



FAX MESSAGE

No.CA-17(44)/2017

August 11, 2017

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: Unaudited Financial Results for the Quarter ended 30th June, 2017,

Ref: Regulation 33(3) of SEBI(Listing Obligations and Disclosure Requirements) Regulations, 2015: Security ID:SAIL.

Dear Sir,

The Board of Directors at its meeting held on 11th August, 2017, inter-alia considered and approved the Unaudited Financial Results for the Quarter ended 30th June, 2017 .


A copy of the following is enclosed pursuant to Regulation 33(3) SEBI(Listing Obligations and Disclosure Requirements) Regulations, 2015:

- Quarterly Unaudited Financial Results for the quarter ended 30th June, 2017 alongwith segment information.
- Limited Review Report on Quarterly Financial Results of Steel Authority of India Limited pursuant to the Regulation 33 of the SEBI(Listing Obligations and Disclosure Requirements) Regulations, 2015.

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)
ED(F&A) & Secretary

Encl. As above.

STEEL AUTHORITY OF INDIA LIMITED

CIN: L27109DL1973GO1006454

REGISTERED OFFICE: ISPAT BHAWAN, LODI ROAD, NEW DELHI - 110 003

Tel: +91 11-24367481, Fax: +91- 11 24367015, E-mail: investor.relation@salex.com, Website: www.sail.co.in

Statement of Unaudited Standalone Financial Results for the Quarter ended 30th June 2017

₹ Crore unless stated otherwise

Sl. No	Particulars	Standalone			
		Quarter ended			Year ended
		30 th June, 2017	31 st March, 2017	30 th June, 2016	31 st March, 2017
		Unaudited	Audited (refer note 3)	Unaudited	Audited
1	Income				
	(a) Revenue from operations	12983.46	14234.18	10335.67	49767.10
	(b) Other income	89.31	309.35	89.28	535.61
	Total Income	13072.77	14543.53	10424.95	50302.71
2	Expenses				
	a) Cost of Materials consumed	6208.71	7229.17	3930.32	21125.70
	b) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(99.22)	(326.80)	(727.62)	120.63
	c) Excise duty	1403.90	1543.64	1097.59	5314.69
	d) Employee benefits expense	2017.72	2081.06	2388.55	8947.83
	e) Finance costs	587.86	720.18	594.05	2527.82
	f) Depreciation and amortisation expenses	694.67	743.93	600.21	2679.95
	g) Other expenses	3536.25	3971.51	3413.06	14220.21
	Total Expenses	14349.89	15962.69	11296.16	54936.83
3	Profit / (Loss) before Exceptional items and Tax	(1277.12)	(1419.16)	(871.21)	(4634.12)
	Add: Exceptional items:				
	Voluntary retirement compensation	(10.12)	0.33	(54.20)	(216.74)
4	Profit / (Loss) before Tax	(1287.24)	(1418.83)	(925.41)	(4850.86)
	Less: Tax expense				
	Deferred tax	(485.86)	(647.53)	(389.89)	(2032.76)
	Earlier years	-	-	-	15.14
5	Net Profit / (Loss) for the period	(801.38)	(771.30)	(535.52)	(2833.24)
	Other Comprehensive Income (OCI)				
	(i) Items that will not be reclassified to profit or loss	5.52	(280.90)	0.60	(542.02)
	(ii) Income tax relating to items that will not be reclassified to profit or loss	(1.10)	110.56	-	188.42
6	Total Comprehensive Income / (Loss) for the period	(796.96)	(941.64)	(534.92)	(3186.84)
7	Equity Share Capital (Face Value of ₹ 10/- each)	4130.53	4130.53	4130.53	4130.53
8	Reserves excluding Revaluation Reserve				31878.53
9	Earnings per equity Share (of ₹10/- each) (not annualised)				
	1. Basic (₹)	(1.94)	(1.87)	(1.30)	(6.86)
	2. Diluted (₹)	(1.94)	(1.87)	(1.30)	(6.86)

Note: Refer accompanying notes to the financial results.



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STEEL AUTHORITY OF INDIA LIMITED

CIN: L27109DL1973GO1006454

REGISTERED OFFICE: ISPAT BHAWAN, LODI ROAD, NEW DELHI - 110 003

Tel: +91 11-24367481, Fax: +91- 11 24367015, E-mail: investor.relation@salex.com, Website: www.sail.co.in

SEGMENT REVENUE, RESULTS, ASSETS AND LIABILITIES

₹ Crore unless stated otherwise

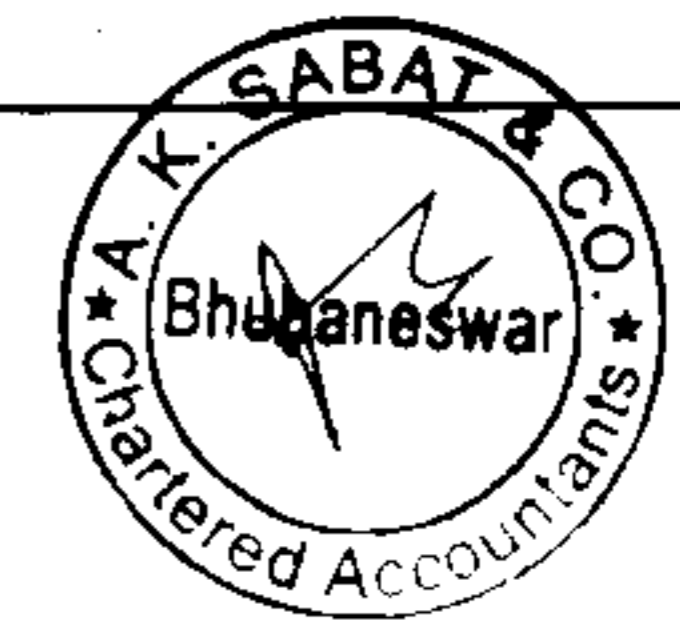
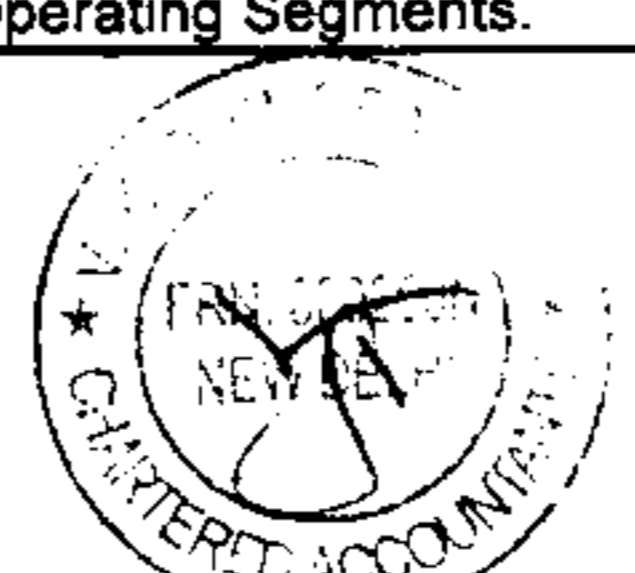
Particulars	STANDALONE			
	Quarter ended			Year ended
	30 th June, 2017	31 st March, 2017	30 th June, 2016	31 st March, 2017
	(Unaudited)	(Audited)	(Unaudited)	(Audited)
Segment Revenue (Revenue from Operations)				
- Bhilai Steel Plant	3886.36	4193.37	3189.91	14926.60
- Durgapur Steel Plant	1290.80	1718.42	1444.65	6447.73
- Rourkela Steel Plant	2661.47	2912.87	2049.10	10060.90
- Bokaro Steel Plant	3381.19	3546.32	2547.43	12221.67
- IISCO Steel Plant	1431.73	1514.99	916.25	4779.38
- Alloy Steels Plant	172.43	138.98	163.80	616.92
- Salem Steel Plant	320.22	507.55	460.56	2032.36
- Visvesvaraya Iron & Steel Plant	46.72	55.44	41.11	196.99
- Others	985.87	981.98	835.19	3521.65
Total Segment Revenue	14176.79	15569.92	11648.00	54804.20
Less: Inter-Segment Revenue	1193.33	1335.74	1312.33	5037.10
Revenue from Operations	12983.46	14234.18	10335.67	49767.10
Segment Results (Profit / (Loss) before Interest, Exceptional Items and Tax)				
- Bhilai Steel Plant	191.77	344.88	136.22	546.87
- Durgapur Steel Plant	(224.83)	(320.36)	(39.21)	(724.42)
- Rourkela Steel Plant	(378.24)	(211.91)	(203.21)	(703.22)
- Bokaro Steel Plant	(113.59)	218.30	54.76	251.85
- IISCO Steel Plant	(277.78)	(447.97)	(249.33)	(1326.32)
- Alloy Steels Plant	(1.38)	7.56	(2.58)	(1.78)
- Salem Steel Plant	(52.15)	(28.78)	(31.06)	(112.45)
- Visvesvaraya Iron & Steel Plant	(30.26)	(25.20)	(32.49)	(114.88)
- Others	197.20	(235.50)	89.74	78.05
Total	(689.26)	(698.98)	(277.16)	(2106.30)
Less: Interest Expenses	587.86	720.18	594.05	2527.82
Exceptional items - Gain / (Loss)				
Less: Voluntary Retirement Compensation	10.12	(0.33)	54.20	216.74
Profit / (Loss) before Tax	(1287.24)	(1418.83)	(925.41)	(4850.86)
Segment Assets				
- Bhilai Steel Plant	27600.74	27079.13	25465.35	27079.13
- Durgapur Steel Plant	6259.80	6006.72	5838.92	6006.72
- Rourkela Steel Plant	18810.54	18906.12	18763.65	18906.12
- Bokaro Steel Plant	14164.91	14437.15	14646.83	14437.15
- IISCO Steel Plant	18713.18	18836.19	18996.32	18836.19
- Alloy Steels Plant	537.78	600.26	611.64	600.26
- Salem Steel Plant	2422.60	2554.16	2835.59	2554.16
- Visvesvaraya Iron & Steel Plant	920.65	678.16	659.67	678.16
- Others	17965.40	17441.58	13501.31	17441.58
Total	107395.60	106539.47	101319.28	106539.47
Segment Liabilities				
- Bhilai Steel Plant	7157.85	6872.38	6810.66	6872.38
- Durgapur Steel Plant	2118.84	2060.83	2004.60	2060.83
- Rourkela Steel Plant	3679.09	3821.43	3544.38	3821.43
- Bokaro Steel Plant	3584.96	3284.97	3177.48	3284.97
- IISCO Steel Plant	1528.63	1577.12	1485.23	1577.12
- Alloy Steels Plant	204.93	232.30	238.81	232.30
- Salem Steel Plant	348.95	372.66	395.62	372.66
- Visvesvaraya Iron & Steel Plant	125.32	151.41	161.27	151.41
- Others	34897.52	33069.83	28243.09	33069.83
Unallocated Liabilities	18537.44	19087.48	16548.79	19087.48
Total	72183.53	70530.41	62609.93	70530.41

Note :

Operating Segments have been identified in line with the Ind AS 108 - Operating Segments.

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Notes to Financial Results:

1. The above results have been reviewed by the Audit Committee in its meeting held on 10th August, 2017 and have been approved by the Board of Directors in its meeting held on 11th August, 2017.

2. The above results have been reviewed by the Statutory Auditors, as required under Clause 33 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015.

3. The figures for the Quarter ended 31st March, 2017, are the balancing figures between the Audited figures in respect of full Financial Year ended 31st March, 2017 and the published year to date figures upto the 3rd Quarter ended 31st December, 2016.

4 (a). Sales include sale to Government Agencies recognised on provisional contract prices during the Quarter ended 30th June 2017: ₹1181.02 crore (corresponding quarter of previous year: ₹1029.96 crore) and cumulatively upto 30th June, 2017: ₹8661.04 crore (upto the corresponding quarter of previous year : ₹4855.59 crore).

(b) During the Current quarter, the Joint Rail Pricing Committee finalised the prices to be paid to the Company for the Financial Years 2012-13, 2013-14 and 2014-15 in respect of rails supplied by Bhilai Steel Plant to Railways. As a result, the Sales for the quarter is higher by ₹247.93 crore.

5. (a) The Nine Judges Constitutional Bench of Hon'ble Supreme Court, vide its judgment dated 11.11.2016, has upheld the constitutional validity of levy of Entry Tax Act enacted by the States and has laid down principles/tests for consideration. The respective regular Benches of the Court would hear the matters as per laid down principles. Pending decisions by the regular Benches of the Apex Court on levy of Entry Tax in the States of Chhattisgarh, Odisha and Jharkhand, the Entry Tax demands, under dispute, of ₹1092.28 crore, ₹240.83 crore and ₹5.15 crore upto 30th June, 2017 aggregating to ₹1338.26 crore (including a sum of ₹1092.28 crore, ₹352.16 crore and ₹5.15 aggregating to ₹ 1449.59 crore upto 31st March, 2017) have been treated as contingent liabilities.

(b) In the state of Uttar Pradesh, based on the decision by the regular Bench of Apex Court on levy of Entry Tax, a fresh Writ Petition has been filed before the Hon'ble High Court, Allahabad. Pending decision by the Court, entry tax demands, under dispute, of ₹92.23 crore (upto 31st March, 2017 - ₹92.23 crore) have been treated as contingent liabilities.

(c) Pending final decision by the Hon'ble Calcutta High Court, in the case of levy of Entry Tax in West Bengal, the disputed Entry Tax demands of ₹268.97 crore upto 30th June, 2017 (including ₹254.21 crore upto 31st March, 2017) have been treated as contingent liabilities.

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6. Pending decision by the various judicial authorities in the determination of the electricity tariff, claims of ₹587.72 crore upto 31st March, 2017 made by Damodar Valley Corporation (DVC) in respect of electricity supplied to one Plant of the Company, the amount whereof has been paid to DVC, have been treated as contingent liabilities. Further, from 1st April, 2017 onwards, full invoice value has been considered in the above Financial Results.

7. Pending negotiation and finalisation of Salary and Wage agreements w.e.f. 1st January 2017, an all-inclusive cumulative provision towards salary & wage revision (including consequential benefits) of ₹209.94 crore upto 30th June 2017 (upto 31st March, 2017 : ₹107.15 crore) has been charged to 'Employees' Benefits Expense' on ad-hoc basis.

8. Based on profitability, sustainability and capacity to pay of the Company, the Other Benefits (including pension) for executive employees amounting to ₹169.44 crore in 'Employee Benefits Expense', provided from 1st April, 2015 to 31st December, 2016 in earlier years, have been written back and credited to 'Employee Benefits Expense' during the current quarter. The Pension Scheme will be submitted to Ministry of Steel for consideration.

9. In view of the various measures being implemented by the Government to uplift the Steel Industry and to boost the demand coupled with steps being taken by the Company to reduce the cost, improvement in the efficiency/productivity, the Company is certain that it will be able to improve its physical and financial performance in future. Accordingly, the Company is of the opinion that it is probable that sufficient future taxable profit would be available against which the unabsorbed tax losses can be set off. Consequent to which, Deferred Tax Assets (net) of ₹ 484.76 crore (including ₹ 38.91 crore on unabsorbed business losses) during the current quarter and ₹4490.60 crore (including ₹3391.33 crore on unabsorbed business losses) up to 30th June, 2017, have been recognised.

10. (a) Pending finalisation of domestic coal prices for the Financial Year 2017-18, prices of Washed Prime Coking Coal(PCC) and Medium Coking Coal (MCC) from Bharat Coking Coal Limited (BCCL) and Central Coking Coal Limited (CCL) have been estimated considering import parity price. Accordingly, during the current quarter, coal prices have been considered higher by 40% and 26% respectively over MOU rates, applicable for the FY 2016-17. Based on the above, the excess billed amount of ₹126.98 crore, by BCCL & CCL at notified rates, is under discussion.

(b) Differential price as claimed by BCCL and CCL for coal supplies from 13th/14th January, 2017 to 31st March, 2017, amounting to ₹ 334.45 crore, being the amount billed over and above MoU agreed prices, is under discussion.

11. The Auditors, in their Audit Report on the Standalone Financial Statement for the Year ended 31st March, 2017, have brought out that the Company has not provided for :

- i) Entry Tax amounting to ₹1092.28 crore, ₹352.16 crore, ₹92.23 crore, ₹5.15 crore and ₹254.21 crore in the State of Chhattisgarh, Odisha, Uttar Pradesh, Jharkhand and West Bengal respectively.;
- ii) Demands of ₹587.72 crore by DVC for supply of electricity.




In respect of items stated at (i) above , the Company's view is that the Nine Judges Bench of Hon'ble Supreme Court, vide its judgment dated 11.11.2016, has upheld the constitutional validity of levy of Entry Tax by the States and has laid down principles/tests on levy of Entry Tax Acts in various States. The respective regular benches of the Court would hear the matters as per laid down principles. Pending decision by the regular benches of the Court on levy of entry tax in the States of Chhattisgarh, Odisha, Uttar Pradesh and Jharkhand and final decision by the Hon'ble Calcutta High Court in the State of West Bengal, the Entry Tax demands under dispute, have been treated as contingent liabilities.

In respect of item stated at (ii) above, the Company's view is that the cases are sub-judice and pending for adjudication before the various judicial authorities for a long time and outcome is pending.

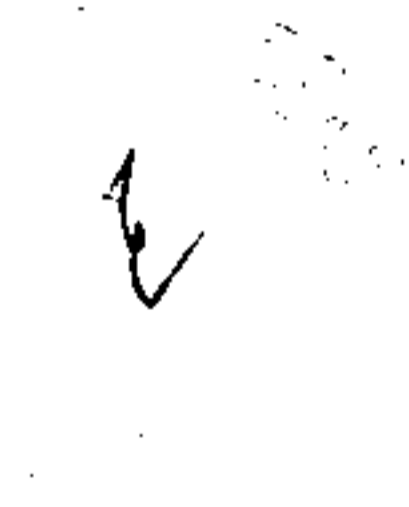
The above stated disputed demands, contested on valid and bonafide grounds, have been treated as contingent liabilities as it is not probable that present obligations exist as on 30th June, 2017. Therefore, there is no adverse impact on loss for the quarter.

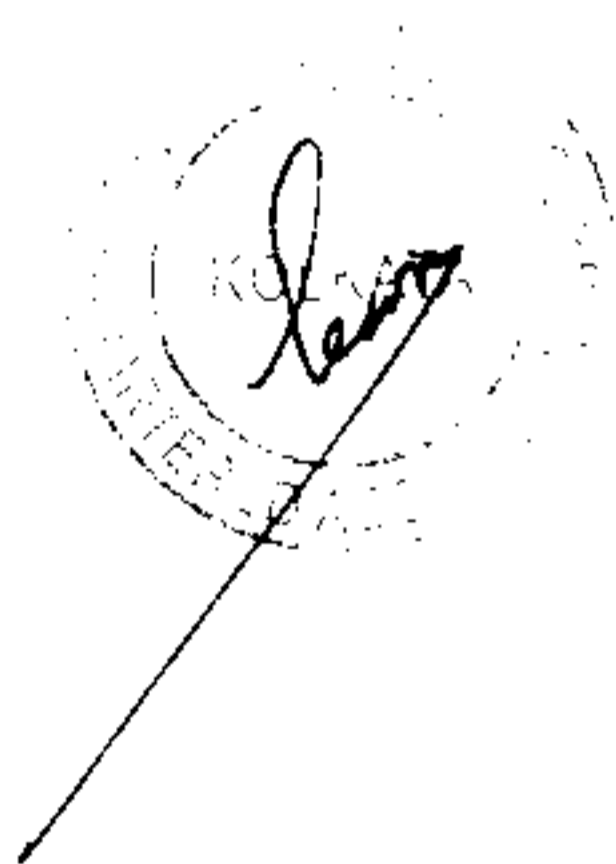
12. The figures of previous periods have been re-grouped, wherever necessary, so as to confirm to the current quarter's classification.

For and on behalf of Board of Directors


(Anil Kumar Chaudhary)
Director (Finance)

Place: New Delhi
Dated: 11th August, 2017









STEEL AUTHORITY OF INDIA LIMITED

CIN: L27109DL1973GO1006454

REGISTERED OFFICE: ISPAT BHAWAN, LODI ROAD, NEW DELHI - 110 003

Tel: +91 11-24367481, Fax: +91- 11 24367016, E-mail: investor.relation@sail.co.in, Website: www.sail.co.in

Extract of Unaudited Standalone Financial Results for the Quarter ended 30th June 2017

₹ Crore unless stated otherwise

Sl. No.	Particulars	Quarter ended 30 th June, 2017	Year ended 31 st March, 2017	Quarter ended 30 th June, 2016
		Unaudited	Audited	Unaudited
1	Total Income from Operations	12983.46	49767.10	10335.67
2	Net Profit / (Loss) for the period (before Tax, Exceptional and / or Extraordinary items)	(1277.12)	(4634.12)	(871.21)
3	Net Profit / (Loss) for the period before Tax (after Exceptional and / or Extraordinary items)	(1287.24)	(4850.86)	(925.41)
4	Net Profit / (Loss) for the period after Tax (after Exceptional and / or Extraordinary items)	(801.38)	(2833.24)	(535.52)
5	Total Comprehensive Income / (Loss) for the period [Comprising Profit / (Loss) for the period (after tax) and other Comprehensive Income (after tax)]	(796.96)	(3186.84)	(534.92)
6	Equity Share Capital (Face Value of ₹ 10/- each)	4130.53	4130.53	4130.53
7	Reserves excluding Revaluation Reserve		31878.53	
8	Earnings per Share (of ₹10/- each) (not annualised)			
	1. Basic (₹)	(1.94)	(6.86)	(1.30)
	2. Diluted (₹)	(1.94)	(6.86)	(1.30)

Note:

1) The above Financial Results have been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on 11th August, 2017 and the same have also been subject to a limited review by the statutory Auditors of the Company.

2) The above is an extract of the detailed format of unaudited Financial Results for the Quarter ended 30th June, 2017 filed with the Stock Exchanges under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The full format of these Financial Results are available on the Stock Exchange websites of NSE and BSE at www.nseindia.com and www.bseindia.com respectively and under the Investor Relations section on the Company's website www.sail.co.in.

For and on behalf of Board of Directors



(Anil Kumar Chaudhary)
Director (Finance)

Place: New Delhi

Dated: 11th August, 2017

1.	Singhi & Co., Chartered Accountants, 161, Sarat Bose Road, <u>Kolkata-700026</u>	2.	Chatterjee & Co., Chartered Accountants, 153, Rash Behari Avenue, 3 rd Floor, <u>Kolkata-700029</u>	3.	V.K. Dhingra & Co., Chartered Accountants, 1-E/15, Jhandewalan Extn., <u>New Delhi-110055</u>	4.	A.K.Sabat & Co., Chartered Accountants, A-348, Sahid Nagar, <u>Bhubaneswar 751007</u>
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Independent Auditors' Review Report

To
The Board of Directors,
Steel Authority of India Limited

1. We have reviewed the accompanying statement of unaudited standalone financial results ('Statement') of **Steel Authority of India Limited** ('the Company') for the quarter ended 30th June, 2017, attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016.
2. This statement which is the responsibility of the Company's Management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard, 34 "Interim Financial Reporting" ("Ind AS 34") prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued there-under and other accounting principles generally accepted in India. Our responsibility is to issue a report on this Statement based on our review.
3. We did not review the financial results of 8 branches/ units included in the Statement. The financial results of these branches/ units have been reviewed by the branch auditors whose review reports have been furnished to us, and our conclusion in so far as relates to the amounts and disclosures included in respect of these branches, is based solely on the review report of such branch auditors.
4. We conducted our review of the Statement in accordance with the Standard on Review Engagement (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of Company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

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5. Basis for Qualified Conclusion

I. The Company has not provided for :

(i) Entry tax amounting to Rs.1,699.46 crore (current quarter Rs.17.20 crore) (refer note no. 5);

(ii) Amount paid to Damodar Valley Corporation (DVC) against bills raised for supply of power and retained as advance to DVC by Bokaro Steel Plant amounting to Rs. 587.72 crore (current quarter Rs. NIL). (Refer Note No.6);

II. The Company has recognized Deferred Tax Assets ("DTA") of Rs.3,391.33 crore on carried forward unused tax losses (excluding depreciation carried forward) as on 30th June 2017 (including Rs.38.91 crore for the current quarter). In view of history of recent losses of the Company and in absence of convincing evidence that sufficient future taxable profit for utilizing the above referred carried forward unused tax losses will be available, in our view such DTA should have been derecognized. Recognition of such DTA has resulted in understatement of Losses to the extent of Rs.3,391.33 crore. (Refer note No.9).

Had the impact of all the above qualifications been considered, Loss (net of tax) for the quarter ended 30th June 2017 would have been Rs.6,475.47 crore as against reported Loss for the quarter Rs.796.96 crore.

6. Qualified Conclusion

Based on our review conducted as above, with the exception of the matters described in the Basis for Qualified Conclusion paragraph No.5 above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited standalone financial results, read with notes on accounts thereon, prepared in accordance with applicable Indian Accounting Standards ("IndAS") prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued there-under and other recognized accounting practices and policies generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as modified by Circular no. CIR/CFD/FAC/62/2016 dated 5th July, 2016, including the manner in which it is to be disclosed, or that it contains any material misstatement.

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7. Emphasis of Matter

We draw attention to the following:

- (i) Gross sales include sales to Government agencies for Rs.1,181.02 crore for the quarter ended 30th June 2017 which is recognized on provisional contract prices (refer note no. 4);
- (ii) Purchase of coking coal from Bharat Coking Coal Limited and Central Coalfields Limited ("suppliers") has been accounted for on estimated price which is below the price notified by the said suppliers by Rs.126.98 crore (refer note no. 10).

Our opinion is not qualified in respect of these matters.

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



(P. K. Singhi)
Partner
M.No.050773



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



(A.K. Basu)
Partner
M.No.051104



For V.K. Dhingra & Co.,
Chartered Accountants
Firm Registration No. 000250N



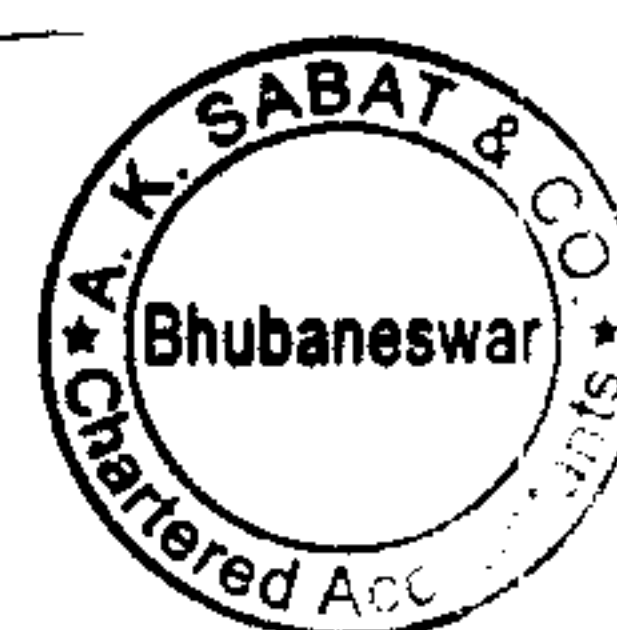
(Vipul Girotra)
Partner
M.No. 084312



For A.K. Sabat & Co.
Chartered Accountants
Firm Registration No. 321012E



(A.K. Sabat)
Partner
M.No.030310



Date: 11th August, 2017

Place: New Delhi