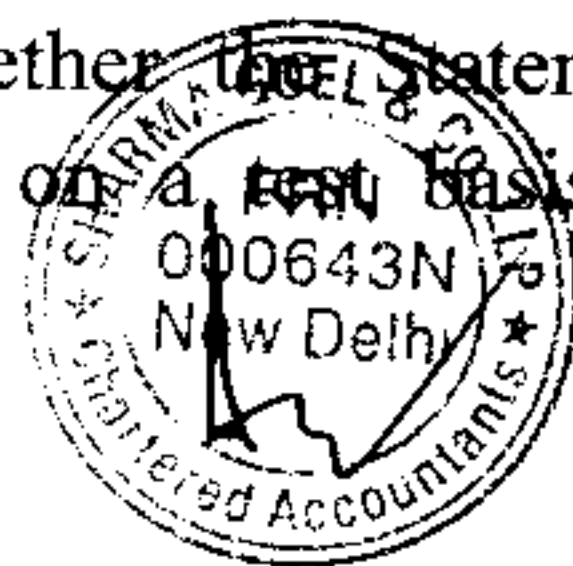
Auditor's Report On Quarterly Standalone Financial Results and Standalone Year to Date Results of Steel Authority of India Limited Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To
Board of Directors of
Steel Authority of India Limited

1. We have audited the quarterly standalone financial results ('the Statement') of **Steel Authority of India Limited ('the Company')** for the quarter ended 31st March 2016 and the standalone financial results for the year ended 31st March 2016, attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Attention is drawn to the fact that the figures for the quarter ended 31st March 2016 and the corresponding quarter ended in the previous year as reported in the Statement are the balancing figures between audited figures in respect of the full financial year and the published year to date figures up to the end of the third quarter of the relevant financial year. Also, the figures up to the end of the third quarter had only been reviewed and not subjected to audit.

The Statement has been prepared on the basis of annual financial statements and reviewed quarterly financial results up to the end of third quarter which are the responsibility of the Company's management. Our responsibility is to express an opinion on the Statement based on our audit of such standalone financial statements, which have been prepared in accordance with the recognition and measurement principles laid down under Section 133 of the Companies Act, 2013 ('the Act') read with rule 7 of the Companies (Accounts) Rules, 2014 and other accounting principles generally accepted in India and in compliance with requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the Statement is free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts disclosed as



financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.

3. Basis for Qualified Conclusion

The Company has not provided for;

- (i) entry tax amounting to Rs 97.22 crore (current year Rs 2.33 crore and last year Rs 3.34 crore) in the state of Uttar Pradesh, Rs 1091.02 crore (current year Rs 6.70 crore and last year Rs 13.04 crore) in the state of Chhatisgarh and Rs 341.15 crore (current year Rs 7.20 crore and last year Rs 119.04 crore) in the state of Odisha (refer note no. 4);
- (ii) amount paid to DVC against bills raised for supply of power and retained as advance by Bokaro Steel Plant amounting to Rs 491.27 crore (current year Rs 97.68 and last year Rs 101.83 crore) (refer note no. 5);

The total impact of above para (i) and (ii) has resulted in understatement of Loss after Tax for the year by Rs 1,321.35 crore, overstatement of Reserves & Surplus by Rs 1,321.35 crore, understatement of Current Liabilities by Rs 2,020.66 crore and understatement of Total Assets by 699.31 crore.

4. Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to us, with the exception of the matters described in the Basis for Qualified Conclusion paragraph no.3, the statement:

- (i) is presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015; and
- (ii) give a true and fair view of the net loss and other financial information for the quarter ended 31st March 2016 and for the year ended 31st March 2016.

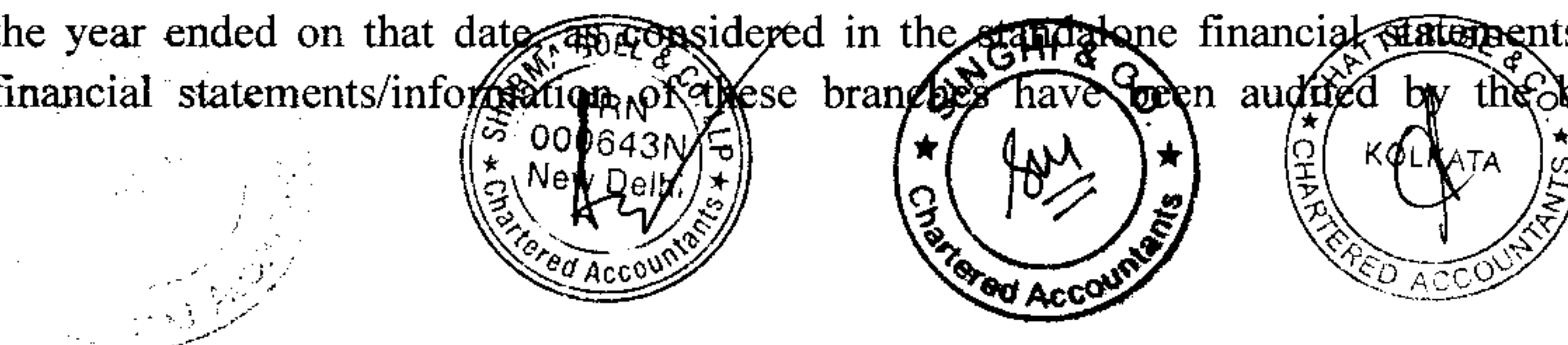
5. Emphasis of Matter

We draw attention to the net sales include sales to Government agencies which are recognised on provisional contract prices (refer note no. 3);

Our opinion is not qualified in respect of this matter.

6. Other Matter

We did not audit the financial statements/information of 8 branches included in the statement of the Company whose financial statements / information reflect total assets of Rs. 44,971.85 crore as at 31st March, 2016 and total revenues of Rs. 15,849.68 crore for the year ended on that date, as considered in the standalone financial statements. The financial statements/information of these branches have been audited by the branch



auditors whose reports have been furnished to us, and our opinion in so far as it relates to the amounts and disclosures included in respect of these branches, is based solely on the report of such branch auditors.

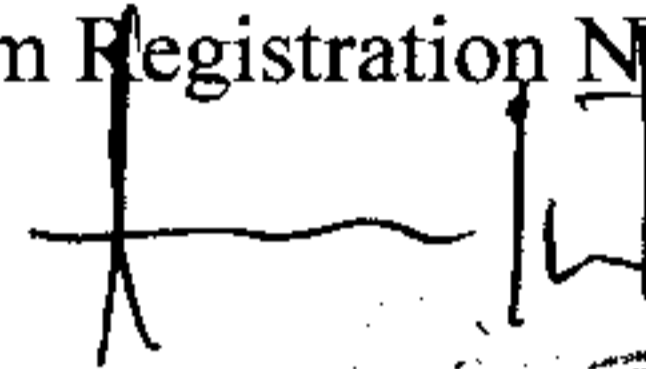
Our opinion is not qualified in respect of this matter.

For B.N. Misra & Co.
Chartered Accountants
Firm Registration No.:321095E



[B. N. Misra]
Partner
(M. No. 083927)

For Sharma Goel & Co. LLP
Chartered Accountants
Firm Registration No.:000643N



[Amar Mittal]
Partner
(M. No. 017755)



For Singhi & Co.
Chartered Accountants
Firm Registration No.:302049E



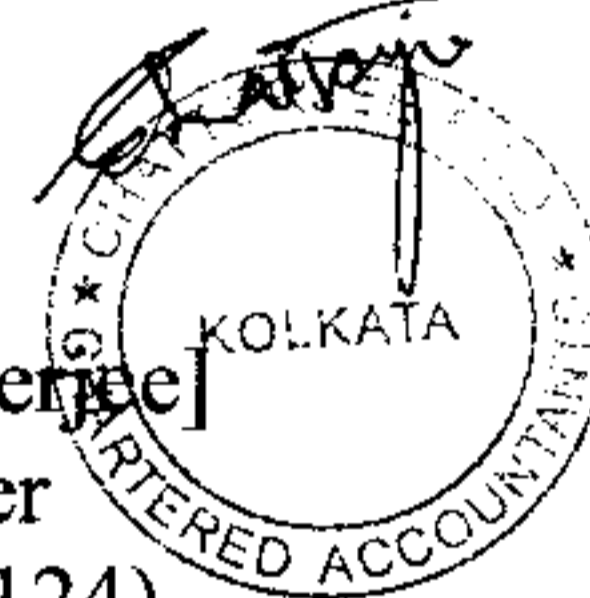
[Shrenik Mehta]
Partner
(M. No. 063769)



For Chatterjee & Co.
Chartered Accountants
Firm Registration No.:302114E



[S.K. Chatterjee]
Partner
(M. No. 003124)

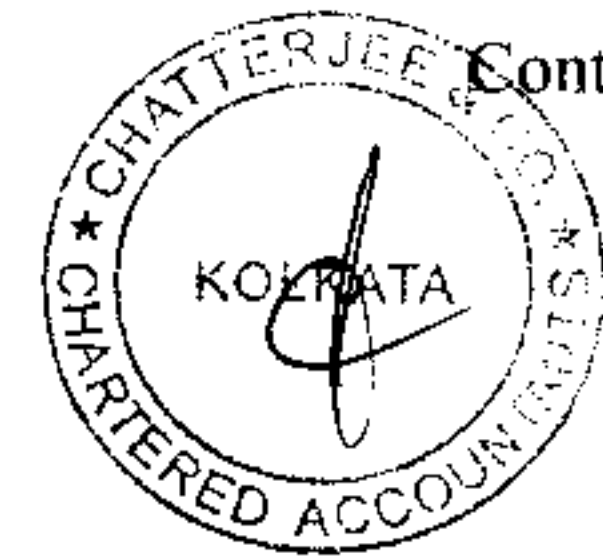


PLACE : New Delhi
DATE :30th May, 2016

Statement on Impact of Audit Qualifications for the FY ended 31st March, 2016

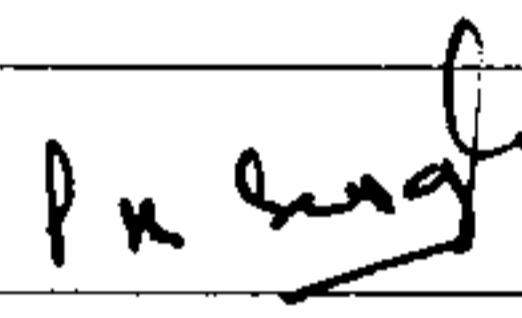
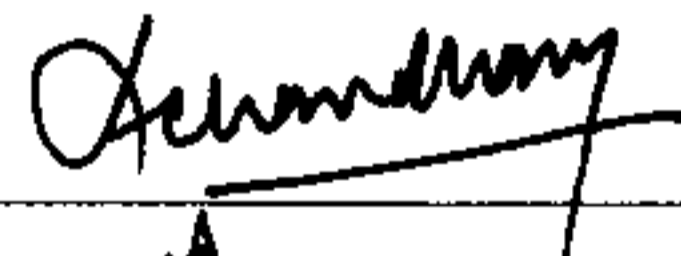
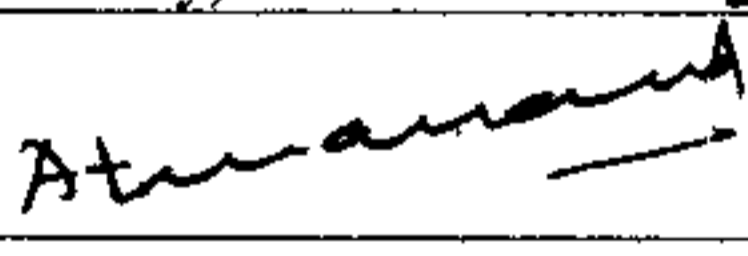

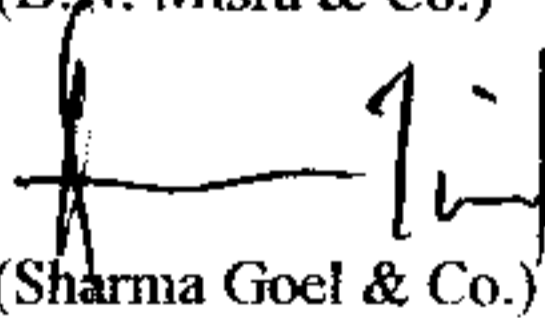

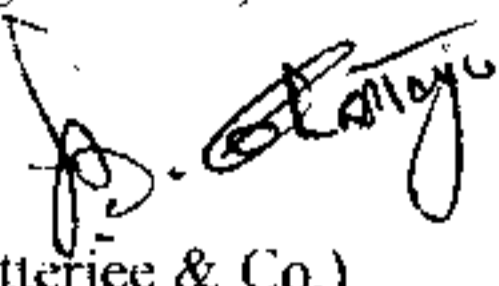
L	SL. No.	Particulars	Standalone		Consolidated	
			Audited figures (as reported before adjusting for qualifications)	Adjusted figures (audited figures after adjusting for qualifications)	Audited figures* (as reported before adjusting for qualifications)	Adjusted figures (audited figures after adjusting for qualifications)
	1.	Turnover / Total income (₹/crore)	39086.24	39086.24	38944.08	As the Consolidated Financial Results (CFR) have not been audited, the adjusted figures will be submitted after audit of CFR.
	2.	Total Expenditure (₹/crore)	44818.53	46839.19	44952.54	
	3.	Net Profit/(Loss) (₹/crore)	(4137.26)	(5458.61)	(4001.26)	
	4.	Earnings Per Share (In ₹)	(10.02)	(13.22)	(9.69)	
	5.	Total Assets (₹/crore)	98269.44	98968.75	100078.49	
	6.	Total Liabilities (₹/crore)	58988.18	61008.84	60085.44	
	7.	Net Worth (₹/crore)	39281.26	37959.91	39990.14	
	8.	Any other financial item(s) (as felt appropriate by the management)	-	-	-	

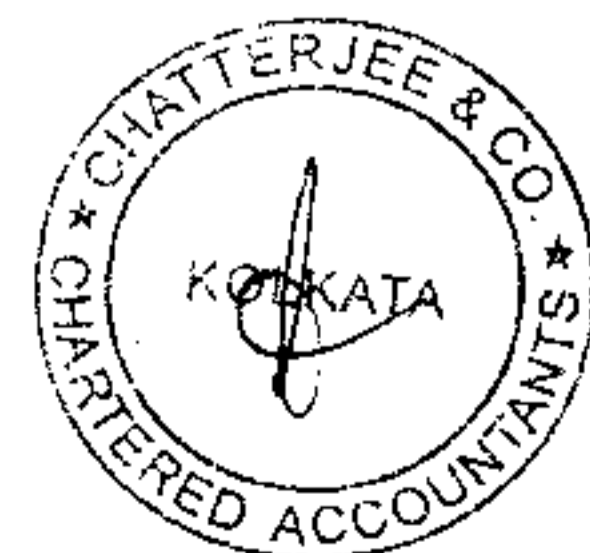
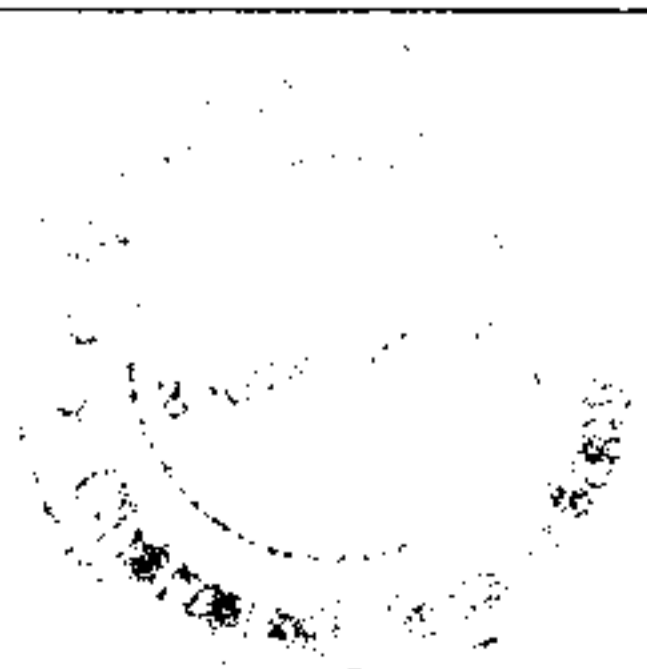
*Unaudited figures



Contd..!

Statement on Impact of Audit Qualifications for the FY ended 31st March, 2016 (Contd..)

II.	Audit Qualification (each audit qualification separately):	Standalone	Consolidated
	a. Details of Audit Qualification:	The Company has not provided for : i) Entry Tax amounting to ₹97.22 crore in the State of Uttar Pradesh, ₹1091.02 crore in the State of Chhattisgarh and ₹341.15 crore in the State of Odisha; (ii) demands of ₹491.27 crore by DVC for supply of electricity.	As the Consolidated Financial Results have not been audited, the information will be submitted after audit of Consolidated Financial Results.
	b. Type of Audit Qualification : Qualified Opinion / Disclaimer of Opinion / Adverse Opinion	Qualified Opinion	
	c. Frequency of qualification: Whether appeared first time / repetitive / since how long continuing	Repetitive and Continuing from the FY 2012-13	
	d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:	Yes, the impact has been quantified by the Auditors. In respect of items stated at (i) & (ii), the Company's view is that these cases are sub-judice for a long time and pending for adjudication before the various judicial authorities. 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 st March, 2016. There is no change in the status of these cases till date.	
	e. For Audit Qualification(s) where the impact is not quantified by the auditor:	Not applicable	
	(i) Management's estimation on the impact of audit qualification:	Not applicable	
	(ii) If management is unable to estimate the impact, reasons for the same:	Not applicable	
	(iii) Auditors' Comments on (i) or (ii) above:		
III.	Signatories:		
	• CEO/Managing Director	(P.K. Singh) 	
	• CFO	(Anil Kumar Chaudhary) 	
	• Audit Committee Chairman	(Dr. Atmanand) 	
	• Statutory Auditors	 (B.N. Misra & Co.)  (Sharma Goel & Co.)  (Singhi & Co.)  (Chatterjee & Co.)	BIRANCHI NARAYAN MISHRA M.No - 083927, FRN 321095E AMAR MITTAL PARTNER MNO - 17755 FRN - 000643N SHRENIK MEHTA M.No. 063769 (PARTNER) FRNo : 302049E CA. S. K. CHATTERJEE M. NO. 3124 PARTNER FRN : 302114E
	Place: New Delhi		
	Date: 30 th May, 2016		



Ref No. 1232/ITSL/OPR/16-17

May 30, 2016

To,
(R S Pundir)
Sr Manager (F&A)
Steel Authority of India Limited
Ispat Bhawan, Lodi Road,
New Delhi – 110 003

Dear Sir,

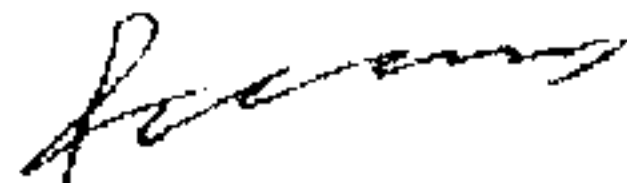
Certificate for receipt and noting of information

[Pursuant to Regulation 52(5) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]

We, IDBI Trusteeship Service Limited (“**Debenture Trustee**”) hereby confirm that we have received and noted the information, as specified under regulation 52(4) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015 (“**Regulations**”), provided to us by **Steel Authority of India Limited** for the financial year ended March 31, 2016.

This Certificate is being issued pursuant to the requirements of regulation 52(5) of the aforesaid Regulations, for onward submission to Stock Exchange(s) by the Company.

For **IDBI Trusteeship Services Limited**



Authorised Signatory



सेल SAIL

Press Release

- **SAIL clocks record sales of 3.79 MT in Q4, FY16 up 20% over CPLY**
- **Q4, FY16 EBIDTA improves by 26% over Q3, FY16**
- **Annual sales of 12.2 MT up 3.6% over CPLY**
- **Saleable Steel Output from new mills up 40% in Q4, FY16 vis-a-vis Q3, FY16**
- **Highest Ever Production of Crude steel in a year**

New Delhi, May 30, 2016: The audited financial results of Steel Authority of India Limited (SAIL) for the financial year 2015-16 were taken on record by the Board of Directors here today. The Company witnessed all round improvement in performance in Q4, FY16 clocking record sales of 3.79 Million Tonnes (MT), which is the highest ever in a quarter by the Company and higher by 30% over Q3, FY16 and 20% higher over corresponding period of last year (CPLY).

During the quarter ending March 2016, the EBIDTA improved by 26% over the quarter ending December, 2015 inspite of a lower NSR. The debt equity ratio of the Company improved to 0.85 on 31st March 2016 from 0.90 on 31st December 2015. The management initiatives towards cost reduction and improved inventory management also contributed to the improvement in financial parameters. Expenditure per tonne of saleable steel came down by around 10% during Q4, FY16 as compared to Q3 on account of reduction in cost of production, higher volumes and other management initiatives.

Company's sales turnover in Q4, FY16 was Rs12,612 crores as against Rs 9,928 crores in Q3, FY16 on account of higher volumes. Inspite of 20% higher sales, SAIL's gross turnover for Q4, FY16 was impacted by lower NSR and it stood at Rs 12,612 crores as against Rs 12,886 Crores in Q4, FY15. The Company's sales turnover for FY16, inspite of higher volumes, was also lower at Rs 43,337 crores compared to Rs 50,627 crores in FY15 due to reduction in NSR.

The loss after tax for Q4 FY16 was Rs 1,230 crores against Profit After Tax of Rs 334 crores over CPLY due to reduction in net sales realization to the extent of 19%. The

net loss for FY16 stood at Rs 4,137 crores as against net profit of Rs 2,093 crores in FY 15 on account of reduction in NSR, higher interest and depreciation charges.

The improved techno economic performance also contributed to the overall performance. SAIL achieved best quarterly Coke Rate at 476kg/thm as against previous best of 489Kg/thm. Company also registered an increase of 4% in BF Productivity and 10% in CDI during Q4, FY16 over Q3, FY16.

In Q4, FY16, the Company's Value Added Steel registered an increase of 7% over Q3. Company developed newer grade of plates and structural (including universal sections) besides developing a variety of passenger coach wheels hitherto being imported.

Speaking on the occasion, Chairman, SAIL, Mr P.K. Singh said, "The challenging conditions faced by domestic industry received some respite after introduction of the conducive policy measures by Government in the form of Safeguard duty and MIP. We have witnessed better figures in the last quarter of FY16. We are targeting to complete the balance modernization and expansion with a focus on energy saving methods, enriching our product mix and introducing customer centric processes to meet the expected surge in demand of steel on account of government's emphasis on infrastructure development."



स्टील अथॉरिटी ऑफ इण्डिया लिमिटेड

STEEL AUTHORITY OF INDIA LIMITED

Ispat Bhawan, Lodi Road, New Delhi - 110 003

www.sail.co.in

There's a little bit of SAIL in everybody's life