



No.CA-17(44)/2023

5th September, 2023

The General Manager (MO) Bombay Stock Exchange	The Asstt. Vice President National Stock Exchange of India Ltd.
Through BSE Listing Centre	Through NEAPS

Sub: Notice of 51st Annual General Meeting to be held through Video Conferencing (VC)/ Other Audio Visual Means (OAVM) along with the Annual Report of the Company for the Financial Year (FY) 2022-23; Book Closure and Record Date.

Dear Sir,

It is hereby informed that the 51st Annual General Meeting of the Members of Steel Authority of India Limited (SAIL) will be held on 27th September, 2023 at 10:30 AM through Video Conferencing (VC) / Other Audio Visual Means (OAVM) facility. Pursuant to applicable Circulars issued by Ministry of Corporate Affairs and Securities Exchange Board of India, the Notice of the AGM and Annual Report of the Company for the FY ended 31st March, 2023 containing Audited Financial Statements (including Consolidated Financial Statements) and the Report of the Auditors' and Board thereon, and other reports required to be attached thereto, have been sent through electronic mode on 5th September, 2023. Pursuant to Regulation 34 of SEBI (LODR), 2015, a copy of the Annual Report of the Company for the FY 2022-23, along with the Notice of the Annual General Meeting is enclosed for your reference and record. The same is also available on the website of the Company- www.sail.co.in. Notice of the AGM is available at website of M/s. NSDL: www.evoting.nsdl.com

Pursuant to Section 91 of the Companies Act, 2013 and rules notified thereunder and Regulation 42 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, it is thereby notified that the Register of Members of the Company will remain closed from Thursday, 21st September, 2023 (from end of business hours on 20th September, 2023) to Wednesday, 27th September, 2023 (both days inclusive), for the purpose of AGM of the FY 2022-23. The Company has fixed Wednesday, 20th September, 2023 as the 'Record Date' for determining entitlement of members to Final Dividend for the FY 2022-23, subject to approval by the Members at the AGM. The payment of final dividend, if approved by the Members at the AGM, will be paid subject to deduction of Income Tax at source (TDS).

It is further informed that pursuant to Regulation 44(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 108 of the Companies Act, 2013, read with Rule 20 of the Companies (Management and Administration) Rules 2014, as amended, the Company is providing remote e-

इस्पात भवन, लोदी रोड, नई दिल्ली : 110 003, दूरभाष : 011-2436 7481-86, फैक्स : 011-2436 7015, वेबसाईट : www.sail.co.in
Ispat Bhawan, Lodi Road, New Delhi-110 003, Phone : 011-2436 7481-86, Fax : 011-2436 7015, Website : www.sail.co.in
PAN No. AAACS7062F Corporate Identity No. L27109DL 1973 GOI006454

voting facility prior to AGM and e-voting during the AGM, through electronic means to its Members to enable them to cast their vote on the items mentioned in the Notice of the AGM. The Company has engaged services of “National Securities Depository Limited (NSDL)” as an Authorised Agency to provide remote e-voting facility and e-voting facility during AGM to its Members.

The Board of Directors of the Company has appointed Shri Sachin Agarwal, a Company Secretary in Practice of the Company Secretary Firm-M/s. Agarwal S. & Associates as Scrutinizer to scrutinize the remote e-voting and e-voting at the AGM in a fair and transparent manner. The Results of e-voting shall be declared within two working days of the conclusion of the AGM.

The Cut-off Date for determining the eligibility of member to vote through Remote e-voting/ e-voting at the AGM has been fixed as 20th September, 2023 (end of business hours). Only members whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the Cut-off Date, shall be entitled to avail the facility of remote e-voting or e-voting at the AGM. The remote e-voting period would commence on Saturday, 23rd September, 2023 (9.00 A.M. (IST)) and end on Tuesday, 26th September, 2023 (5.00 P.M. (IST)) and during this period the Members of the Company as on the Cut-off Date may cast their vote by electronic means.

Important Event	Dates
AGM	27 th September, 2023 at 10:30 AM
Cut-off date	20 th September, 2023 (end of business hours)
Book Closure	21 st to 27 th September, 2023 (both days inclusive)
E-voting start date	Saturday, 23 rd September, 2023 (9.00 A.M. (IST))
E-voting end date	Tuesday, 26 th September, 2023 (5.00 P.M. (IST))
Record Date for Dividend	20 th September, 2023 (end of business hours)

Thanking you,

Yours faithfully

(M.B. Balakrishnan)
Executive Director (F&A) & Company Secretary

Encl: As above

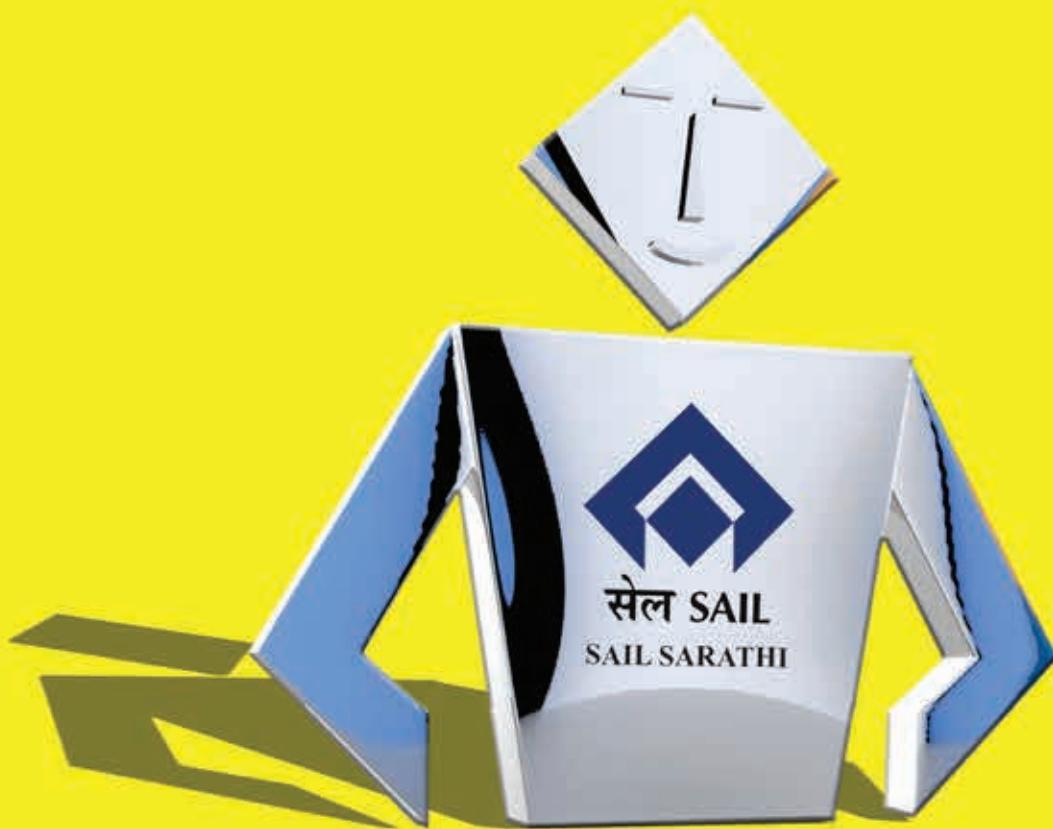
PERFORMANCE SHAPES THE VISION OF TOMORROW



ANNUAL REPORT

2022 - 23

**Meet SAIL SARATHI
at www.sail.co.in
India's first AI based
STEEL CHATBOT**



**Your assistant
to SAIL steel**

SWACHH BHARAT ABHIYAN

SPECIAL CAMPAIGN 2.0



Shri Jyotiraditya Scindia, Hon'ble Union Minister of Civil Aviation and Steel and Shri Faggan Singh Kulaste, Hon'ble Minister of State for Rural Development and Steel Authority of India Limited (SAIL) in the backdrop of "Special Campaign 2.0" launched by the Government of India to review cleanliness, simplification of rules & procedures, record Management system, productive use of space and disposal of waste materials, etc.



VISION

TO BE A RESPECTED WORLD-CLASS
CORPORATION AND THE LEADER IN INDIAN
STEEL BUSINESS IN QUALITY, PRODUCTIVITY,
PROFITABILITY AND CUSTOMER SATISFACTION



CREDO

WE BUILD LASTING RELATIONSHIPS WITH CUSTOMERS BASED ON TRUST AND MUTUAL BENEFIT.

WE UPHOLD HIGHEST ETHICAL STANDARDS IN CONDUCT OF OUR BUSINESS.

WE CREATE AND NURTURE A CULTURE THAT SUPPORTS FLEXIBILITY, LEARNING AND IS PROACTIVE TO CHANGE.

WE CHART A CHALLENGING CAREER FOR EMPLOYEES WITH OPPORTUNITIES FOR ADVANCEMENT AND REWARDS.

WE VALUE THE OPPORTUNITY AND RESPONSIBILITY TO MAKE A MEANINGFUL DIFFERENCE IN PEOPLE'S LIVES.

CONTENTS



PAGE - 06
LETTER TO SHAREHOLDERS



PAGE - 09
PERFORMANCE HIGHLIGHTS



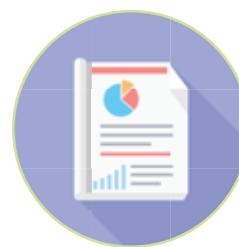
PAGE - 18
BOARD OF DIRECTORS



PAGE - 20
AUDITORS & BANKERS



TEN YEARS AT A GLANCE,
VALUE ADDED/APPLIED &
SHARE HOLDING PATTERN



PAGE - 27
BOARD'S REPORT



PAGE - 54
MANAGEMENT DISCUSSION AND
ANALYSIS REPORT



PAGE - 67
STANDALONE FINANCIAL
STATEMENTS (SFS)



PAGE - 132
INDEPENDENT AUDITORS'
REPORT ON SFS



PAGE - 152
COMMENTS OF C&AG
ON SFS



PAGE - 153
SECRETARIAL AUDIT
REPORT

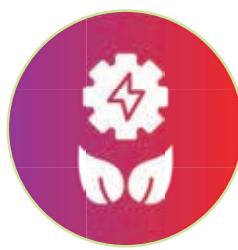


PAGE - 156
CORPORATE GOVERNANCE
REPORT

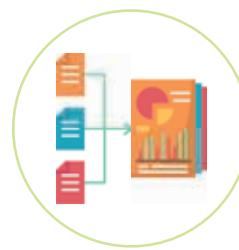
CONTENTS



PAGE - 170
CERTIFICATE ON
CORPORATE GOVERNANCE



PAGE - 171
BUSINESS RESPONSIBILITY
& SUSTAINABILITY REPORT



PAGE - 205
CONSOLIDATED FINANCIAL
STATEMENTS (CFS)



PAGE - 279
INDEPENDENT AUDITORS'
REPORT ON CFS



PAGE - 292
COMMENTS OF C&AG ON
CFS



PAGE - 294
STATEMENT CONTAINING
SALIENT FEATURES OF THE
FINANCIAL STATEMENT OF
SUBSIDIARIES (FORM AOC-1)



PAGE - 296
PARTICULARS OF LOANS,
GUARANTEES OR INVESTMENTS
UNDER SECTION 186



PAGE - 297
PARTICULARS OF ENERGY
CONSERVATION, TECHNOLOGY
ABSORPTION AND FOREIGN
EXCHANGE EARNINGS & OUTGO



PAGE - 302
ANNUAL REPORT ON
CORPORATE SOCIAL
RESPONSIBILITY ACTIVITIES



PAGE - 304
PRINCIPAL EXECUTIVES



PAGE - 305
NOTICE



Letter to Shareholders...



Dear Shareholders,

It is my honour to present the Annual Report of your Company for the Financial Year 2022-23. I hope you and your families are in good health and safe.

As I write my first annual shareholder letter as Chairman, to share about the performance for the year that was and what to look forward to in the future, I am very confident and bullish about the Company. In a cyclical industry such as Steel, our inherent strength and our endeavour to work on our core areas in the recent past are what give me the optimism and belief that we can aspire to be Number One-as an organisation which can be benchmarked by our peers.

Our aspiration to be a leader in our chosen areas is borne out of the collective will of all stakeholders, including the employees.

We had made a decision a few years back to work on two focus areas: to maximise capacity utilisation and to provide the best value to our Customers in order to safeguard against the vagaries of market cycles. This necessitated strategic interventions in ramping up of production, securing raw materials, improving the quality of inputs, reducing business risks over the long term in resource mobilization, and providing a better customer experience while focusing on Decarbonisation and Sustainability. There were diverse and simultaneous challenges in areas like raw material prices, logistics, market volatility, and mining operations, but with cohesive teamwork and leadership, we were able to overcome the challenges to attain certain performance indicators which seemed difficult some time back. We achieved this by critically working on the focus areas with a fresh perspective. I can assure you that we will continue to engage with stakeholders, improve our asset utilization, and proactively be ahead of the curve.

The global business scenario, including that of the steel industry, was dominated by geopolitical factors and economic uncertainties during 2022-23. Business activities were adversely impacted by several macro-economic challenges like a global energy crisis, inflationary pressures, supply chain

disruptions, interest rate hikes by central banks, and strict pandemic-related restrictions in China. The consequential outcomes of these adverse events had a significant impact on the steel industry by way of a contraction of steel prices and volatility in raw material prices, almost throughout the year. However, the steel industry in India was able to meet these challenges by focusing on domestic consumption which was backed by Government expenditure on infrastructure and manufacturing. Besides being the second-largest producer of steel in the world, India's domestic consumption has reached a level of 120 Million Tonnes, the second-highest in the World.

With per capita steel production and consumption growing, the Indian steel industry is poised for growth envisaged in the National Steel Policy. We, at SAIL, are also planning to add capacity accordingly.

At this point, I would like to apprise you of the achievements of your Company for the Financial Year 2022-23. The pressures of several headwinds like logistic constraints, input raw material prices and availability, dull demand, and the imposition of export duty were countered by improved capacity utilization and optimization of resource utilization. Further, focusing on the improvement of operating practices and realigning customer demand to optimize the product mix helped mitigate risks arising from volatility in the market. All the Integrated Steel Plants achieved their best-ever production, leading to the best ever Crude Steel capacity utilization of about 94%.

On the production front, your Company achieved a record annual production performance by producing 19.4 million tonnes (MT), 18.3 MT, and 17.2 MT of Hot Metal, Crude Steel, and Saleable Steel respectively during FY'23, registering growth of 4%, 5%, and 2% respectively over the previous best.

In addition to this, your Company also achieved its yearly best performance in terms of Techno-economic parameters like Coke Rate, CDI Rate, and BF Productivity owing to better

capacity utilisation and optimisation of BF operations. The record production performance reflects the potential of the Company in the future.

To cater to the demand of the dynamic market, several new initiatives were undertaken across all the Plants with regard to process improvements, product development & commercialization, energy conservation, and automation. During the Financial Year 2022-23, new Steel Products that were developed are expected to strengthen the Country in strategic areas such as railway, infrastructure & construction, and defence. Some of the significant among them include High Strength Steel Plates for underwater applications; High Carbon Wire Rod in HC82B for railway sleepers and concrete electric poles; IS 2830C25HMn MAV55 grade semis for use in solar panels; High Strength, higher Coating Galvanized Coil IS 277 GP 350 + 450 GSM grade for Grain Silos; SAIL SeQR Fe550D TMT in 8mm to 20mm for the Retail segment; NPB 600 in E410 BR grade for Defence; and HRC IS 11587 for Containers / Wagons.

With the development of these grades, your Company's journey for improving value-added products in the portfolio continues.

During the Financial Year 2022-23, your Company achieved Saleable Steel Sales Volume of around 16.21 million tonnes, registering a marginal growth over the previous year. The geopolitical conflict in Europe and its repercussions on global steel trade disrupted both supply and demand. This led to pressure on global prices and opportunities for dumping. Despite these unforeseen developments, SAIL was able to sustain the saleable steel Sales Volume achieved in the previous year. Further, continuing its efforts to explore new international markets, the company achieved its highest-ever export of 1.44 Lakh tonnes of various products to Europe.

While your Company adopted a focused approach by improving its sales in domestic markets, entering new market segments for exports in efforts to improve price realization is an initiative expected to benefit us in the future.

The popularity of your Company's branded products like "SAIL SeQR" for TMT bars has been continuously growing over the period. With sales of 5.6 lakh tonnes of "SAIL SeQR" TMT bars during FY'23 compared to 3.8 lakh tonnes in the previous year, a growth of about 47% was registered. In addition, the brand 'NEX' for Structural is also being promoted. With a view to facilitating the procurement of TMT bars for retail customers, an online portal "SAIL SURAKSHA" was launched with a tagline "Ab Nishchint ho Jayein".

Your Company is continuously pursuing ways to reach the end consumer, while actively promoting steel usage in the Country. SAIL has a 2-Tier network for retail sales of construction steel and a 1-Tier network primarily for B2B sales to enhance its reach. To boost sales through the Retail Channel, the Company has established a strong network of

more than 4,800 distributors and dealers across the Country as of 31st March, 2023.

To encourage the MSME segment in steel procurement, SAIL, under the "Mission Poorvodaya" programme of the Government of India, has launched an incentivization scheme, "Ispati Illakon ka Vikas – SAIL ke Saath," for MSMEs based in districts where its Integrated Steel Plants are located.

Over 90,000 tonnes of various steel products were sold to these plant-based MSMEs during FY'23, marking a significant growth from the previous year.

Continuing its commitment to contribute to nation-building by catering to infrastructure projects and projects of national importance, SAIL supplied the entirety of DMR grade specialty steel for India's first indigenously built Aircraft Carrier, INS Vikrant. Commissioning this carrier signifies the country's confidence and self-reliance. Additionally, substantial quantities of steel were also supplied to notable projects such as the Subansiri Lower Hydroelectric Project (SLHEP) on the Assam-Arunachal border, the Crude Oil Import Terminal (COIT) at Paradip, and several key infrastructure developments across the Country.

Regarding raw materials, the total requirement of Iron Ore was met by your Company's captive mines, producing approximately 33.78 million tonnes (MT).

While other inputs like coal and fluxes were partially sourced from captive sources amounting to 0.94 MT and 1.81 MT respectively, the shortfall in Coking Coal, due to the Country's low production in comparison to demand, necessitated imports.

For FY 2022-23, your Company surpassed a turnover of ₹ 1 lakh crore for the second consecutive year.

With a turnover of ₹ 1.04 lakh crore during FY'23, which was 1% higher than the previous year, the Company decided to reward its investors by declaring an interim dividend of 10% of the face value during the year. Moreover, the Board of Directors has recommended an additional 5% for the final dividend.

Focusing on Corporate Social Responsibility (CSR) objectives as stipulated in the Companies Act, 2013, as well as DPE Guidelines, your Company prioritized areas of national importance such as Education, Health, Skills Development, and Women Empowerment. During FY'23, SAIL supported the entire Indian contingent of Special Olympics Bharat's athletes at the Special Olympics World Summer Games, Berlin, 2023.

Further, a focused effort was made to support Persons with Disabilities, by way of supplying wheel chairs and other assisted devices. In all, your Company has incurred an expenditure of over ₹ 162 crore on CSR activities.

SAIL's contributions as a responsible corporate citizen have been acknowledged in various forums, earning accolades and awards. Among these, SAIL emerged as the topmost CPSE buyer on GeM for FY'22, and the Environment Management Division was honored with the Greentech Environment Award 2022.

Being environmentally conscious, all the Plants and Mines of your Company operate in harmony with the ecological balance, adhering to the Corporate Environmental Policy. This policy emphasizes compliance with environmental standards and encourages efforts to exceed them. SAIL operates within established environmental parameters concerning air emissions, water discharge, and noise pollution.

During 2022-23, more than 2.8 lakh saplings were planted, with over 21.82 million saplings planted across SAIL Plants and Mines to date.

Recognizing the importance of rehabilitating degraded ecosystems, an MOU was signed with the Institute of Forest Productivity, Ranchi, for eco-restoration of mined-out areas and waste dumps at Meghatuburu Iron Ore Mines. This project will span over five years, concluding in 2025-26, and to date, around 30,000 seedlings have been raised and maintained at a newly established nursery.

Your Company is transitioning to energy-efficient and durable LED lighting in line with the Government of India's "Unnat Jyoti by Affordable LEDs for All (UJALA) Scheme." Approximately 6.98 lakh LED lights have been installed across Company's Plants and Units, and all future projects will exclusively use LED lighting systems.

Your Company is steadfastly committed to the highest standards of Corporate Governance, as underscored in its vision and credos. In this context, your Company's philosophy aims to ensure transparency, disclosures, and reporting that not only adhere to laws, regulations, and guidelines—including the Companies Act, 2013, SEBI (LODR) Regulations, 2015, and DPE guidelines—but also strive to exceed them. SAIL champions ethical conduct throughout the Organization, aiming primarily to enhance shareholders' value. This commitment is evident in the Company's policies, which emphasize transparency, accountability, disclosures, and reporting. Various forums have recognized your Company's diligent efforts as a responsible corporate citizen

and a partner in Nation Building, awarding it numerous accolades.

Your Company has undertaken numerous Digital Initiatives, ramping up its digital transformation and Industry 4.0 efforts to bolster business performance and enhance the customer experience.

To this end, we have launched an AI-based Chatbot named 'SAIL Sarathi' to elevate customer engagement and service. This bot stands out as one of the most advanced in the steel industry.

Our efforts have been consistently directed towards enhancing value for our stakeholders, ensuring we maintain our competitive edge in the steel industry. Looking ahead, we have pinpointed key areas of focus: Expansion of Capacity, Intensifying Digitisation, Enhancing Raw Material Quality and Securitisation, Decarbonisation, and Capacity Building of our employees. As we outline our growth trajectory and anticipate increased capacities in the forthcoming decade, we remain cognizant of the significant shifts poised to redefine the steel industry, particularly in the realms of decarbonisation efforts and green fuel adoption. Our initiatives to safeguard our raw material resources and elevate the quality of these materials will be pivotal as we augment our capacity. The push for digitisation will be crucial in enhancing the efficiency of our processes and services, positioning us at the forefront of our customers' considerations. We pride ourselves on our workforce, considering them a significant asset, and are committed to equipping them for the future transformations within the steel industry.

In closing, I seize this moment to extend my heartfelt gratitude to all our Shareholders for their unwavering trust and support. I appreciate our esteemed Customers, reliable Suppliers, and the Governments at both the central and state levels. Special acknowledgment goes to our dedicated employees and contractual workers for their relentless commitment and enduring efforts in moulding a robust and accountable organization. I extend particular thanks to the Ministry of Steel for their continuous guidance and support. To all our stakeholders who have played an instrumental role in fortifying this Company's foundation, making it resilient and sustainable, I express my sincere gratitude. I earnestly anticipate and value your continued support and best wishes.



(Amarendu Prakash)
Chairman

Place: New Delhi
Dated: 2nd September, 2023

PERFORMANCE HIGHLIGHTS OF SAIL 2022-23



Narendra Modi @narendramodi

इस शानदार उपलब्धि के लिए बहुत बधाई! SAIL का यह उत्पादन बताता है कि स्टील ही नहीं, बल्कि हर क्षेत्र में देश आमनेर्सरता की ओर तेजी से कदम बढ़ा रहा है।

[Translate post](#)

⊕ **Steel Authority of India Limited (SAIL)** @SAILsteel · Apr 1

सेल ने वित्त वर्ष 2022-23 में अब तक का सर्वश्रेष्ठ वार्षिक उत्पादन हासिल किया। इस अवधि के दौरान कंपनी ने 194.09 लाख टन हॉट मेटल और 182.89 लाख टन कच्चे इस्पात का उत्पादन दर्ज किया जो पिछले सर्वश्रेष्ठ की तुलना में क्रमशः 3.6% और 5.3% की वृद्धि थी।
@PMOIndia @JM.Scindia @fskulaste



Scan the QR Code to view
the original message by

Shri Narendra Modi
Hon'ble Prime Minister

BEST EVER

- Hot Metal production at 19.4 MT
- Crude Steel production at 18.3 MT
- Saleable Steel production at 17.2 MT
- Capacity utilisation of Crude Steel - 94%
- Labour Productivity at 521/TCS/Man-year
- Turnover of ₹ 1,03,768 crore, surpassing ₹ 1 lakh crore, yet again
- Lowest Carbon Emission - 2.5 T/tcs

OTHER HIGHLIGHTS

- EBITDA at ₹ 9,379 crore
- PBT = ₹ 2,637 crore; PAT = ₹ 1,903 crore
- Dividend paid ₹ 3.25/share in FY'23; including a Final dividend of ₹ 2.25 for FY'22 and Interim dividend of ₹ 1 for FY'23.



METAL BEHIND THE MIGHT

SAIL is proud to have manufactured and supplied import substitute special grade steel to the Indian Navy for strengthening its fleet

- Air Craft Carrier, INS Vikrant
- India's 6th stealth frigate, INS Vindhyaigiri



A testimonial from the official 'X' (earstwhile twitter) handle of INS Vikrant

"Many thanks SAIL Steel. At a time when quality steel was a challenge, together with DRDO, you gave us superior quality speciality DMR 249 steel. Atmanirbharat in its purest form. It has withstood battering in the roughest of monsoon seas even at sustained full power, delivering to the largest built indigenous warship, every ounce of confidence one could imagine"

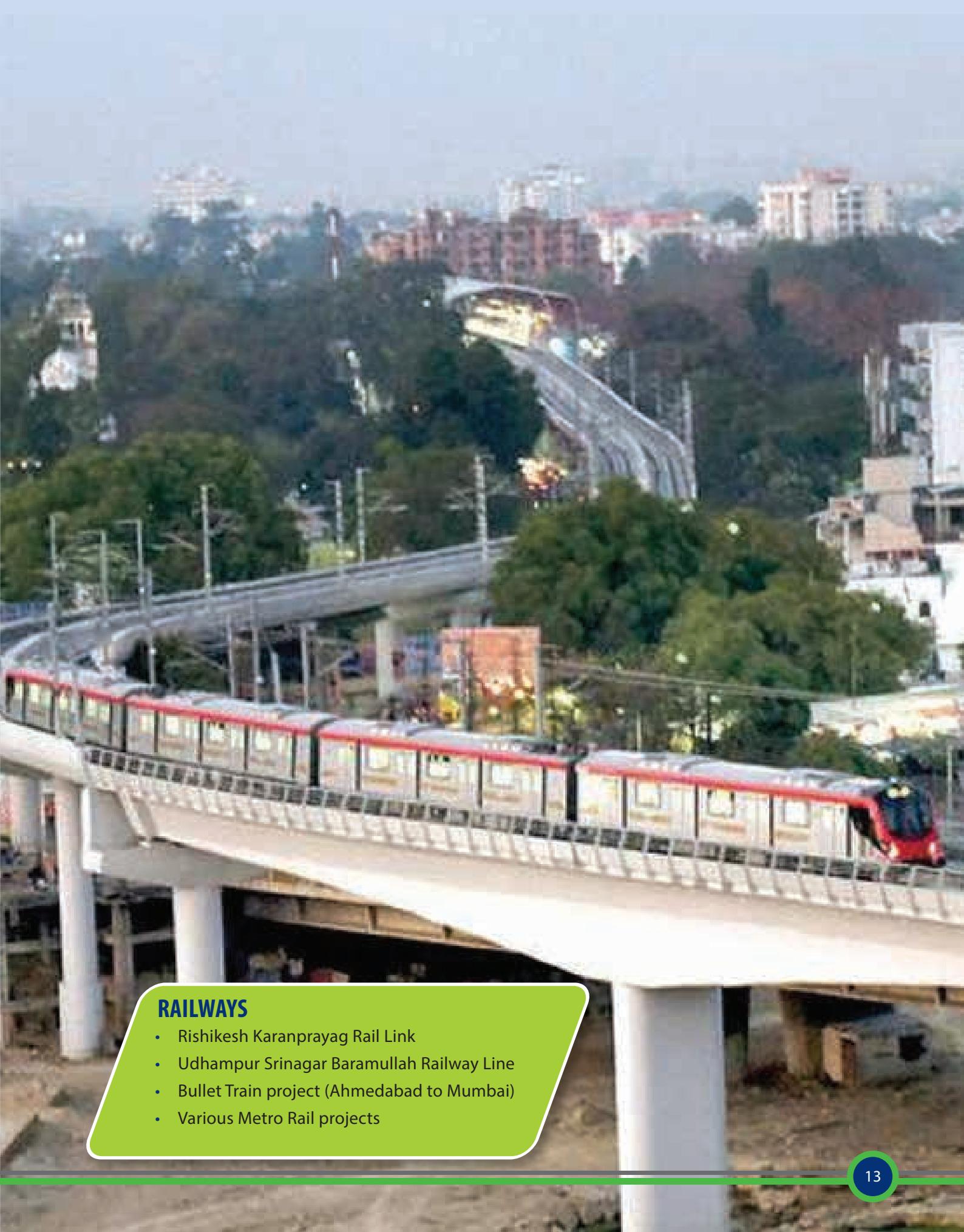
@IN_R11Vikrant

Official Twitter Handle of INS Vikrant



BUILDING ICONS

- Delhi Amritsar Katra Expressway
- Delhi Vadodara Expressway
- Ganga Expressway
- Chardham Highway Project
- Samriddhi Expressway
- Mumbai Trans-harbour Link Project
- Varsova Bandra Sea Link Project
- Ram Mandir, Ayodhya
- Central Vista New Delhi
- Jewar International Airport, Noida
- Legislative Assembly Building in Imphal
- Telangana Secretariat at Hyderabad
- Har Ghar Jal mission
- NMDC Slurry Pipe Line



RAILWAYS

- Rishikesh Karanprayag Rail Link
- Udhampur Srinagar Baramullah Railway Line
- Bullet Train project (Ahmedabad to Mumbai)
- Various Metro Rail projects

NEW PRODUCTS DEVELOPED

- R260 Grade 60E1A1 Grade rails (Thick web asymmetric Rails), Medium Carbon (55C8) billets for Rounds in Railway components, Development of Train set wheels for Vande Bharat Express – QAP Approved, IS 1875 55C8: Non-degassed Steel cast blooms, Cable Armored Quality (CAQ)
- SeQR 550D TMT Bars, IS 1786 FE600, Fe550D-SAIL SeQR, Fe 500D-HCR (16mm), Fe 500D(8 mm) TMT Re-bars, SeQR-550D TMT bars,
- EN 10025 355J2 (with CE mark) HRC for Exports, IS 11587 Certification for Import substitute Structural Weather Resistant Steel for shipping containers , ISC 410 LA Certification for Automotive Application in CR
- SAIL WR 400 grade of plates, HSFQ 450, HSFQ 450 Copper, 25 mm (SAILMA) E350 Br, LPG grade, SAILCOR HR Coils; 0.3mm GP sheet.
- Ultra Low Niobium structural E350BR, WPB 300, High strength structural (MB300) in IS 2062
- E410C Grade at MSM, C18HMnC-MA (Al-Killed) Blooms for low temperature transmission towers, SAE 1015; Fire Resistant Structural Steel (FR Fe 490) in NPB 400 section , C20MMn-C (Cu) Billets for making structures for solar panels, Introduction of new section MC200, ASTM A517 Grade F plates for the Hydropower projects
- Electrode Quality Wire Rods for Submerged Arc Welding (AWS A5.17 EM12K & AWS A5.23 EA2 with Mo), Low Carbon Cable Armour Quality Wire Rods, High Carbon Wire Rods for High Tensile Galvanized Stranded Steel Wire, Wire Rods for Wire Mesh for RCC, Electrode Quality(EWNR) and High Carbon I wire rod coils, 18 mm Wire Rods for Fasteners, Spring Steel (SUP11A) billets for Leaf Spring in Commercial Vehicles

SUSTENANCE & OPERATIONAL EFFICIENCIES

- Commitment to sustainable operations demonstrated
- Achieved lowest coal/coke consumption and best BF productivity in FY'23.
- Strategic leveraged new facilities
- Value-added steel share rose to 52.7% from 51.1% in the previous year.
- Discontinued THF route across SAIL.
- Decreased Ingot Route to 0.8% in FY'23 from 1.1% in FY'22.
- Production of semis dropped to 13.1% in FY'23 from 19.3% in FY'22.

ENVIRONMENTAL INITIATIVES

- Over 100% waste utilization in FY'23
- Specific Carbon Emission curbed to 2.50T/ tcs.
- Pioneering projects towards 'Zero Liquid Discharge'
- Eco-restoration and over 21 million saplings planted around operational areas.
- Adoption of alternate energy sources: hydro and solar power.

TRANSPARENCY

- Procurement through GeM doubled in FY'23, reaching ₹ 9,200 crore from ₹ 4,600 crore in FY'22.



SALES

- Best ever sales volume during the FY' 23 at 16.20 MT
- Best ever Domestic Sales during FY' 23. Growth of more than 8% over CPLY
- Best ever Retail sales during FY' 23. Growth of about 20% over CPLY
- Artificial Intelligence (AI) based chatbot launched on SAIL website to provide information to existing and prospective customers
- Sales of Semis (Billet, Blooms, Slabs, etc.) down to about 8% from 13% during CPLY
- Increase in production at External Processing Agents (EPA) by almost 40%
- 295 Rural Workshops conducted under "Gaon ki Ore" campaign
- Unmanned weighbridge system and automated entry/exit system commissioned at 10 departmental warehouses.
- Integrated Vehicle Tracking System (IVTS) implemented in all warehouses in Eastern Region
- Stainless Shoppe for selling Value Added Products of SSP set up in Chennai.

PROJECTS

- Total 185 projects valuing around ₹ 994 crore completed during FY 23.
- Order placed for construction of first Pellet Plant (1 MTPA) in SAIL at Dalli Mines of BSP on BOO basis.
- Capex of ₹ 5474 crore achieved during FY 23.



MOUs/SCHEMES/ COLLABORATIONS

1. Ministry of Steel initiated a common branding for steel exports across Indian manufacturers. SAIL is piloting this scheme with the Quality Council of India (QCI).
2. SAIL was chosen for the Production Linked Incentive (PLI) Scheme for Specialty Steel in two subcategories: Asymmetric Rails and Head Hardened Rails. MoU is in place.
3. CET organized the "Partners in Project Progress Summit" in Feb'23 in New Delhi, uniting various stakeholders for insights on project management.
4. A MoU with Western Railways was finalized in Dec'22 regarding flash butt welding at the Sabarmati workshop. This will boost Long Rail panel supplies by 1 Lakh Ton annually.
5. SAIL and IIT Madras inked an MoU to set up an Extended Reality (XR) Lab at the Management Training Institute, Ranchi, offering VR, AR, and MR experiences.
6. Agreement signed between SAIL and AAI for facilitating commercial operation of Airport at Rourkela under RCS UDAN scheme

SAIL, as an industry partner, is working with IIT, Bombay along with the MoS on a R&D Project "Designing a sustainable, low-energy consuming, and modular CO₂ capture & mineralization technology". The project is an initiative under de-carbonization effort of SAIL.

SAIL is working with ICAR-IARI along with other industry players on a R&D project "Development of steel slag based cost effective eco-friendly fertilizers for sustainable agriculture and inclusive growth". This R&D project is expected to provide avenue for gainful utilization of BOF slag as soil

AWARDS

- Best Cost Management practices followed in the Company to SAIL in the category Manufacturing - Public - Mega (Annual turnover above ₹ 10000 crore) by the Institute of Cost Accountants of India (ICAI) in the "17th National Awards for Excellence in Cost Management - 2019"
- "Productivity Excellence Award 2022" on the theme "Productivity, Green Growth and Sustainability" by Orissa State Productivity Council to various departments of SAIL Plants/Units having 5 star /4 Star ratings
- Greentech Environment Award-2022 and Greentech Export Award - 2022 to RSP by M/s Greentech Foundation.
- SAIL, Environment Management Division adjudged as the winner of the 22nd Greentech Environment Award 2022 for outstanding achievements in "Environment Protection" category, by the Greentech Foundation.
- Biju Patnaik Sports Award to RSP for its contribution towards development of sports by Hon'ble Chief Minister of Odisha
- National Energy conservation Award (1st prize) in the Integrated Steel Plant category to RSP and 2nd Prize to ISP.
- Indian Institute of Metals, Kolkata Sustainability Award (2nd prize) in the secondary Steel Plant Category to SSP.
- "Wings of Steel" Award by India Steel Association (ISA) for furthering the cause of Diversity and Inclusion in the Hard Zones of Steel manufacturing to SAIL/BSP



Air Connectivity in Odisha gets a major boost under UDAN scheme of Government of India

"Aviation was once considered as the domain of a select few, but that has changed now with the advent of 'UDAN'. A common man who travels in 'Hawai Chappal' should also be seen in 'Hawai Jahaz'. This is my dream."

Narendra Modi,
Prime Minister of India

SAIL's Rourkela Airport operationalised

Flights on Rourkela-Bhubaneswar-Rourkela route have been started by Alliance Air

- The Rourkela Airport has been revived with allocation of more than Rs. 64 Crore through Ministry of Civil Aviation under the UDAN scheme
- Rourkela-Kolkata route has also been awarded for operationalisation under UDAN
- Rourkela Airport is open for connecting all other cities of the country

**Thank you Shri Narendra Modi, Prime Minister of India
for the visionary leadership**

SAIL thanks Shri Jyotiraditya M Scindia, Union Minister for Civil Aviation and Steel for operationalization of the airport and guidance and Shri Dharmendra Pradhan, Minister of Education and Minister of Skill Development & Entrepreneurship for the support. SAIL also thanks the Government of Odisha for the help.



BOARD OF DIRECTORS

As on 1st September, 2023

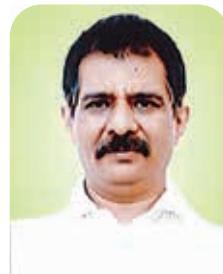


SHRI AMARENDO PRAKASH
Chairman

GOVERNMENT DIRECTORS



SMT. SUKRITI LIKHI
Additional Secretary and Financial Advisor,
Ministry of Steel, Government of India



SHRI ABHIJIT NARENDRA
Joint Secretary,
Ministry of Steel, Government of India

INDEPENDENT DIRECTORS



SHRI ASHOK KUMAR TRIPATHY



SHRI KANHAIYA SARDA



SMT. NEELAM SONKER



SHRI SAGI KASI VISWANATHA RAJU



DR. GOPAL SINGH BHATI



PROF. (DR.) K. JAYAPRASAD

BOARD OF DIRECTORS

As on 1st September, 2023

FUNCTIONAL DIRECTORS



SHRI ANIRBAN DASGUPTA
Director In-charge (Bhilai Steel Plant)



**SHRI VEJENDLA SRINIVASA
CHAKRAVARTHY**
Director (Commercial)



SHRI ATANU BHOWMICK
Director In-charge (Rourkela Steel Plant)
holding additional charge of
Director In-charge (Bokaro Steel Plant)



SHRI BIJENDRA PRATAP SINGH
Director In-charge
(Burnpur and Durgapur Steel Plant)



SHRI ANIL KUMAR TULSIANI
Director (Finance)



SHRI KRISHNA KUMAR SINGH
Director (Personnel)



SHRI ARVIND KUMAR SINGH
Director (Technical, Projects & Raw Materials)

JOINT STATUTORY AUDITORS

M/S. TEJ RAJ & PAL	M/S. S. JAYKISHAN
M/S. WALKER CHANDIOK & CO. LLP.	M/S. K A S G & CO.

BRANCH AUDITORS

M/S. D K CHHAJER & CO.	M/S. SAHA GANGULI & ASSOCIATES
M/S. V KRISHNAN & CO.	M/S. MODI DHALAGI & CO.
M/S. RAY & CO.	M/S. MUKUND M CHITALE & CO.
M/S. K C TAK & CO.	M/S. NAG & ASSOCIATES

COST AUDITORS

M/S. CHANDRA WADHWA & CO.	M/S. ABK & ASSOCIATES	M/S. R.M. BANSAL & CO.
--------------------------------------	----------------------------------	-----------------------------------

SECRETARIAL AUDITOR

M/S. AGARWAL S. & ASSOCIATES

REGISTERED OFFICE

ISPAT BHAWAN

LODI ROAD, NEW DELHI-110003

PHONE: 24367481; FAX: 24367015

WEBSITE: WWW.SAIL.CO.IN, EMAIL: SECY.SAIL@SAIL.IN

CIN: L27109DL1973GOI006454

BANKERS

1. AXIS BANK LIMITED	11. INDUSIND BANK LIMITED
2. BANK OF BARODA	12. JAMMU & KASHMIR BANK
3. BANK OF INDIA	13. KARNATAKA BANK LIMITED
4. CANARA BANK	14. KOTAK MAHINDRA BANK LIMITED
5. CENTRAL BANK OF INDIA	15. PUNJAB NATIONAL BANK
6. HDFC BANK LIMITED	16. RBL BANK LIMITED
7. ICICI BANK LIMITED	17. STATE BANK OF INDIA
8. IDBI BANK LIMITED	18. UNION BANK OF INDIA
9. INDIAN BANK	19. UNITED OVERSEAS BANK
10. INDIAN OVERSEAS BANK	20. YES BANK LIMITED

Ten Years At A Glance

FINANCIAL HIGHLIGHTS

for the year ended 31st March, 2023

(₹ in crore)

	2022-23	2021-22	2020-21	2019-20	2018-19	2017-18	2016-17	2015-16	2014-15	2013-14
Gross sales	103768	102805	68452	61025	66267	58297	49180	43294	50627	51866
Net sales	103768	102805	68452	61025	66267	56893	43866	38471	45208	46189
Earnings before interest, tax and depreciation (EBITDA)	9379	22364	13740	11199	10283	5184	672	(2204)	5586	5909
Depreciation	4963	4274	4102	3755	3385	3065	2680	2402	1773	1717
Interest & Finance charges	2037	1698	2817	3487	3155	2823	2528	2300	1454	968
Profit / (Loss) before exceptional items	2379	16392	6821	3957	3743	(703)	(4536)	(6906)	2359	2266
Exceptional items: Gain / (Loss)	258	(353)	58	(787)	(405)	(56)	(315)	(101)	-	959
Profit / (Loss) before tax (PBT)	2637	16039	6879	3171	3338	(759)	(4851)	(7008)	2359	3225
Provision for tax / (income tax refund and deferred tax)	734	4024	3029	1149	1159	(277)	(2018)	(2986)	266	608
Profit / (Loss) after tax (PAT)	1903	12015	3850	2022	2179	(482)	(2833)	(4021)	2093	2616
Dividends	620	3614	1157	-	207	-	-	-	826	834
Equity Capital	4131	4131	4131	4131	4131	4131	4131	4131	4131	4131
Reserves & Surplus	48009	47887	39364	35647	34021	31583	31879	35065	39374	38536
Net Worth (equity capital and reserves & surplus)	52139	52017	43495	39777	38152	35714	36009	39196	43505	42666
Total Loans	30773	17284	37677	54127	45170	45409	41396	35141	29898	25281
Net Fixed Assets	73524	73657	67600	69019	61359	58612	50285	45926	36169	26771
Capital work-in-progress	4891	4710	8878	8752	16014	18395	23275	24927	29196	33651
Current Assets (including short term loans)	37763	28627	31976	40918	32249	29638	25545	24304	28482	26891
Current Liabilities & Provisions	49305	39318	25908	22066	23632	24068	21486	18992	16338	15212
Working Capital (current assets less current liabilities)	(11542)	(10691)	6068	18852	8617	5570	4060	5312	12145	11679
Capital Employed (net fixed assets + working capital)	61982	62966	73668	87871	69977	64182	54345	51238	48314	38450
Market price per share (in ₹) (as at the end of the year)	82.70	98.55	78.80	23.05	53.75	70.20	61.20	43.00	68.35	71.40
Key Financial Ratios										
EBITDA to average capital employed (%)	15.01	32.74	17.01	14.19	15.33	8.75	1.27	(4.28)	12.88	16.90
PBT to Net Sales (%)	2.54	15.60	10.05	5.20	5.04	(1.33)	(11.06)	(18.22)	5.22	6.98
PBT to average capital employed (%)	4.22	23.48	8.52	4.02	4.98	(1.28)	(9.19)	(13.62)	5.44	8.39
Return on average net worth (%)	3.65	25.16	9.25	5.19	5.90	(1.34)	(7.53)	(9.72)	4.86	6.13
Net worth per share of ₹10	126.23	125.93	105.30	96.30	92.37	86.46	87.18	94.89	105.33	103.30
Earnings per share of ₹10	4.61	29.09	9.32	4.89	5.27	(1.17)	(6.86)	(9.74)	5.07	6.33
Price-earning ratio (times)	17.95	3.39	8.45	4.71	10.19	(60.19)	(8.92)	(4.42)	13.48	11.28
Dividend per share of ₹10	1.50	8.75	2.80	-	0.50	-	-	-	2.00	2.02
Effective dividend rate (%)	1.81	8.88	3.55	-	-	-	-	-	2.93	2.83
Debt-Equity (times)	0.59	0.33	0.87	1.36	1.18	1.27	1.15	0.90	0.69	0.59
Current ratio (times)	0.77	0.73	0.68	1.85	1.36	1.23	1.19	1.28	1.74	1.80
Capital employed to turnover ratio (times)	1.67	1.63	0.93	0.69	0.95	0.91	0.90	0.84	1.05	1.35
Working capital turnover ratio (times)	(8.99)	(9.62)	11.28	3.24	7.69	10.47	12.11	8.15	4.20	4.40
Interest coverage ratio (times)	2.05	9.56	2.86	1.83	1.79	0.58	(0.65)	(1.91)	1.80	2.31
Dividend payout ratio (%)	32.56	30.08	30.04	-	9.48	-	-	-	39.45	31.91

PRODUCTION

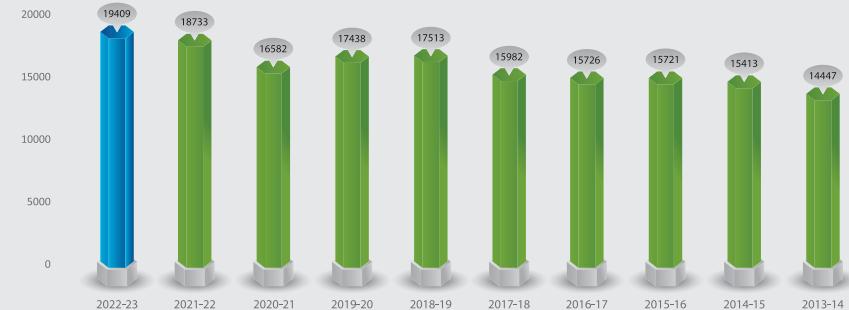
Item	2022-23	2021-22	2020-21	2019-20	2018-19	2017-18	2016-17	2015-16	2014-15	2013-14
Hot Metal	19409	18733	16582	17438	17513	15982	15726	15721	15413	14447
Crude Steel	18291	17366	15215	16155	16266	15020	14496	14279	13908	13579
Pig Iron	368	564	584	570	480	270	495	642	634	223
Saleable Steel	17246	16896	14602	15147	15069	14074	13867	12381	12842	12880
- Semi Finished Steel	2277	3171	3797	2995	3169	2610	3170	3054	3007	2760
- Finished Steel	14969	13724	10805	12152	11900	11464	10697	9327	9835	10120

Ten Years At A Glance

FINANCIAL HIGHLIGHTS & KEY FINANCIAL RATIOS

Hot Metal

(Unit : '000T)



Crude Steel

(Unit : '000T)



Saleable Steel

(Unit : '000T)



GROSS SALES (₹ in Crores)

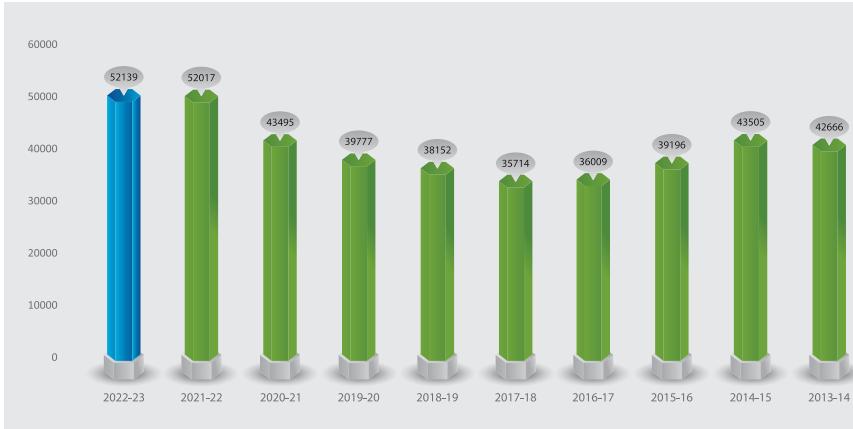


EBITDA TO AVERAGE CAPITAL EMPLOYED (in %)

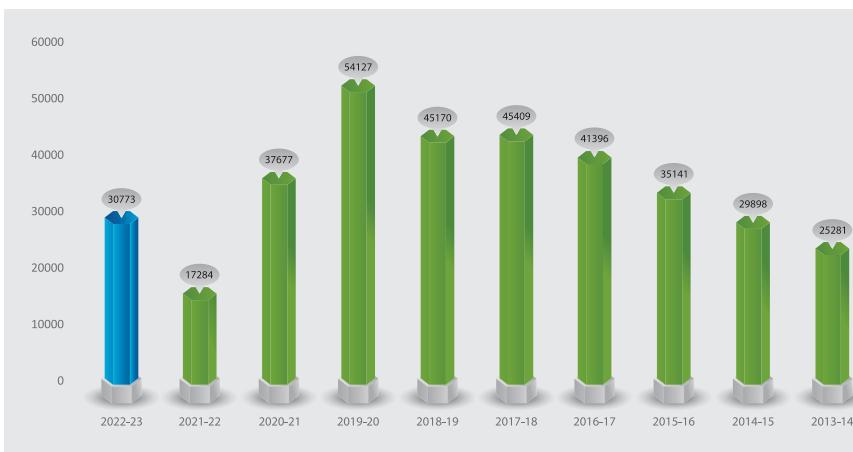


PBT TO NET SALES (in %)

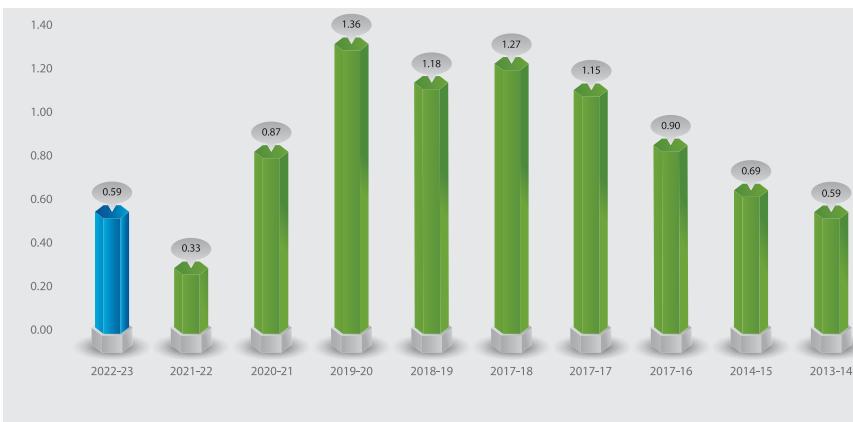




NET WORTH
(Equity Capital and
Reserves & Surplus)
(₹ in Crores)



BORROWINGS
(₹ in Crores)



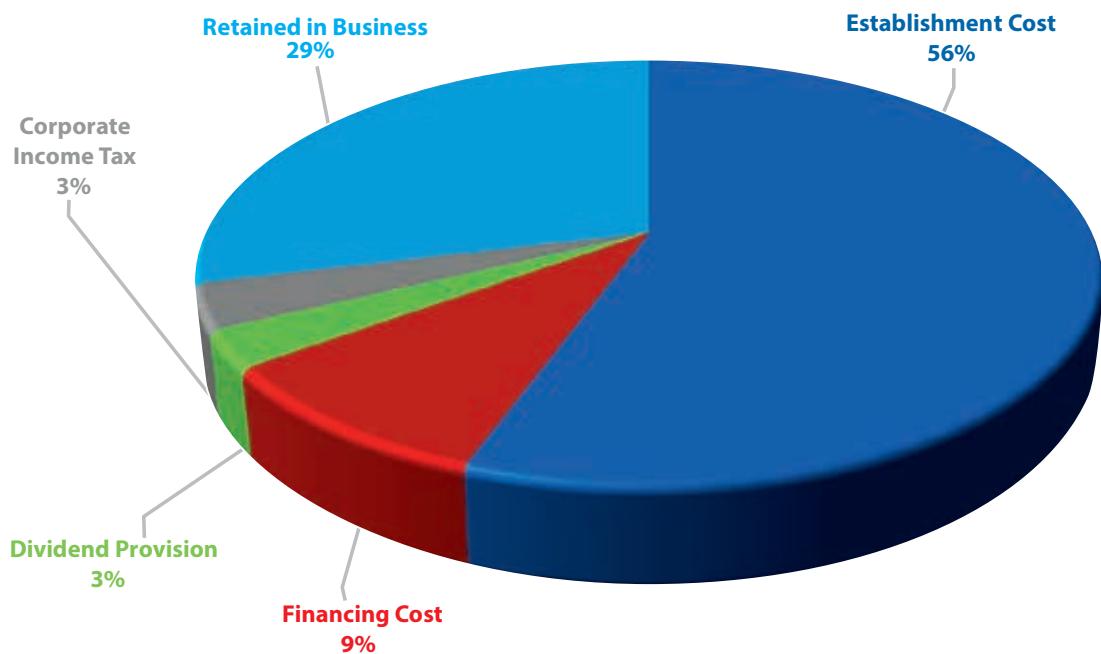
DEBT-EQUITY
(No. of Times)



**EARNING
PER SHARE
OF ₹10**
(Amount in ₹)

VALUE APPLIED

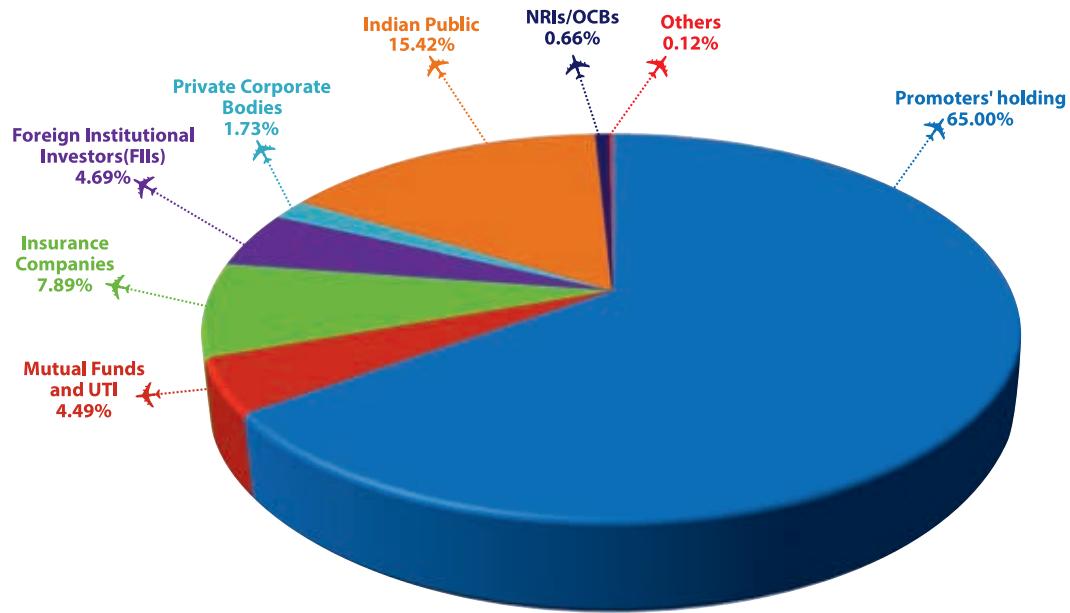
(in %)



₹ in crore

	For the year	2022-23	2021-22
Value of own production		109733	103644
Other Revenues	1982	111715	1647
Less: Cost of Raw Materials	62091		42776
Stores and Spares	5573		4486
Power and Fuel	7704		6967
Freight Outward	3024		2669
Other Operating Cost	11632	90024	13534
Total Value Added		21691	34858
Establishment Cost		12054	12846
Financing Cost		2037	1698
Dividend Provision		620	3614
Corporate Income Tax		734	4024
Income Retained in Business			
Depreciation	4963		4274
Bonds Redemption Reserve	-157		-553
Balance of Profit	1440	6246	8955
Total Value applied		21691	34858

SHAREHOLDING PATTERN



Others include Banks & Financial Institutions, GDR and IEPF

As on 31st March, 2023

S.No.	Category	Holders	No. of Shares held	% age of Shareholding
A.	Promoters' holding			
1	Promoters			
	- Indian Promoters v.i.z., the GOI	1	2684714550	65.00
	- Foreign Promoters			
2	Persons acting in Concert			
	Sub-Total	1	2684714550	65.00
B	Non-Promoters Holding			
3	Institutional Investors			
a	Mutual Funds and UTI	32	185292619	4.49
b	Banks & Financial Institutions	23	931411	0.02
c	Insurance Companies	20	325841275	7.89
d	Foreign Institutional Investors(FII)	174	193737178	4.69
	Sub-Total	249	705802483	17.09
4	Others			
a	Private Corporate Bodies	3146	71396068	1.73
b	Indian Public	1505561	636879557	15.42
c	NRIs/OCBs	13028	27427948	0.66
d	GDR	2	110990	0.00
e	IEPF Authority	1	4193693	0.10
	Sub-Total	1521738	740008256	17.92
	GRAND TOTAL	1521988	4130525289	100.00

BOARD'S REPORT

To,
The Members,
Steel Authority of India Limited,
New Delhi

The Board of Directors has the pleasure of presenting the 51st Annual Report of Steel Authority of India Limited (SAIL, the Company) together with the Audited Standalone and Consolidated Financial Statements for the Financial Year ended 31st March, 2023.

A. FINANCIAL REVIEW

Financial Results

(₹ crore)

Sl. No.	Particulars	Standalone Year ended	
		31 st March, 2023	31 st March, 2022
		Audited	Audited
1	Income		
	(a) Revenue from operations	104447.36	103473.32
	(b) Other income	1354.84	1042.03
	Total Income	105802.20	104515.35
2	Expenses		
	a) Cost of materials consumed	62091.10	42776.46
	b) Changes in inventories of finished goods, work-in-progress and by-products	(5160.14)	(284.99)
	c) Employee benefits expense	12053.62	12846.24
	d) Finance costs	2037.47	1697.88
	e) Depreciation and Amortisation expenses	4962.52	4274.17
	f) Other expenses	27438.71	26813.46
	Total Expenses	103423.28	88123.22
	Profit before Exceptional items and Tax	2378.92	16392.13
	Add / (Less): Exceptional items	257.99	(353.41)
4	Profit before Tax	2636.91	16038.72
	Less: Tax expense		
	Current tax	118.37	-
	Deferred tax	615.47	4023.68
	Total Tax expense	733.84	4023.68
5	Net Profit for the period	1903.07	12015.04
	Other Comprehensive Income (OCI)		
	(i) Items that will not be reclassified to profit or loss	(566.83)	(87.22)
	(ii) Income tax relating to items that will not be reclassified to profit or loss	128.22	22.77
6	Total Comprehensive Income for the period	1464.46	11950.59

Your Company achieved the best Sales Turnover of ₹1,03,768 crore during the Financial Year (FY) 2022-23, which is higher by 1% as compared to corresponding period of last year (CPLY) mainly due to increase in Net Sales Realisation (NSR) of Saleable Steel of 5 Integrated Steel Plants and marginal increase in Sales Volume (2%). During the FY 2022-23, the decline in the profitability as compared to CPLY is on account of higher input cost perpetuated mainly by imported coal prices, increase in stores and spares consumption, repairs &

maintenance expenses, increase in purchased power rates, conversion charges, security expenses, higher usage of raw materials like Iron ore, Limestone and other ferro-alloys, higher interest charges and depreciation and loss on account of foreign exchange fluctuation, etc.

The decline in the profitability was offset partially by increase in production volume, improved NSR, lower salaries & wages, better techno-economic parameters viz. improvement in BF productivity and Coke Rate, lower imported coal in blend, etc., decrease in Royalty expenses, higher stock valuation rate, higher dividend income, etc.

Your Company continued its thrust on judicious fund management with timely action for fund raising and repayment of loans including interest to meet its growth objectives. The Company had borrowings of ₹ 30,773 crore as on 31st March, 2023 vis-a-vis ₹ 17,284 crore as on 31st March, 2022 (INDAS). The debt equity ratio of the Company as on 31st March, 2023 has increased to 0.59:1 from 0.33:1 as on 31st March, 2022 primarily due to increase in borrowings during the FY 2022-23. The net worth of the Company increased to ₹ 52,139 crore as on 31st March, 2023 from ₹ 52,017 crore as on 31st March, 2022.

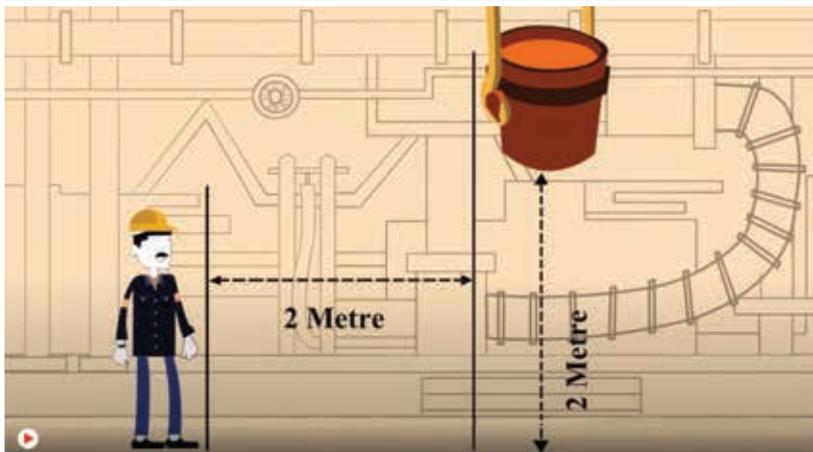
Interim Dividend of 10% i.e. ₹ 1.00 per equity share was paid during the FY 2022-23. The Board of Directors of your Company has further recommended a Final Dividend of ₹ 0.50 per equity share, subject to approval of Members in the ensuing Annual General Meeting of the Company, i.e. total dividend for FY 2022-23 being 15% on equity share capital of the Company. No amount has been transferred to general reserve during the year under review.

M/s. CARE Ratings, M/s. India Ratings and M/s Brickwork Ratings, RBI approved Credit Rating Agencies, assigned 'CARE AA Outlook: Stable', 'Ind AA Outlook: Stable' and 'BWR AA (Stable)' ratings respectively for SAIL's long-term borrowing programme.

B. OPERATIONS REVIEW

Safety

Your Company is committed to the safety of its employees and the people associated with it, including those living in the neighborhood of its Plants, Mines and Units. SAIL Safety Organization (SSO) centrally monitors and guides the Safety Promotional and Fire prevention activities undertaken at different Steel Plants/Units/Mines/Stockyards. SSO formulates and prepares appropriate Safety Policies, Procedures, Systems, Action Plans, Guidelines, etc. and follows up for their implementation, and thereby, helps in providing Accident-free Work Environment. Plants are ISO-45001 certified, which is an advanced Safety Management System and as a compliance to this, Hazard Identification and Risk Assessment (HIRA) has been conducted for most of operation & maintenance activities and appropriate control measures have been formulated and implemented to either eliminate the risk or bring it to acceptable limits.



Scan QR code to watch video on safety for employees

Safety aspects have been incorporated in Standard Operating & Maintenance Procedures (SOPs & SMPs) which helps in integrating safety with operations and maintaining necessary technological discipline. System of conducting safety audits and inspections is in vogue and observations, if any, are complied with at the earliest. As a new initiative, theme based Safety Audits are being conducted with the help of Industry experts. Prioritising safety foremost, the Company has engaged Safety Management Consultant for Safety Culture Transformation, at its Plants in Bhilai, Bokaro, Rourkela and Durgapur and Burnpur. Relentless efforts are also being made by Plants and SSO for competence building in the area of Safety Management through regular HRD interventions, LEO workshops, webinars, etc., in-house as well as through external experts, on areas of concern covering Heads of Shops, Line Managers, Safety Personnel and Trade Union leaders. System of imparting safety training at induction and on-the-job trainings to contract workers prior to start of jobs, exists in all the Plants and Units.

SSO has recently launched many new initiatives to reach the lowest strata of the Company. A new initiative called 'Suraksha Manthan' for achieving Zero Fatality, with the participation of Heads of Safety of all Plants/Units, where learnings from incidents/ Near Miss cases, good safety practices across Plants/Units are discussed and followed up for its implementation. A safety interaction module named 'Sampark' has been launched for sensitizing different working levels of Plants i.e. HODs, Shift in-charges and Departmental Safety Officers. In the beginning of every training programme at Management Training Institute (MTI), the participants are sensitized on the importance of safety through a customized module titled 'Sparsht'.

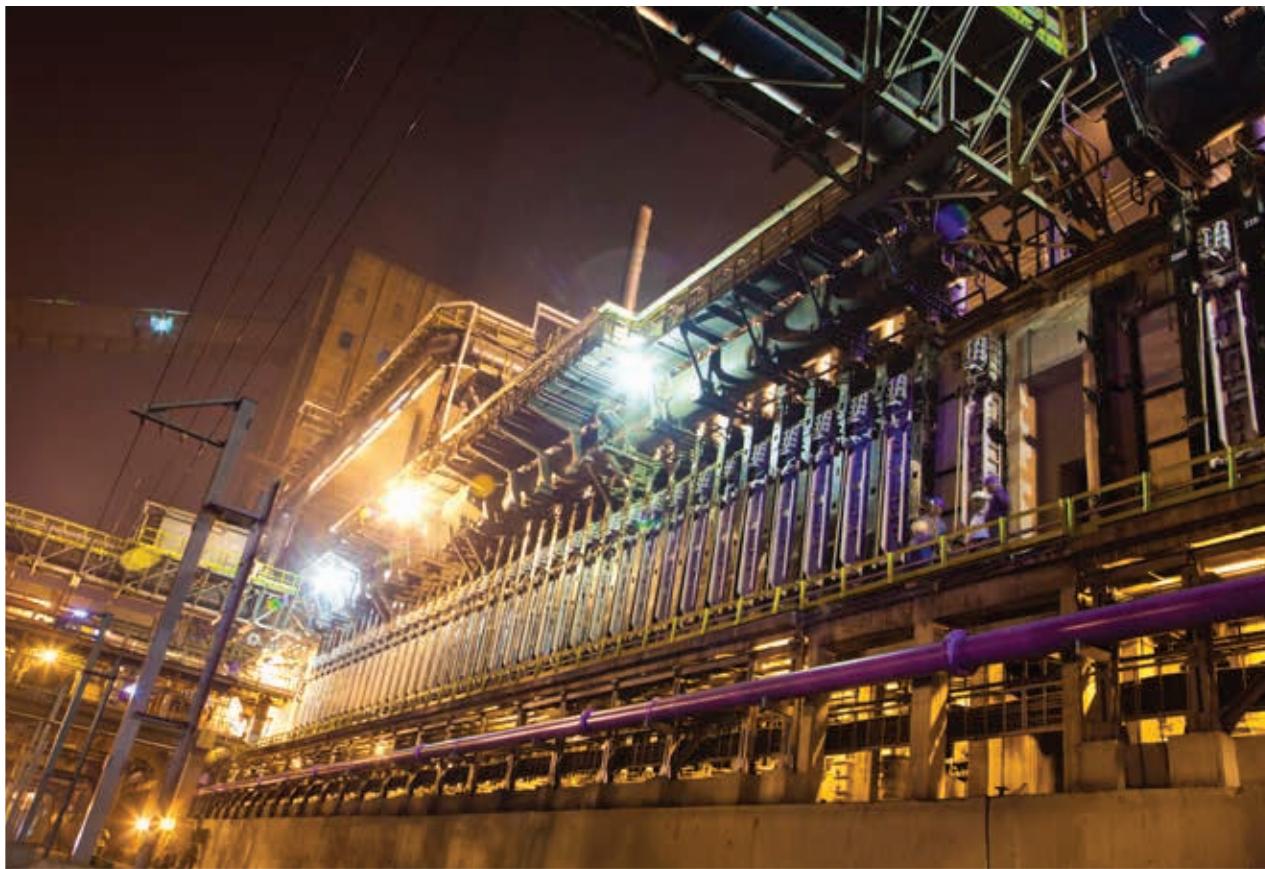
Benefits of technology are leveraged by extensive utilization of IT in the area of Safety Management, by way of web portals for sharing important information, safety suggestions, etc. Good Safety Practices prevailing in the Plants & Units and other industries are captured and circulated among all for horizontal deployment, knowledge sharing and bringing improvement. A multi-disciplinary Safety Engineering Department exists in each of the Steel Plants and Mines to look into their safety needs. The emphasis is on Systematic

Approach to Safety Management. SSO is also managing the secretariat of the Joint Committee on Safety, Health & Environment in the Steel Industry (JCSSI), a bipartite forum which addresses Safety, Health & Environment issues of the Steel Plants with active involvement of Management and Central & Plant level trade unions and provides guidelines to the member organizations. Acknowledging the importance of Safety, the activities and measures undertaken are reviewed at the highest level by the Board Sub Committee on Health, Safety & Environment.



Operations

The FY 2022-23 has been largely a year of mixed sentiments and performances for the domestic steel industry. The impact of the Russia-Ukraine conflict was felt across the global steel industry. The inflationary pressures due to supply chain bottlenecks in the post Covid world resulted in shooting up of fuel prices. Coal prices and raw materials cost put extreme pressure on margins. Also during second quarter, the reduced availability of rakes at ports severely hampered supply of coking coal to the Steel Plants of SAIL.



During FY 2022-23, SAIL achieved Hot Metal, Crude Steel and Saleable Steel production of 19.4 MT, 18.3 MT and 17.2 MT respectively. In addition to this, your Company also achieved, its best annual performance in respect of Techno- economic parameters like Coke Rate, CDI Rate and BF Productivity owing to focus on better capacity utilisation of bigger Blast Furnaces (BF) and optimisation of BF operations.

The Research and Development Centre for Iron & Steel (RDCIS) of the Company provided innovative technological inputs to different Plants of SAIL, with special emphasis on process and quality improvement, product development and commercialization. The continuous activities in respect of product development have led to development of 12 new Steel Products during FY 2022-23.

At Bhilai Steel Plant (BSP), the new Blast Furnace i.e. BF-8 produced 2.54 MT of Hot Metal, surpassing the previous best achievement of 2.47 MT in the previous FY. The new SMS i.e. SMS-III achieved its best ever production of 3.06 MT, surpassing the previous best of 2.73 MT achieved in the previous FY and achieving 103.8% of its installed capacity with three Casters. The Plant produced highest ever Saleable Steel at 4.82 MT, surpassing the previous best of 4.67 MT achieved in the FY 2021-22. The year witnessed commencement of regular production of Thick Web Asymmetric Rails in grade (R-260) and profile (60E1A1) from August, 2022 onwards to meet the demand for these products from Indian Railways. The Universal Rail Mill (URM) and the Rail and Structural Mill (RSM) produced 9.1 lakh tonnes of Long Rails, thereby

surpassing the previous best of 7.0 lakh tonnes achieved in the FY 2020-21. In addition, the total loading of Long Rails at 9.38 lakh tonnes was the best ever, surpassing the previous best of 7.36 lakh tonnes in the FY 2020-21 and 1000 Rakes of Long Rails were dispatched to Indian Railways in the FY 2022-23. With regard to the 1175 HT grade Rails, trial rolling was carried out at URM, for which process has been approved by Indian Railways/RDSO. Under the Product Linked Incentive (PLI) Scheme launched by Government of India, BSP's applications for Head Hardened Rails and Asymmetric Rails have been approved by Ministry of Steel for implementation and MOU was signed on 17th March, 2023. The improvement in production from new Bar and Rod Mill (BRM) at 8.4 lakh tonnes registered growth of 17% over 7.2 lakh tonnes produced in the previous financial year. On techno-economic front, BSP achieved the highest ever CDI rate at 120 kg/thm surpassing the previous best of 83kg/thm in FY2021-22.

Durgapur Steel Plant (DSP) recorded the best ever production of Hot Metal at 2.57 MT, surpassing the previous best of 2.52 MT recorded in the FY 2018-19. DSP also produced highest ever Crude Steel at 2.29 MT and Saleable Steel 2.18 MT, surpassing the previous best of 2.23 MT and 2.12 MT respectively achieved in the previous FY. The Plant recorded highest ever production from its new Medium Structural Mill (MSM) at 4.85 lakh tonnes in FY 2022-23 against 4.37 lakh tonnes during FY 2021-22. Also, the production at 4.06 lakh tonnes from Merchant Mill was highest ever, surpassing the previous best of 3.96 lakh tonnes achieved in the previous FY.



Rourkela Steel Plant (RSP) registered highest ever production of Hot Metal from BF-5 at 2.77 MT, surpassing the previous best of 2.76 MT achieved in FY 2016-17. Crude Steel production at 4.04 MT and Saleable Steel production at 3.77 MT was also the best ever, surpassing the previous best production of 3.99 MT and 3.67 MT achieved in the year 2021-22 respectively.

Bokaro Steel Plant (BSL) registered the highest ever production of Hot Metal at 4.52 MT with four BFs operation, surpassing the previous best of 4.26 MT achieved in the previous FY. New SMS (with Concast Route) recorded highest ever production at 0.630 MT, surpassing the previous best of 0.585 MT achieved in FY 2021-22. Highest ever SMS-II production at 3.49 MT was achieved, surpassing the previous best of 3.39 MT achieved in the year 2018-19. Similarly, Cold Rolling Mill (CRM-III) also recorded highest ever production at 7.1 lakh tonnes, surpassing the previous best of 6.5 lakh tonnes achieved in the previous FY.

At IISCO Steel Plant (ISP), Hot Metal, Crude Steel and Saleable Steel production at 2.59 MT, 2.42 MT and 2.32 MT were highest ever, surpassing the previous best of 2.51 MT, 2.23 MT and 2.16 MT achieved in FY 2021-22, respectively. The production at new Wire Rod Mill (WRM) at 4.66 lakh tonnes, surpassed the previous best of 4.65 lakh tonnes achieved in the FY 2021-22. Further, Bar Mill at 7.75 lakh tonnes and

Universal Structural Mill at 3.62 lakh tonnes also surpassed the previous best of 6.50 lakh tonnes and 2.45 lakh tonnes achieved in the FYs 2021-22 and 2018-19 respectively.

Power

Your Company has always strived to maximize its captive power usage in view of reliability of power supply as well as availability of power at lower cost vis-a-vis the grid power. During the FY 2022-23, about 63% of the total requirement of 1393 MW was met from the Captive Power Plants. This is significant in view of the coal shortages faced by captive power plants from April to October, 2022 due to national priority being accorded to Independent Power Producers over Captive Power Producers and other logistics issues. With an objective to optimize the cost, SAIL has been actively procuring power through open access route since such opportunity was introduced in Electricity Act, 2003. Continuing the legacy, this year too, SAIL Plants procured about 321 Million Units (MUs) of power through Open Access route which also included Green (renewable) power procured through Short Term Open Access. A major contributor to Green Open Access Power was 55.10 MUs of bagasse-based power from Rajshree Sugar Mills, Coimbatore through Power Exchange for Salem Steel Plant during the sugarcane crushing season. Your company was able to save about Rs.44 crore in the FY 2022-23 by procuring cheaper power through Open Access route as compared to Grid Utility power.



With the objective of enhancing the share of captive power and ensuring supply of reliable power at optimum cost, the new captive power facility of 250 MW at Rourkela Steel Plant had been commissioned in March, 2022. Further, the first 20 MW Unit of New Captive Power facility of (2x20) MW capacity at Durgapur Steel Plant by NTPC-SAIL Power Company Limited (NSPCL), a Joint Venture Company of SAIL & NTPC Ltd., was commissioned on 30th September, 2022. In this regard, the second 20 MW Unit is expected to be commissioned by H1 of the FY 2023-24. While, the New Power & Blowing Stations (PBSs) at Integrated Steel Plants at Bhilai, Rourkela and Burnpur are cogeneration Plants that run entirely on process gases (Blast Furnace & Coke Ovens gases), generating 8.43% of total power requirement of your Company, the old Captive Power Plants / Power Blowing Stations at Bhilai, Rourkela, and Durgapur also utilize the process gases to the maximum, using minimal amounts of coal. In addition to this, process gases are also provided to NSPCL and Bokaro Power Supply Co. Ltd. (a JV of SAIL and DVC) for substituting coal as a fuel to the optimum level feasible vis-à-vis operational efficiency.

Your Company has always been focussed on its approach towards achieving better performance parameters with respect to usage of power purchased from utilities and capitalizing to maximize the rebates and incentives available in the power tariff for achieving higher load factor, power factor, etc. During the FY 2022-23, ₹ 170 crore was received as incentives and rebate in the power tariff from grid utilities. It may be mentioned here that most of the grid utilities raised their power tariff during the year. Further, import of coal as per Government guidelines by DVC (grid utility for SAIL Plants / Mines in West Bengal and Jharkhand) and NSPCL (for Power Plant-3, Bhilai) also led to increase in power tariff.

Besides above, optimization of electricity consumption in various steel making processes is a major thrust areas of SAIL Plants for lowering the power consumption per tonne of production of saleable steel. As a responsible corporate house, your Company has given adequate emphasis on development and usage of renewable power sources with focussed approach on Roof Top Solar (RTS) Power Plants. A capacity of 6.342 MWp of Roof Top Solar power plants has already been installed across SAIL Plants and Units. Further, installation of 4 MWp floating solar plant at ISP and 7.11 MWp capacity rooftop solar plants at various Plants/ Units of the Company across the Country is in progress. Besides this, installation of 60 MWp capacity floating solar plants over cooling ponds is envisaged at Plants of the Company. This along with renewable bagasse-based power being procured for Salem Steel Plant and the proposed 10 MW Small Hydro Electric Plant over Mandira Dam, Rourkela in joint venture with Green Energy Development Corporation of Odisha Ltd. (GEDCOL) are progressively enhancing your Company's green footprint.

Raw Materials

During the FY 2022-23, total requirement of iron ore was met from the captive sources. Your Company's captive mines produced about 33.78 million tonnes (MT) of iron ore. However, in case of clean coking coal, out of total requirement, about 2.3 MT was met from indigenous sources (Coal India Limited & captive sources) and for the balance requirement of coking coal (14.02 MT), the Company had to depend on imports due to constraint in availability of required quality, within the Country. In the FY 2022-23, production from the captive collieries of the Company was about 0.94 MT, out of which 0.37 MT was raw coking coal and balance 0.57



Scan QR code to
watch mining
operations at SAIL



MT was non-coking coal. In case of fluxes, around 1.36 MT of limestone and 0.45 MT of dolomite were produced from captive sources. For thermal coal, your Company depends entirely on purchases from Coal India Limited except for small quantity produced from the captive mines.

Selling of Iron Ore from Captive Mines in Open Market

About 0.58 MT of iron ore was made available in the open market from the Mines in the States of Odisha. Further, approval from Jharkhand State Government for selling of iron ore in the open market is still awaited.

Grant of Environment Clearance (EC)

In order to expedite the process of selling of dump iron ore from captive mines, proposals for amendment of existing environment clearances were submitted to the MoEFCC and following ECs have been granted:

- **Setting up of Pellet Plant with Upstream Slime Beneficiation facilitates at Dalli-Rajhara:** Extension for a period of 3 years from 17th April, 2022 granted on 22nd April, 2022.
- **Topailore lease of Gua Mine:** Clearance for mining/excavation of fines at the rate of 0.6 MTPA granted on 13th December, 2022.
- **Amalgamated Lease (Barsua-Taldih-Kalta):** Clearance for expansion of ROM capacity from 8.05 MTPA to 16.00 MTPA granted on 28th April, 2023.
- **Dobil Lease of Chiria Mine:** Clearance granted for

transportation of iron ore through road for another 2 years from 23rd January, 2022.

Grant of Forest Clearance

MoEFCC vide Order dated 7th February, 2023 has granted Stage-II Forest Clearance for diversion of 30.43 ha of forest land under the Jhillingburu-II lease of Gua Mine.

Operationalization of Kalwar-Nagur Iron Ore Mining Lease of BSP

Ministry of Mines, Government of India vide Order dated 7th March, 2023 directed the Government of Chhattisgarh to extend the lease period of the mining lease of Kalwar-Nagur Iron Ore Mine upto 31st March, 2025 for starting production and dispatch from the Mine. This shall facilitate early operationalization of the Mine.

Resumption of Manganese Mining Operations in Bolani Ore Mines

On getting the necessary approvals, mining has commenced on 16th March, 2023 of Manganese @15,000 tonnes per annum in the 6.9 Sq. Mile lease of Bolani Mine.

Resumption of Production at Chasnalla Colliery

On account of the unavailability of sand for stowing, coal production at Chasnalla Colliery was suspended from November, 2020. Subsequently, on obtaining the necessary approval for stowing with a mixture of sand and bottom ash and both being available, production at Chasnalla Colliery resumed from 22nd July, 2022.

Commencement of Dispatch of Iron Ore in Rowghat

The iron ore dispatch by road from Anjrel Block of Rowghat Mine to Antagarh Rail Siding, on the Dalli-Rajhara-Rowghat Rail Line, commenced from 22nd August, 2022 on resolution of the issues regarding local agitation by the District Administration.

Sales & Marketing

During the Financial Year (FY) 2022-23, your Company achieved Saleable Steel sales volume of around 16.21 million tonnes (MT), registering a growth of about 0.4% over previous year. With Home Sales of 15.04 MT for Mild Steel, there has been a growth of about 8.3% over FY 2021-22. While the overall exports declined over FY 2021-22, the Company was able to achieve highest ever exports of about 1.44 lakh tonnes of various products to Europe during FY 2022-23.

During the FY 2022-23, the Global Steel business scenario has been under pressure from the impact of the Russia-Ukraine conflict and its multi-fold repercussions (from raw material supply to logistics to insecurities in trade and the impact of sanctions) as also, the significant rise in Covid-19 cases in China during FY 2022-23, which went on to impact both supply and demand.

The domestic steel business witnessed rising cost of production during the beginning of FY 2022-23, resulting in increase in steel prices. Higher International price level for

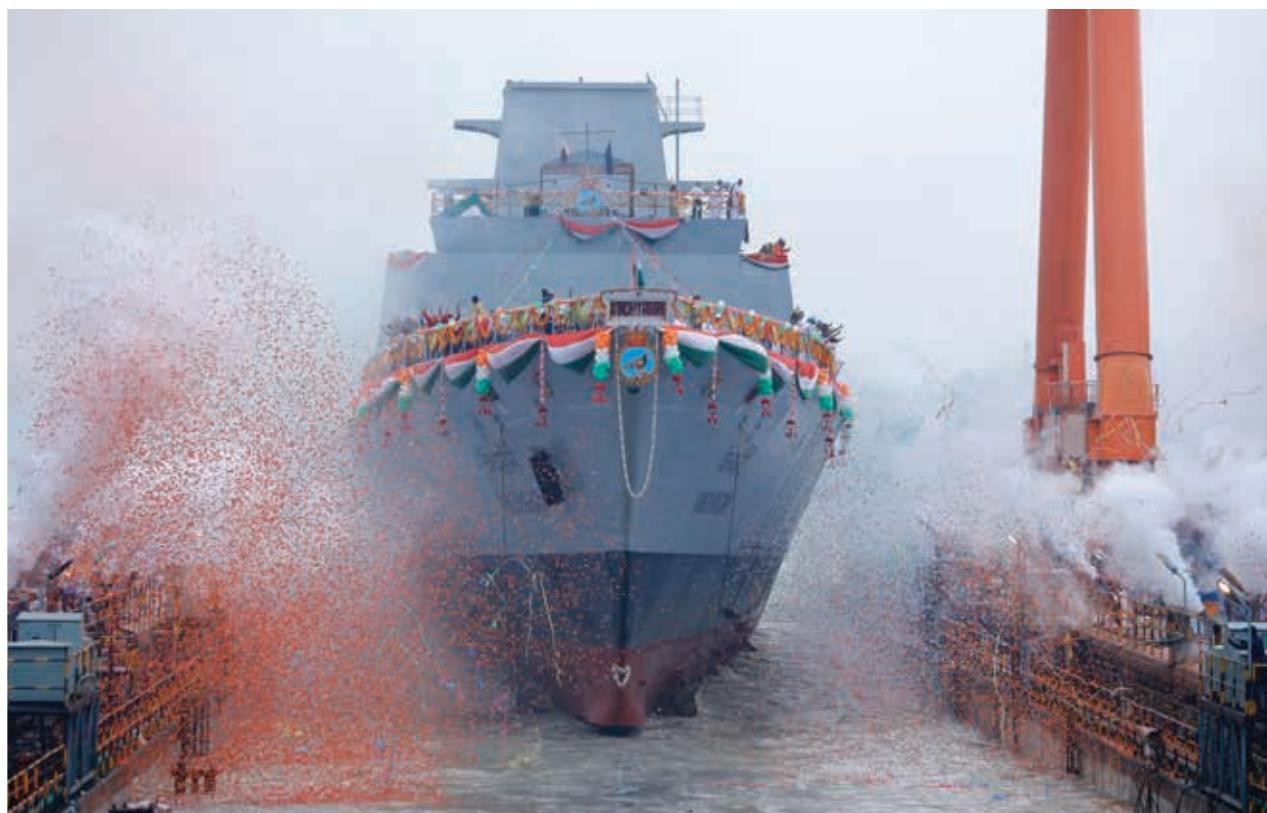
various steel products during initial months of Q1 helped in boosting domestic price sentiments. However, Global Steel prices remained mostly south-bound thereafter. Lower Exports and lower international prices resulted in higher domestic availability, which in turn kept domestic prices under pressure during major part of the year. The Company adopted focused approach for improving its sales in domestic markets by entering new market segments, optimizing inventory levels and making efforts to improve price realization in a highly competitive scenario.

Your Company has been fulfilling the entire demand of steel tracks from Indian Railways for decades. A total of 11.70 lakh tonnes of Rails were supplied to Indian Railways in FY 2022-23, the 260m long-rail welded-panel component in the total Rail supply being about 80%, which is highest ever and registered a growth of 35% over the previous year. It may be mentioned that 100% of the 60 kg Rail supplied to Railways during FY 2022-23 comprised the newly developed R-260 grade in 60E-1 profile. In addition to this, various technological developments, including installation of new flash butt welding machine at Rail & Structural Mill, Bhilai Steel Plant have been carried out to improve the supply component of Long Rail panels, as per demand from Indian Railways. Production of End forged Asymmetrical Rails and 1175HT/R350HT Grade Rails has been envisaged under Production Inventive Linked 1.0 Scheme of Steel Ministry, Government of India.



Scan QR code to watch
production of rail
wheels at SAIL





SAIL has been the pioneer and the only domestic producer catering to the forged steel wheel requirements of Indian Railways. In addition to being the largest domestic producer of Loco Wheels for Indian Railways, over the years, a number of wheel profiles have been developed by SAIL, which have substituted imports, thereby, furthering the cause of Atmanirbhar Bharat initiative of the Government of India. In this regard, all-time best supply of 31,567 numbers of locomotive wheels to Railways was achieved during the FY 2022-23. Apart from this, your Company also supplied highest ever 6,929 numbers of LHB Axle in FY 2022-23, also an import substitution item.

Your Company's presence in certain critical areas of Defence has been strategically significant with supplies of around 730 tonnes against first commercial order for High Strength Steel Plates for Underwater Applications received from Indian Navy during FY 2022-23.

Continuing the journey for increasing sales of value added and special quality products to the consumers, SAIL's basket in FY 2022-23, inter-alia, included High Strength Steel Plates for under water applications; High Carbon Wire Rod in HC82B for railway sleepers, concrete electric poles; Cable Armour Quality(CAQ) Wire Rod Coils; IS 2830C25HMn MAV55 grade semis for use in solar panels; High Strength Higher Coating Galvanized Coil IS 277 GP 350 + 450 GSM grade for Grain Silos; SAIL SeQR Fe550D TMT in 8mm to 20mm for Retail segment; NPB 600 in E410 BR grade for Defence; HRC IS 11587 for Containers / Wagons.

The brand "SAIL SeQR" for TMT has been further strengthened by clocking sales of 5.6 lakh tonnes during FY 2022-23, compared to 3.8 lakh tonnes in the previous year, thereby registering a growth of 47%. In addition to this, brand 'NEX' for Structural is also being promoted. Your Company is working towards expanding the 2-Tier and 1-Tier distributorship networks across India, which will further strengthen our position in B2C space. 25 more distributors were added in 1-Tier during the FY 2022-23, thereby reaching a total of 38 as on 31st March, 2023. With regard to 2-Tier, for giving boost to sales through Retail Channel, SAIL has a strong network of distributors and dealers across the Country with 42 distributors and 4734 dealers as on 31st March, 2023. Further, the Company has achieved highest ever retail sales of 8.26 lakh tonnes with a growth of 20% over the previous year.

Under "Mission Poorvodaya" Scheme by Ministry of Steel, an Incentivization Scheme—"Ispati Ilakon Ka Vikas-SAIL Ke Saath" was introduced by SAIL for development of MSMEs based in the districts in which its Integrated Steel Plants are located. During the FY 2022-23, more than 90,000 tonnes of various steel products have been sold to these MSMEs, registering a growth of around 50% over the previous year.

Further, in line with National Steel Policy, to improve per capita consumption of steel in the Country, more than 350 "Gaon Ki Ore" workshops were organised during FY 2022-23 across India for propagating steel usage. In addition to this, your Company also participated in a number of trade fairs and exhibitions related to steel sector viz. Steel Construction

Expo 2022 at Hyderabad, Defence Expo 22 at Gandhinagar, Indian Railway Path Way Engineers–IPWE'23 Seminar at Kolkata, UP Global Summit Lucknow, IESS Chennai, CREDAI (Vijayawada), SARAS-22 (Vizag) and Krishi Darshan Expo at Hisar, to name a few.

With regard to Industry 4.0, the Warehousing Group of Marketing Organisation has rolled out various initiatives including implementation of unmanned weighbridge system & automated entry / exit system and Integrated Vehicle Tracking System (IVTS) in some warehouses. With 680 numbers of e-transactions taking place through SAIL on-line portal 'SAIL Suraksha', the small customers are showing their interest and confidence in the e-portal, having the tag line "Ab Nishchint ho Jayein" for buying of SAIL SeQR TMT Bars.

Your Company has been contributing to nation building since inception by servicing the requirement of various Infrastructure Projects and also projects of Strategic Importance. During the year, SAIL has supplied significant quantity of Steel to Power Projects, Road, Rail, Airport Infrastructure Projects, Oil & Gas Sector, etc., the major projects being Subansiri Lower Hydroelectric Project (SLHEP) on Assam Arunachal border, Crude Oil Import Terminal (COIT) at Paradip, Central Vista Project Delhi, Delhi Vadodara Expressway, Delhi Katra Expressway, Delhi Mumbai Expressway, Varanasi Ring Road, Ahmedabad Mumbai High Speed Rail, Zozila Tunnel, Z-morh Tunnel, on-going Dhubri-

Phulbari Bridge Project over the Brahmaputra river, Kolkata Metro Twin Tunnel below Hooghly river bed, etc.

Your Company with a focused and strategic approach has a developed leadership position in consumer mind space and is striving sincerely to bridge the ever changing expectation gaps with improved services, products and processes, in an ever evolving and increasingly demanding business scenario.

Public Procurement Policy for Micro and Small Enterprises

As required by the Public Procurement Policy of the Government of India, the information on procurement from Micro & Small Enterprises during FYs 2022-23 and 2021-22 is given below:

(₹ crore)

Particulars	2022-23	2021-22
Total Amount of Procurement	9508.86	6561.33
Total Procurement from MSE	3110.30	2233.73
% age Procurement from MSE	32.71	34.04

Modernisation & Expansion Plan

A capital expenditure of ₹ 5,474 crore has been incurred during FY 2022-23 against the Revised Budget Estimate of ₹ 6,803 crore. Capex planned for the FY 2023-24 is at ₹ 6,800 crore. The details of Addition, Modification & Replacement (AMR) Schemes under implementation are given in the Management Discussion & Analysis (MD&A) Report.



C. HUMAN RESOURCE MANAGEMENT REVIEW

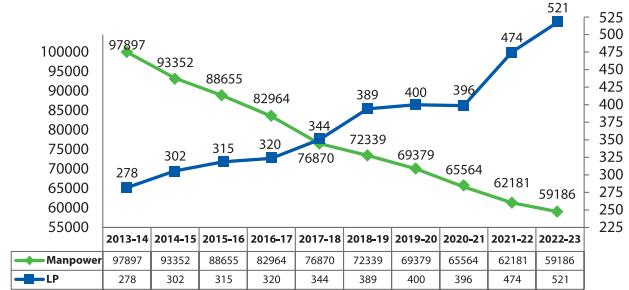
Your Company recognizes contribution of its Human Resources in providing it the competitive advantage. The Company has achieved its present level of excellence through investment in its human resource, where skill and knowledge constitute the basis of every initiative- be it technology or innovation. Developing skills and capabilities of employees to improve manpower utilization and labour productivity is the key thrust area of Human Resource Management (HRM) in the Company.

Your Company provides an environment conducive for learning, encourages adoption of best practices in every area and nurtures creativity and innovation among employees. Human Resource initiatives in SAIL are focused on developing team spirit, employee empowerment and their involvement in various improvement activities. Strategic alignment of HRM to business priorities and objectives has facilitated smooth transition to 'state-of-the-art' technology in the Modernization and Expansion Projects.

Enhanced Productivity with Rationalized Manpower

Your Company achieved Labour Productivity (LP) of 521 TCS/Man/Year in FY 2022-23. The manpower strength of the Company was 59,186 nos. as on 1st April, 2023 with manpower rationalization of 2,995 nos. achieved during the FY 2022-23. The enhanced productivity with rationalized manpower could be achieved as a result of judicious recruitments, building competencies and infusing a sense of commitment and passion among employees to go beyond and excel. Trend of enhanced productivity and manpower rationalization since 2013-14, onwards is depicted below:

Manpower & Labour Productivity during last 10 years



Developing Employee Capabilities & Competencies

Your Company believes that people's development is the key for overall growth of the organisation. Training and development activities have facilitated development of employees' knowledge and skills, resulting in advancement of competencies, thereby leading to attainment of Organisational goals and objectives. SAIL has been making sustained efforts through various training and development activities with focus on preservation, transfer and improvement of skills, knowledge and technology in collaboration with reputed organizations and development of effective managerial competencies in association with premier institutes.

Preparing employees for tomorrow is being given a major thrust with a view to enable them to effectively take up challenges and discharge new roles and responsibilities. Overall 46,818 employees were trained against target of 29,485 employees during the FY 2022-23 on various contemporary technical and managerial modules. The learning and development continuity of the Organization was maintained through various online interventions, apart from the regular programs and e-learning modules being made available in the in-house e-learning portal.

Harmonious Employee Relations

SAIL has maintained its glorious tradition of building and maintaining a conducive and fulfilling employer-employee relations environment. The healthy practice of sorting out and settling issues through discussions with trade unions/ workers' representatives enabled the Company in ensuring workers' participation at different levels and establishing a peaceful industrial relations climate. Some of the bipartite forums are functioning since early seventies and are sufficiently empowered to address different issues related to wage, safety, and welfare of workers, thus, helping in establishing a conducive work environment.

Bipartite forums like National Joint Committee for Steel Industry (NJCS), Joint Committee on Safety, Health & Environment in Steel Industry (JCSSI), etc. with representation from major central Trade Unions as well as representative Unions of Plants/Units meet on periodic basis and jointly evolve recommendations/ action plans for ensuring a safe environment and harmonious work culture which gets substantiated from the harmonious Industrial Relations witnessed over the years by SAIL Plants/ Units, marked with diverse work culture at multi-locations.

In addition, Quality Circles, Suggestion Schemes, Shop Welfare Committees, Safety Committee, Canteen Management Committee, Productivity Committee, etc. also offer multiple avenues for enhanced workers' participation. Workers are also kept abreast of strategic business decisions and their views sought thereon through structured/interactive workshops.

Communication is done in a structured manner with employees at various levels on a wide range of issues impacting the Company's performance as well as those related to employees' welfare across the Company. Mass communication campaigns are undertaken at Director In-charges'/Senior Officers' level involving structured discussion with large group of employees. These interactive sessions help employees to align their working with the goals and objective of the Company leading to not only higher production and productivity but also enhance the sense of belongingness of the employees.

Grievance Redressal Mechanism

Effective internal grievances redressal mechanism has been evolved and established in SAIL Plants and Units, separately for Executives and Non-executives. Joint grievance committees have been set up at Plant / Unit level for effective redressal of grievances.

SAIL Plants/Units are maintaining grievance handling mechanism and employees are given an opportunity at every stage to raise grievances relating to wage irregularities, working conditions, transfers, leave, work assignments, welfare amenities, etc. Majority of grievances are redressed informally in view of the participative nature of environment prevailing in the Steel Plants/Units. The system is comprehensive, simple and flexible and has proved effective in promoting harmonious relationship between employees and management.

126 staff grievances were received during the FY 2022-23 and 42 grievances were pending from previous year, 157 staff grievances have been disposed of during the year, achieving 93% fulfillment and leaving 11 grievances outstanding at the end of FY 2022-23.

Further, during FY 2022-23, 550 grievances were received under Centralised Public Grievance Redressal and Monitoring System (CPGRAMS), a National level online system managed by Department of Administrative Reforms and Public Grievance (DARPG), Government of India.

The Status of Grievances received and disposed from 1st April, 2022 to 31st March, 2023 is as under:

S. No.	Particulars	Received (including Brought Forward)	Disposed	Average Time taken for Disposal (Days)	Time allowed as per Guidelines (Days)
1	Public Grievances	456	448	12	45
2	Appeals	94	88		
	Total	550	536		

Remuneration Policy

In SAIL, pay and other benefits for executives are based on the Presidential Directives issued by the Ministry of Steel, Government of India. Presidential Directives for revision of pay scales of Board level and below Board level executives were issued by the Ministry of Steel vide letter dated 18th November, 2021 w.e.f. 1st January, 2017 notionally and the actual payment was made w.e.f. 1st April, 2020. In case of Non-executive employees, the wages including perks were finalized/ revised in bipartite forum of National Joint Committee for Steel Industry (NJCS) with the approval of Ministry of Steel on 18th November, 2021. The pay scales have been implemented notionally w.e.f. 1st January, 2017 and the actual payment was made w.e.f. 1st April, 2020. The Perks and Allowances under Cafeteria Approach have been implemented w.e.f. 18th November, 2021. In terms of notification dated 5th June, 2015 issued by Ministry of Corporate Affairs, Government of India, the provisions of section 197 of the Companies Act, 2013 are not applicable to Government Companies. As such, the disclosures to be made in the Board's Report in respect of overall maximum managerial remuneration and managerial remuneration in case of absence or inadequacy of profits are not included in this Report.

Initiatives for Socio-economic Development of SCs /STs & Other Weaker Sections of the Society

SAIL Plants and Units including Mines are situated in economically backward regions of the Country with predominant SC/ST population. Your Company has made commendable contribution to the overall development of civic, medical, educational and other facilities in these regions. Some of the contributions are:

- Establishment of SAIL Steel Plants in economically backward areas has given a fillip to the economic activities, thus, benefiting the population in the peripheral areas with different types of services. Steel Townships developed by SAIL have the best of medical, education and civic facilities and are like an oasis for the local Scheduled Castes, Scheduled Tribes and other population who share the benefits of prosperity and development along with SAIL employees.
- Recruitment of non-executive employees, around 83% of the total employees, is carried out mainly on regional level and hence, a large number of SCs/STs and other weaker section of the society get the benefit of employment in SAIL.
- Over the years, a large group of ancillary industries have also developed in the vicinity of Steel Plants. This has created opportunities for local unemployed persons for jobs and development of entrepreneurship.
- For jobs of temporary & intermittent nature, generally contractors are engaged for executing job contracts wherein they deploy workmen from the local areas, which again provides an opportunity for employment of local candidates from economically weaker section.
- Our Company has undertaken several initiatives for the socio-economic development of SCs/STs and other weaker sections of the society which are mainly as under:
 - Special Schools have been started exclusively for poor, underprivileged children at five Integrated Steel Plant locations. The facilities provided include free education, mid-day meals, uniforms including shoes, text books, stationery items, school bags, water bottles and transportation in some cases.
 - No tuition fee is charged from SC/ST students studying in the Company run schools, whether they are SAIL employees' wards or non-employees' wards.
 - Free medical health centres have been set up at Bhilai, Durgapur, Rourkela, Bokaro and Burnpur (Gutgutpara) providing free medical consultation, medicines, etc. to the peripheral population mainly comprising of SC/ST and weaker sections of society.
 - SAIL Plants have adopted tribal children. They are being provided free education, uniforms, text books, stationery, meals, boarding, lodging and medical facilities for their overall growth at residential hostels, Saranda Suvan Chhatravas, Gyanodaya Hostel and an exclusive Gyan Jyoti Yojana for the nearly extinct Birhor Tribe.

For Skill Development and better employability, tribal school pass-outs have been sponsored for coaching in premier institutes for IIT/JEE entrance examinations and for trainings along with monthly stipend, accommodation, transportation and food facility at various ITIs, Nursing and other vocational training institutes.

Implementation of Presidential Directives on Reservation for SC/ST/OBC, etc.

- Your Company follows Presidential Directives on Reservation for Scheduled Castes and Scheduled Tribes in the matter of recruitments and promotions. As on 1st April, 2023, out of total manpower of 59186, 9998 belong to SCs (16.9%), 9417 belong to STs (15.9%).
- Liaison Officers have been appointed as per Presidential Directives for due compliance of the Orders and instructions pertaining to reservation for SCs/STs/OBCs/PWDs at Plants/Units of SAIL.
- SC/ST/OBC Cell is functioning in all the main Plants/Units. A member belonging to SC/ST community is associated in all Departmental Promotion Committees (DPCs)/ Selection Committees. A sufficiently senior level officer of SC/ST category is nominated for the purpose as per the level of the Recruitment Board /Selection Committees/DPC.
- Out of the total manpower of 59186, number of OBCs is 9594, which is 16.2% of the manpower. Reservation for OBCs came into force with effect from 8th September, 1993. OBC candidates joining prior to this date are shown against the Unreserved (UR) category. Liaison officers have been appointed for due compliance of orders and instructions pertaining to reservation for OBC at Plants/ Units.
- Internal workshops are conducted at regular intervals through an external expert for Liaison Officers for SC/ST/OBC and other dealing officers of SAIL Plants/Units to keep them updated on the reservation policy for SC/ST/OBCs and other related matters.
- Plants/Units of SAIL have SC/ST Employees' Welfare Associations which conduct regular meetings with Liaison Officers on implementation of reservation policy & other issues. In addition, an Apex level umbrella body namely SAIL SC/ST Employees Federation also exists in SAIL to represent the issues of SC/ST Employees in a coordinated manner.

Implementation of Right to Information Act, 2005

The provisions under the Right to Information Act, 2005(Act) are being complied by all the Plants and Units of SAIL. All statutory reports, including Annual Report, are being sent to Ministry of Steel and also being uploaded on the website of the Company-www.sail.co.in. Your Company has appointed Public Information Officers (PIO)/Assistant Public Information Officers and Appellate Authorities and Transparency Officer in each Plant and Unit under Sections 5 and 19(1) of the Act for speedy redressal of the queries received under the Act. Under Section 5(5), all the officers/ line managers responsible for providing information to the PIO are called Deemed PIO, and are made equally responsible as PIO, towards timely submission of information to the applicant.

An exclusive RTI Portal has been developed with link available on the website of the Company. All the Plants/Units have listed 17 manuals and details of Authorities under the Act are uploaded on the website of the Company. Quarterly Returns and Annual Returns on implementation of the Act are being submitted online through the CIC portal. Implementation of online request has already been introduced from 1st May, 2015. A compilation of Record Retention Policy of various functions of Corporate Office has also been uploaded on the website of the Company. Awareness Programs/Workshops on RTI have been organised across Plants/ Units.

SAIL received a total of 2,476 applications and 465 appeals under the Act during the FY 2022-23 and all of them have been disposed of within the time frame stipulated under the Act. CIC has also taken up 68 cases and most of these cases were disposed of in favour of the Company.

Since enactment of the Act, SAIL has received a total of 52,496 applications and 8,053 appeals up to 31st March, 2023, which were disposed-off within the stipulated time. Out of these, 1,108 cases were taken up by the CIC and most of these cases were disposed of in favour of the Company.

Citizen Charter

Your Company is totally committed to excellence in public service delivery through good governance, by a laid down process of identifying citizens, our commitment to them in meeting their expectations and our communication to them of our key policies, in order to make the service delivery process more effective.

SAIL's Citizen Charter has outlined commitment of SAIL towards its stakeholders, thereby empowering them to demand better products and services. Objectives of the Citizen's Charter of SAIL may be summarized as below:

Ensuring citizen-centric focus across all its processes by adopting Total Quality Management Principles for improvement of products and services.

- Ensuring effective citizen communication channels.
- Demonstrating transparency and openness of its business operations by hosting the Citizen's Charter on the Corporate website.
- Working towards the delight of citizens, by fail-safe processes and in case of exigencies leveraging its service recovery processes, like Grievance Redressal, Handling Complaints, etc.

Disclosure under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

Your Company has set up Internal Complaints Committees in line with the requirement of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013. These Committees have been set up to redress complaints, if any, received regarding sexual harassment. All employees of the Company are covered under these Rules.

The details of sexual harassment complaints received and disposed of during the year 2022-23 are as under:

Particulars	No. of Complaints
Number of complaints pending as on 1 st April, 2022	1
Number of complaints received in 2022-23	8
Number of complaints disposed of during 2022-23	7
Number of complaints pending as on 31 st March, 2023	2

D. AWARDS & ACCOLADES WON DURING THE YEAR

Your Company has won the following awards during the FY 2022-23:

- SAIL achieved 3rd Place in the 17th National Awards for Excellence in Cost Management, 2019 in the Manufacturing Category-Public, having Turnover more than ₹10,000 crore.
- SAIL was felicitated for emerging as the topmost CPSE buyer of products and services on GeM during the FY 2021-22.
- Environment Management Division bagged the Greentech Environment Award 2022 for outstanding achievements in "Environment Protection" Category by the Greentech Foundation.
- RSP and IISCO Steel Plant awarded with 1st prize and 2nd prize respectively in the National Energy Conservation Award 2022 for Energy Conservation in the Integrated Steel Plant category.
- Durgapur Steel Plant adjudged as winner of "Sustain Award 2022" (Indo-German Sustainability award on

Industrial Water Management) under the category 'Large Scale Industry' by the Indo-German Chamber of Commerce (IGCC) and Deutsche Gesellschaft für Internationale Zusammenarbeit GmbH (GIZ) India.

- BSP, DSP, BSL and RSP adjudged 4 & 5 Star Rating in 'Productivity Excellence Award 2022" organized on the theme 'Productivity, Green Growth and Sustainability' by Orissa State Productivity Council, 25th February, 2023.
- Salem Steel Plant won 2nd Prize in IIM Sustainability Award in the secondary Alloy Steel Plant Category, 14th November, 2022.
- Salem Steel Plant awarded with JCSSI Ispat Suraksha Puraskar for 2022 & 2023 for No fatal accidents in Plant and No fatal accident involving Contract Workers, on 22nd March, 2023.

E. ENVIRONMENT MANAGEMENT

Within the ambit of notified environmental standards applicable for emission and discharge of pollutants into the environment and rules pertaining to eco-friendly management of various wastes, being generated inside the Plant premises as well as in the townships, SAIL Plants and Mines operate their processes without disturbing the ecological balance, rather preserving the same. Your Company has also drawn its environmental vision in consonance with the Corporate Environmental Policy, which not only addresses the need for compliance of prescribed norms but also emphasizes on striving to go beyond. Besides, your Company is committed to address the stakeholders' concerns and communicate its environmental philosophy to all the stake holders. The Corporate Environmental Policy is available at the website of the Company-www.sail.co.in.



Improvement in Environmental Performance



SAIL Plants and Mines are efficiently operating the pollution control devices/facilities and maintaining them regularly through revamping/ refurbishing/revitalization and also up-grading them as and when required, for the purpose of complying with the applicable environmental standards, which are becoming more and more stringent with each passing day. Concerted efforts have resulted in achieving major improvements during the FY 2022-23 over the last five years in the following areas:

- The Specific Particulate Matter (PM) Emission Load has reduced by more than 19% to 0.57 kg/tcs.

- Specific Water consumption has reduced by more than 11 % to 3.06 m³/tcs.
- Specific Effluent Discharge has reduced by more than 27% to 1.32 m³/tss.
- Specific Effluent Load has reduced by around 39% to 0.052 kg/tcs.
- Utilisation of BF Slag has increased by more than 10% to 105.77%.
- BOF Slag Utilisation increased by more than 61% to 89.80%.
- Specific CO₂ emission has been reduced by more than 3% to 2.49 T/tcs.
- Total Solid Waste Utilisation has increased by more than 19% to 101.48%.

(Values more than 100% indicate utilization from old stock)

During the FY 2022-23, following projects were completed to improve upon environmental footprint:

- Replacement of Multi-Cyclones with Electrostatic Precipitator at Sinter Plant-II of BSP
- Installation of ESP based de-dusting system at Sinter Plant-II of BSP.
- Installation of Cast House De-fuming System at Blast Furnace-7 of BSP.
- Recirculation of clean pit water from Wheel and Axle Plant and scale pit water from Merchant Mill at DSP
- Installation of Sewage Treatment Plant of 4 MLD capacity at RSP.
- Modernisation of BOD Plant on Zero Liquid Discharge (ZLD) at RSP.
- Recycling of waste water from Sinter Plant and PBS including TRT at ISP.
- Installation of Sewage Treatment Plant for treating 140 m³/hr of sewage water at ISP.
- Installation & up-linking of online effluent monitoring systems at the ETP outlets of the Gas Cleaning Plants of Submerged Arc Furnace (SAF)-1&2 and SAF-3 of CFP.



Adoption of Energy-Efficient Technologies and State-of-the-Art Pollution Control Equipment/Facilities

Your Company has implemented latest state-of-the-art clean technologies and best available and feasible pollution control facilities in the course of its Modernization and Expansion Plan and thereafter, in its drive for adoption of cleaner technologies. Some of the major clean technologies/latest pollution control facilities installed are as under:

- Tall Coke Oven Batteries along with Coke Dry Cooling Plant, Land based Pushing Emission Control System, Computerised Combustion Control System, etc. at BSP, RSP and ISP.
- Sinter Plant integrated with improved ignition system (multi-slit burners), Waste Heat Recovery facility from sinter cooler, etc. at RSP and ISP.
- Blast Furnace of higher capacity, equipped with Top Pressure Recovery Turbine, Waste Heat Recovery facility, Pulverised Coal Injection and Cast House De-dusting System at BSP, RSP and ISP.
- Hot Metal handling using Torpedo Ladle at BSP, RSP and ISP.
- Progressively switching over to Cast House Slag Granulation Plant from offsite slag granulation facility.
- Phasing out of energy-intensive ingot route with continuous casting.
- Walking Beam Reheating Furnace (RHF) in place of pusher type RHF at the Rolling Mill for reducing energy consumption as well as CO₂ emission.

- Introduction of Variable Voltage Variable Frequency (VVVF) drives in Plant machineries.

- New BOF Converters provided with a dedicated gas holder at SMS-III of BSP and SMS-I & II of BSL, for recovery and its use as fuel.

- New Gas-fired boilers for power generation at BSP, DSP and ISP.

- Dog House for secondary emission control at all new Converters. Retrofitting of secondary emission control system is being taken up in phased manner in case of old Converters.

- Installation of energy-efficient LED lights instead of conventional lighting systems at Plants and Units.

MoU signed between IISCO Steel Plant and IIT, Bombay for Carbon Capture, Utilisation and Sequestration

Carbon Capture, Utilisation and Sequestration (CCUS) is one of the technologies that can mitigate the carbon emission from the Iron and Steel Industry and has immense potential to help the Country meet its emission targets, while ensuring the sustainability of the sectors critical to growth of the Indian economy. With the aim of collaborating in the area of CCUS, an MoU has been signed between IISCO Steel Plant and IIT, Bombay for carbon capture, its utilization and geological sequestration in nearby CBM wells. This shall be an important milestone in SAIL's journey towards carbon neutrality.



Technology Level for Decarbonisation

M/s. M. N. Dastur has been engaged as a consultant in Bokaro Steel Plant to carry out a study for preparation of its GHG inventory as well as a comprehensive action plan for reduction of GHG emission. The study shall also include the carbon sequestration separately by trees and technologies and recommendations for adoption of emerging decarbonisation technologies either by retrofitting or through expansion-cum-modernization program.

Life Cycle Inventory Study

Under the framework of World Steel Association, Life Cycle Inventory study has been conducted for products from BSP, RSP and BSL.

Enhancing utilization of wastes through application of 4R's (Reduction, Reuse, Recycling and Recovery)

- Your Company is committed to reduce solid waste generation and maximise its utilisation to achieve 100% and has adopted the "4R's Policy" (Reduce, Recover, Recycle and Reuse) across all its processes.

- With a view to enhance utilisation of BOF Slag, a R&D project proposal on "Development of Steel Slag based cost effective eco-friendly fertilizers for sustainable agriculture and inclusive growth" has been taken up through ICAR-Indian Agricultural Research Institute, under the guidance of the Ministry of Steel. The project will ensure symbiotic growth of steel industry and agriculture.
- SAIL has also taken steps for utilisation of BOF slag in rural road construction under Pradhan Mantri Gramin Sadak Yojna (PMGSY).
- As a step towards environment friendly disposal of waste plastics, Bhilai Steel Plant has taken up a project in association with RDCIS for charging waste plastic beads into Coke Oven Batteries.



Switching over to LED Illuminating System

Your Company is gradually shifting to more energy-efficient and durable LED lighting system from conventional lighting system in consonance with the Government of India's initiative "Unnat Jyoti by Affordable LEDs for All (UJALA) Scheme". In this respect, around 7.34 lakh LED lights have already been installed across all the Plants and Units of the Company. Further, all upcoming projects will be having LED lighting systems only.

Environmental Management System (EMS)

Environmental Management System (EMS) linked to ISO:14001 is a set of processes and practices that enable an organization to reduce its environmental impacts and increase its operating efficiency. Implementation of EMS has helped SAIL's Plants and Mines to ensure performance within the applicable regulatory requirements.

The EMS (ISO-14001) was implemented at all the Plants and the Company is striving to cover all the Mines under its purview to further its commitment towards environment. In the recent years, Barsua Iron Ore Mine, Gua Ores Mine, Kiruburu and Meghahatuburu Iron Ore Mines, Bolani Iron Ore Mine, Manoharpur Iron Ore Mine, Dalli Iron Mine and thirteen warehouses (Ahmedabad, Hyderabad, Ghaziabad, Faridabad, Vizag, Chennai, Mumbai, Delhi, Durgapur, Dankuni, Bokaro, Bangalore and Kanpur) of CMO have also been ISO 14001 Certified.

Eco-restoration Projects

Restoration and rehabilitation of degraded ecosystem is essential for maintaining and enhancing bio-diversity as well

as replenishing the ecosystem services. After the degraded landscapes in and around Purnapani Limestone Mines in Odisha had been successfully restored, fresh initiative has been taken for eco-restoration of Meghahatuburu Iron Ore Mines and Kiriburu Iron Ore Mines. An MOU has been signed with Institute of Forest Productivity, Ranchi for eco-restoration of mined out area and waste dumps at both the Mines. The work is under progress.

Harnessing Renewable Energy

Your Company has implemented many schemes for promotion of renewable energy in its Plants, Mines and peripheral villages/areas. In this regard, in addition to setting up of 6.387 MW solar units, most of the Guest Houses and Hospitals have also been equipped with Solar Water Heaters/Solar Lighting Systems.

Besides, some of the major initiatives undertaken towards implementation of renewable energy projects are under advanced stage of installation, which include setting up of (i) 10 MW Hydel Power Plant at Mandira Dam, RSP, under a Joint Venture initiative with Green Energy Development Corporation of Odisha Limited (GEDCOL); (ii) 6.145 MW roof top Solar Units on different buildings at the various Plants/Units locations under Ministry of New and Renewable Energy (MNRE) Scheme, out of which, 2.045 MW roof top Solar Power units have already been installed on various buildings of SAIL Plants & Units. Further, another 1.34 MW solar capacity is under installation; and (iii) 4 MW floating solar power unit plant on the cooling pond of ISP.



Plantation

Your Company realizes the role of plantation in overall environmental management initiatives. It is a well-known fact that plants play an important role in balancing the ecosystem and function as a carbon sink. Such plantations are established to foster native species and promote forest regeneration on degraded lands as a tool of environmental restoration. The greenery developed by afforestation adds to the aesthetic environment, which becomes dust and noise barriers and also a natural sink/absorber of CO₂. Keeping the enormous contribution of the plants in mind, SAIL has long been adopting extensive afforestation program religiously in its Plants and Mines since its nascent stage. Giving special thrust for plantation, more than 2.8 lakhs of saplings have been planted during 2022-23. More than 21.82 million saplings have been planted across SAIL Plants and Mines till date.

F. STRATEGIC INITIATIVES OF THE COMPANY

Your Company has adopted a multi-pronged approach that includes organic growth, brown-field projects, technology leadership through strategic alliances, ensuring raw material security by developing new mines, diversifying in allied areas, etc. In line with the above approach, SAIL has formed Joint Venture Companies in different areas viz. power generation, rail wagon manufacturing, slag cement production, securing coking coal supplies from new overseas sources, etc.

Disinvestment of SAIL Plants

The Cabinet Committee on Economic Affairs (CCEA) in its meeting held on 27th October, 2016 had accorded 'in principle' approval for strategic disinvestment of three units of Steel Authority of India Limited (SAIL) viz. Visveswaraya Iron & Steel Plant (VISP), Bhadravati, Karnataka, Salem Steel Plant (SSP), Tamil Nadu and Alloy Steels Plant (ASP), Durgapur, West Bengal.

Expression of Interest (EOI) of ASP, SSP and VISP was issued on 4th July, 2019. EOI bids were opened on 10th September, 2020 and the eligible bidders of VISP and SSP were shortlisted. In case of ASP, no EOI was received. The Confidential Information Memorandum (CIM), Request for Proposal (RFP) and Business Transfer Agreement (BTA) were issued to the shortlisted bidders of SSP and VISP.

After two unsuccessful attempts of disinvestment of ASP through EOI, DIPAM has requested Ministry of Steel to examine the issue.

Meanwhile, SAIL is preparing viable options for upgradation/modernization of ASP.

DIPAM has informed SAIL that it has been decided that the existing EOI of VISP be annulled and the process for closure of VISP be initiated. SAIL Board has in-principle approved the closure of VISP, in its meeting held on 16th January, 2023.

In case of SSP, as per the revised timelines, non-financial bid and financial bid are to be submitted physically to the Transaction Advisor by 21st November, 2023.

Business Excellence Initiative

Most of SAIL Plants/Units are certified to ISO 9000, ISO 14000, ISO 45000, SA 8000, ISO 50000 and ISO 27000 Management Systems. Empanelment of Certification Agencies has led to various benefits, significant among them being Reduction in Audit Man-Days, Single Certification Agency for all Management Systems of a Plant/Unit, Ease of Operation in engaging Certification Agencies, Improved Quality of Audits, and Reduced administrative hassles. For new cycle of empanelment, the process will be completed soon for Certification and Training to six Management Systems i.e. ISO 9000, ISO 14000, ISO 45000, SA 8000, ISO 27000 and ISO 50000. For maintenance of Management Systems as per the requirement of standards, on-site and remote (online) audits/trainings were organised.

Information Technology Related Initiative

Your Company has always been a front runner in various Digital Initiatives and has stepped up Digital Transformation and Industry 4.0 initiatives to improve business performance, and thus, enhance overall customer experience. Digital Transformation besides aiding in quick decision making, reducing the downtime of the equipment, helping in taking preventive actions, it also assists in creating a smart factory for enhancing productivity and reducing operational cost and strengthening its business processes. All the Integrated Steel Plants, Central Marketing Organisation and Corporate Office are already working on ERP solution and are continuously striving to improve their business processes so as to achieve automation and reduce manual intervention. Safeguarding business is of utmost importance today, as more and more data is generated and shared. Some of the Initiatives accomplished during FY 2022-23 are given below:

- IT Security Policy of SAIL was revised incorporating latest security aspects. Also, multiple Cyber Security awareness sessions on cyber-threats and safe practices were held in various forums in line with the GOI initiative for Cyber Security.
- To improve decision making process and to monitor various KPIs, visually appealing web based Dashboards have been developed for Top Management, which provide 360 degree view of the Organization covering major functionalities such as Marketing, Production, Finance, Raw Materials, Covid cases, Sale of Fines, Price Index, Logistics, Industrial Relations, Laboratory Information Management System (LIMS) and Capital Expenditure incurred.
- AI-based Chatbot 'SAIL Sarathi' for better Customer Engagement and Service has been launched for selling products.
- AI-based process model to forecast the next day's production based on the Blast Furnace condition and Shaft Simulation model with 2D & 3D visualization implemented to track real-time movement of burden charge.
- Your Company had Digitized various functions through development of web-based online systems to ease the working and provide the information at the click of a button.



- To take business automation ahead, Automated Vehicle entry-exit system using Artificial Intelligence for detecting Vehicle Number Plate, Vehicle Positioning, etc. has been installed at few warehouses of Central Marketing Organisation (CMO) to improve productivity and minimise human interference.
- In continuance of business automation, ERP is being Interfaced with Manufacturing Execution System (MES) and Legacy Systems in areas like Blast Furnace, Hot Strip Mill, wherein, data is being captured from various PLCs for generation of intelligent reports.
- Technology is changing by leaps and bounds with the growth of mobile applications and digitization. In this regard, Mobile Apps for enabling Digital Mobility and User Convenience have been introduced in areas such as issuance of medical referral letter, generating Area Pass request for entry of sales related vehicles in Plant premises for lifting of materials and approved online by respective shippers, shutdown requisitions, employee services, patient feedback, etc. Further, barcoding has been implemented to automate processing of medical booklets, issuance of gate pass to contract workers, maintenance of machineries, etc.
- Government e Marketplace (GeM) has been successfully integrated with ERP at few Integrated Steel Plants to reduce manual intervention.
- AI theme based Sia, (Smart & Intelligent Assistant) has been introduced to answer queries of employees related to Circulars, Policies, URL for applications, etc.
- To improve Safety Awareness, Safety Portal has been implemented with online features including Near Miss cases recording, Safety inspections, Safety training, etc.
- Contactless Facial Recognition Biometric system introduced for attendance of employees.
- SAP-ERP has been extended to Mines operated by Bhilai Steel Plant.

Corporate Communication

In today's fast-paced, interconnected business milieu, the essence of communication cannot be overstated. It forms the backbone of corporate structures; both tangible and intangible, allowing companies like SAIL to build and sustain robust brand identities, foster lasting relationships and chart a course towards unassailable success. This is achieved through meticulous, engaging and comprehensive communication strategies. Your Company believes in the power of meaningful conversations-with the employees, customers, investors, suppliers and the community at large.



Our communication approach is designed to engage with the stakeholders. It's a two-way street where we listen, understand, respond and inspire. We establish an open dialogue with stakeholders, keeping them apprised of our initiatives, activities and future plans. Stakeholders are encouraged for feedback, their concerns are addressed and they are involved in decision-making also. This participative culture is central to our value proposition - one that fosters trust, instills confidence and creates a sense of ownership among all our stakeholders. The role of corporate communications at SAIL has been evolving in tandem with the emergent requirements and growth trajectory of the Company.

Internal Communication

At SAIL, we recognize that employees are the driving force behind our success. The robust internal communication mechanisms facilitate effective collaboration, foster a positive work environment and boost morale. The communication lines within your Company are always open, keeping employees informed and engaged. Accordingly, internal communication campaigns across the Company are undertaken regularly.

Your Company celebrated SAIL Swarna Jayanti (SSJ) in the FY 2022-23 to mark the occasion of 50 years of incorporation on 24th January, 1973. The celebration was marked by various competitions, cultural programs and sporting activities, providing a platform for employee engagement and interactions. The successes and key moments of such celebration were shared pan-India through the in-house journal - 'SAIL News' and video capsule 'SAIL Track'. Utilizing various social media platforms, we ensure that the sense of belonging and engagement among employees is not just preserved but continually strengthened.

External Communication

Communication with the outside world mirrors our commitment to transparency, credibility and responsiveness. Regular press releases, media interactions and social media updates keep our stakeholders well-informed about the corporate developments, new initiatives, financial health and achievements. At SAIL both new-age and traditional media channels are leveraged to connect with the audience, with the social media presence witnessing steady growth. SAIL adopts a multi-pronged approach in engaging with the media where our commitment to timely and transparent communication has been instrumental in creating a strong brand image and maintaining healthy relations with the media. Maintaining organic followership, your Company's social media presence has witnessed a steady growth in terms of number of followers across all the platforms.

Communication, at SAIL, goes beyond the corporate realm. We focus on showcasing corporate social responsibility efforts, sustainability practices and ethical values to highlight our commitment to the community and the environment. Such an approach enables us to create a sense of shared purpose, build strong relationships and garner support for our initiatives, driving our growth and

sustainability. In an era marked by rapid change, the role of effective communication in business is more critical than ever. Your Company has leveraged this transformative power to create a vibrant, inclusive and transparent culture. The dynamic communication strategy ensures a seamless flow of information, cultivates a culture of creativity and innovation and enhances employee engagement. In the face of challenges such as the Covid-19 pandemic, SAIL has proven its mettle by adapting swiftly and effectively. The seamless transition to large-scale online interactions has not only ensured business continuity, but also strengthened our resolve as an organization.

As we march into the future, your Company is committed to its culture of openness, collaboration, and engagement. Our communication approach continues to evolve, setting new benchmarks in employee participation and stakeholder engagement. Be it through engaging in-house journal, impactful press releases or vibrant social media campaigns, our narrative is one of constant growth, innovation and sustainable success.

G. VIGILANCE ACTIVITIES

The objective of SAIL Vigilance is to facilitate an environment enabling people to work with integrity, efficiency and in a transparent manner, upholding highest ethical standards for the organization. To achieve this objective, the Vigilance Department carries out preventive, proactive and punitive actions with greater emphasis in the preventive and proactive functions. Following activities were undertaken during the FY 2022-23:

- To increase vigilance awareness amongst employees, vigilance awareness sessions and workshops were regularly held at various Plants and Units of the Company. A total of 164 workshops involving 3146 participants were organized for enhancing Vigilance Awareness on Whistle Blower Policy, Purchase/Contract Procedures, Preventive Vigilance, Conduct & Discipline Rules, Common Irregularities, Systems and Procedures followed in SAIL, etc. Amongst these training programmes, thirty nine dedicated two day Preventive Vigilance training programs were organised during FY 2022-23, wherein, a total of 661 executives of SAIL have been covered.
- Preventive Checks including file scrutiny and Joint Checks were conducted regularly in vulnerable areas of the Company. A total of 2855 preventive checks including file scrutiny and Joint Checks were conducted at different Plants/ Units.
- Vigilance provides vital inputs to the operating authorities for improving the prevailing systems for bringing about more transparency. Accordingly, sixteen System Improvement Projects (SIPs) were undertaken at different Plants/Units of SAIL.
- 12 cases were taken up for Intensive Examination at different Plants/Units. During these Intensive Examinations, high value procurement/contracts are scrutinized comprehensively and necessary

recommendations were forwarded to concerned departments for implementation.

- As per the Guidelines of Central Vigilance Commission, Vigilance Awareness Week was observed in SAIL during 31st October to 6th November, 2022. The week started with administering the Integrity Pledge and reading out the messages of dignitaries on 31st October, 2022 at SAIL Corporate Office as well as in all Plants/Units of SAIL. During the week, Workshops/ Sensitization Programmes, Customers Meet, etc. were organised. Further, events like quiz, essay, slogan & drawing/ poster, debate competition, etc. were organized for the employees across SAIL. As outreach measures, various events like Speech/Oratory competition, Essay/Slogan competition, etc. were organized for School/ College Students across various townships of SAIL. A Pocket Size preventive vigilance booklet on DOs and DONTs was released by the Management and CVO, SAIL on 31st October, 2022.
- In an another Participative Vigilance initiative taken up, Ethics Club and Ethics Circle activities were undertaken in different Plants/Units during the FY 2022-23. In order to propagate ethical behavior in the society at large, Ethics Clubs have been formed in the schools of SAIL Townships with the belief that it is essential to create a strong ethical and moral foundation for children to facilitate formation of an ethically sustainable society.
- SAIL had brought out its last Vigilance Manual in the year 2015, and thereafter, many new instructions and guidelines were issued by the DoPT, CVC, MHA, etc. Further, the updated CVC Vigilance Manual was also issued in the year 2021. Therefore, there was a need to bring out an updated edition of SAIL Vigilance Manual which would serve as a comprehensive document for Management as well as employees. SAIL Vigilance Manual, 2022 was released by SAIL Management and CVO, SAIL on 18th June, 2022.
- SAIL has achieved the distinction of becoming the first Maharatna Public Sector Undertaking to have implemented the Anti-Bribery Management System (ABMS). During the concluding ceremony of Vigilance Awareness Week 2022 held on 5th November 2022, the Bureau of Indian Standards (BIS) awarded the ABMS Certificate as per IS/ISO 37001:2016 to Corporate Office and Bokaro Steel Plant.
- The following five thrust areas were identified by SAIL Vigilance for examination/scrutiny:
 - (i) Payment of wages & other statutory benefits in high value services contracts.
 - (ii) Maintenance / updation of Hindrance Register in Project cases.
 - (iii) Receipt, sampling and testing of high value raw materials.
 - (iv) LTE procurements against UCS codes created in last one year.

(v) Re-tender cases after L-1 price discovery in original tender.

- 'Inspiration-Prerna', an in-house publication of SAIL Vigilance is being published regularly. The above publication contains case studies and informative articles to enhance awareness of the readers.
- As on 1st April, 2022, a total of 69 complaints were pending and the closing balance as on 31st March, 2023 was 60. The summary of disposal of complaints during 2022-23 is as under:

Complaints Disposed:

Particulars	Complaints
Closed as found anonymous / pseudonymous (filed in line with CVC Guidelines)	136
Closed as no vigilance angle/allegations not substantiated	168
Referred to other departments	131
Closed with preventive/administrative recommendations	73
Regular Departmental Actions (RDAs) initiated (Include 6 cases of Major Penalty against 8 employees and 10 cases of Minor Penalty against 18 employees)	20
Total Disposed	528

Vigil Mechanism

The Company has adopted Vigil Mechanism for conducting the affairs in a fair and transparent manner by adopting highest standards of professionalism, honesty, integrity and ethical behaviour. All employees of the Company and directors on the Board of the Company are covered under this Mechanism. This Mechanism has been established for employees to report concerns about unethical behaviour, actual or suspected fraud or violation of Code of Conduct. It also provides for adequate safeguards against the victimization of employees who avail the Mechanism and allows direct access to the Chairperson of the Audit Committee in exceptional cases. No complaint was received during the Financial Year 2022-23.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

As per the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Management Discussion and Analysis Report covering the performance and outlook of the Company is attached and forms part of this Report.

AUDITORS' REPORT ON STANDALONE FINANCIAL STATEMENTS

The Statutory Auditors' Report on the Standalone Financial Statements of the Company for the Financial Year ended 31st March, 2023 along with Management's replies thereon is placed at **Annexure-I** to this Report. The comments of Comptroller & Auditor General of India (C&AG) on the Standalone Financial Statements of the Company for the Financial Year ended 31st March, 2023 under Section 143(6) (b) of the Companies Act, 2013 are placed at **Annexure-II** to this Report.



Anti-Bribery Management Policy (Vision Statement) of SAIL

SAIL is committed to be a respected world class corporation and the leader in Indian steel business in quality, productivity, profitability, customer satisfaction, and will carry out all its activities in a manner that ensures effective Anti-Bribery Management System in the organisation.

SAIL is committed to achieve continual improvement of its 'Anti-Bribery Management System (ABMS)' through:

- ✓ Identification of Contexts, Risks & Opportunities on Anti-Bribery in the organization
- ✓ Identification of needs & expectations of internal & external interested parties
- ✓ Compliance with applicable Anti-Bribery Laws
- ✓ Establishing a Management System which prohibits bribery in the organisation while complying with all applicable legal requirements
- ✓ Establishing a Management System that encourages raising concerns in good faith or on the basis of a reasonable belief in confidence, without fear of reprisal
- ✓ Establishing a Management System explaining the authority and independence of the Anti-Bribery Compliance Function
- ✓ Establishing a Management System explaining the consequences of not complying with the Anti-Bribery Policy.
- ✓ Establishing a System for setting, reviewing and achieving Anti-Bribery Objectives.
- ✓ Involvement of and contribution from all Interested Parties (e.g. employees, stakeholders and business associates)

SAIL is also committed to review the effectiveness of this Policy periodically.

COST AUDITORS

The Company is required to maintain cost accounting records at its various Steel Plants as required under the provisions of Section 148 of the Companies Act, 2013. The Board of Directors of the Company on the recommendation of the Audit Committee appointed M/s. Chandra Wadhwa & Co., New Delhi; M/s. ABK & Associates, Mumbai; and M/s. R.M. Bansal & Co., Kanpur as Cost Auditors for the FY 2022-23. The Board had fixed a fee of ₹ 12.12 lakhs plus applicable taxes and reimbursement of out of pocket expenses for conducting the audit of cost records maintained by the Company for the FY 2022-23, which was ratified by the shareholders in the last Annual General Meeting.

SECRETARIAL AUDITOR'S REPORT

In terms of the provisions of Section 204 of the Companies Act, 2013, the Board of Directors has appointed M/s. Agarwal S. & Associates, Company Secretaries, as the Secretarial Auditor to conduct Secretarial Audit of the Company for the FY ended on 31st March, 2023. Secretarial Audit Report is placed at **Annexure-III** to this Report.

With regard to the observation of the Secretarial Auditor, that composition of the Board of Directors of the Company was not as per requirements during the FY 2022-23, it is stated that appointment of Independent Directors on the Board of the Company is made by the Company based on nomination by Government of India. The Company has requested Ministry of Steel, Government of India for nomination of requisite number of Independent Directors on its Board. Consequently, one Independent Director has been appointed on Board of the Company during April, 2022.

CORPORATE GOVERNANCE

In terms of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Corporate Governance Report and Auditors' Certificate on compliance of conditions of Corporate Governance is placed at **Annexure-IV** to this Report.

In terms of the SEBI Regulations, the Board has laid down a Code of Conduct for all Board Members and Senior Management of the Company. The Code of Conduct has been uploaded on the website of the Company. All the Board Members and Senior Management Personnel have affirmed compliance with the Code.

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT

In terms of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Business Responsibility & Sustainability Report describing the initiatives taken by the Company from Environmental, Social and Governance perspective forms part of this Annual Report and is placed at **Annexure-V**.

SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES

IISCO-Ujjain Pipe and Foundry Company Limited, a wholly owned subsidiary of the erstwhile Indian Iron and Steel Company Limited (IISCO), was ordered to be wound up by

BIFR. The Official Liquidator is continuing its liquidation process.

Your Company currently has two subsidiary Companies namely, SAIL Refractory Company Limited (SRCL) and Chhattisgarh Mega Steel Limited.

Two erstwhile subsidiary companies, namely, SAIL Jagdishpur Power Plant Limited incorporated for setting up of Gas based power Plant at Jagdishpur and SAIL Sindri Projects Limited incorporated for revival of Sindri Unit of Fertilizer Corporation of India Limited have not taken off and have been Struck-Off by the Registrar of Companies.

SRCL is operating the Salem Refractory Unit which was acquired by SAIL from Burn Standard Company Limited on 16th December, 2011. Chhattisgarh Mega Steel Limited was incorporated as a Special Purpose Vehicle with an objective of setting up of an Ultra Mega Steel Project. The project has not taken off.

The Annual Accounts of the Subsidiary Companies and related detailed information shall be made available to the Shareholders of the holding and subsidiary companies, seeking such information at any point of time. Further, the Annual Accounts of the subsidiary companies are available for inspection by any Shareholder at the Registered Office of the Company and the Subsidiary Companies concerned between 11 AM to 1 PM on working days. A hard copy of the details of accounts of subsidiaries shall be furnished to the shareholders on receipt of written request.

CONSOLIDATED FINANCIAL STATEMENTS

Pursuant to provisions of Section 129(3) of the Companies Act, 2013, the duly Audited Consolidated Financial Statements of the Company for the Financial Year ended 31st March, 2023 are placed at **Annexure-VI** to this Report.

AUDITORS' REPORT ON CONSOLIDATED FINANCIAL STATEMENTS

The Statutory Auditors' Report on the Consolidated Financial Statements along with the Management's replies thereon is placed at **Annexure-VII** to this Report. The comments of Comptroller & Auditor General of India (C&AG) on the Consolidated Financial Statements of the Company for the Financial Year ended 31st March, 2023 under Section 143(6) (b) read with Section 129(4) of the Companies Act, 2013 are placed at **Annexure-VIII** to this Report. Further, the statement containing salient features of the financial statements of the Subsidiary, Joint Venture and Associate Companies in the prescribed Form AOC-1 is placed at **Annexure-IX** to this Report.

RECOMMENDATIONS MADE BY THE COMMITTEE ON PAPERS LAID ON THE TABLE (RAJYA SABHA) IN ITS 150TH REPORT

The details of twelve Audit Paras pertaining to SAIL included in the Reports of Comptroller and Auditor General of India (C&AG) tabled in the Parliament in the FY 2022-23 are as follows: (i) Report No.8 of 2022: (a) Refractory Management (Chapter-I) (b) Financial Management (Chapter-II); Report

No.27 of 2022:(a) Dividend payout by CPSEs (Para No.1.3.4) (b)Return on Investment of Listed CPSEs (Para No.1.4.5) (c) Significant comments of CAG issued as supplement to the Statutory Auditors' reports on Government companies/ Government controlled other companies (Para No.2.5.1.3) (d) Non-compliance with provisions of Accounting Standards/ Ind AS (Para No.2.6) (e) Disclosure of core skills/ expertise/ competencies of Board of Directors through Chart/ Matrix in Corporate Governance Report (Para No. 3.3 F) (f) Non-alignment of draft MoU with Annual Plan/ Budget/ Corporate Plan (Para No.5.7.1.1) (g) Non-compliance of MSE guidelines (Para No. 5.7.2.4); Report No.31 of 2022 (a) Shortfall in payment of dividend (Para No. 3.3.4A); Report No.33 of 2022: (a) Loss on account of deficiencies in project management (Para No.5.2) (b) Loss due to idling of Gas holder installed at Rourkela Steel Plant (Para No.5.3).

ANNUAL RETURN

As per the provisions of the Companies Act, 2013, the Annual Return for FY 2022-23 is available at https://www.sail.co.in/sites/default/files/2022-23/SAIL_DRAFT_ANNUAL_RETURN_2022_23.pdf.

BOARD MEETINGS

During the year, 11 meetings of the Board of Directors of the Company were held, the details of which are given in the Corporate Governance Report at **Annexure-IV**, forming part of this Annual Report.

AUDIT COMMITTEE

The Audit Committee of the Board was initially formed by the Company in 1998. The Audit Committee has been reconstituted from time to time in terms of the SEBI Regulations and Companies Act, 1956/2013. The minutes of the Audit Committee meetings are circulated to the Board, discussed and taken note of. The composition and other details pertaining to the Audit Committee are given in the Corporate Governance Report at **Annexure-IV**.

INTERNAL FINANCIAL CONTROL (IFC) AND ITS ADEQUACY

The Company has well established and documented policies and procedures, which are adhered to for transparent, efficient and ethical conduct of business and for safeguarding its assets, prevention and detection of frauds and errors, accuracy and completeness of the accounting records and timely preparation of financial disclosures. Further, the Company has a sound corporate governance structure, and strong management processes, controls, policies and guidelines which drives the Organization towards its business objective and also meets the needs of various stakeholders.

Your Company's robust protocols such as independent internal audit, documented policies, guidelines, procedures, regular review by Audit Committee / Board, etc. helps in compliance of Internal Financial Controls under the Companies Act, 2013, SEBI (LODR) Regulations, 2015, etc. The Company is committed to the highest standards of Corporate Governance where the Board is accountable to all

stakeholders for reporting effectiveness of Internal Financial Control (IFC) and its adequacy. Corporate Governance has been carried out in accordance with the Companies Act, 2013 and SEBI (LODR) Regulations, 2015, etc.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(3)(c) of the Companies Act, 2013(the Act), the Directors state that:

- (i) in the preparation of the Annual Accounts, the applicable Accounting Standards have been followed along with proper explanation relating to material departures;
- (ii) the Directors have selected such Accounting Policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the Financial Year and of the profit or loss of the Company for that period;
- (iii) the Directors have taken proper and sufficient care for the maintenance of adequate Accounting Records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) the Directors have prepared the Annual Accounts on a Going-Concern basis;
- (v) the Directors have laid down internal financial control to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and
- (vi) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

INDEPENDENT DIRECTORS' DECLARATION

In terms of Section 149(6) of the Companies Act, 2013, necessary declaration has been given by each Independent Director stating that he/she meets the criteria of independence. In terms of Section 149(7) of the Companies Act, 2013, Independent Directors of the Company have undertaken requisite steps towards registration of their names in the data bank of Independent Directors maintained with the Indian Institute of Corporate Affairs.

In the opinion of the Board, the Independent Director(s) appointed during the year possess integrity, necessary expertise and experience.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186

In terms of the provisions of Section 186 of the Companies Act, 2013 read with Companies (Meetings of Board and its Powers) Rules, 2014, the details of Loans, Guarantees and Investments given during the FY ended on 31st March, 2023 are given in **Annexure-X** to this Report.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES REFERRED TO IN SUB-SECTION (1) OF SECTION 188

All the contracts / arrangements / transactions entered by the Company during the FY 2022-23, with the related parties were in the ordinary course of business and on an arm's length basis. The transactions with the related parties have been disclosed in the financial statements. Therefore, particulars of contracts or arrangements with related parties referred to in Section 188(1) along with the justification for entering into such contract or arrangement in Form AOC-2 do not form part of the Report.

DIVIDEND DISTRIBUTION POLICY

In terms of the Regulation 43A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors of the Company has adopted Dividend Distribution Policy. The Policy is uploaded on the website of the Company - https://sail.co.in/sites/default/files/Dividend_Distribution_Policy_2017.pdf

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

In accordance with the provisions of Section 134(3) (m) of the Companies Act, 2013 read with Rule 8 of the Companies(Accounts) Rules, 2014, the particulars relating to Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo are given in **Annexure-XI** to this Report.

RISK MANAGEMENT POLICY

Enterprise Risk Management (ERM) is a strategic business discipline that supports the organization's objectives by addressing its risks and managing the impact of these risks. It is the practice of planning, coordinating, executing and handling the activities of an organization in order to minimize the impact of risk on investment, earnings and also strategic, financial and operational risks.

The Enterprise Risk Management Policy of your Company was approved by the Board much before the same became a statutory requirement and since then, risk management in SAIL has grown and developed in line with internal and external business and economic changes. The Policy provides guidance for the management towards business risks across the Organisation. It focuses on ensuring that the risks are identified, evaluated and mitigated within a given time frame on a regular basis.

Currently, the architecture of Enterprise Risk Management in SAIL comprises a well-designed multi-layered organization structure, with each Plant/Unit having its own perceived Risks which are under constant monitoring by the Risk Owners / Risk Champions who frame and implement the mitigation strategy and take it to its logical conclusion. Risk Management Committee of the Plant/Unit Chaired by the Head of the Plant /Unit periodically reviews the risks and its mitigation status and reports the same to Chief Risk Officer (CRO) of SAIL. SAIL Risk Management Committee (SRMC)

oversees the Risk Management function in the Company by addressing issues pertaining to the policy formulation as well as evaluation of risk management function to assess its continuing effectiveness. Risks identified by the Risk Champion/Risk Officer are deliberated in the Risk Management Committee and strategy for mitigating such risks is formulated. Roles and responsibility of Board, Audit Committee, SAIL Risk Management Committee, Risk Management Steering Committee, CRO, Risk Officer/Risk Champion related to risk management are defined under the Policy and duly approved by the Board. The Enterprise Risk Management Policy of your Company is uploaded on its website <https://sail.co.in/company/company-policies>.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

SAIL's Social Objective is synonymous with Corporate Social Responsibility. Apart from the business of manufacturing steel, the objective of your Company is to conduct business in ways that provide social, environmental and economic benefits to the communities in which it operates. For any organization, CSR begins by being aware of the impact of its business on society. With the underlying philosophy and a credo to make a meaningful difference in people's lives, your Company has been structuring and implementing CSR initiatives from the inception. These efforts have seen the erstwhile obscure villages, where SAIL Plants are located, turn into large industrial hubs today.

The CSR initiatives of your Company have always been undertaken in conformity to the Companies Act, 2013, Companies (Corporate Social Responsibility Policy) Rules, 2014, Companies (CSR Policy) Amendment Rules, 2021 and 2022 and DPE Guidelines on CSR & Sustainability, 2014. SAIL carries out CSR projects in and around periphery of steel townships, mines and far flung locations across the Country in the areas of Rural Development including maintenance of Model Steel Villages, Education, Healthcare, Immunisation, Ante/ post-natal care, Access to Drinking Water, Sanitation, Road side tree plantation, Environment Sustainability, Women Empowerment, Assistance to Sr. Citizens & Divyans, Sustainable Income Generation through Self-Help Groups, Promotion of Art and Culture, etc.

The details of various CSR initiatives taken by the Company along with the Report on CSR in prescribed format are placed at **Annexure-XII** to this Report. The CSR Policy of the Company is available on the website of the Company www.sail.co.in.

Healthcare: Your Company's extensive and specialised Healthcare Infrastructure provided specialized and basic healthcare to nearly 180 lakh people living in the vicinity of its Plants and Units during the period 2011-2023. In order to deliver quality healthcare at the doorsteps of the needy, regular health camps are being organised in various villages on fixed days for the people living in the periphery of Plants/ Units/Mines. During the FY 2022-23, regular Health Camps have been organized and 5 Mobile Medical Units (MMUs) extended quality healthcare to about 1,15,000 villagers at their doorsteps in peripheral areas of Plants, Units and Mines. 24 Primary Health centres at Plants exclusively provided free medical care and medicines to more than 90,000 patients.

**I am Sitamani Minz,
a resident of Chikatmati.
For many years, we had
to go to faraway places
for ablution. To fetch water
for drinking & bathing
we had to go to the river.
It took almost 2 hours
and we had to leave our
children alone at home.**

**RSP has made our lives easier
by sorting out the water and
sanitation problems by
providing us bath
and water supply facilities.**



Scan the QR Code to
view video testimonial of
beneficiaries of SAIL CSR
endeavours

Education: To develop the society through education, SAIL is supporting over 77 schools, providing education to more than 40,000 children in the steel townships, 22 Special Schools (Kalyan, Mukul & DAV Vidyalayas) are benefitting around 9169 BPL category students at integrated steel plants and mines locations with facilities of free education, mid-day meals, uniform including shoes, text books, stationary items, school bag, water bottles, etc., under CSR. More than 441 children from tribal and naxal-affected areas are getting free Education, Accommodation, Meals, Uniform and Textbooks, etc. at Saranda Suvan Chhatravas, Kiriburu; Gyanodaya Chhatravas, BSP School Rajhara, Bhilai; Gyanjyoti Yojna, Bokaro.

Your Company in association with the Akshaya Patra Foundation, is providing Mid-day meals and dry ration kits to around 60,000 students in over 600 Govt. schools in Bhilai and Rourkela.

Women Empowerment & Sustainable Income Generation: Vocational and specialised skill development training targeted towards sustainable income generation has been provided to 2265 youths & 2315 women of peripheral villages in areas such as Nursing, Physiotherapy, LMV Driving, Computers, Mobile repairing, Welder, Fitter, Electrician training, Improved agriculture, Mushroom cultivation, Goatery, Poultry, Fishery, Achar/Pappad/ Agarbatti/ Candle making, Screen printing, Handlooms, Sericulture, Yarn Weaving, Tailoring, Sewing and embroidery, Gloves, Spices, Towels, Gunny-bags, Low-cost-Sanitary Napkins, Sweet Box, bans/Jute Shilp, Smokeless challah making, etc. About 409 youths have been sponsored for ITI training at ITIs Bolani, Bargaon, Baliapur, Bokaro Private ITI and Rourkela, etc.

Connectivity & Water facilities in Rural Areas: Over 79.03 lakh people across 450 villages have been connected to mainstream by SAIL, since its inception, by constructing and

repairing roads. Over 8176 water sources have been installed, since inception, thereby enabling easy access to drinking water to over 50 lakh people living in far-flung areas.

Environment Conservation: Maintenance of parks, water bodies, botanical gardens and plantation & maintenance of over 5 lakh trees in the townships is being undertaken.

Support to Divyangs & Senior Citizens: Divyang (children/people) are being supported through provision of equipment like-tricycle, motorized vehicles, calipers, hearing aids, artificial limbs, etc. Your Company supports centres and programmes at its Plants like "Schools for blind, deaf & mentally challenged children" and "Home and Hope" at Rourkela; "Ashalata Kendra" at Bokaro; various programs like "Handicapped Oriented Education Program" and "Durgapur Handicapped Happy Home" at Durgapur; and "Cheshire Home" at Burnpur. Old age homes are being supported at different Plant townships like "Siyam Sadan" at Bhilai, "Acharya Dham" at Durgapur, "Sr. Citizens Home" at Rourkela, etc. Series of events were organised across the Company to celebrate the 'International Day of Persons with Disabilities' commencing on 3rd December, 2022 in alignment of ongoing 'Azadi ka Amrit Mahotsav'. The assistive devices like Tricycle, Motorized Vehicles, Calipers, Hearing Aids, Smart Phones, Smart Canes, etc. provided by Artificial Limbs Manufacturing Corporation of India (ALIMCO) were distributed among Divyangjans through Plants/Units and Corporate Office at New Delhi.

Sports, Art & Culture: SAIL is regularly organizing inter-village sports tournaments, extending support to major National sports events and tournaments. Also, supporting and coaching aspiring sportsmen and women through its residential sports academies at Bokaro (Football), Rourkela (Hockey)-with world class astro-turf ground, Bhilai (Athletics for boys), Durgapur (Athletics for girls) and Kiriburu,

Jharkhand (Archery). Cultural events like Chhattisgarh Lok Kala Mahotsav, Gramin Lokotsav are organised every year. Bokaro Steel Plant organised Special Olympics Bharat (SOB) under National Sports Preparatory Training Camps and also selected/trained Divyang athletes for participation in the Special Olympics Summer World Games 2023 (SOSWG 2023).

Development of Aspirational Districts: In order to provide comprehensive development of both physical and social infrastructure, SAIL has undertaken CSR activities in 6 Aspirational Districts, viz. Kanker, Narayanpur and Rajnandgaon in Chhattisgarh and West Singhbhum, Bokaro, Ranchi in Jharkhand.

SAIL Employees Rendering Volunteerism and Initiatives for Community Engagement (SERVICE): It supports volunteer activities and community outreach by SAIL employees. Over 29,000 volunteers/like-minded employees having a sense of social responsibility to unite in their effort to help the society have registered on the SERVICE portal.

REPORTING OF FRAUD BY AUDITORS

During the FY 2022-23, neither the Statutory Auditors nor the Secretarial Auditor have reported to the Audit Committee any instances of fraud committed against the Company by its officers or employees, which would need mention in the Board's Report.

PERFORMANCE EVALUATION OF DIRECTORS AND BOARD

Ministry of Corporate Affairs has vide its Notification dated 5th June, 2015 has exempted Government Companies from the provisions of the Companies Act, 2013 which, inter alia, provides that Sub Sections (2), (3) & (4) of Section 178 regarding appointment, performance evaluation and

remuneration shall not apply to Directors of the Government Companies. Further, the Ministry of Corporate Affairs vide Notification dated 5th July, 2017 has notified certain amendments in Schedule IV of the Companies Act, 2013, according to which, provisions relating to evaluation of performance of Non-Independent Directors, Chairperson and Board have been exempted for Government Companies.

PARTICULARS OF EMPLOYEES

In terms of the provisions of Section 197(12) of the Companies Act, 2023 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, every listed company is required to disclose the ratio of the remuneration of each director to the median employee's remuneration and details of employees receiving remuneration exceeding limits prescribed from time to time in the Board's Report.

Ministry of Corporate Affairs vide its Notification dated 5th June, 2015 has exempted Government Companies from complying with the provisions of Section 197 of the Companies Act, 2013. Accordingly, such particulars have not been included in the Board's Report.

GENERAL DISCLOSURES

- i. During the year, the Company has not accepted any deposits under the Companies Act, 2013.
- ii. No significant or material orders were passed by the Regulators or Courts or Tribunals impacting the going concern status and Company's operations in future. However, attention of Members is drawn to the statement on contingent liabilities in notes forming part of the Financial Statements.



- iii. During the year, there has been no change in the nature of Business of the Company.
- iv. During the year, no application was made and no proceeding is pending under the Insolvency and Bankruptcy Code, 2016.
- v. SAIL has been identifying itself as a Large Corporate for FY 2022-23 and FY 2023-24, as per the Applicability Criteria given under Chapter XII of SEBI Operational Circular dated 10th August, 2021 (Updated on 13th April, 2022). The Company has not accessed any incremental borrowing in FY 2022-23 and therefore, no penalty has accrued or paid.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

- Shri Brijendra Patap Singh has been appointed as Director (In Charge-Burnpur and Durgapur Steel Plant) w.e.f. 19th April, 2022.
- Prof. (Dr.) K. Jayaprasad has been appointed as Independent Director w.e.f. 26th April, 2022.
- Shri Puneet Kansal, Joint Secretary, Ministry of Steel and Director, SAIL, has ceased to be Government Nominee Director w.e.f. 26th April, 2022.
- Shri Abhijit Narendra, Joint Secretary, Ministry of Steel has been appointed as Government Nominee Director w.e.f. 27th April, 2022.
- Shri Harinand Rai, Director (Technical, Projects and Raw Materials) has ceased to be Director w.e.f. 30th April, 2022.
- Shri Anil Kumar Tulsiani has been appointed as Director (Finance) w.e.f. 20th June, 2022.
- Shri Krishna Kumar Singh has been appointed as Director (Personnel) w.e.f. 25th August, 2022.
- Shri Arvind Kumar Singh has been appointed as Director (Technical Projects & Raw Materials) w.e.f. 2nd September, 2022.
- Smt. Soma Mondal ceased to be Chairman w.e.f. 30th April, 2023.
- Shri Amarendu Prakash has taken over as Chairman w.e.f. 31st May, 2023.

The Shareholders of the Company by way of Resolutions passed through Postal Ballot has approved the appointments of Directors, the details of which are as under:

S. No.	Name	Designation	Resolution	Date of Resolution
1.	Shri Atanu Bhowmick	Whole Time Director	Ordinary	4 th May, 2022
2.	Shri Ashok Kumar Tripathy	Independent Director	Special	13 th July, 2022
3.	Shri Kanhaiya Sarda	Independent Director	Special	13 th July, 2022
4.	Smt. Neelam Sonker	Independent Director	Special	13 th July, 2022
5.	Shri Sagi Kasi Viswanatha Raju	Independent Director	Special	13 th July, 2022
6.	Dr. Gopal Singh Bhati	Independent Director	Special	13 th July, 2022
7.	Shri Vejendla Srinivasa Chakravarthy	Whole Time Director	Ordinary	13 th July, 2022
8.	Shri Brijendra Pratap Singh	Whole Time Director	Ordinary	13 th July, 2022
9.	Prof. (Dr.) K. Jayaprasad	Independent Director	Special	13 th July, 2022
10.	Shri Abhijit Narendra	Government Director	Ordinary	13 th July, 2022
11.	Shri Anil Kumar Tulsiani	Whole Time Director	Ordinary	2 nd September, 2022

ACKNOWLEDGEMENT

The Board of Directors of your Company wish to place on record their appreciation for the sincere, untiring & dedicated efforts and contribution made by every member of the SAIL Family. The Directors acknowledge with deep sense of appreciation, the valuable guidance, support and co-operation received from Government of India, particularly Ministry of Steel, Regulatory & Statutory Authorities, Ministry of Environment, Forests, & Climate Change, DIPAM, NITI Aayog, Department of Public Enterprises, Railways, State Governments, Electricity Boards, etc. The Board also convey its gratitude to all its stakeholders, including Members, Investors, Customers, Vendors, Bankers and Consultants for their continued support and confidence reposed in the Organisation.

The Directors also thank the Comptroller & Auditor General of India, Statutory Auditors, Cost Auditors, Secretarial Auditor and other professionals associated with the Company for their valued contribution.

For and on behalf of the Board of Directors



(Amarendu Prakash)
Chairman

Place: New Delhi
Date : 2nd September, 2023

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

In terms of the Regulation 34(2)(e) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Management of Steel Authority of India Limited (SAIL) presents its Analysis Report covering the performance and outlook of the Company.

A. INDUSTRY STRUCTURE & DEVELOPMENTS

World Economic Environment

The Financial Year (FY) 2022-23 has been a challenging year. During the start of the FY 2022-23, restrictions related to the Omicron variant were beginning to ease in Europe and elsewhere. However, the start of Russia-Ukraine conflict in February, 2022 exacerbated the global economic situation, especially in Europe. A surge in energy prices, linked to Europe's dependence on Russian energy, drove inflation to record highs. US economy was also affected by high inflation, with inflation climbing to a 40-year-high in US and UK. In the meantime, more central banks around the world raised interest rates to combat inflation, with US Fed successively increased the interest rates, which stood at 5 – 5.25% by the end of July, 2023.

Chinese economy saw the industrial output and consumer spending getting affected by the surge in Covid cases and Chinese Government's Zero Covid policy. China's GDP in Q2 of FY 2022-23 grew by just 0.4% (y-o-y), due to Covid lockdowns. The economy of China was also affected by the slump in its real estate industry, a key economic contributor with banks having exposure in the real estate of about US\$ 9 trn. Further, real estate prices and sales in China slumped for many months in a row, as consumer confidence weakened.

The economy of China showed signs of recovery after Beijing rolled out economic stimulus measures and economic packages to revive the real estate sector. After a wave of protests, Chinese Government abruptly ended its Zero Covid lockdown policy at the end of Calendar Year (CY) 2022, which gave a major impetus to industrial production and consumer spending.

In fact, during H1 of FY'22-23, all three of the world's major economic engines- the US, Europe and China struggled. While China struggled controlling its unsustainable Zero-Covid-19 policy, property market slump and host of internal financial imbalances, high inflation battered US and Europe. There were major worries that Euro Zone economies may slip into recession.

However, all the major economic power centres avoided recession in CY 2022. US economy grew by moderate 2.1% in 2022, though it had contracted in 2 out of 4 quarters. Europe managed to register a good show by registering a 3.5% growth in 2022. China's economy expanded by 3.0% in 2022, as compared to 8.4% in the preceding year.

In Q2'23 (April to June), US economy defied expectations and surprisingly accelerated to a 2.4% annual growth rate, while economists had been warning of a potential slowdown. The Euro Area economy is also growing again. GDP across the 20 countries that share the Euro currency rose by 0.3% in the Q2'23 over the previous three months. China's GDP grew by weaker than expected rate of 6.3% y-o-y in Q2, hit by sluggish consumption, crisis in real estate and worries over deflation.

As per IMF's latest report of July'23, global growth is projected to fall from an estimated 3.5% in 2022 to 3.0%, in both 2023 and 2024. The rise in central bank policy rates to counter inflation continues to weigh on economic activity. The recent resolution of the US debt ceiling standoff and earlier this year, strong action by authorities to contain turbulence in US and Swiss banking, reduced the immediate risks of financial sector turmoil. This has moderated adverse risks to the outlook. However, the balance of risks to global growth remains tilted to the downside. Inflation could remain high and even rise if further shocks occur, including those from an intensification of the conflict in Ukraine and extreme weather-related events, triggering more restrictive monetary policy.

The fight against inflation continues. Inflation is easing in most countries but remains high, with divergences across economies and counter measures. Following the build-up of gas inventories in Europe and weaker-than-expected demand in China, energy and food prices have dropped substantially from their 2022 peaks, although food prices remain elevated. Together with the normalization of supply chains, these developments have contributed to a rapid decline in headline inflation in most countries. In response to the persistence of core inflation, major central banks have communicated that they may need to tighten monetary policy further. While the Federal Reserve paused rate hikes at its June meeting but signalled further ones ahead, and the Reserve Bank of Australia, Bank of Canada, Bank of England, and European Central Bank have continued to raise rates. In China, where inflation is well below target, the central bank recently cut policy interest rates to support the stressed economy. The Bank of Japan has kept interest rates near zero under the quantitative and qualitative monetary easing.

US Dollar saw a major surge against major global currencies during the FY 2022-23, hitting levels not seen in the last two decades. Tired of a too-strong and newly weaponized US Dollar, some of the world's biggest economies explored ways to circumvent the US currency, which may result in the eventual weakening of US Dollar. Overview of World Economic Outlook Projections is as under:

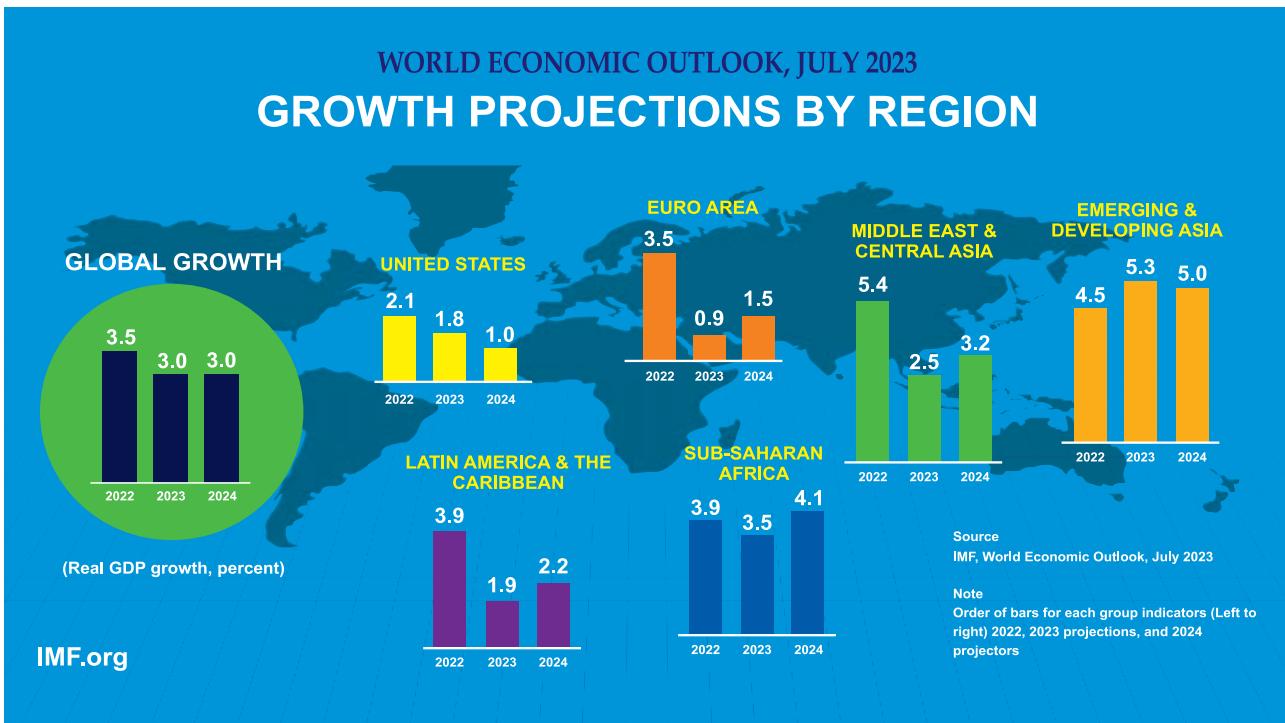
World Economic Outlook Projections

(GDP Growth Percentage Change)

	Year Over Year		
	Actual	Projections	
		2022	2023
World Output	3.5	3.0	3.0
Advanced Economies	2.7	1.5	1.4
United States	2.1	1.8	1.0
Euro Area	3.5	0.9	1.5
Japan	1.0	1.4	1.0

Emerging Market and Developing Economies	Year Over Year		
	Actual	Projections	
	2022	2023	2024
China	4.0	4.0	4.1
India	3.0	5.2	4.5
Brazil	7.2	6.1	6.3
Russia	2.9	2.1	1.2
	(-2.1)	1.5	1.3

Source: IMF World Economic Outlook Update, July, 2023

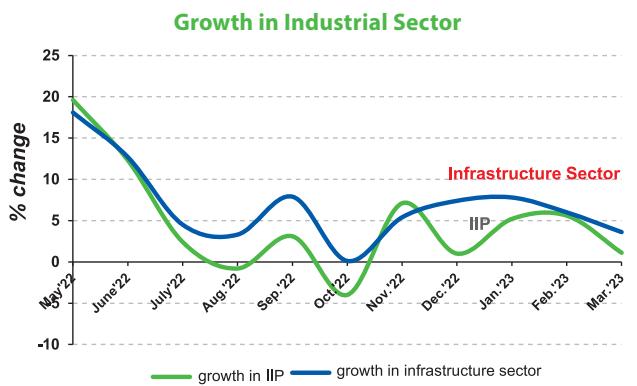


Indian Economic Environment

India's GDP grew by 7.2% in FY'22-23 as against 9.1% expansion (over Covid-19 affected base of FY 2020-21) in the previous fiscal. Despite the rate of GDP growth coming at a slightly lower rate than the previous year, India remained one of the fastest growing economies among major global countries. The GDP growth for FY'22-23 at 7.2% was higher than the 7% median estimate in a Bloomberg survey as well as the Govt. forecast made three months ago. RBI successively raised Repo rates from a level of 4.0% in April, 2022 to 6.5% in April, 2023 to contain the shooting inflation rate (CPI), which had reached eight year high of 7.8% in April, 2022. However, the same came down subsequently to 4.8% in June, 2023.



Growth in Index of Industrial Production in the FY 2022-23 was 5.1% as compared to 11.4% in the previous year. Growth in Manufacturing, Capital Goods and Consumer Durables sectors in FY 2022-23 was 4.5%, 12.9% and 0.5% respectively, as compared to 11.8%, 16.9% and 12.5% in the preceding year.



India's merchandise exports faced tough conditions in FY 2022-23, due to strong global headwinds and slowdown in major advanced economies. The merchandise exports in FY 2022-23 rose to US\$ 447.46 bn., up by just 6.0% over last year. Merchandise trade deficit during the year was US\$ 266.78 bn. due to rising imports, especially of coal, oil and gas. However,

due to good performance of Services sector, overall trade deficit during FY 2022-23 was US\$ 122 bn.

Indian Rupee plunged to a new lifetime low of ₹ 83.0/US\$ on 19th October, 2022, on account of US Fed rate hikes and India's widening trade deficit. However, it later recovered to an extent. Indian Rupee is now going Global as 18 countries have agreed to trade in Indian Rupee.

Government of India assessing the challenging global economic environment has been providing strong impetus on infrastructure development and has increased the outlay for capital investment in the Union Budget for FY 2023-24 by whopping 33% to ₹ 10 lakh crore, which would be around 3.3% of GDP.

Industry leaders have expressed confidence in the resilience of Indian economy. Amidst all the gloom enveloping the advanced economies, India has emerged as an island of hope for global investors, as its strong domestic demand rebounds after a pandemic-induced slowdown.

The automobile sector is considered to be a strong indicator of the prevailing economic scenario. India's total automobile sales in the FY 2022-23, as per Federation of Automobile Dealers Associations (FADA), witnessed a double-digit growth of 21%, at 2.21 crore nos. (approx.), wherein, all categories, except tractors saw a double-digit growth. Tractors sales, meanwhile, grew by only 8%.

Impact of Ukraine War on Indian Economy

Disruptions to major trade routes, Russia and Ukraine, along with subsequent sanctions imposed on Russia by different economies, the FY 2022-23 had a major impact on global supply chains. As a result, oil prices surged to record highs, which in turn pushed inflation. In fact, global inflation was surging since 2021. The war only accelerated the crisis. The spillover effect fell upon India as well.

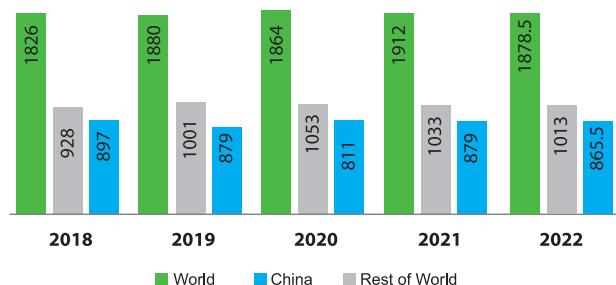
In April, 2022, two months after the war started, India's retail inflation jumped to 8 year high of 7.79%. With inflation soaring to record highs, RBI moved in line with US Fed Reserve and started raising key lending rates, thereby, affecting people already suffering under high inflation. However, imports of crude oil from Russia increased due to discounts offered by Russia, which helped in curbing inflation. With Europe suffering the most from impacts of Ukraine war and being one of the key export markets, India's exports suffered. India's merchandise exports in April-July, 2023 were US\$ 136.22 bn., down by 14.5% over same period last year.

As the central banks globally hiked interest rates, foreign investors pulled out from Indian equity and debt market. High crude oil prices also affected the Indian Rupee. As a result, Indian Rupee decelerated more sharply and depreciated to ₹ 83/US\$ in August, 2023 from ₹ 75/US\$ at the beginning of war.

World Steel

Global Crude Steel production during CY 2022 stood at 1878.5 MT, down by 4.2%, over CY 2021. China's Crude Steel production was lower by 2.1% to 1,013 MT due to Covid related lockdowns. India and Iran were the only two major steel producing countries which showed positive growth in steel production in 2022. China produced 53.9% of world Crude Steel in 2022.

Annual Crude Steel Production (MT)



In CY 2022, Finished Steel demand at 1781.5 MT was down by 3.2% over the previous year. As per WSA, recovery momentum after the pandemic shock was hampered by high inflation and increasing interest rates, Russia-Ukraine War and lockdowns in China. As a result, steel-using sectors' activities went down in the last quarter of 2022. This, combined with the effect of stock adjustments, led to worse than expected contraction in steel demand.

Following the initial frenzy over Russia-Ukraine war which started in February, 2022, world steel prices started coming down from March, 2022, on low demand, high stocks, worsening inflation, worsening property crisis in China and sufficient steel supplies.

US and European steel producers resorted to idling of steel mills due to steady fall in steel prices, increasing levels of imports and increasing energy prices. However, worldwide prices started rising from December, 2022, but started coming down again from March, 2023 due to poor demand, rising steel supplies and falling raw material prices. China's domestic steel prices are affected by wobbly economic recovery and poor real estate demand. Several Chinese steel mills have received instructions from the Government of China to cap this year's output at the same level as 2022, which has supported prices.

China's rising steel exports are a cause of worry, which were 8.35 MT in May, 2023. These exports are supported by weaker Yuan and poor domestic demand.

Top 10 Crude Steel Producing Countries

Rank	Country	2022 (MT)	2021 (MT)	% Change
1	China	1013.0	1034.7	(-2.1)
2	India	124.7	118.2	5.5
3	Japan	89.2	96.3	(-7.4)
4	United States	80.7	85.8	(-5.9)
5	Russia	71.5	77.0	(-7.2)
6	S. Korea	65.9	70.4	(-6.5)
7	Germany	36.8	40.2	(-8.4)
8	Turkey	35.1	40.4	(-12.9)
9	Brazil	34.0	36.1	(-5.8)
10	Iran	30.6	28.3	8.0
11	World	1878.5	1960.4	(-4.2)

Source: World Steel Association

Japanese and Korean steel companies are planning to set up EAF based steel production facilities to reduce CO₂ emissions. China also plans to raise the proportion of EAF steel to 20% by 2030 from 11% in 2021. Further, many European steel

producers have started to set up Green Hydrogen based DRI production facilities, to be used in EAF to produce steel and various European Governments are providing financial aid for setting up of such facilities. In USA, few companies have been successful in using innovative methods to produce iron from iron ore using electricity. EU plans to set up an EU Carbon Border Adjustment Mechanism (CBAM) from 1st October, 2023, to fight climate change and prevent carbon leakage. Under this framework, taxes would be imposed from the year 2026 on embedded carbon imports from six sectors, including steel.

Outlook for Steel Industry

The recovery momentum of world economy after the pandemic has been affected mainly by China's economic deceleration, persisting inflation, monetary tightening by US and continued supply disruptions due to on-going Russia-Ukraine war. The World Steel Association (WSA) has forecast 2.3% growth in steel demand reaching to 1,822.3 MT in 2023 and shall see a further demand growth of 1.7% in 2024 to reach a level of 1,854.0 MT. Manufacturing is expected to lead the recovery, but high interest rates will continue to weigh on steel demand. In 2024, growth is expected to accelerate in most regions, but deceleration is expected in China due to its anticipated 0% growth, overshadowing the improved demand in the rest of the world. However, persistent inflation and high-interest rates in most economies will limit the recovery of steel demand in 2023, despite positive factors like China's reopening, Europe's resilience in the face of the energy crisis and the easing of supply chain bottlenecks. As China's population declines and moves to consumption-driven growth, its contribution to global steel demand growth will lessen. Future global steel demand growth will rely on reduced drivers, primarily concentrated in Asia. Investments in decarbonisation and dynamic emerging economies will increasingly drive positive momentum for global steel demand, even as China's contribution to global growth diminishes.

Indian Steel Scenario

As per World Steel Association's April, 2023 Short Range Outlook, after growth of 8.2% in 2022, India's Finished Steel Consumption is expected to show healthy growth of 7.3% and 6.2% in 2023 and 2024 respectively. India remained a bright spot in the Global Steel Industry in 2022. Having managed inflation well, the Indian economy is on a healthy growth track, with a rising share of investment in GDP, supplemented thanks to strong Government spending on infrastructure. The Real Estate sector is also expected to grow, backed by affordable housing projects and urban demand. Private investment is improving on the back of the Production Linked Investment (PLI) Schemes.

Following the initial spurt in domestic steel prices, due to onset of Ukraine war in February, 2022, prices started coming down from April, 2022 onwards, to mirror falling international steel prices and weakening raw material prices. Imposition of Export Duties on Finished Steel by the Government of India in May, 2022, further accelerated the price decline. Consequently, in November, 2022, India's Finished Steel Exports were only 0.34 MT, down by 53.1% over the previous year. As a result, many Indian mills opted for maintenance shutdowns due to non-remunerative steel prices. Such curtailed exports and falling steel prices, lead to the

domestic steel majors recording huge financial losses in Q3 of FY 2022-23. However, domestic steel prices started rising from December onwards, supported by rising international steel prices and better performance by domestic end-user industries.

While Indian Finished Steel Exports during the Financial Year 2022-23 were 6.71 MT, down by 50.2% as compared to previous financial year, Imports were up by 29.0% to 6.02 MT. India's Finished Steel Consumption during the year was 119.17 MT, up by 12.7% as compared to CPLY. Meanwhile domestic steel producers stayed on course to expand their production capacities.

To promote production of Specialty Steel in India, the Ministry of Steel signed 57 MoUs with 27 companies under the Production Linked Incentive (PLI) scheme, which is expected to generate an investment of about ₹ 30,000 crore and create additional capacity of about 25 MT of specialty steel in next five years.

In view of the rising concerns worldwide over the technology in use, Government of India has also started promoting Green Steel. The Centre plans to support Green Hydrogen based DRI projects as well as push primary steel producers to increase use of scrap in steel production.

B. RISKS AND CONCERNS

• Impact of MMDR Amendment Act, 2021 on Non-operational Mining Leases

The Minerals (Development and Regulation) Amendment Act (The Act) which came into force on 28th March, 2021, inter-alia, that provides in case the holder of a mining lease fails to undertake production and dispatch within a period of two years after the execution of mining lease or discontinues the production and dispatch for a period of two years, the lease shall lapse on the expiry of the period of two years from the date of execution of mining lease or discontinuance of the production and dispatch, as the case may be. On account of likely impact of the Act on non-operational mining leases of SAIL and its subsidiary company, the matter was taken up with the Ministry of Steel for expediting early executions of the mining leases of the Company on or before March, 2022. On intervention of the Ministry of Steel, required applications were submitted for each non-operational mining lease with the respective State Governments in March/April, 2022. During FY 2022-23, 6.9 Sq Mile of Bolani Mines was made operational on 16th March, 2023 with the commencement of Manganese mining operations. The lease period of the two non-operational iron ore mining leases of Kalta Iron Ore Mines has been extended by the Odisha Government and their supplementary lease deed will be executed on grant of statutory clearances. In the matter of non-operational Kalwar-Nagur Iron Ore mining lease of BSP, the Ministry of Mines, vide order dated 7th March, 2023 has directed the Government of Chhattisgarh to extend the mining lease of Kalwar Mines up to 31st March, 2025 for starting the production and dispatch from the Mine, for which efforts are being made.

• Impact on Chiria Iron Ore Leases being in No-Mining Zone

Chiria Mine leases (except already broken up area in Dhobil lease) have been proposed to be "No Mining Zone"

in Management Plan for Sustainable Mining (MPSM) in Saranda forest, approved by MoEFCC. Out of the available iron ore resource of about 3.7 billion tonnes (BT) with SAIL, about 42% i.e. 1.6 BT is available at a single location viz. the Chiria Mine in Saranda forest in Jharkhand, which is not only critical for raw material security for future expansion but will also be required to meet iron ore requirement of currently operating facilities, in view of depleting resources at SAIL's other operating mines. On intervention of the Ministry of Steel in July, 2022 to allow mining in already broken up area of the Chiria leases which have been with SAIL for a long time, along with resumption of Reassessment Study on MPSM to be carried out concurrently, MoEFCC intimated that there is no need for any Reassessment Study, and the same was informed to the Department for Promotion of Industry and Trade (DPIIT). DPIIT, in February, 2023 has advised the Ministry of Steel to take up the matter at an appropriate inter-ministerial forum.

- **Revocation of the Prospecting License (PL) Grant Order for Thakurani Block-A by the Government of Odisha**

Government of Odisha vide order dated 19th September, 2022 while invoking the MMDR Amendment Act, 2021, declared the Gazette Notification dated 4th February, 2004 as lapsed and revoked the Prospecting License (PL) Grant Order dated 24th February, 2021 for iron ore over an area of 268.221 ha in Thakurani Mine. The matter was taken up in November, 2022 with the Government of Odisha for grant of a composite license including the mining lease. However, due to delay in getting the response, a writ petition was filed before the Hon'ble High Court of Orissa for directing the Government of Odisha to consider the application. Subsequently, the Hon'ble High Court of Orissa vide Order dated 17th March, 2023 directed the Government of Odisha to consider SAIL's application and pass appropriate order within a period of three months from the date of production of a certified copy of this order. Consequently, in March, 2023, enclosing the certified copy of the Hon'ble Court Order, Government of Odisha was requested to consider the SAIL's application as per the direction of Hon'ble High Court of Orissa order. Decision of the Government of Odisha is awaited.

- **Delay in Grant of Stage-II Forest Clearance by MoEFCC**

Stage-I Forest Clearance (FC) for development of new mining pits at South and Central blocks of Kiriburu and Meghahatuburu Mines was granted in October, 2010 and Compliance Report was forwarded by the Government of Jharkhand for approval of MoEFCC in April, 2016. However, approval could not be obtained due to initial link up of the grant of FC with the finalisation of Management Plan for Sustainable Mining (MPSM) for Saranda Forest and subsequently, on account of non-suitability of identified Compensatory Afforestation land. During the FY 2022-23, FC proposal was considered by the Forest Advisory Committee in July, 2022 and January, 2023 and consequently, MoEFCC in February, 2023, asked MoEFCC, Ranchi, inter-alia, to explore the possibility of handing over of equivalent reclaimed area by the user agency from other mines in the State in consultation with State Government. Compliance report forwarded to MoEFCC, New Delhi on 11th May, 2023 by the Jharkhand Government with a copy to IRO, MoEFCC, Ranchi for further necessary action. The report from MoEFCC, Ranchi is awaited.

- **Delay in Grant of Clearance for Selling Iron Ore from Jharkhand Mines**

On account of the likely shortage of iron ore in the Country, Ministry of Mines, Government of India vide Order dated 16th September, 2019 has entrusted SAIL with the responsibility to make available in the open market, 25 percent of its total mineral production of the previous year. Further, in another separate Order dated 16th September, 2019, Ministry of Mines, has allowed SAIL to dispose of the old stock of 70 MT of low grade iron fines and ores (including slime) lying dumped across different captive mines of the Company. In this regard, efforts were being made in obtaining approval of respective State Governments and other concerned statutory authorities. However, SAIL has not received the necessary approvals from Jharkhand State Government. Accordingly, only 0.58 million tonnes of iron ore was made available in the open market from SAIL mines in Odisha during FY 2022-23. Efforts are being made for getting clearances from the Jharkhand State Government to commence selling of iron ore from iron ore mines of SAIL in Jharkhand.

- **Delay in Allocation of Suitable Coking Coal Blocks in lieu of Surrendered Sitanala and Parbatpur Coking Coal Blocks**

In order to reduce its dependability on imported coking coal, with the intervention of Ministry of Steel, two Coking Coal blocks namely Sitanala and Parbatpur were allotted to SAIL through allotment route in 2015 and 2016 respectively. However, due to decrease in the Coal Mining Lease areas for both the coal blocks, SAIL Board approved the return of the Parbatpur and Sitanala Coal Blocks to Ministry of Coal (MoC). Accordingly, Nominated Authority, MoC, was intimated about returning of Parbatpur and Sitanala Coal Blocks, with a request to refund the amount paid including Bank Guarantee submitted by SAIL at the time of allocation of blocks. SAIL had also requested MoC for allotment of potential coking Coal Blocks in lieu of Parbatpur and Sitanala Coal Blocks in line with NITI Aayog's recommendation.

Meanwhile, Ministry of Coal terminated the allocations of both the Coal Blocks i.e. Sitanala and Parbatpur and advised concerned banks to invoke the Bank Guarantees (BGs). In both the matters, SAIL has preferred Writ Petitions before the Hon'ble High Court of Delhi to challenge the respective Orders.

In the matter of Sitanala Coal Block, Hon'ble Delhi High Court declined to pass any interim order. However, Hon'ble Court clarified that if the petitioner prevails in this petition, the consequential direction for refund of the amount collected by invoking the BG will be passed. However, in the matter of Parbatpur Coal Block, Hon'ble Delhi High Court directed for maintaining status quo in respect of the BG till the next date of hearing. In both the cases, the matter is sub-judice.

- **Inadequate Supply of Raw Material**

At Bhilai Steel Plant, the iron ore production is being met from the Rajhara Group of Iron Ore Mines. Due to exhaustion of iron ore from top benches, mining operations are being done in lower benches. As an alternative, mining of iron ore is to be started from the Rowghat Mines. Since there is delay in the Rowghat project, contract has been awarded for interim mining in Anjrel Block. Approach road has been constructed but due to agitation by the local people, the dispatch of iron

ore is through extended route. The district administration is resolving the issue of agitation by the locals. Periodic desilting of Hitkasa tailing dam is also in progress. Further, for mining leases of Kalwar-Nagur and Pandardalli Rajhara Pahar Lease, SAIL has filed review petition in Chhattisgarh High Court.

- **Possible Shortage of Water Supply may lead to Disruption of Operations at IISCO Steel Plant.**

Presently the water supply is being managed through newly constructed intake water channel at riverbed and the job is ongoing. Construction of anicut/barrage/weir, etc. by Central Water & Power Research Station (CWPRS) for a long-term solution to ensure sufficient water availability shall be taken up only after receipt of recommendation by CWPRS. A contract proposal has been initiated for hydrographic survey of Damodar river. Further, new water pumping stations at upstream of river Damodar along with feed line to the Plant Reservoir is being envisaged in the upcoming 4.2 MTPA expansion plan of IISCO Steel Plant.

- **Challenges to Ramp up Production of Iron Ore**

The matter is being taken up with the concerned authorities for obtaining forest clearances for starting mining activities at some of the mines. In addition to this, actions are being taken to expedite the mining process at Rowghat and matter is being taken up with Indian Railways for expansion of railway sidings, wherever required.

- **Non-availability of Spare Parts/Critical Spares due to restriction on Import from China**

The matter is being pursued with the Government of India for procurement through Global Tender Enquiry (GTE) for items having no indigenous availability and valued upto ₹ 200 crore. Further, in order to encourage indigenization, a list of items for which GTEs were issued have been put up on the SAIL Tender website to enable interested indigenous vendors to express their interest in supplying these items.

- **Volatility in Steel Prices**

As there is lower than expected demand for steel during part of the year, continuous efforts are made to improve upon sales in freight advantageous zones. Further, committed sales under MoU and other order booking schemes through Tier-1 and Tier-2 distributorships mitigate the risk of low

demand. To reduce the dependence of sales on lower end of the product value chain, focus is on increasing targeted sales of downstream and ready to use products to diversify the segment basket under Tier-1 distribution channel. Segment specific approach is being adopted for products being difficult to market and seminars and workshops are being conducted to bring awareness about the products. To mitigate the threat of increase in low value imports from China and other leading countries leading to imbalance in demand and supply, Government intervention is being sought through industry associations for continuing tariff based redressal for discouraging low value imports.

- **Stiff Competition in International Market in respect of specific Product Mix may impact plans for Revenue generation and Growth from Exports.**

As the prices in international market are subject to wide fluctuations, focus is on neighbouring markets in SAARC and Middle East viz. Nepal, Bangladesh, Sri Lanka and Saudi Arabia. Efforts are being made for diversification of export product basket with inclusion of more value added products and products manufactured from new facilities at ISP, RSP and DSP.

- **Disruption in Supply of Imported Coking Coal.**

There is a risk of interruption in supply of imported coking coal as there are limited number of vendors and bulk supply from one geographical area. Action is being taken to increase vendor base through EOI route and increase coal basket by exploring new coal producing countries from different geographies like Russia, Mongolia, etc.

- **Brand Misuse**

To mitigate the misuse of our brands, existing brand names and their registry status is reviewed. Action is being taken for extension of registration of all brands except SAIL TIN, which is not being produced any more. Last registered brand was SAIL SeQR. Updated list of conversion agents, wet leasing agents and SPUs is available on the website of the Company. Further, major brands are properly displayed on SAIL's website and other media avenues. In addition to this, product brochures for major products have been developed and are displayed at appropriate places and Brand Manual for Tier-1 & Tier-2 retail models is also in use.

C. SWOT ANALYSIS

Strengths	Weakness	Opportunities	Threats
<ul style="list-style-type: none"> • Multi located production units with greater access to far spread markets provide an edge over other domestic steel players. • Well established nationwide marketing and distribution network. • Most diversified product range. • Availability of land bank at existing Plant/Unit locations for future brown-field expansion. • Input security - 100 per cent integration in iron-ore. • Newly commissioned Mills oriented towards products, for infrastructure development. • Potential for improving product-mix and reducing cost through operational efficiency and utilization of new & modernized units. • Qualified and experienced professionals in steel making. 	<ul style="list-style-type: none"> • Dependence on external sources for key input i.e. coking coal leads to exposure of the Company to the market risk. • Ageing employee mix along with a high manpower cost and relatively low manpower productivity. 	<ul style="list-style-type: none"> • With an accelerated push to step up capital expenditure, the Government of India proposed new policies regarding steel intensive segments such as infrastructure, capital goods and construction, thus giving a bright outlook for the steel industry. • Low per capita steel consumption as compared to world standards. • Rising Steel demand in the Country. 	<ul style="list-style-type: none"> • Increased competition from domestic and international steel companies located in India. • Increased focus worldwide on Green Steel. • Increasing domestic Steel production capacity. • Inflationary pressures.

D. OUTLOOK

International Monetary Fund (IMF) in its April' 23 Report has warned that its outlook for global economic growth over the next five years is the weakest in more than three decades. As higher interest rates continue, the world economy will expand by about 3% over the next half decade, which is lowest medium-term growth forecast since 1990.

In its July, 2023 World Economic Outlook report, IMF predicts the global economy will grow by 3.0% in 2023 and 2024. As compared to April'23 outlook, the growth rate has been upgraded by 0.2% for 2023, with no change for 2024. However, balance of risks to global growth remains tilted to downside. World Steel Association forecasts that in 2023, world steel demand will see a recovery of just 1.0% to reach 1,814.7 MT. High inflation, monetary tightening and China's slowdown contributed to a difficult 2022, but infrastructure demand is expected to lift 2023 steel demand slightly.

With regard to Indian economy, IMF has raised its economic growth forecast for CY 2023 by 0.2% to 6.1%, as compared to April'23 outlook with no change for 2024, reflecting momentum from stronger than expected growth in 4th quarter of 2022 as a result of stronger domestic investment. Reserve Bank of India (RBI) stopped its rate-hike cycle by retaining the key lending rate at 6.5%. RBI in its Annual Report FY 23 has said that India's growth momentum is likely to sustain in 2023-24 in an atmosphere of easing inflationary pressures, sound macroeconomic policies, softer commodity prices, a robust financial sector, a healthy corporate sector, continued fiscal policy thrust on quality of government expenditure, and new growth opportunities stemming from global realignment of supply chains. On account of global turmoil, India's merchandise exports in FY'22-23 were US\$ 447.5 bn., up by just 6% as compared to previous year.

Withdrawal of export duties on finished steel by Government of India (GoI) has given fresh impetus to India's steel exports. GoI's strong emphasis on infrastructure development in FY'23-24 budget is likely to boost domestic steel consumption. Current downward trend in international coking coal prices is likely to improve the margins of domestic steel companies. RBI has paused raising the interest rates, which will also support domestic steel demand. India's strengthening industrial production is a good sign for domestic steel consumption. However, volatile international situation due to continued Ukraine-Russia conflict is a cause of concern.

E. REVIEW OF FINANCIAL PERFORMANCE

1. FINANCIAL OVERVIEW OF SAIL

SAIL achieved its best ever sales turnover of ₹ 1,03,767.54 crore during the Financial Year (FY) 2022-23, which was higher by 1% as compared to corresponding period of last year (CPLY) turnover of ₹ 1,02,805.13 crore. During the FY 2022-23, the Profit before Tax and after Tax were ₹ 2,636.91 crore and ₹ 1,903.07 crore respectively as compared to CPLY Profit before Tax of ₹ 16,038.72 crore and Profit after Tax of ₹ 12,015.04 crore. The comparative performance of major

financial parameters during the FYs 2022-23 and 2021-22 is given below:

Particulars	2022-23	2021-22
Sales Turnover	103767.54	102805.13
Profit Before Interest, Taxes, Depreciation and Amortisation (EBITDA)	9378.91	22364.17
Less: Interest and Finance Charges	2037.47	1697.88
Less: Depreciation	4962.52	4274.17
Profit Before Exceptional/Abnormal Items and Tax	2378.92	16392.13
Less: Exceptional items Gain(-)/Loss (+)	-257.99	353.41
Profit(+)/ Loss(-) before tax	2636.91	16038.72
Less: Provision for taxation	733.84	4023.68
Profit(+)/Loss(-) after Tax	1903.07	12015.04
Other Comprehensive Income	-438.61	-64.45
Total Comprehensive Income (+)/Loss(-)	1464.46	11950.59
Net Worth	52139	52017
EBITDA to Net sales (%)	9.04	21.75
Return (PAT) on Net worth (%)	3.65	23.10
EBITDA to average capital employed (%)	15.01	32.72
Earnings per share of ₹ 10/- each	4.61	29.09
Debt Equity Ratio	0.59:1	0.33:1
Current Ratio	0.77:1	0.73:1
Debtors' Turnover Ratio (Days)	18	23
Inventory Turnover Ratio (Days)	99	77
Interest Coverage Ratio(No. of times)	2.05	9.56
Operating Profit Margin (%)	8.98	21.61
Net Profit Margin (%)	1.82	11.61

During the FY 2022-23 the decline in the profitability as compared to CPLY is on account of higher input cost, mainly for imported coal prices, increase in stores and spares consumption, repairs & maintenance expenses, increased purchased power rates, conversion charges, security expenses, higher usage of raw materials like Iron ore, limestone and other ferro-alloys, higher interest charges & depreciation, loss arising due to foreign exchange fluctuation, etc. However, the decline in profit has been partially offset by increased production, improved NSR, decrease in salaries & wages, better techno-economic parameters like improvement in BF Productivity and Coke Rate, lower imported coal in blend, etc., decrease in Royalty expenses, higher stock valuation rate, higher dividend income, etc.

As compared to CPLY, while there has been an increase in turnover, there has also been an increase in debtors, leading to an increase in the number of days in Debtors' Turnover Ratio. There has been a reduction in the inventory levels during the year. The increase in Current Ratio is mainly on account of increase in inventory levels and debtors. Increase in borrowings has led to higher debt equity ratio in FY 2022-23. Reduction in Interest Coverage Ratio is mainly due to lower EBIT and higher interest and finance charges.

1.1 Cost Control Measures

- Renewed focus on innovation and productivity, through continuous process improvement and R&D efforts, resulted in cost reduction, improvement in productivity & quality and value addition.

- Continuous monitoring of procurement of high value items, maximizing usage of available indigenous coal in the blend, maximising use of in-house engineering shops, sale of idle assets, optimising procurement through centrally purchased items, including negotiations with suppliers for price reduction, were pursued throughout the financial year 2022-23.
- Coal blend optimization, improvement in vendor base of purchased coal by adding low cost coals from Russia & Indonesia, enhanced usage of indigenous coals and improvement in operational parameters such as Coke Rate, Coal Dust Injection and BF Productivity, Concast Production hand Usage of Pellets in prepared burden at Blast Furnaces have attributed to cost savings during the year.

1.2 Marketing

Your Company has taken a number of initiatives during the Financial Year 2022-23 aimed at sustaining and consolidating its position as the leading steel producer of the Country.

Further, with strategic and focused approach in areas of product development, branding, niche marketing, customer servicing, digitalization, etc. SAIL is committed to aim for continual improvement for prosperity in business. In this regard, marketing of new products in FY 2022-23, include the following:

- New grade of steel "Duplex Stainless Steel" developed by Salem Steel Plant, an import substitution item, has superior corrosion resistance with higher strength and formability.
- Your Company has enhanced its efforts towards new grades of special quality at IISCO Steel Plant like AWS A5.17 EM12K, 5.5 mm and AWS A5.23 EA2 (Mo bearing) at Wire Rod Mill for welding applications.
- At Durgapur Steel Plant, Ultra Low Nb Structural (E-350 BR), IS 2062 E410 C and Channel 300 have been rolled out.
- Bhilai Steel Plant has developed Grades IS 7887 CAQ Gr1 and EWNR Wire Rods 5.5/6/7mm at its Wire Rod Mill.
- Grades like HSFQ 450 and MC-30/40/55 have been developed in Hot Strip Mill-II at Rourkela Steel Plant and Grade EN 10025-5/ IS 11587 HR Coils at Hot Strip Mill of Bokaro Steel Plant.

Besides the usual efforts to enhance sales, your Company has taken a number of initiatives to improve sales and market presence which, inter-alia, include the following:

- Your Company has the largest marketing network among all steel producers in the Country. As on 31st March, 2023, SAIL's functional network of marketing offices consists of 37 Branch Sales Offices, 5 Customer Contact Offices, 18 Departmental Warehouses, 17 functional Consignment Agency yards and 2 Consignment Handling Agency yards. Marketing efforts are further supplemented through SAIL's Retail Channel that reaches the products of mass consumption to remote corners of India.
- SAIL has an extensive dealership network comprising of more than 4700 dealers spread across the Country. With 42 Distributors already in place in the 2-tier distribution network as on 31st March, 2023, this channel of retail sales

is being further strengthened. Around 6.57 lakh tonnes of TMT were supplied through the 2-Tier Distribution network during FY 2022-23. SAIL also has Tier-I distributor system to improve the system of servicing demand of small consumers, B2B industrial segments and to provide single window servicing of small customers including value added services and has 38 distributors as on 31st March, 2023. This huge network spread across the Country helps in meeting the requirements of a wide range of customers spread through length and breadth of the Country. Out of total sales of 12.7 lakh tonnes to retail segment during April to March, 2023, sales through Tier-2 Distributors and Dealers was 8.3 lakh tonne consisting of TMT & GP. Sales through Tier-1 distributors during the Financial Year 2022-23 was 4.4 lakh tonne.

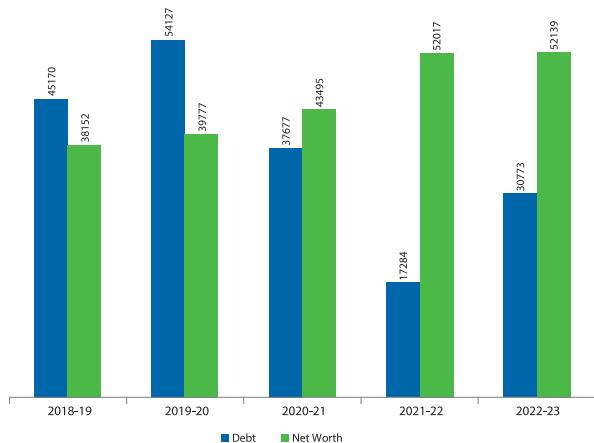
- In order to help build awareness and acceptance of steel usage in rural areas, SAIL has an ongoing rural outreach programme "Gaon Ki Ore". Under the campaign, 363 workshops have been conducted during the FY 2022-23 across the Country with focus on small consumers.
- Your Company has launched its reinforcement bar brand "SAIL-SeQR" in 2019-20. This brand is being promoted as better quality steel for safer homes. This brand is focused on enhancing retail presence with special emphasis on rural penetration. During the FY 2022-23, the Company has sold about 5.6 lakh tonnes of "SAIL SeQR" reinforcement bars. During the coming years, in addition to contribution to top line value, the brand "SAIL SeQR" is expected to not only meet the quality expectation of the Retail Sector but also to drive brand presence of the Company.
- Carrying forward the digitization, AI based Chatbot '**SAIL SARATHI**' has been introduced for facilitating easier navigation & information accessibility for customers and visitors. The operations and supply chain has rolled out various Industry 4.0 initiatives. Unmanned weighbridge system and automated entry / exit system has been installed/commissioned at several warehouses. Integrated Vehicle Tracking System (IVTS) has been implemented in some warehouses. With 680 numbers of e-transactions taking place through SAIL on-line portal '**SAIL Suraksha**', the small customers are showing their interest and confidence in the e-portal, having tag line '**Ab Nishchint ho Jayein**', for buying of SAIL SeQR TMT Bars.
- Your Company has continued the thrust on the "NEX" brand of structurals, assuring improved performance. Efforts have been made to popularise usage of steel in designing in general and increase usage of "NEX" brand of structural through virtual meetings with customers, webinars and participated in virtual workshop sessions in-house and also by Structural Designers, Architects, etc. In addition to this, Tier I Distributors of Structurals are promoting NEX brand through advertisements/ hoardings, etc.
- During the FY 2022-23, your Company has supplied steel to number of Iconic Structures and Projects of National Importance. The major projects include- Central Vistas Delhi, High Speed Rail Project (Bullet Train) from Ahmedabad to Mumbai, Regional Rapid Transport

System from Delhi to Meerut, Delhi Mumbai Expressway, HPCL Rajasthan Refinery Limited at Barmer, India's longest river road bridge of 19 km at Dhubri to Foolbari over river Brahmaputra, Reconstruction / Rehabilitation of the longest steel bridge in India called "Mahatma Gandhi Setu" or "Ganga Setu" over river Ganges in Bihar connecting Patna in South to Hajipur in the north, Samriddhi Expressway, Kaleshwaram Lift Irrigation Project across Telangana and Stainless Steel for Vande Bharat coaches. SAIL was also one of the major suppliers of steel to Metro Rail Projects across the Country.

- Some other initiatives undertaken by your Company include launching of Incentivisation Scheme for MSMEs to promote Local Industries based in and around its Integrated Steel Plants, wherein 144 MSMEs have joined the SAIL scheme. Supplies to these MSMEs have been approx. 91,000 tonnes in Financial Year 2022-23, a growth of about 50% over the previous year.

1.3 Funds Management

In a challenging global environment, your Company despite its prudent and judicious fund management, had to resort to additional borrowings during the FY. The borrowings has increased from ₹ 17,284 crore as on 31st March, 2022 to ₹ 30,773 crore as on 31st March, 2023 in line with INDAS. Consequently, the debt equity ratio of the Company has also increased to 0.59:1 as on 31st March, 2023 as compared to 0.33:1 in the previous year. Further, the interest and finance charges on operation account during the FY at ₹ 2,037 crore are higher as compared to ₹ 1,698 crore in CPLY due to increase in borrowings as well as interest rates. The Net-worth of the Company has increased marginally from ₹ 52,017 crore as on 31st March, 2022 to ₹ 52,139 crore as on 31st March, 2023. M/s. CARE Ratings, M/s. India Ratings and M/s. Brickwork Ratings, RBI approved credit rating agencies, assigned 'CARE AA- Outlook: Stable', 'India Ratings AA- Outlook: Stable' and 'BWR AA Outlook: Stable' ratings respectively for SAIL's long- term borrowing programme. The trend of borrowings and Net-worth is given as under:



1.4 Contribution to SAIL Gratuity Trust

As per the settlement made towards payment of Gratuity by the Company, an amount of ₹ 532 crore has been funded by SAIL Gratuity Trust to the Company. The fund size has been at ₹ 5,808.81 crore as on 31st March, 2023, as per the contributions made by the Company to SAIL Gratuity Trust.

2. ANALYSIS OF THE FINANCIAL PERFORMANCE OF THE COMPANY

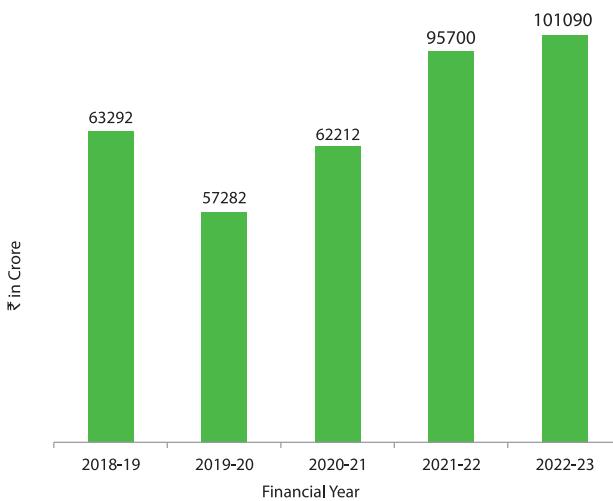
2.1 Revenue from Operations

a) Sale of Products

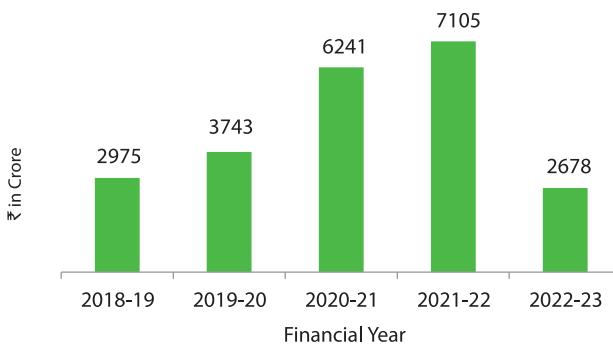
S.No.	Particulars	FY 2022-23	FY 2021-22	Change %
1	Sales of Saleable Steel Products	99813.35	98004.53	1.85
2	Sales of Other Products	3954.19	4800.60	-17.63
3	Total Sales Turnover	103767.54	102805.13	0.94

b) Trend of Domestic Sales and Exports

Domestic Sales



Exports including incentives



The Company catered to almost the entire gamut of the mild steel business namely, Flat Products in the form of Plates, HR Coils/Sheets, CR Coils/Sheets, Galvanised Plain/Corrugated Sheets and Long Products comprising Rails, Structural, Wire-Rods and Merchant Products. In addition, Electric Resistance

Welded Pipes, Spiral Welded Pipes and Silicon Steel Sheets formed part of the Company's rich product-mix. The product category-wise sales turnover during the FY 2022-23 is given as under:

Products Category	% of Sales value
Saleable Steel	
Flat Products (including Pipes & Electrical Sheets) (a)	50
Long Products (b)	42
Integrated Steel Plants – Mild Steel (c = a + b)	92
Alloy & Special Steel Plants - Alloy & Special Steel (d)	3
Total Saleable Steel (e = c + d)	95
Secondary Products (Pig Iron, Scrap, Coal Chemicals, etc.) (f)	5
Total (g = e + f)	100

c) Sale of Services - Service Charges (₹ crore)

FY 2022-23	FY 2021-22	Change %
20.22	24.38	-17.06

Revenue from sale of services decreased by about ₹ 4.16 crore during the current year.

d) Other Operating Revenues (₹ crore)

FY 2022-23	FY 2021-22	Change %
659.60	643.81	2.45

Other operating revenues increased by about ₹ 15.79 crore over previous year mainly due to higher recoveries from social amenities and better realization from sale of sundries.

2.2 Other Income (₹ crore)

FY 2022-23	FY 2021-22	Change %
1354.84	1042.03	30.02

Other income increased by about ₹ 312.81 crore over previous year primarily on account of higher interest income from customers and dividend from investments.

2.3 Expenditure (₹ crore)

Particulars	FY 2022-23	FY 2021-22	Change %
Raw Materials Consumed	62091	42776	45.15
Employee Remuneration & Benefits	12054	12846	-6.17
Finance Cost	2037	1698	20.00
Depreciation	4963	4274	16.10
Other Expenses	27439	26813	2.33

During the FY 2022-23, there has been substantial increase in Raw Materials cost on account of increase in input prices, particularly of imported coal and higher usage of raw materials like Iron Ore, Limestone and other ferro-alloys.

During the year, the Employees' Remuneration & Benefits have decreased mainly on account of natural separation.

The increase in borrowings, has led to higher finance cost.

Increase in depreciation has been mainly due to capitalization of new facilities.

The increase in Other Expenses was on account of higher consumption of stores & spares, power & fuel, repairs & maintenance, freight outward, etc. due to higher production volume.

2.4 Contribution to Exchequer

During the Financial Year 2022-23, SAIL contributed ₹ 23,625 crore to the national exchequer by way of payment of taxes and duties to various government agencies and dividend to Government of India.

2.5 Non-Current / Current Assets (₹ crore)

Particulars	FY 2022-23	FY 2021-22	Change %
NON CURRENT ASSETS			
(a) Property, Plant and Equipment	67091	68363	-1.86
(b) Capital Work-in-Progress	4891	4710	3.85
(c) Right of use Asset	4910	3834	28.07
(d) Investment Property	1	1	-2.83
(e) Intangible assets	1521	1459	4.23
(f) Inventories	4635	4598	0.80
(g) Financial Assets			
(i) Investments	1673	1624	2.97
(ii) Loans	655	560	17.09
(iii) Other Financial Assets	370	240	53.92
(h) Current Tax Assets (Net)	595	294	102.39
(i) Other non-current assets	3608	3430	5.18
TOTAL NON CURRENT ASSETS	89952	89114	0.94

Particulars	FY 2022-23	FY 2021-22	Change %
CURRENT ASSETS			
(a) Inventories	27716	19530	41.92
(b) Financial Assets			
(i) Trade Receivables	5362	4737	13.21
(ii) Cash and cash equivalents	6	60	-89.22
(iii) Bank balances other than (ii) above	392	588	-33.42
(iv) Loans	35	43	-18.12
(v) Other Financial Assets	1262	1338	-5.67
(c) Other Current Assets	2960	2317	27.75
(d) Assets classified as held for sale	29	14	109.14
TOTAL CURRENT ASSETS	37763	28627	31.92
TOTAL ASSETS	127715	117741	8.47

- The capital work-in-progress has increased by ₹ 181 crore on account of expenditure incurred on various capital schemes in Steel Plants. Further, Right to use Assets includes an addition of ₹ 1,480 crore under Finance Lease Agreement with M/s. NTPC SAIL Power Company Limited, a Joint Venture between NTPC Limited and SAIL.
- Other Non-Current Assets increased by ₹ 178 crore.

- The inventories increased by ₹ 8,186 crore mainly on account of increase in raw materials inventory by ₹ 2,608 crores, finished/ semi-finished products inventory by ₹ 5,258 crore, and stores & spares inventory by ₹ 320 crore.
- Increase in trade receivables was by ₹ 626 crore.
- Other Current Assets increased by ₹ 643 crore.

2.6 Non-Current/ Current Liabilities

Particulars	FY 2022-23	FY 2021-22	(₹ crore) Change %
NON-CURRENT LIABILITIES			
(a) Financial Liabilities			
(i) Borrowings	6113	8136	-24.9
(ii) Lease Liabilities	4737	3606	31.4
(iii) Other Financial Liabilities	1390	1390	0
(b) Long Term Provisions	5604	5331	5.1
(c) Deferred tax liabilities (net)	5747	5260	9.3
(d) Other non-current liabilities	2680	2683	-0.1
Total Non Current Liabilities	26270	26406	-0.5
Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	19549	5250	272.4
(ii) Lease Liabilities	375	292	28.2
(iii) Trade Payables	14339	16673	-14.0
(iv) Other Financial Liabilities	10131	11856	-14.6
(b) Other current liabilities	3533	4077	-13.3
(c) Provisions	1379	1170	17.8
Total Current Liabilities	49305	39318	25.4
TOTAL (CURRENT + NON CURRENT LIABILITIES)	75576	65724	15.0

- Short term borrowings have increased on account of higher input cost mainly for imported coal, increase in purchase power rates and loss on account of foreign exchange fluctuation.

3. PLANT-WISE FINANCIAL PERFORMANCE (PROFIT BEFORE TAX)

Plant/Unit	FY 2022-23	FY 2021-22	(₹ crore)
Bhilai Steel Plant (BSP)	376.16	2272.53	
Durgapur Steel Plant (DSP)	638.88	1070.89	
Rourkela Steel Plant (RSP)	521.07	5609.38	
Bokaro Steel Plant (BSL)	840.84	6064.21	
IISCO Steel Plant (ISP)	339.77	635.86	
Alloy Steels Plant (ASP)	-140.09	-88.11	
Salem Steel Plant (SSP)	-240.53	57.76	
Visvesvaraya Iron & Steel Plant (VISPL)	-51.10	-36.23	
SAIL Refractory Unit (SRU)	25.72	25.92	
Chandrapur Ferro Alloys Plant (CFP)	-91.80	37.06	
Raw Materials Division/Central Units	417.99	389.45	
SAIL: Profit Before Tax (+)/Loss(-)	2636.91	16038.72	

F. MATERIALS MANAGEMENT

A number of initiatives were taken to reduce cost of inputs and improve the performance of materials management, some of which are summarized as under:

- Procurement on GeM Portal: In the Financial Year 2022-23, SAIL continued its thrust on procurement of Goods and Services through Government e-Marketplace (GeM), with a special focus on procurement of Services, which enabled the Company to achieve 2nd position amongst CPSEs on GeM with a total procurement value of ₹ 9,230.89 crore, including ₹ 154.47 crore of Services. While the total Goods & Services registered a growth of about 100%, Services were higher by 170% over the previous financial year.
- SAIL's procurement from MSE's in FY 2022-23 is placed in the table below.

Particulars	Target (%)	Actual (%)
Total Procurement from MSEs(General, SC/ST & Women)	25	32.71
Procurement from SC/ST MSEs	4	0.11
Procurement from Women owned MSEs	3	0.99

- SAIL is continuously making endeavors to develop new MSE vendors and provide support to local MSEs by mentoring, training, handholding and providing technical support to such MSEs in their chosen areas of functioning. In this regard, SAIL Plants and Units conducted 24 Vendor Development Programs during FY 2022-23. Vendor Development Programs were also conducted especially for SC/ST and Women MSME vendors, to inform them about the opportunities, item requirement and vendor registration procedures in the organization.



G. FOREIGN EXCHANGE CONSERVATION

SAIL majorly dependent on imported coal, its imports are large as compared to the exports, and therefore, the foreign exchange has a significant impact on the Company in terms of the foreign exchange outgo, with consequential impact on the Country's foreign exchange reserves.

It has been the Company's endeavour to minimize the imports through domestic substitution wherever possible, and also emphasise on exports. One of the major raw materials which SAIL has been importing is Coking Coal. Efforts are being made to use a blended coal mix with increased indigenous coal, which would lead to reducing the dependence on

Imported Coking Coal and reduce the outflow of precious foreign currency. Further, measures are being taken to expand the basket/ pool of suppliers for imported inputs/raw materials. Your Company has adhered to the Government of India policy initiative restraining Global tender for projects up to ₹ 200 crore, which is expected to provide the domestic participants an opportunity on the one hand, and on the other hand, result in conserving of Foreign Currency. In addition to this, the Company has taken up various initiatives to indigenise the procurement of raw materials and other inputs to the extent they become available to the Company at the commercially acceptable prices/costs and commensurate with the requirements of the technologies adopted by the Company.

H. PROJECT MANAGEMENT

AMR SCHEMES

Besides Modernisation and Expansion Projects, the Addition, Modification & Replacement (AMR) Schemes have also been taken up which are required for managing the existing operations and primarily focusing on improving the current level of efficiency and output through incremental measures. AMR Schemes are undertaken for improving or revamping of existing facilities for sustaining the existing operations, balancing/de-bottlenecking of production processes, improving energy & other resource consumption/services/ safety and environment. Replacement includes mostly replacing the existing Plant & Equipment which have completed their useful life with better performance Plant & Equipment. Accordingly, a number of AMR schemes costing around ₹ 5,100 crore were under implementation during Financial Year 2022-23 in different Plants of the Company, of which major schemes are as under:

- Setting up of Static Facility for Environmentally Sound Management of Polychlorinated Biphenyls, Installation of Electrostatic Precipitators as replacement of Multi-cyclones for Sinter Plant-II and Rebuilding of Coke Oven Battery No.7 & 8 at Bhilai Steel Plant, Modification in washing circuit of CSW Plant of Dalli Mines.
- Installation of 4th Stove in Blast Furnace No.4, Installation of NDT Facilities at Wheel & Axle Plant, Power Augmentation Scheme for new 1250 TPD BOO Oxygen Plant and Installation of New Gas Fired Boiler at Durgapur Steel Plant.
- Power evacuation at 220 kV from NSPCL to MSDS-IV, Re-building of Coke Oven Battery No.2 along with augmentation of Coke Handling & Gas Handling Facility, Up-gradation of Effluent Treatment Plant of CO & CCD with ZLD concept, Installation of 4th Slab Caster along with Ladle Furnace at SMS-II and Installation of Treatment System-1 for Implementation of ZLD at Rourkela Steel Plant.
- New Sinter Plant, Rebuilding of Coke Oven Battery No.8, Development of alternate system for drawl of raw water from Damodar River for BSL & Township, Replacement of existing RRI (Route Relay Interlocking) System by SSI (Solid State Interlocking) System at SWS (Steel Works Station), Power supply arrangement for proposed 2000

TPD Oxygen, Installation of 2000 TPD Oxygen Plant on BOO Basis, Up-gradation of Automation System of HSM, Installation of 22 kV, 3rd line between CTPS of DVC to MRS and Replacement of Turbine & Auxiliaries for Turbo Blower No.5 at Bokaro Steel Plant.

Further, out of the above, following projects worth about ₹ 500 crore have been completed during the year 2022-23:

- Setting up of Static facility for Environmentally Sound Management of Polychlorinated Biphenyls at BSP.
- Installation of Electrostatic Precipitators as replacement of Multi-cyclones for Sinter Plant-II at BSP.
- Power evacuation at 220 kV from NSPCL to MSDS-IV at RSP.
- Up-gradation of Effluent Treatment Plant of CO & CCD with ZLD concept at RSP.
- Rebuilding of Coke Oven Battery-8 at BSL.

I. IN-HOUSE DESIGN & ENGINEERING

Centre for Engineering & Technology (CET), the ISO 9001:2015 certified in-house design, engineering and consultancy unit of SAIL caters to prepare investment proposal for the projects required for sustenance, up gradation, modernization of Plants & Units of the Company with measures to reduce carbon footprint and compliance to environmental norms. CET provides consultancy for CAPEX projects across the complete value chain of steel business processes from Mines to Finishing. The major area of competency is in Mine Planning, Development and Capacity Expansion of Mines, Mineral Beneficiation, Loading and Transportation, Iron Ore Pelletisation, Material Handling in the area of Mining; Preparation of Investment Proposals and Design & Engineering Consultancy for Sinter Plants, Pellet Plants, Blast Furnaces with associated facilities like CDI injection, Stoves, Gas Cleaning Plant, Top Recovery Turbine, Slag Granulation Plant, etc. Steel Melting Shops with associated facilities like Ladle Furnaces, Casters and Thin Slab Casting and Direct Rolling (TSCDR) in the area of Iron & Steel making, Rolling Mills & Reheating Furnaces, Utilities projects like Zero Liquid Discharge Projects, Oxygen Plant, Power Plant, Pollution Control Projects, Refractory Plants, Automation Projects, Electrical Power Supply & Distribution Projects, Infrastructure Projects, and Balance of Plant & Equipment.

CET has competitive edge of working in brown field projects in SAIL Plants and has also successfully carried out green field projects. CET has prepared the Pre-feasibility Report for brownfield expansion of BSL from 4.66 Mtpa of Crude Steel to 7.16 Mtpa of Crude Steel. CET is also the owners' engineer for expansion of ISP, BSL and DSP.

The current major projects being handled by CET covers many brownfield as well as greenfield projects and include

- Engagement of MDO at Tasra, Taldih & Gua;
- Mineral beneficiation at Bhilai mines;
- Rebuilding of Coke Oven batteries in BSP, RSP, DSP & BSL;
- Installation of New Stamp Charged Coke Oven Battery

- (first such Coke Oven Battery in SAIL) at RSP and ISP along with CDCP units;
- Installation of new stoves for Blast Furnaces in DSP, ISP and BSL;
 - Revamping of subsystems of BF-3 at BSL;
 - Installation of TRTs on BFs of RSP and BSP;
 - Upgradation of Blast Furnace-5 & 3 at DSP;
 - Upgradation of Blast Furnace-9 at BSP;
 - Augmentation of CDI in BF-7 at BSP;
 - New SMS-III at RSP, installation of 4th caster in RSP;
 - Converter shell changing in BSP;
 - Ladle Furnace in BSP & ISP;
 - New Bar Mill in DSP;
 - Refinishing Mill Complex for rails in Universal Rail Mill of BSP and Head hardening facility for Rails in BSP;
 - Normalizing facility for plates in New Plate Mill of RSP; New Product Testing Laboratory for NPM & HSM in RSP;
 - Non-Destructive Testing facilities for wheels in DSP and Long Rails in BSP;
 - Oxygen Plant at DSP, RSP and BSL;
 - Zero Liquid Discharge (ZLD) projects of ISP, DSP and RSP;
 - Power Evacuation Projects at DSP, RSP;
 - Upgradation of Automation of Finishing Mills and Reheating Furnaces of Hot Strip Mill at BSL.

J RESEARCH & DEVELOPMENT

Research and Development Centre for Iron & Steel (RDCIS) of the Company is India's premier research organization in the field of ferrous metallurgy. Recognizing that development and assimilation of new technologies & process innovations are basic tenets for sustainable growth, SAIL has given thrust for its R&D efforts through its well equipped R&D Centre located at Ranchi. It has more than three hundred diagnostic equipment and adequate pilot facilities under fifteen major laboratories. The Centre undertakes research projects encompassing the entire spectrum of iron & steel starting from raw materials to finished products. In the year 2022-23, 64 R&D projects were completed with substantial benefits to the Company.

RDCIS also pursues pioneering work in the area of development of niche products as per market requirements aiming at superior performance based on application. During the year 2022-23, twelve products have been developed and some of the noteworthy products include Ultra low Nb added steel structurals , Plates & Hot Rolled Coils, IS 2062 E410C grade high strength structurals, Fire resistant steel structurals, API X70 line pipe grade Hot Rolled Steel Coils, HSFQ 450 grade HR Coils, Customised IS 513:2016 (Part 1) CR2D grade CR Coils for electrical stampings and high strength high GSM GP350+600GSM Galvanised Steel Coils. In its pursuit for excellence in various research fields, RDCIS enters into collaboration mode of research in specific areas with renowned research institutions and academia.

The efforts of RDCIS engineers and scientists have culminated in filing of 12 patents and 13 copyrights (in association with SAIL Plants) during 2022-23. As many as 63 technical papers were presented in seminars/symposia/ conferences and 65 papers were published in prestigious journals.

K. INTERNAL CONTROL SYSTEMS & THEIR ADEQUACY

The Company has adequate and efficient Internal Control Systems for achieving the following business objectives of the Company:

- Efficiency of operations.
- Judicious utilization and protection of resources.
- Accuracy and promptness of financial reporting.
- Compliance with the laid down policies and procedures.
- Compliance with various laws and regulations.

In SAIL, Internal Audit is a multi-disciplinary function which reviews, evaluates and appraises various systems, procedures/ policies of the Company and suggests meaningful and useful improvements. It helps Management to accomplish its objectives by bringing a systematic and disciplined approach to improve the effectiveness of risk management towards good corporate governance.

The Company is constantly taking measures to make the Internal Audit function more effective. The Internal Audit is subject to overall control environment supervised by Board Level Audit Committee, providing independence to the Internal Audit function, emphasizing transparency in the systems and internal controls with appropriate skill-mix of internal audit personnel, etc. Audit Plan based on identification of key-risk areas with thrust on system/process audits and benchmarking of the best practices followed in the Plants/Units, is made and approved by Audit Committee of the Board so as to achieve Cost Saving and Revenue Generation, Review of Inventory and Idle Assets, Systems Improvement, Compliance with Policies and Procedures, etc. Training and development of Internal Audit Executives, bringing awareness amongst auditees, converging on the pro-active role of internal audit remained other focus areas during the year. The Audit Committee in its meetings with the Company's Statutory Auditors also ascertains their views on the adequacy of internal control systems in the Company and their observations on financial reports.

The Internal Audit system is supplemented by well-documented Policies, Guidelines and Procedures and regular reviews are being carried out by the Internal Audit Department. The reports containing Significant Audit Findings along with settlement/updated status are periodically submitted to the Management and Audit Committee of the Board.

CAUTIONARY STATEMENT

Certain statements in the Management Discussion and Analysis, describing the Company's objective, projections and estimates are forward looking statements and progressive within the meaning of applicable Laws and Regulations. Actual results may vary from those expressed or implied, depending upon economic conditions, Government Policies and other incidental factors.

STANDALONE FINANCIAL STATEMENTS



STEEL AUTHORITY OF INDIA LIMITED
Standalone Balance Sheet

As at 31st March, 2023

(₹ in crore)

	Note No.	As at 31 st March, 2023	As at 31 st March, 2022
ASSETS			
Non-current assets			
(a) Property, plant and equipment	4	67091.46	68362.72
(b) Capital work-in-progress	5	4891.36	4709.95
(c) Right of use assets	4a	4910.24	3834.04
(d) Investment property	6	1.03	1.06
(e) Intangible assets	7	1521.02	1459.35
(f) Inventories	7a	4635.29	4598.45
(g) Financial assets			
(i) Investments	8	1672.67	1624.49
(ii) Trade receivables	9	-	-
(iii) Loans	10	655.19	559.54
(iv) Other financial assets	11	370.01	240.39
(h) Current tax assets (net)	13	595.41	294.19
(i) Other non-current assets	14	3608.04	3430.29
		89951.72	89114.47
Current Assets			
(a) Inventories	15	27716.27	19530.02
(b) Financial assets			
(i) Trade receivables	16	5362.48	4736.83
(ii) Cash and cash equivalents	17 (i)	6.44	59.76
(iii) Bank balances other than (ii) above	17 (ii)	391.51	588.07
(iv) Loans	18	35.29	43.10
(v) Other financial assets	19	1262.10	1338.03
(c) Other current assets	20	2959.90	2316.86
		37733.99	28612.67
Assets classified as held for sale	21	29.28	14.00
TOTAL ASSETS		127714.99	117741.14
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	22	4130.53	4130.53
(b) Other equity	23	48008.65	47886.61
		52139.18	52017.14
Liabilities			
Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	24	6112.58	8135.81
(ii) Lease liabilities		4737.11	3606.41
(ii) Trade payables	25	-	-
(a) total outstanding dues of micro enterprises and small enterprises		-	-
(b) total outstanding dues of creditors other than micro enterprises and small enterprises		-	-
(iii) Other financial liabilities	26	1389.66	1390.28
(b) Provisions	27	5603.61	5331.02
(c) Deferred tax liabilities (net)	12	5747.17	5259.93
(d) Other non-current liabilities	28	2680.21	2682.82
		26270.34	26406.27
Current liabilities			
(a) Financial liabilities			
(i) Borrowings	29	19549.20	5249.84
(ii) Lease liabilities		374.50	292.04
(ii) Trade payables	30	-	-
(a) total outstanding dues of micro enterprises and small enterprises		448.62	140.65
(b) total outstanding dues of creditors other than micro enterprises and small enterprises		13890.25	16531.89
(iii) Other financial liabilities	31	10130.61	11856.09
(b) Other current liabilities	32	3533.01	4076.75
(c) Provisions	33	1379.28	1170.47
(d) Current tax liabilities (net)	34	-	-
		49305.47	39317.73
TOTAL EQUITY AND LIABILITIES		127714.99	117741.14

Significant Accounting Policies

3

The accompanying notes are an integral part of these standalone financial statements.

For and on behalf of the Board of Directors

Sd/-
[M.B. Balakrishnan]
Company Secretary
M. No. A17770

Sd/-
[Anil Kumar Tulsiani]
Director (Finance)
DIN: 08742907

Sd/-
[Anirban Dasgupta]
Director Incharge, Bhilai Steel Plant
DIN: 06832261

In terms of our report of even date

For Tej Raj & Pal
Chartered Accountants
Firm Registration No.304124E

For S. Jaykishan
Chartered Accountants
Firm Registration No.309005E

For Walker Chandiok & Co LLP
Chartered Accountants
Firm Registration No.001076N/N500013

For KASG & Co.
Chartered Accountants
Firm Registration No.002228C

Sd/-
[Dinakar Mohanty]
Partner
M. No. 059390

Sd/-
[Ritesh Agarwal]
Partner
M. No. 062410

Sd/-
[Nalin Jain]
Partner
M. No. 503498

Sd/-
[Raj Kumar Agarwal]
Partner
M. No. 073063

Place : New Delhi
Dated: May 25, 2023

STEEL AUTHORITY OF INDIA LIMITED
Standalone Statement of Profit and Loss

For the year ended 31st March, 2023

(₹ in crore)

	Note No.	Year ended 31 st March, 2023	Year ended 31 st March, 2022
Income			
Revenue from operations	35	104447.36	103473.32
Other income	36	1354.84	1042.03
Total Income		105802.20	104515.35
Expenses			
Cost of materials consumed	37	62091.10	42776.46
Changes in inventories of finished goods, work in progress and by-products	38	(5160.14)	(284.99)
Employee benefits expense	39	12053.62	12846.24
Finance costs	40	2037.47	1697.88
Depreciation and amortisation expense		4962.52	4274.17
Other expenses	41	27438.71	26813.46
Total expenses		103423.28	88123.22
Profit before Exceptional items and tax		2378.92	16392.13
Add/(Less): Exceptional items	41a	257.99	(353.41)
Profit before tax		2636.91	16038.72
Tax expense			
Current tax		118.37	-
Deferred tax		615.47	4023.68
Total tax expense		733.84	4023.68
Profit for the year		1903.07	12015.04
Other Comprehensive income			
A (i) Items that will not be reclassified to profit or loss			
Remeasurement of defined benefit plans		(633.77)	(112.09)
Gain and losses from investments in equity instruments designated at fair value through OCI		66.94	24.87
(ii) Income tax relating to items that will not be reclassified to profit or loss		128.22	22.77
Other Comprehensive Income/(Loss) for the year		(438.61)	(64.45)
Total Comprehensive Income/(Loss) for the year		1464.46	11950.59

Earnings per equity share

Number of equity shares (face value ₹10/- each)		4130525289	4130525289
Basic and diluted earnings per share (₹)	41b	4.61	29.09

Significant Accounting Policies

The accompanying notes are an integral part of these standalone financial statements.

For and on behalf of the Board of Directors

Sd/-
[M.B. Balakrishnan]
Company Secretary
M. No. A17700

Sd/-
[Anil Kumar Tulsiani]
Director (Finance)
DIN: 08742907

Sd/-
[Anirban Dasgupta]
Director Incharge, Bhilai Steel Plant
DIN: 06832261

In terms of our report of even date

For Tej Raj & Pal
Chartered Accountants
Firm Registration No.304124E

For S. Jaykishan
Chartered Accountants
Firm Registration No.309005E

For Walker Chandiok & Co LLP
Chartered Accountants
Firm Registration No.001076N/N500013

For KASG & Co.
Chartered Accountants
Firm Registration No.002228C

Sd/-
[Dinakar Mohanty]
Partner
M. No. 059390

Sd/-
[Ritesh Agarwal]
Partner
M. No. 062410

Sd/-
[Nalin Jain]
Partner
M. No. 503498

Sd/-
[Raj Kumar Agarwal]
Partner
M. No. 073063

Place : New Delhi
Dated: May 25, 2023

STEEL AUTHORITY OF INDIA LIMITED
Standalone Statement of changes in equity

For the year ended 31st March, 2023

A. Equity Share Capital

Particulars	Balance as at 1 st April, 2022	Changes in equity share capital	Balance as at 31 st March, 2023
Equity shares with voting rights	4130.42	-	4130.42
Equity shares without voting rights	0.11	-	0.11
Total	4130.53	-	4130.53
Particulars	Balance as at 1 st April, 2021	Changes in equity share capital	Balance as at 31 st March, 2022
Equity shares with voting rights	4130.42	-	4130.42
Equity shares without voting rights	0.11	-	0.11
Total	4130.53	-	4130.53

B. Other Equity

Particulars	Reserves and Surplus					Other comprehensive income - Reserve	Total
	Capital Reserve	Securities Premium	General Reserve	Bond Redemption Reserve	Retained Earnings		
Balance as at 1st April, 2022	1.75	235.10	5095.13	530.97	41922.80	100.86	47886.61
Profit for the year	-	-	-	-	1903.07	-	1903.07
Other comprehensive income/(loss) for the year (net of tax)	-	-	-	-	(490.23)	51.62	(438.61)
Total comprehensive income for the year	-	-	-	-	1412.84	51.62	1464.46
Transfer from bond redemption reserve	-	-	-	(157.26)	157.26	-	-
Equity dividend	-	-	-	-	(1342.42)	-	(1342.42)
Balance as at 31st March, 2023	1.75	235.10	5095.13	373.71	42150.48	152.48	48008.65
Balance as at 1st April, 2021	1.75	235.10	5095.13	1084.15	32866.56	81.66	39364.35
Profit for the year	-	-	-	-	12015.04	-	12015.04
Other comprehensive income (loss) for the year (net of tax)	-	-	-	-	(83.65)	19.20	(64.45)
Total comprehensive income for the year	-	-	-	-	11931.39	19.20	11950.59
Transfer from bond redemption reserve	-	-	-	(553.18)	553.18	-	-
Equity dividend	-	-	-	-	(3428.33)	-	(3428.33)
Balance as at 31st March, 2022	1.75	235.10	5095.13	530.97	41922.80	100.86	47886.61

Significant Accounting Policies

3

The accompanying notes are an integral part of these standalone financial statements.

For and on behalf of the Board of Directors

Sd/-
[M.B. Balakrishnan]
Company Secretary
M. No. A1770

Sd/-
[Anil Kumar Tulsiani]
Director (Finance)
DIN: 08742907

Sd/-
[Anirban Dasgupta]
Director Incharge, Bhilai Steel Plant
DIN: 06832261

In terms of our report of even date

For Tej Raj & Pal
Chartered Accountants
Firm Registration No.304124E

For S. Jaykishan
Chartered Accountants
Firm Registration No.309005E

For Walker Chandiok & Co LLP
Chartered Accountants
Firm Registration No.001076N/N500013

For KASG & Co.
Chartered Accountants
Firm Registration No.002228C

Sd/-
[Dinakar Mohanty]
Partner
M. No. 059390

Sd/-
[Ritesh Agarwal]
Partner
M. No. 062410

Sd/-
[Nalin Jain]
Partner
M. No. 503498

Sd/-
[Raj Kumar Agarwal]
Partner
M. No. 073063

Place : New Delhi
Dated: May 25, 2023

STEEL AUTHORITY OF INDIA LIMITED
Standalone Cash Flow Statement
For the year ended 31st March, 2023

(₹ in crore)

	Year ended 31 st March, 2023	Year ended 31 st March, 2022
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	2636.91	16038.72
Adjustments for:		
Depreciation and amortisation expenses	4953.42	4274.17
Impairment loss	9.10	-
Loss/(Gain) on disposal of fixed assets (net)	(49.50)	21.71
Interest income	(282.09)	(279.11)
Dividend income	(419.64)	(192.99)
Finance costs	2037.47	1606.92
Unrealised loss on foreign exchange fluctuations	-	90.96
Gain on sale of non-current investments	-	(0.08)
Allowance for doubtful debts, loans and advances	115.16	98.24
Other allowances	237.64	258.60
Unclaimed balances and excess allowances written back	(403.00)	(351.50)
Operating Profit before working capital changes	8835.47	21565.64
Changes in assets and liabilities:		
Trade receivables	(724.29)	3315.92
Loans, other financial assets and other assets	(887.67)	288.22
Trade payable	(2333.67)	8875.95
Other financial liabilities and other liabilities	(1301.58)	2046.07
Provisions	(152.37)	(176.33)
Inventories	(8422.78)	(4868.26)
Cash flow from operating activities post working capital changes	(4986.89)	31047.21
Income tax paid (net)	(419.60)	(83.61)
Net cash flow from operating activities (A)	(5406.49)	30963.60
B. CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant & equipment (including capital work-in-progress) and intangibles	(4314.51)	(3852.18)
Proceeds from sale/disposal of property, plant & equipment	399.55	235.71
Purchase of current and non-current investments	-	(4.53)
Movement in fixed deposits (net)	(20.31)	(737.40)
Interest received	282.09	190.75
Dividend received	419.64	192.99
Net cash used in investing activities (B)	(3233.54)	(3974.66)
C. CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from long-term borrowings (net)	(2023.23)	(9770.76)
Lease liabilities	(267.04)	(186.23)
Proceeds from short-term borrowings (net)	14299.36	(12451.62)
Finance cost paid	(2079.96)	(1922.09)
Dividend paid	(1342.42)	(3066.88)
Net cash generated/(used) in financing activities (C)	8586.71	(27397.58)
D.	Net change in cash and cash equivalents (A+B+C)	(53.32)
Cash and cash equivalents at the beginning of the year	59.76	468.40
Cash and cash equivalents at the end of the year	6.44	59.76

The cash flow statement has been prepared using the Indirect Method as set out in Ind AS-7, Statement of Cash Flows.

The accompanying notes are an integral part of these standalone financial statements.

For and on behalf of the Board of Directors

Sd/-
[M.B. Balakrishnan]
 Company Secretary
 M. No. A17770

Sd/-
[Anil Kumar Tulsiani]
 Director (Finance)
 DIN: 08742907

Sd/-
[Anirban Dasgupta]
 Director Incharge, Bhilai Steel Plant
 DIN: 06832261

In terms of our report of even date

For Tej Raj & Pal
 Chartered Accountants
 Firm Registration No.304124E

For S. Jaykishan
 Chartered Accountants
 Firm Registration No.309005E

For Walker Chandiok & Co LLP
 Chartered Accountants
 Firm Registration No.001076N/N500013

For KASG & Co.
 Chartered Accountants
 Firm Registration No.002228C

Sd/-
[Dinakar Mohanty]
 Partner
 M. No. 059390

Sd/-
[Ritesh Agarwal]
 Partner
 M. No. 062410

Sd/-
[Nalin Jain]
 Partner
 M. No. 503498

Sd/-
[Raj Kumar Agarwal]
 Partner
 M. No. 073063

Notes to Standalone Financial Statements for the Year ended 31st March, 2023

1. Corporate and General Information

Steel Authority of India Limited (hereinafter referred to as "the Company"), a Public Sector Undertaking, is domiciled and incorporated in India. The Company, conferred with Maharatna status by Government of India, is one of the largest steel producers in the country. The registered office of the Company is situated at Ispat Bhawan, Lodhi Road, New Delhi-110 003. The securities of the Company are listed on the National Stock Exchange of India Limited, BSE Limited and London Stock Exchange plc.

These standalone financial statements (the 'financial statements') for the year ended 31st March, 2023 were approved by the Board of Directors and authorised for issue in their meeting held on 25th May, 2023. The Company has also prepared consolidated financial statements for the year ended 31st March 2023 in accordance with Ind AS 110 and the same were also authorised for issue by the Board of Directors on 25th May 2023.

2. Basis of Preparation

2.1 Statement of Compliance

The financial statements of the Company have been prepared on accrual basis of accounting in accordance with the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Companies Act, 2013, read with Companies (Indian Accounting Standards) Rules, 2015 (as amended) and other accounting principles generally accepted in India. The company has uniformly applied the accounting policies during the periods presented.

2.2 Basis of Measurement

The financial statements are prepared on a historical cost basis except for the following assets and liabilities which have been measured at fair value in accordance with the requirements of the relevant Ind AS:

- certain financial assets and liabilities which are classified at fair value through profit and loss or fair value through other comprehensive income;
- assets held for sale, at the lower of the carrying amounts and fair value less cost to sell;
- defined benefit plans and plan assets.

2.3 Functional and Presentation Currency

The financial statements have been presented in Indian Rupees (₹), which is the Company's functional currency. All financial information presented in ₹ have been rounded off to the nearest two decimals of Crore unless otherwise stated.

2.4 Use of estimates, assumptions and judgements

In preparing the financial statements in conformity with Ind AS and company's accounting policies, management is required to make estimates, assumptions and judgements that affect reported

amounts of revenues, expenses, assets and liabilities and the accompanying disclosures as at the date of the financial statements. The judgements, estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively. Actual results could differ from those estimates.

2.5 Current versus Non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is classified as current when it is:

- Expected to be realised or intended to be sold or consumed in the Company's normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realised within twelve months after the reporting period; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is classified as current when:

- It is expected to be settled in the Company's normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. Deferred tax assets and liabilities are classified as non-current only.

3. SIGNIFICANT ACCOUNTING POLICIES

A summary of the significant accounting policies applied in the preparation of the financial statements is given below. These accounting policies have been applied consistently to all the periods presented in the financial statements.

3.1 Property, Plant and Equipment

3.1.1 Recognition and Measurement

An item of property, plant and equipment is recognised as an asset if it is probable that future economic benefits associated with the item will flow to the Company and its cost can be measured reliably. This recognition principle is applied to costs incurred initially to acquire an item of property, plant and equipment. Property, plant and equipment held for use in the production or/and supply of goods

or services, or for administrative purposes, are stated at cost, less accumulated depreciation and impairment losses, if any, except freehold land which are carried at historical cost. The initial cost at cash price equivalence of property, plant and equipment acquired comprises its purchase price, including import duties, non-refundable purchase taxes, any directly attributable costs of bringing the assets to its working condition and location and present value of any obligatory decommissioning costs for its intended use.

In case of constructed assets, cost includes the costs of all materials used in construction, direct labour, allocation of overheads, directly attributable borrowing costs and trial run expenses (net of revenue).

Spares having useful life of more than one year and having value of Rs. 10 lakh or more in each case, are capitalised under the respective heads as and when available for use. Where an item of property, plant and equipment comprises major components having different useful lives, these components are accounted for as separate items.

Capital work-in-progress comprises of assets in the course of construction for production and/ or supply of goods or services or administrative purposes or for purposes not yet determined are carried at cost less any recognised impairment loss. At the point when an asset is operating as intended by the management, the cost of construction is transferred to the appropriate category of property, plant and equipment. Costs associated with the commissioning of an asset are capitalised where the asset is available for use but incapable of operating at normal levels until a period of commissioning has been completed.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between net disposal proceeds and the carrying amount of the asset and is recognised in the Statement of Profit and Loss.

3.1.2 Subsequent Cost

Subsequent expenditure is recognised as an increase in the carrying amount of the asset or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits derived from the cost incurred will flow to the Company and the cost of the item can be measured reliably. The carrying amount of replaced item(s) is derecognised.

Any repair of ₹ 50 lakh or more of property, plant and equipment is recognised in the carrying amount of the respective item if it is probable that the future economic benefits of the costs incurred will flow to the Company. The carrying amount of the replaced item(s) is derecognised.

3.2 Investment Properties

Investment properties are properties held to earn rentals and/or for capital appreciation. Investment properties are measured initially at cost including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and impairment losses. Any gain or loss on disposal of investment property is determined as the difference between net disposal proceeds and the carrying amount of the property and is recognised in the Statement of Profit and Loss.

3.3 Depreciation

Depreciation on property, plant and equipment and investment property is provided on straight line method, considering residual value of 5% of the cost of the asset, over the useful lives of the asset, as specified in Schedule II of the Companies Act, 2013 except in case of following category of assets, where useful life is determined by technical experts. The useful life estimated by the technical experts is as under:

Asset category	Estimated useful life (in years)
Factory Buildings	35 to 40
Plant and Machinery	10 to 40
Water Supply & Sewerage	25 to 40
Railway Lines & Sidings	35 to 40

For these classes of assets, based on technical evaluation carried out by external technical experts, the Company believes that the useful lives as given above best represent the period over which Company expects to use these assets. Hence, the useful lives for these assets are different from the useful lives as prescribed under Part C of Schedule II of the Companies Act 2013.

Freehold land is not depreciated.

The estimated useful lives and residual values of depreciable/ amortisable assets are reviewed at each year end, with the effect of any changes in estimates accounted for on a prospective basis.

Where the historical cost of a depreciable asset undergoes a change, the depreciation on the revised unamortised depreciable amount is provided over the residual useful life of the asset. Depreciation on addition/ deletion during the year is provided on pro-rata basis with reference to the month of addition/ deletion. Assets costing up to Rs. 5000/- are fully depreciated in the year in which they are put to use.

Depreciation on capital spares is provided over the useful life of the spare or remaining useful life of the mother asset, as reassessed, whichever is lower.

3.4 Intangible assets

Mining Rights

Mining rights are treated as Intangible Assets and all related costs thereof are amortised using the unit of production basis over the commercially recoverable reserves. In case the mining rights are not renewed, the balance related cost paid is charged to revenue in the year of decision of non-renewal.

Acquisition Cost i.e. cost associated with acquisition of licenses, and rights to explore including related professional fees, payment towards statutory forestry clearances, as and when incurred, are treated as addition to the Mining Rights.

Other Intangible Assets

Other intangible assets are amortised on straight-line method over the expected duration of benefits. Software, which is not an integral part of related hardware, is treated as intangible asset and amortised over a period of five years or its licence period, whichever is less.

Research and development

Development expenditure is capitalised only if it can be measured reliably and the related asset and process are identifiable and controlled by the Company. Research and other development expenditure is recognised as revenue expenditure as and when incurred.

3.4.1 Subsequent Cost

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is recognised in the Statement of Profit and Loss.

3.4.2 De-recognition of intangible assets

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset are recognised in the statement of profit and loss when the asset is derecognised.

3.5 Stripping Cost

The stripping cost incurred during the production phase of a surface mine is recognised as a component of the mining asset if such cost provides a benefit in terms of improved access to ore in future periods and following criteria are met:

- It is probable that the future economic benefits (improved access to an ore body) associated with the stripping activity will flow to the entity,
- The entity can identify the component of an ore body for which access has been improved, and
- The costs relating to the improved access to that component can be measured reliably.

The expenditure, which cannot be specifically identified to be incurred to access ore is charged to revenue, based on stripping ratio as per five-year mining plan for mines, except collieries which is based on project report.

3.6 Impairment of Non-Financial Assets

The Company reviews the carrying amount of its assets on each Balance Sheet date for the purpose

of ascertaining impairment indicators if any, by considering assets of entire one Plant as Cash Generating Unit (CGU). If any such indication exists, the assets' recoverable amount is estimated, as higher of the Net Selling Price and the Value in Use. An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount.

An assessment is made at each balance sheet date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised.

3.7 Borrowing costs

Borrowing costs directly attributable to the acquisition or construction of a qualifying asset, which takes substantial period of time, are capitalised as a part of the cost of that asset, during the period of time that is necessary to complete and prepare the asset for its intended use. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

The Company considers a period of twelve months or more as a substantial period of time.

Transaction costs in respect of long-term borrowings are amortised over the tenor of respective loans using effective interest method and included within borrowing costs. All other borrowing costs are recognised in the Statement of Profit and Loss in the period in which these are incurred.

3.8 Inventories

Raw materials, Stores & Spares and Finished/Semi-finished products (including process scrap) are valued at lower of cost and net realisable value of the items of the respective Plants/Units. In case of identified obsolete/ surplus/ non-moving items, necessary provision is made and charged to revenue. The net realisable value of semi-finished special products, which have realisable value at finished stage only, is estimated for the purpose of comparison with cost.

Immaterial By-products, Residue products and other scrap are valued at estimated net realisable value.

The basis of determining cost is:

Raw materials - Periodical weighted average cost

Minor raw materials - Moving weighted average cost

Stores & Spares - Moving weighted average cost

Materials in-transit - at cost

Finished/Semi-finished products Cost of purchase, cost of conversion and other appropriate share of costs including manufacturing overheads incurred in bringing them to their respective present location and condition.

3.9 Government Grants

Government grants are recognised when there is reasonable assurance that the Company will comply with the conditions attaching to them and that the grants will be received.

Government grants are recognised in Statement of Profit & Loss on a systematic basis over the periods in which the Company recognises as expenses the related costs for which the grants are intended to compensate. Where the Grant relates to an asset value, it is recognised as deferred income, and amortised over the expected useful life of the asset. Other grants are recognised in the statement of Profit & Loss concurrent to the expenses to which such grants relate/ are intended to cover.

Where the Company receives non-monetary grants, the asset and the grant are recorded gross at fair amounts and released to the income statement over the expected useful life and pattern of consumption of the benefit of the underlying asset.

3.10 Foreign Currency Transactions

Foreign currency transactions are translated into the functional currency of the Company using the exchange rates prevailing at the date of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are re-translated at the rates prevailing at the end of reporting period.

Non-monetary items are not retranslated at period-end and are measured at historical cost (translated using the exchange rates at the transaction date), except for non-monetary items measured at fair value which are translated using the exchange rates at the date when fair value was determined.

The Company opted for accounting the exchange differences arising on reporting of long term foreign currency monetary items in line with Companies (Accounting Standards) Amendment Rules, 2009 relating to Accounting Standard-11 (Revised) notified by Government of India on 31st March, 2009 (as amended on 29th December, 2011), which will continue in accordance with Ind-AS 101 for all pre-existing long term foreign currency monetary items as at 31st March, 2016. Accordingly, for foreign currency loans taken before 31st March, 2016, for adjustments arising from exchange rate variations relating to long term monetary items attributable to the depreciable fixed assets are capitalised. For foreign currency loans taken after 31st March 2016, exchange differences arising on settlement or translation of long term monetary items are recognised in statement of profit or loss.

Exchange differences arising on the re-translation or settlement of other monetary items are included in the Statement of profit and loss for the period.

3.11 Employee Benefits

Defined Contribution Plan

A defined contribution plan is a post-employment benefit plan under which the Company pays fixed contributions to a separate entity. Payment to defined contribution benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions. Contributions towards Provident Funds and Pension Funds are charged to the Statement of Profit and Loss of the period when the contributions to the Funds are due.

Defined Benefit Plan

Defined benefit plans are the amount of the benefit that an employee will receive on completion of services by reference to length of service, last drawn salary or direct costs related to such benefits. The legal and/ or constructive obligation for such benefits remains with the Company.

The liability recognised for Defined Benefit Plans is the present value of the Defined Benefit Obligation (DBO) at the reporting date less the fair value of plan assets, together with adjustments for unrecognised actuarial gains or losses and past service costs. The management estimates the present value of the DBO annually through valuations by an independent actuary using the projected unit credit method. Actuarial gains and losses are included in Statement of Profit and Loss or Other Comprehensive Income of the year.

Remeasurement, comprising of actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding interest), is reflected in the Balance Sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to the Statement of Profit and Loss.

Short Term Employee Benefits

Short term employee benefits comprise of employee costs such as salaries, bonus, ex-gratia, annual leave and sick leave which are accrued in the year in which the associated services are rendered by employees of the Company.

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related services.

Expenditure incurred on Voluntary Retirement Scheme is charged to the Statement of Profit and Loss immediately.

3.12 Revenue Recognition

The Company manufactures and sells a range of steel and other products.

Sale of Goods

Sales are net of Goods and Services Tax (GST), rebates and price concessions. Sales are recognised when it satisfy performance obligation by transferring promised goods or services (i.e. assets) to the customers and the customers obtain control of those goods or services. Where the contract prices are not finalised with government agencies, sales are accounted for on provisional basis.

Marine export sales are recognised on:

- i) the issue of bill of lading, or
- ii) negotiation of export bills upon expiry of laycan period, in cases where realisation of material value without shipment is provided in the letter of credit of respective contracts, whichever is earlier.

Export incentives under various schemes are recognised as income when the right to receive arises and the realisation of the same is not considered uncertain.

Interest and dividend income

Interest income is accrued on a time proportion basis, by reference to the principal amount outstanding and the effective interest rate applicable.

Dividend income is recognised when the right to receive dividend is established.

3.13 Adjustment pertaining to Earlier Years

Material prior period errors are corrected retrospectively by restating the comparative amounts for the prior periods presented in which the error occurred. If the error occurred before the earliest period presented, the opening of assets, liabilities and equity for the earliest period presented, are restated.

3.14 Claims for Liquidated Damages and Price Escalation

Claims for liquidated damages are accounted for as and when these are considered recoverable by the Company. These are adjusted to the capital cost or recognised in Statement of Profit and Loss, as the case may be.

Suppliers' and Contractors' claims for price escalation are accounted for to the extent such claims are accepted by the Company.

3.15 Leases

At the inception of a contract, the Company assesses whether a contract is, or contains a lease based on whether the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a Lessee

The Company recognises a right-of-use asset and a lease liability at the lease commencement date except for short-term leases of twelve months or less and leases for which the underlying asset is of low

value, which are expensed in the statement of Profit & Loss on a straight-line basis over the lease term. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. Certain lease arrangements include the options to extend the lease term. Right-of use assets and lease liabilities include these options when it is reasonably certain that they will be exercised. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. In addition, the right-of-use asset is periodically reviewed for indicators of impairment and reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted based on the interest rate implicit in the lease or if that rate cannot be readily determined, the Company's incremental borrowing rate.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, or if the Company changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is re measured, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Company as a Lessor

Finance leases

Leases which effectively transfer to the lessee substantially all the risks and rewards incidental to ownership of the leased item are classified and accounted for as finance lease. Lease rental receipts are apportioned between the finance income and capital repayment based on the implicit rate of return. Contingent rents are recognised as revenue in the period in which they are earned.

Operating leases

Leases in which the Company does not transfer

substantially all the risks and rewards of ownership of an asset are classified as operating leases. The respective leased assets are included in the balance sheet based on their nature. Rental income is recognized on straight-line basis over the lease term except where scheduled increase in rent compensates the Company with expected inflationary costs.

3.16 Non-current assets held for sale

Company classifies a non-current asset as held for sale if its carrying amount will be recovered principally through a sale transaction. This condition is regarded as met only when the asset is available for immediate sale in its present condition and its sale is highly probable.

Non-current assets including discontinued operations, classified as held for sale are measured at the lower of the carrying amounts and fair value less costs to sell and presented separately in the financial statements. Once classified as held for sale, the assets are not subject to depreciation or amortisation.

Any profit or loss arising from the sale or re-measurement of discontinued operations is presented as part of a single line item in Statement of Profit and Loss.

3.17 Mine Closure

Mine Closure Provision includes the dismantling and demolition of infrastructure, the removal of residual materials and the remediation of disturbed areas for mines. This provision is based on all regulatory requirements and related estimated cost based on best available information. Mine closure costs are provided for in the accounting period when the obligation arises based on the net present value of the estimated future costs of restoration to be incurred during the life of the operation and post closure.

3.18 Provisions, Contingent Liabilities and Contingent Assets

Provisions and Contingent Liabilities

A Provision is recognised when the Company has present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources will be required to settle the obligation and in respect of which a reliable estimate can be made. Provisions are discounted to their present value, where the time value of money is material. All provisions are reviewed at each reporting date and adjusted to reflect the current best estimate.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as a separate asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

Contingent liability is a possible obligation arising from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly

within the control of the Company or a present obligation that arises from past events but is not recognised because it is not possible that an outflow of resources embodying economic benefit will be required to settle the obligations or reliable estimate of the amount of the obligations cannot be made.

In cases where the possible outflow of economic resources as a result of present obligation is considered improbable or remote, no Provision is recognised or disclosure is made.

Contingent Assets

Contingent assets usually arise from unplanned or other unexpected events that give rise to the possibility of an inflow of economic benefits. Contingent Assets are not recognised and are disclosed only where an inflow of economic benefits is probable.

3.19 Income Taxes

Tax expense recognised in Statement of Profit and Loss comprises the sum of deferred tax and current tax except to the extent that the tax relates to the items that are recognised directly in Other Comprehensive Income (OCI) or in equity in which case the related tax is recognised either directly in OCI or equity accordingly.

Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income-tax Act. The Company offsets current tax assets and current tax liabilities when the legally enforceable right to offset exists and they are intended to be settled net or realised simultaneously.

Deferred income taxes are calculated using the balance sheet liability method/approach. Deferred tax liabilities are generally recognised in full for all taxable temporary differences. Deferred tax assets are recognised to the extent that it is probable that the underlying tax loss, unused tax credits or deductible temporary difference will be utilised against future taxable income. The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

The Company offsets deferred income tax assets and liabilities when the legally enforceable right to offset current tax assets and liabilities exists and they are intended to be settled or realised simultaneously.

3.20 Cash and Cash Equivalents

Cash and cash equivalents comprise cash and cheques on hand and demand deposits, together with other short-term highly liquid investments with

original maturities of three months or less that are readily convertible into known amount of cash and are subject to an insignificant risk of changes in value.

3.21 Financial Instruments

Recognition, initial measurement and de-recognition

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument and are measured at fair value on initial recognition. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, except for those which are classified at Fair Value through Profit & Loss (FVTPL) at inception, are adjusted with the fair value on initial recognition.

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expires, or has been transferred, and the Company has transferred all substantial risks and rewards of ownership. A financial liability (or a part of financial liability) is derecognised when the obligation specified in the contract is extinguished or discharged or cancelled or expires.

Classification and subsequent measurement of financial assets

For the purpose of subsequent measurement, financial assets are classified into the following categories upon initial recognition:

- amortised cost
- financial assets at fair value through profit or loss (FVTPL)
- financial assets at fair value through other comprehensive income (FVOCI)

All financial assets except for those at FVTPL are subject to review for impairment at least at each reporting date.

Amortised cost

A financial asset is measured at amortised cost using effective interest rates if the following conditions are met:

- a) the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- b) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The Company's cash and cash equivalents, trade receivables and most of other receivables fall into this category of financial instruments.

Financial assets at FVTPL

Financial assets at FVTPL include financial assets that either do not meet the criteria for amortised cost classification or that are equity instruments held for trading or that meet certain conditions and

are designated at FVTPL upon initial recognition. All derivative financial instruments also fall into this category. Assets in this category are measured at fair value with gains or losses recognised in Statement of Profit and Loss. The fair values of financial assets in this category are determined by reference to active market transactions or using a valuation technique where no active market exists.

Financial assets at FVOCI

FVTOCI financial assets are either debt instruments that are managed under hold to collect and sell business model or are non-trading equity instruments that are irrevocably designated to this category.

FVTOCI financial assets are measured at fair value. Gains and losses are recognized in other comprehensive income, except for interest and dividend income, impairment losses and foreign exchange differences on monetary assets, which are recognized in Statement of Profit and Loss.

Classification and subsequent measurement of financial liabilities

Financial liabilities are measured subsequently at amortized cost using the effective interest method, except for financial liabilities held for trading or designated at FVTPL, that are carried subsequently at fair value with gains or losses recognized in Statement of Profit and Loss. All derivative financial instruments are accounted for at FVTPL.

Embedded Derivatives

Some hybrid financial liability contracts contain both derivative and a non-derivative component. In such cases, the derivative component is termed as embedded derivative, with a non-derivative component representing the host financial liability contract. If the economic characteristics and risks of embedded derivatives are not closely related to those of the host contract and the contract itself is not measured at FVTPL, the embedded derivative is bifurcated and reported at fair value, with gains and losses recognised in net gains (losses) on financial assets/liabilities at fair value through profit or loss (FVTPL). The host financial liability is accounted for in accordance with the appropriate Ind AS.

Fair value measurement

The Company classifies the fair value of its financial instruments in the following hierarchy, based on the inputs used in their valuation:

- i) **Level 1:** The fair value of financial instruments quoted in active markets is based on their quoted closing price at the Balance Sheet date.
- ii) **Level 2:** The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques using observable market data. Such valuation techniques include discounted cash flows, standard valuation models based on market parameters for interest

rates, yield curves or foreign exchange rates, dealer quotes for similar instruments and use of comparable arm's length transactions.

- iii) Level 3:** The fair value of financial instruments that are measured on the basis of entity specific valuations using inputs that are not based on observable market data (unobservable inputs).

Impairment of Financial Assets

In accordance with Ind AS 109, the Company applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss for financial assets measured at amortised cost or at fair value through other comprehensive income.

ECL is the weighted average difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive.

Trade Receivables

Trade receivables are recognised initially at fair value based on amounts exchanged and subsequently at amortised cost less any impairment as per Ind AS 109.

Offsetting of financial instruments

Financial assets and liabilities are offset, with net amount reported in the balance sheet, only when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable both in the normal course of business and in the event of default, insolvency or bankruptcy of the counterparty.

3.22 Investments in subsidiaries, joint ventures, associates and equity Instruments

Investment in subsidiaries, associate and joint ventures are carried at cost less accumulated impairment, if any in the Company's standalone financial statements in accordance with Ind AS- 27, 'Separate Financial Statements'.

Investments in equity instruments, where the Company has opted to classify such instruments at fair value through other comprehensive income (FVTOCI) are measured at fair value through other comprehensive income. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity. Dividends on such investments are recognised in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment

3.23 Segment reporting

Segments are identified based on the manner in which the Chief Operating Decision Maker ('CODM') decides about resource allocation and reviews performance. Segment results that are reported to the CODM include items directly attributable to a segment as well as

those that can be allocated on a reasonable basis. Segment capital expenditure is the total cost incurred during the period to acquire property and equipment and intangible assets.

The Company has eight operating segments: five integrated steel plants and three alloy steel plants, being separate manufacturing units, have been considered reportable operating segments. In identifying these operating segments, management generally considers the Company's separately identifiable manufacturing operations representing its main operations.

Each of these operating segments is managed separately as each has different requirements in terms of technology, raw material and other resources. All inter-segment transfers are carried out at arm's length prices based on prices charged to unrelated customers in standalone sales of identical goods or services.

In addition, corporate assets which are not directly attributable to the business activities of any operating segment are not allocated to a segment. This primarily applies to the Company's administrative head office and mining operations.

There have been no changes from prior periods in the measurement methods used to determine reported segment profit or loss.

3.24 Earnings per share

Basic earnings per share is computed by dividing profit or loss for the year attributable to equity holders by the weighted average number of shares outstanding during the year. Partly paid-up shares are included as fully paid equivalents according to the fraction paid-up.

Diluted earnings per share is computed using the weighted average number of shares and dilutive potential shares except where the result would be anti-dilutive

3.25 Significant Judgements, Assumptions and Estimations in applying Accounting Policies

3.25.1 Leases

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.

3.25.2 Close-down and Restoration Obligations

Close-down and restoration costs are normal consequence of mining or production, and majority of close-down and restoration expenditure are incurred in the years following the closure of mine. Although the ultimate cost to be incurred is uncertain, the Company estimate their costs based on current interpretation of scientific and legal data and existing technology, in addition to assumptions about probability and future costs.

3.25.3 Recognition of Deferred Tax Assets

The extent to which deferred tax assets can be recognized is based on an assessment of the probability of the Company's future taxable income against which the deferred tax assets can be utilized. In addition, significant judgement is required in assessing the impact of any legal or economic limits.

3.25.4 Inventories

The Company estimates the cost of inventories taking into account the most reliable evidence, such as cost of materials and overheads considered attributable to the production of such inventories including actual cost of production, etc. Management also estimates the net realisable values of inventories, taking into account the most reliable evidence available at each reporting date. Significant technical and commercial judgements are required to determine the Company's quality and quantity of inventories. The future realisation of these inventories may be affected by future technology or other market-driven changes that may reduce future selling prices.

3.25.5 Defined Benefit Obligation (DBO)

Employee benefit obligations are measured on the basis of actuarial assumptions which include mortality and withdrawal rates as well as assumptions concerning future developments in discount rates, medical cost trends, anticipation of future salary increases and the inflation rate. The Company considers that the assumptions used to measure its obligations are appropriate. However, any changes in these assumptions may have a material impact on the resulting calculations.

3.25.6 Fair Value Measurements

The Company applies valuation techniques to determine the fair value of financial instruments (where active market quotes are not available) and non-financial assets. This involves developing estimates and assumptions consistent with the market participants to price the instrument. The Company's assumptions are based on observable data as far as possible, otherwise on the best information available. Estimated fair values may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date.

3.25.7 Provisions and Contingencies

The assessments undertaken in recognising provisions and contingencies have been made in accordance with Indian Accounting Standards (Ind AS) 37, 'Provisions, Contingent Liabilities and Contingent Assets'. The evaluation of the likelihood of the contingent events is applied best judgement by management regarding the probability of exposure to potential loss.

3.25.8 Mine Closure and Restoration Obligations

Environmental liabilities and Asset Retirement Obligation (ARO): Estimation of environmental liabilities and ARO require interpretation of scientific

and legal data, in addition to assumptions about probability and future costs.

3.25.9 Useful lives of depreciable/ amortisable assets (tangible and intangible)

Management reviews its estimate of the useful lives of depreciable/ amortisable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to actual normal wear and tear that may change the utility of plant and equipment.

3.26 Recent Accounting Pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Rules, 2015 by issuing the Companies (Indian Accounting Standards) Amendment Rules, 2023, applicable from April 1, 2023, as below:

3.26.1 Ind AS 1 - Presentation of Financial Statements

The amendments require companies to disclose their material accounting policies rather than their significant accounting policies. Accounting policy information, together with other information, is material when it can reasonably be expected to influence decisions of primary users of general purpose financial statements. The Company does not expect this amendment to have any significant impact in its financial statements.

3.26.2 Ind AS 12 - Income Taxes

The amendments clarify how companies account for deferred tax on transactions such as leases and decommissioning obligations. The amendments narrowed the scope of the recognition exemption in paragraphs 15 and 24 of Ind AS 12 (recognition exemption) so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences. The Company is evaluating the impact, if any, in its financial statements.

3.26.3 Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors

The amendments will help entities to distinguish between accounting policies and accounting estimates. The definition of a change in accounting estimates has been replaced with a definition of accounting estimates. Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty". Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty. The Company does not expect this amendment to have any significant impact in its financial statements.

Notes to Standalone Financial Statements

4: PROPERTY, PLANT AND EQUIPMENT

(₹ in crore)

Description	GROSS BLOCK				ACCUMULATED DEPRECIATION/AMORTISATION/IMPAIRMENT					NET BLOCK
	As at 31 st March, 2022	Additions /Adjust- ments	Disposals /Adjust- ments	As at 31 st March, 2023	Up to 31 st March, 2022	For the Year	Disposals /Adjust- ments	Impairment	Up to 31 st March, 2023	As at 31 st March, 2023
A. PLANTS, MINES & OTHERS										
Land										
- Freehold land	354.30	4.16	0.04	358.42	0.81	-	-	-	0.81	357.61
- Leasehold land	2.16	-	2.16	-	0.30	0.02	0.32	-	-	-
Buildings and related equipments	5257.55	67.46	1.01	5324.00	2300.68	122.79	0.81	(3.82)	2426.48	2897.52
Plant and machinery										
- Steel plant	100625.13	2667.15	710.56	102581.72	39568.64	3963.83	420.13	(5.28)	43117.62	59464.10
- Others	3453.18	253.56	33.10	3673.64	2323.28	136.80	29.67	-	2430.41	1243.23
Furniture and fixtures	147.30	6.59	2.32	151.57	122.61	4.94	0.02	-	127.53	24.04
Vehicles	1424.38	196.72	9.88	1611.22	1055.59	72.37	9.23	-	1118.73	492.49
Office equipments	61.18	2.08	0.35	62.91	53.32	1.65	0.31	-	54.66	8.25
Miscellaneous articles	417.42	24.65	2.47	439.60	273.39	18.99	4.40	-	287.98	151.62
Roads, Bridges & Culverts	533.58	20.62	0.02	554.18	376.47	30.08	0.03	-	406.52	147.66
Water Supply & Sewerage	764.52	58.54	0.78	822.28	463.90	45.50	0.04	-	509.36	312.92
EDP Equipments	452.30	37.65	11.31	478.64	406.13	14.08	10.46	-	409.75	68.89
Railway Lines and Sidings	1048.67	50.02	-	1098.69	343.75	33.31	(0.01)	-	377.07	721.62
Sub-total 'A'	114541.67	3389.20	774.00	117156.87	47288.87	4444.36	475.41	(9.10)	51266.92	65889.95
B. SOCIAL FACILITIES										
Land										
- Freehold land	10.88	0.01	-	10.89	-	-	-	-	-	10.89
Buildings and related equipments	1144.09	5.76	0.10	1149.75	470.76	28.91	0.42	-	499.25	650.50
Plant and machinery	200.35	64.02	2.58	261.79	131.72	9.31	0.19	-	140.84	120.95
Furniture and fixtures	28.51	0.84	0.07	29.28	24.10	0.96	0.06	-	25.00	4.28
Vehicles	10.87	1.19	0.13	11.93	9.68	0.23	0.12	-	9.79	2.14
Office equipments	4.13	0.10	0.01	4.22	3.58	0.12	0.01	-	3.69	0.53
Miscellaneous articles	272.11	59.32	2.71	328.72	177.43	13.36	2.51	-	188.28	140.44
Roads, Bridges & Culverts	167.13	33.25	0.29	200.09	124.80	12.91	4.95	-	132.76	67.33
Water Supply & Sewerage	310.49	2.85	0.22	313.12	160.43	7.18	0.20	-	167.41	145.71
EDP equipments	12.19	0.12	0.30	12.01	10.07	0.78	0.29	-	10.56	1.45
Sub-total 'B'	2160.75	167.46	6.41	2321.80	1112.57	73.76	8.75	-	1177.58	1144.22
C. Property, plant and equipment retired from active use										
Assets retired from active use	61.74	44.47	48.92	57.29	-	-	-	-	-	57.29
Total ('A'+'B'+C')	116764.16	3601.13	829.33	119535.96	48401.44	4518.12	484.16	(9.10)	52444.50	67091.46

4: PROPERTY, PLANT AND EQUIPMENT (Contd.)

(₹ in crore)

Description	GROSS BLOCK				ACCUMULATED DEPRECIATION/AMORTISATION/IMPAIRMENT					NET BLOCK
	As at 31 st March, 2021	Additions /Adjust- ments	Disposals /Adjust- ments	As at 31 st March, 2022	Up to 31 st March, 2021	For the Year	Disposals /Adjust- ments	Impairment	Up to 31 st March, 2022	
A. PLANTS, MINES & OTHERS										
Land										
- Freehold land	354.26	-	(0.04)	354.30	0.81	-	-	-	0.81	353.49
- Leasehold land	2.16	-	-	2.16	0.27	0.03	-	-	0.30	1.86
Buildings and related equipments	5270.69	15.81	28.95	5257.55	2194.06	116.41	9.79	-	2300.68	2956.87
Plant and machinery										
- Steel plant	93616.63	7715.96	707.46	100625.13	36610.84	3492.55	534.75	-	39568.64	61056.49
- Others	3366.99	138.03	51.84	3453.18	2246.78	126.08	49.58	-	2323.28	1129.90
Furniture and fixtures	144.05	5.11	1.86	147.30	117.87	6.06	1.32	-	122.61	24.69
Vehicles	1395.33	44.46	15.41	1424.38	1000.50	69.66	14.57	-	1055.59	368.79
Office equipments	61.77	0.94	1.53	61.18	53.05	1.65	1.38	-	53.32	7.86
Miscellaneous articles	395.98	25.08	3.64	417.42	261.70	14.94	3.25	-	273.39	144.03
Roads, Bridges & Culverts	481.77	56.48	4.67	533.58	355.19	24.73	3.45	-	376.47	157.11
Water Supply & Sewerage	721.96	43.64	1.08	764.52	428.72	36.24	1.06	-	463.90	300.62
EDP Equipments	448.71	6.70	3.11	452.30	396.00	12.34	2.21	-	406.13	46.17
Railway Lines and Sidings	1033.32	18.31	2.96	1048.67	315.25	31.10	2.60	-	343.75	704.92
Sub-total 'A'	107293.62	8070.52	822.47	114541.67	43981.04	3931.79	623.96	-	47288.87	67252.80
B. SOCIAL FACILITIES										
Land										
- Freehold land	10.89	-	0.01	10.88	-	-	-	-	-	10.88
Buildings and related equipments	833.39	313.47	2.77	1144.09	437.37	34.62	1.23	-	470.76	673.33
Plant and machinery	199.41	1.83	0.89	200.35	125.26	7.26	0.80	-	131.72	68.63
Furniture and fixtures	27.26	1.67	0.42	28.51	22.64	0.99	(0.47)	-	24.10	4.41
Vehicles	10.84	0.07	0.04	10.87	9.45	0.23	-	-	9.68	1.19
Office equipments	4.32	0.20	0.39	4.13	3.86	0.04	0.32	-	3.58	0.55
Miscellaneous articles	244.31	31.25	3.45	272.11	168.60	11.87	3.04	-	177.43	94.68
Roads, Bridges & Culverts	149.71	24.79	7.37	167.13	125.45	6.34	6.99	-	124.80	42.33
Water Supply & Sewerage	308.26	2.32	0.09	310.49	153.47	7.04	0.08	-	160.43	150.06
EDP equipments	11.68	0.92	0.41	12.19	9.69	0.68	0.30	-	10.07	2.12
Sub-total 'B'	1800.07	376.52	15.84	2160.75	1055.79	69.07	12.29	-	1112.57	1048.18
C. Property, plant and equipment retired from active use										
Assets retired from active use	58.40	57.76	54.42	61.74	-	-	-	-	-	61.74
Total ('A'+'B'+C')	109152.09	8504.80	892.73	116764.16	45036.83	4000.86	636.25	- 48401.44	68362.72	68382.92

4: PROPERTY, PLANT AND EQUIPMENT (Contd.)

Note : Allocation of Depreciation of PPE, Intangible assets and Investment property

(₹ in crore)

	As at 31 st March, 2023	As at 31 st March, 2022
(a) Charged to Profit & Loss account	4962.52	4274.17
(b) Charged to expenditure during construction	-	-
	4962.52	4274.17

(i) Contractual obligations

Refer note 48.1 for disclosure of contractual commitments for the acquisition of property, plant and equipment.

(ii) Land:

- (a) Includes 55854.89 acres (58131.07 acres as on 31st March, 2022) owned/possessed/taken on lease by the Company, in respect of which title/lease deeds are pending for registration.
- (b) Includes 31397.15 acres (31397.15 acres as on 31st March, 2022) in respect of which title is under dispute.
- (c) 8873.81 acres (8866.59 acres as on 31st March, 2022) transferred/agreed to be transferred or made available for settlement to various Joint Ventures/Central/ State/ Semi-Government authorities, in respect of which conveyance deeds remain to be executed/registered.
- (d) 6114.59 acres (6105.79 acres as on 31st March, 2022) given on lease to various agencies/employees/ex-employees.
- (e) Includes 4435.60 acres (4208.60 acres as on 31st March, 2022) under unauthorised occupation.
- (f) 2371.10 acres (2381.16 acres as on 31st March, 2022) of land which is not in the actual possession, shown as deemed possession.
- (g) ₹56.72 crore is lying under deposits, in respect of land already acquired (₹55.03 crores as on 31st March, 2022) with the District & Sessions Judge, Bokaro during the year 2007 towards compensation payable to land losers.
- (h) Vide Notification of acquisition in the Gazette of India (Extraordinary) bearing No S.O. 1309(E) dated 08.06.2012 and No. S.O. 2484E dated 13.10.2012, National Highway Authority of India Ltd. (NHAI) had acquired 34.471 acres freehold land. Also notified for acquisition by Government of Jharkhand vide Gazette notification no. 42 & 43 dated 26th August, 2009. Matter is subjudice regarding valuation of the said land.
- (i) 525.43 acres land includes 500 acres land granted by Government of Maharashtra under occupancy rights subject to restrictions agreed upon by the company towards payment of unearned increment on the property transfer as per agreed terms.
- (j) Includes 5.51 acres freehold land out of 21.13 acres land notified for acquisition by Government of Jharkhand vide Gazette notification no. 42 & 43 dated 26th August, 2009, are under dispute for which no compensation was fixed in favour of RDCIS-SAIL. The compensation for the balance freehold land of 15.62 acres amounting to ₹13.07 crore has been considered in the accounts for the Financial Year ended 31st March, 2020. Out of ₹13.07, provision @50% amounting to ₹6.53 crore has been created for the year ended 31st March, 2023.
- (k) ₹0.06 crore is lying under deposits (in respect of land already acquired) with the District & Sessions Judge, Salem during the year 2013 towards compensation payable to land losers.

(iii) Other Assets:

- (a) Includes 7207 (5894 as on 31st March, 2022), residential quarters/houses under unauthorised occupation.

(iv) Refer note 48.1 (B) for title deeds not held in the name of parent Company.

4a: RIGHT OF USE ASSETS*

(₹ in crore)

Description	GROSS BLOCK				ACCUMULATED DEPRECIATION /AMORTISATION				NET BLOCK
	As at 31 st March, 2022	Additions / Adjustments	Disposals / Adjustments	As at 31 st March, 2023	Up to 31 st March, 2022	For the Year	Disposals / Adjustments	Up to 31 st March, 2023	
Right of use assets	3971.08	2016.13	2.21	5985.00	1916.95	234.99	0.98	2150.96	3834.04
Sub-total	3971.08	2016.13	2.21	5985.00	1916.95	234.99	0.98	2150.96	3834.04

Description	GROSS BLOCK				ACCUMULATED DEPRECIATION /AMORTISATION				NET BLOCK
	As at 31 st March, 2021	Additions / Adjustments	Disposals / Adjustments	As at 31 st March, 2022	Up to 31 st March, 2021	For the Year	Disposals / Adjustments	Up to 31 st March, 2022	
Right of use assets	3971.18	2016.13	2.21	5985.10	1916.97	235.01	0.98	2151.00	3834.10
Sub-total	3971.18	2016.13	2.21	5985.10	1916.97	235.01	0.98	2151.00	3834.10

* For detailed disclosures for right of use assets, refer note 49.8.

5: CAPITAL WORK-IN-PROGRESS

(₹ in crore)

	As at 31 st March, 2023	As at 31 st March, 2022
Steel Plants & Units	4875.28	4853.30
Township	186.87	64.56
Ore Mines and Quarries	210.73	205.79
	5272.88	5123.65
Less: Allowances	428.54	4844.34
Construction stores and spares	52.43	420.40
Less: Allowances for non-moving items	5.41	4703.25
Expenditure during construction pending allocation (Note 5.1)	-	10.88
	4891.36	0.81
	4891.36	4709.95

5.1: EXPENDITURE DURING CONSTRUCTION PENDING ALLOCATION

Opening balance (a)	0.22	0.61
Expenditure incurred during the year		
Employees' Remuneration & Benefits		
Salaries & Wages	98.11	96.33
Company's contribution to provident fund	3.50	4.10
Travel concession	2.00	1.77
Welfare expenses	0.24	0.02
Gratuity	0.99	104.84
	0.99	(0.08)
	104.84	102.14
Other expenses		
Technical consultants' fees & know-how	7.45	5.57
Power & Fuel	9.53	35.39
Other expenses	5.02	4.69
Interest & Finance charges	211.06	233.06
	211.06	193.53
	233.06	239.18
	337.90	341.32
Less: Recoveries		
Sundries	0.37	0.37
	0.37	0.08
	0.37	0.08
Net expenditure during the year (b)		
Total (a)+(b)	337.53	341.24
Less : Amount allocated to Property, plant and equipment/Capital Work-in-progress	337.75	341.85
Balance carried forward	-	341.04
	-	0.81

6: INVESTMENT PROPERTY

(₹ in crore)

Description	GROSS BLOCK				ACCUMULATED DEPRECIATION /AMORTISATION				NET BLOCK
	As at 31 st March, 2022	Additions / Adjustments	Disposals / Adjustments	As at 31 st March, 2023	Up to 31 st March, 2022	For the Year	Disposals / Adjustments	Up to 31 st March, 2023	
A. BUILDINGS									
Buildings	2.06	-	-	2.06	1.00	0.03	-	1.03	1.03
Total	2.06	-	-	2.06	1.00	0.03	-	1.03	1.03

Description	GROSS BLOCK				ACCUMULATED DEPRECIATION /AMORTISATION				NET BLOCK
	As at 31 st March, 2021	Additions / Adjustments	Disposals / Adjustments	As at 31 st March, 2022	Up to 31 st March, 2021	For the Year	Disposals / Adjustments	Up to 31 st March, 2022	
A. BUILDINGS									
Buildings	2.06	-	-	2.06	0.97	0.03	-	1.00	1.06
Total	2.06	-	-	2.06	0.97	0.03	-	1.00	1.06

(i) Contractual obligations

There are no contractual obligation to purchase, construct or develop investment property or for its repair, maintenance or enhancement.

(ii) Amount recognised in profit and loss for investment properties

(₹ in crore)

	As at 31 st March, 2023	As at 31 st March, 2021
Rental income	1.77	1.80
Direct operating expenses that generated rental income*	-	-
Direct operating expenses that did not generate rental income*	-	-
Profit from leasing of investment properties before depreciation	1.77	1.80
Depreciation	0.03	0.03
Profit from leasing of investment properties	1.74	1.77

*Direct expenses in relation to investment properties cannot be separately identified and are expected to be insignificant.

(iii) Leasing arrangements

Certain investment properties are leased to tenants under long-term operating leases with rentals payable monthly. Minimum lease payment receivable under non-cancellable leases of investment property are as follows:

Within one year	1.14	0.29
Later than one year but not later than 5 years	1.21	1.91
Later than 5 years	-	-
	2.35	2.20

(iv) Fair value

Fair value of investment properties as on 31st March, 2023 is ₹19.12 crore (₹27.66 crore as on 31st March, 2022).

(v) Estimation of fair value

The best evidence of fair value is current prices in an active market for similar properties. Where such information is not available, the Group considers information from a variety of sources including:

- a) Current prices in an active market for properties of different nature or recent prices of similar properties in less active markets, adjusted to reflect those differences.
- b) Discounted cash flow projections based on reliable estimates of future cash flows.
- c) Circle rate of the property as provided by State Government.

7: INTANGIBLE ASSETS

(₹ in crore)

Description	GROSS BLOCK				ACCUMULATED DEPRECIATION /AMORTISATION**				NET BLOCK
	As at 31 st March, 2022	Additions / Adjustments	Disposals / Adjustments	As at 31 st March, 2023	Up to 31 st March, 2022	For the Year	Disposals / Adjustments	Up to 31 st March, 2023	
A. PLANTS, MINES & OTHERS									
Computer Software*	122.28	4.58	0.39	126.47	111.24	5.16	0.39	116.01	10.46
Mining Rights	1913.06	102.34	-	2015.40	464.80	40.07	-	504.87	1510.53
Sub-total 'A'	2035.34	106.92	0.39	2141.87	576.04	45.23	0.39	620.88	1520.99
B. SOCIAL FACILITIES									
Computer Software*	0.49	-	-	0.49	0.44	0.02	-	0.46	0.03
Sub-total 'B'	0.49	-	-	0.49	0.44	0.02	-	0.46	0.03
Total ('A'+'B')	2035.83	106.92	0.39	2142.36	576.48	45.25	0.39	621.34	1521.02
Description	GROSS BLOCK				ACCUMULATED DEPRECIATION /AMORTISATION**				NET BLOCK
	As at 31 st March, 2021	Additions / Adjustments	Disposals / Adjustments	As at 31 st March, 2022	Up to 31 st March, 2021	For the Year	Disposals / Adjustments	Up to 31 st March, 2022	
A. PLANTS, MINES & OTHERS									
Computer Software*	120.12	2.80	0.64	122.28	107.33	4.82	0.91	111.24	11.04
Mining Rights	1847.77	65.27	(0.02)	1913.06	431.35	33.46	0.01	464.80	1448.26
Sub-total 'A'	1967.89	68.07	0.62	2035.34	538.68	38.28	0.92	576.04	1459.30
B. SOCIAL FACILITIES									
Computer Software*	0.69	-	0.20	0.49	0.62	0.01	0.19	0.44	0.05
Sub-total 'B'	0.69	-	0.20	0.49	0.62	0.01	0.19	0.44	0.05
Total ('A'+'B')	1968.58	68.07	0.82	2035.83	539.30	38.29	1.11	576.48	1459.35

*Computer software consists of capitalized development costs being an internally generated intangible asset.

**All amortisation charges are included within depreciation and amortisation expenses.

7a: INVENTORIES NON-CURRENT

(₹ in crore)

	As at 31 st March, 2023		As at 31 st March, 2022	
Stores & Spares	-	-	-	-
Raw Material				
Slime	276.39		141.25	
Others	-	276.39	-	141.25
Others - By product				
Iron ore fines (sub-grade)	3914.55		3976.62	
Finished / Semi-finished products				
Slag dump (embedded scrap)*	444.35	4358.90	480.58	4457.20
			4635.29	4598.45

*includes manganese slag of 0.46 MT (previous year-0.52 MT) valuing ₹34.99 crore (previous year-₹ 39.29 crore)

8 : INVESTMENTS - NON CURRENT

(₹ in crore)

	No of Shares		Amount	
	As at 31 st March, 2023	As at 31 st March, 2022	As at 31 st March, 2023	As at 31 st March, 2022
Investments carried at cost in equity shares				
In Subsidiaries (unquoted)				
SAIL Refractory Company Limited	100000	100000	0.05	0.05
Chattisgarh Mega Steel Limited	37000	37000	0.04	0.04
			0.09	0.09
In Associates (unquoted)				
Almora Magnesite Limited (Face value- ₹100/share)	40000	40000	0.40	0.40
			0.40	0.40
In Joint ventures (unquoted)				
NTPC- SAIL Power Company Limited	490250050	490250050	490.25	490.25
Bokaro Power Supply Company Pvt Limited	124025000	124025000	124.03	124.03
Bhilai Jaypee Cement Limited	98718048	98718048	52.51	52.51
SAIL-Bansal Service Centre Limited	3200000	3200000	3.20	3.20
mjunction services limited	4000000	4000000	4.00	4.00
International Coal Ventures Pvt. Ltd.	698371832	698371832	698.37	698.37
SAIL-SCL Kerala Ltd.#	13017801	13017801	18.75	18.75
SAIL RITES Bengal Wagon Industry Pvt. Ltd.	24000000	24000000	24.00	24.00
SAIL-KOBE Iron India Pvt. Ltd.	250000	250000	0.25	0.25
Prime Gold -SAIL JVC Ltd.	4680000	4680000	4.68	4.68
Romelt SAIL (India) Limited	63000	63000	0.06	0.06
Bastar Railway Pvt Ltd	35232600	35232600	35.23	35.23
VSL-SAIL JVC LIMITED	1297780	1297780	1.30	1.30
GEDCOL SAIL Power Corporation Limited	2600000	2600000	2.60	2.60
			1459.23	1459.23
			1459.72	1459.72
Total (A)				
Investments carried at fair value through other comprehensive income				
Unquoted equity				
TRL Krosaki Refractories Limited	2203150	2203150	76.87	61.76
Indian Potash Limited	720000	720000	154.24	102.44
Haridaspur Paradeep Railway Co Ltd	5000000	5000000	5.31	5.28
Cement & Allied Products (Bihar) Limited	2	2	-	-
Chemical & Fertilizer Corporation (Bihar) Limited	1	1	-	-
Bhilai Power Supply Company Limited	5	5	-	-
IISCO Ujjain Pipe & Foundry Company Limited (under liquidation)†	3000000	3000000	3.00	3.00
UEC SAIL Information Technology Limited*	180000	180000	0.18	0.18
Bihar State Finance Corporation (Face value ₹100/share)	500	500	0.01	0.01
			239.61	172.67
In Co-operative society				
Bokaro Steel Employees' Co-operative Credit Society	116500	116500	0.12	0.12
Bokaro Steel City Central Consumers' Co-operative Society	250	250	0.00	0.00
NMDC Meghahatuburu Employees' Co-operative society (Face value ₹100/share)	25	25	0.00	0.00
DSP Employees'Co-operative society limited (Face value ₹ 100/share)	1377	1377	0.01	0.01
Bolani Ores Employees' Consumer co-operative society limited (Face value ₹ 25/share)	200	200	0.00	0.00
IISCO Employees Primary Co-operative society (Face value ₹ 20/share)	23000	23000	0.05	0.05
			0.18	0.18
			239.79	172.85
Total (B)				
Grand total (A+B)			1699.51	1632.57
Allowance for impairment in the value of investments			26.84	8.08
Net investment			1672.67	1624.49
Aggregate amount of unquoted investments			1699.51	1632.57
Aggregate amount of impairment in value of investments			26.84	8.08
			1672.67	1624.49

All equity shares have face value ₹10 each unless otherwise stated.

*Entity is under liquidation, therefore, not considered as joint venture despite joint agreement between shareholders.

#Entity is under liquidation therefore not in the control of the parent Company.

(₹ in crore)

	As at 31 st March, 2023	As at 31 st March, 2022
9: TRADE RECEIVABLES - NON CURRENT*		
Considered good - Secured	-	-
Considered good - Unsecured	-	-
Receivables - credit impaired	<u>7.83</u>	7.87
	7.83	7.87
Allowance for doubtful receivables	<u>7.83</u>	7.87
	7.83	7.87
	<u>-</u>	<u>-</u>

* Receivables due from directors and officers of the parent Company is nil (previous year nil)

10: LOANS - NON CURRENT*

Considered good - Unsecured

Loan to employees	34.05	46.40
Loan to others**	<u>621.16</u>	<u>516.34</u>
	655.21	562.74
Less: Allowance for doubtful loans	<u>0.02</u>	3.20
	655.19	559.54

* Receivables due from directors of the parent Company is nil (previous year nil)

** Given to Indian Railways on account of construction of rowghat railway line.

The exposure to financial risks and fair value measurement related to these financial instruments is described in note 43.

11: OTHER FINANCIAL ASSETS - NON CURRENT

Security deposits	228.71	122.06
Advance for purchase of shares	-	3.52
Claims recoverable	10.36	10.48
Receivable - others	68.14	52.27
Lease equalisation reserve	1.44	1.46
Receivables from employees	1.31	1.05
Bills receivable*	58.30	58.30
Loans and advances to related parties (refer note 51.2)	14.05	10.53
Less: Allowance for doubtful related party advances	14.05	-
Fixed deposits with original maturity period more than 12 months	<u>10.78</u>	<u>0.24</u>
	379.04	249.38
Less: Allowance for doubtful assets	<u>9.03</u>	<u>8.99</u>
	370.01	240.39

* Deposit with electricity Company.

The exposure to financial risks and fair value measurement related to these financial instruments is described in note 43.

12 : DEFERRED TAX LIABILITIES (NET)

Tax effect of items constituting deferred tax liabilities

Related to property, plant and equipment	8047.67	7471.62
Fair value adjustment of investment through OCI	<u>52.61</u>	<u>37.29</u>

Tax effect of items constituting deferred tax assets

Amount deductible on payment basis	1274.02	1238.04
Losses available for offsetting against future taxable income	-	133.24
Accumulated business losses and unabsorbed depreciation	1079.09	877.70
Deferred tax liabilities (net)	5747.17	2248.98

12 : DEFERRED TAX LIABILITIES (NET) (Contd...)

Deferred taxes arising from temporary differences and unused tax losses for year ended 31st March, 2023 are summarized as follows:

Deferred tax liabilities (net)	As at 1 st April, 2022	Recognized in Profit or Loss	Recognized in Other comprehensive income	As at 31 st March, 2023
Tax effect of items constituting deferred tax liabilities				
Related to property, plant and equipment	7471.62	576.05	-	8047.67
Fair value adjustment of investment through OCI	37.29	-	15.32	52.61
	7508.91	576.05	15.32	8100.28
Tax effect of items constituting deferred tax assets				
Amount deductible on payment basis	1238.04	35.98	-	1274.02
Losses available for offsetting against future taxable income	133.24	(133.24)	-	-
Accumulated business losses and unabsorbed depreciation	877.70	57.84	143.54	1079.09
	2248.98	(39.42)	143.54	2353.11
Deferred tax liabilities (net)	5259.93	615.47	(128.22)	5747.17

Deferred taxes arising from temporary differences and unused tax losses for year ended 31st March, 2022 are summarized as follows: (₹ in crore)

Deferred tax liabilities (net)	As at 1 st April, 2021	Recognized in Profit or Loss	Recognized in Other comprehensive income	As at 31 st March, 2022
Tax effect of items constituting deferred tax liabilities				
Related to property, plant and equipment	6877.80	593.82	-	7471.62
Fair value adjustment of investment through OCI	31.62	-	5.67	37.29
	6909.42	593.82	5.67	7508.91
Tax effect of items constituting deferred tax assets				
Amount deductible on payment basis	874.75	363.29	-	1238.04
Losses available for offsetting against future taxable income	4378.06	(4244.82)	-	133.24
Accumulated business losses and unabsorbed depreciation	403.45	445.81	28.44	877.70
	5656.26	(3435.72)	28.44	2248.98
Deferred tax (assets) / liabilities (net)	1253.16	4029.54	(22.77)	5259.93

The Company is having accumulated losses of ₹ nil crore (previous year - ₹529.41 crore) [including accumulated unabsorbed depreciation of ₹ nil (previous year - ₹529.41 crore)] as on 31st March, 2023 as per the provisions of the Income Tax Act, 1961.

	As at 31 st March, 2023	As at 31 st March, 2022
13: CURRENT TAX ASSETS (NET)		

Current tax assets

Advance income tax (net of allowances)	595.41	294.19
	595.41	294.19

14: OTHER ASSETS - NON CURRENT

Advances to contractors & suppliers	28.21	28.20
Deposit with Government authorities	3570.59	3438.02
Prepaid expenses	21.48	27.04
Capital advances	132.85	74.97
Less: Allowance for doubtful capital advances	5.34	5.34
	3747.79	69.63
Less: Allowance for doubtful other assets	139.75	132.60
	3608.04	3430.29

(₹ in crore)

	As at 31 st March, 2023	As at 31 st March, 2022
15: INVENTORIES*		
Stores & spares		
Production	3515.87	3127.07
Fuel Stores	138.17	151.47
Others	30.74	34.15
	3684.78	3312.69
Add: In-transit	247.07	272.69
	3931.85	3585.38
Less: Allowance for non moving/obsolete items	281.81	255.62
	3650.04	3329.76
Raw Material		
Raw material**	6987.60	3551.01
Add: In-transit	4764.16	5591.96
	11751.76	9142.97
Less: Allowance for unusable materials	15.03	13.77
	11736.73	9129.20
Finished / Semi-finished products		
Finished goods***	8162.22	4439.26
Work in progress	3899.83	2397.75
	12062.05	6837.01
Others - By-products (sub-grade fines)		
	267.45	234.05
	27716.27	19530.02

*Valued as per accounting policy No. 3.8

**Includes inventories of slime of ₹29.34 crore (previous year - ₹26.40 crore).

***Includes inventories of iron and steel scrap embedded in slag dumps of ₹50.99 crore (previous year - ₹27.29 crore).

**** Includes 4.48 MT of iron ore, 0.04 MT of limestone and 0.17 MT of coal valuing ₹262.67 crore, ₹2.39 crore and ₹88.85 crore respectively lying at mines and collieries (previous year 3.53 MT of iron ore, 0.04 MT of limestone and 0.18 MT of coal valuing ₹193.53 crore, ₹2.39 crore and ₹59.07 crore respectively)

*****includes manganese slag of 0.06 MT (previous year-nil) valuing ₹6.57 crore (previous year-nil)

16: TRADE RECEIVABLES - CURRENT*

Unsecured

Considered good	5362.48	4736.83
Credit impaired	311.29	260.93
	5673.77	4997.76
Allowance for doubtful receivables	311.29	260.93
	5362.48	4736.83

* Receivables due from directors and officers of the parent Company is nil (previous year nil)

* Refer note 43 and 48.4(B) - Financial instruments for assessment of expected credit losses.

17 (i): CASH AND CASH EQUIVALENTS

Cash and stamps on hand	0.26	0.11
Cheques in hand	3.93	2.91
Balance with Banks		
Current accounts	1.47	56.31
Term deposits with original maturity upto 3 months	0.51	0.41
Term deposits as per court orders with original maturity upto 3 months	0.27	0.02
	2.25	56.74
	6.44	59.76

(₹ in crore)

	As at 31 st March, 2023	As at 31 st March, 2022
17 (ii): BANK BALANCES OTHER THAN 17 (i) ABOVE		
Earmarked bank balances		
Term Deposits as per court orders	197.56	184.67
Term Deposits under Bank Lien/pledge against loan	7.01	0.29
Earmarked Term Deposits	33.36	237.93
Unpaid dividend accounts	9.00	6.83
Dividend account	144.58	361.45
	391.51	588.07

18: LOANS - CURRENT*

Considered good - Secured

Considered good - Unsecured

Loan to employees	36.02	43.79	
Loan to others	1.12	37.14	1.16
	37.14		44.95
Less: Allowance for doubtful loans	1.85		1.85
	35.29		43.10

* Receivables due from directors of the parent Company is nil (previous year nil)

19: OTHER FINANCIAL ASSETS - CURRENT

Security deposits	15.84	12.70	
Claims recoverable	869.59	747.55	
Receivable - others*	509.41	452.72	
Receivables from employees	18.72	21.45	
Amount recoverable from Gratuity Trust	212.93	413.04	
Advances to related parties	80.61	50.03	
Less: Allowance for doubtful related parties advances	7.27	73.34	7.02
	1699.83		43.01
Less: Allowance for doubtful assets	437.73		352.44
	1262.10		1338.03

* Includes rent, electricity, hospital and water charges etc., receivable from employees and outsiders.

20: OTHER ASSETS - CURRENT

Gold coins in hand	0.14	0.14	
Advances to contractors & suppliers	581.72	549.79	
Advance others*	1991.40	2573.12	1166.78
Deposit with Government authorities	23.46		125.75
Deposits - GST	1.18		10.71
GST receivable-input service	3.74		36.45
GST receivable	337.77		298.54
TDS deducted by customers on GST	0.05		0.09
Prepaid expenses	76.57		36.88
Claims receivable	134.60		147.62
Export incentive receivables	42.79		67.70
	3193.42		2440.45
Less: Allowance for doubtful other assets	233.52		123.59
	2959.90		2316.86

(₹ in crore)

	As at 31 st March, 2023	As at 31 st March, 2022
--	---------------------------------------	---------------------------------------

21: ASSETS CLASSIFIED AS HELD FOR SALE

Assets classified as held for sale	29.28	14.00
	29.28	14.00

- (i) On floatation of tender for sale of items of Property, Plant and Equipment, it is considered highly likely that such assets will be sold within next 12 months and such assets are treated as 'Assets classified as held for sale'.
- (ii) Plant & Machinery classified as held for sale during the reporting period was measured at the lower of its carrying amount and fair value less costs to sell at the time of the reclassification. The fair value of the plant & machinery was determined using the comparable value approach. This is a level 3 measurement as per the fair value hierarchy set out in fair value measurement disclosures. The key inputs under this approach is the metal price in the market.

22: EQUITY SHARE CAPITAL

Authorised capital

Equity shares of ₹ 10 each	5000.00	5000.00
(500000000 equity shares of ₹10 each)	5000.00	5000.00

Issued and subscribed capital & fully paid-up

(4130525289 equity shares of ₹ 10 each fully paid up)	4130.53	4130.53
---	----------------	---------

Reconciliation of equity shares outstanding at the beginning and at the end of the year.

Particulars	As at 31 st March, 2023		As at 31 st March, 2022	
	Numbers	Amount (₹ in crore)	Numbers	Amount (₹ in crore)
Equity shares with voting rights				
Balance at the beginning of the year	4130414299	4130.42	4130414299	4130.42
Shares converted to shares with voting rights during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Balance at the end of the year#	4130414299	4130.42	4130414299	4130.42

Equity shares without voting rights *

Balance at the beginning of the year	110990	0.11	110990	0.11
Shares Issued during the year	-	-	-	-
Shares converted to shares with voting rights during the year	-	-	-	-
Balance at the end of the year	110990	0.11	110990	0.11
Total Equity shares outstanding at the end of the year	4130525289	4130.53	4130525289	4130.53

- i) *Represented by current holding of 110990 shares in Global Depository Receipt (GDR) issued in 1996 @ US \$ 29.55 each for an aggregate amount of US \$ 125 million.
- ii) #Includes 4193693 shares (previous year 3117487 shares) transferred to IEPF authority on which the voting rights are frozen.
- iii) All shares rank equally with regard to the repayment of capital in the event of liquidation of the Company.
- iv) The Company does not have a holding Company.

(iv) Details of the shareholders holding more than 5% of the shares in the parent Company

Name of Shareholder	As at 31 st March, 2023		As at 31 st March, 2022	
	Number of Shares held	% of Holding	Number of Shares held	% of Holding
President of India	2684714550	65.00	2684714550	65.00
LIC of India	286403775	6.93	236800137	5.73

(v) Details of shares held by Promoters at the end of the year.

Name of Promoter	As at 31 st March, 2023		As at 31 st March, 2022		% change during the year
	Number of Shares held	% of Holding	Number of Shares held	% of Holding	
President of India	2684714550	65.00	2684714550	65.00	-

- (vi) The parent Company has neither issued bonus shares nor has bought back any shares during the last 5 years.

23: OTHER EQUITY

(₹ in crore)

	As at 31 st March, 2023	As at 31 st March, 2022
Reserves & Surplus		
Capital Reserve		
Opening balance	1.75	1.75
Less: Utilisation during the year	-	1.75
	1.75	-
Securities Premium		
Opening balance	235.10	235.10
Changes during the year	-	235.10
	235.10	-
Bond Redemption Reserve		
Opening balance	530.97	1084.15
Transfer to retained earnings	157.26	373.71
	553.18	530.97
General Reserve		
Opening balance	5095.13	5095.13
Less: Utilisation during the year	-	5095.13
	5095.13	-
Retained Earnings		
Opening balance	41922.80	32866.56
Add: Net Profit for the year	1903.07	12015.04
Add: Other comprehensive Income/(Loss)	(490.23)	(83.65)
-Remeasurement of gains/(losses) of defined benefit plans		
Add: Transfer from Bond Redemption Reserve	157.26	553.18
Less: Final dividend paid	929.37	743.49
Less: Interim dividend paid	413.05	2684.84
	42150.48	41922.80
Other Comprehensive Income		
Equity Instruments through Other Comprehensive Income		
Opening balance	100.86	81.66
Change in fair value of FVOCI equity instruments	66.94	24.87
Deferred tax	(15.32)	152.48
	(5.67)	100.86
Total other equity	48008.65	47886.61

Nature and purpose of other reserves
Capital reserve

Capital reserve is created out of the capital profit, it is created out of the profit earned from some specific transactions of capital nature. Capital reserve is not available for the distribution to the shareholders.

Securities premium reserve

Securities premium reserve represents premium received on issue of shares. The reserve is utilised in accordance with the provisions of the Companies Act, 2013.

Bond redemption reserve

The Company is required to create bond redemption reserve as per the provisions of Companies Act, 2013 out of the profits which are available for distribution of dividends. The reserve is maintained till the redemption of bonds.

Other Comprehensive Income (OCI) reserve

The Company has opted to recognise changes in the fair value of certain investments in equity securities in other comprehensive income. These changes are accumulated within the FVOCI equity investments reserve within equity. The Company transfers amounts from this reserve to retained earnings when the relevant equity securities are derecognised.

24. BORROWINGS - NON CURRENT

(₹ in crore)

			As at 31 st March, 2023	As at 31 st March, 2022
SECURED				
Redeemable Non-Convertible Bonds				
Rate of Interest	Maturity Date	Call/Put option (yr)	Security reference	
9.35%	9-Sep-2026	12/nil	(a)	455.00
8.80%	26-Oct-2025		(a,b)	28.00
9.00%	14-Oct-2024		(a)	1000.00
8.75%	15-Sep-2024		(a)	50.00
8.30%	3-Aug-2023		(a)	-
8.30%	1-Aug-2023		(a)	1200.00
Total Bonds			1533.00	3547.00
Term Loans from banks				
Rupee loans			(f)	4100.00
				4100.00
			5633.00	7647.00
UNSECURED				
Foreign currency loan				
1 KFW, Germany			(d)	270.96
2 Natexis Banque			(e)	4.46
Steel development fund			(f)	204.16
				204.16
			479.58	488.81
Total Non Current Loans			6112.58	8135.81

No loans have been guaranteed by the directors and others.

There is no default as on the balance sheet date in repayment of borrowings and interest thereon.

All bonds are repayable on the maturity date unless otherwise stated.

Borrowings are secured, in respect of respective facilities by way of :

- Secured by charges ranking pari-passu inter-se, on all the present and future immovable property at Mouje-Wadej of City taluka, District Ahmedabad, Gujarat and Company's Plant & Machinery, including the land on which it stands, pertaining to IISCO Steel Plant (ISP).
- Redeemable in 12 equal yearly instalments of ₹14 crore each starting w.e.f 26th October, 2014. Instalment payable on 26th Oct, 2023 has been shown in current borrowings under the head 'current maturities'.
- The soft basis of the loan was drawn in 3 tranches stated as 1(a), 1(b) and 1(c) at an interest rate of 8.75% p.a. The Interest on 1(a) is 0.75% p.a and balance 8% is towards meeting exchange fluctuation (4%) and pollution control schemes (4%). In case of 1 (b) the Interest 0.75% p.a and balance 8.0% p.a is towards periphery development. Tranche 1(c) has been fully repaid. The principal and interest amount is repayable half yearly. The loan is guaranteed by Government of India.
- The loan is repayable by 2030. The principal and interest is paid half yearly, guaranteed by Government of India.
- Terms of repayment is to be decided by SDF management Committee.
- Secured by charges ranking pari-pasus on the present and future movable plant and machinery of RSP to the extent of loan.

Details of current maturities of long term debts shown under note-29, are as under:

(₹ in crore)

	As at 31 st March, 2023	As at 31 st March, 2022
Non convertible bonds	2014.00	1271.00
KFW, Germany	25.09	23.58
Natexis Banque	2.43	2.28
Total	2041.52	1296.86

(₹ in crore)

	As at 31 st March, 2023	As at 31 st March, 2022
25: TRADE PAYABLES - NON CURRENT		
Due to micro, small and medium enterprise (refer note 48.3)	-	-
Amount payable to contractors/suppliers/others	-	-
	<hr/>	<hr/>
26: OTHER FINANCIAL LIABILITIES - NON CURRENT		
Employees related dues	710.39	703.70
Interest Accrued but not due on borrowings	422.39	449.80
Other payables*	256.88	236.78
	<hr/>	<hr/>
* Includes security deposit from shopkeepers, contractors etc.		1390.28

* Includes security deposit from shopkeepers, contractors etc.

27: PROVISIONS - NON CURRENT

Provision for accrued leave liability	3399.42	3383.61
Provision for post retirement medical & settlement benefits	1636.31	1381.38
Provision for long term service award	15.45	19.41
Provision for mines closure	162.03	131.58
Other provisions*	390.40	415.04
	<hr/>	<hr/>
*includes provision for mines closure (refer note 51.3)		5331.02

28: OTHER LIABILITIES - NON CURRENT

Deferred Income*	424.12	426.73
Other payables**	2256.09	2,256.09
	<hr/>	<hr/>
** Entry tax		2682.82

***Deferred income includes:**

Central Government grant of ₹281.99 crore for the purpose of upgradation of Ispat General Hospital, Rourkela to Super Speciality Hospital. The Company has complied with all the conditions for such grants in line with Ind AS 20.

** Entry tax

29. BORROWINGS - CURRENT

Secured		
Repayable on demand		
From banks	3957.68	3302.98
Other loans and advances		
Current maturities of long term debts	2041.52	1296.86
Unsecured		
From banks	13550.00	650.00
	<hr/>	<hr/>
		5249.84

Security disclosure for the outstanding short term borrowings as on 31st March, 2023:

Borrowings from banks are secured, in respect of respective facilities by way of :

- (i) Hypothecation of all current assets

30: TRADE PAYABLES - CURRENT

Due to micro, small and medium enterprises (refer note 48.3)	448.62	140.65
Amount payable to related parties	357.49	214.30
Amount payable to contractors/suppliers/others	13532.76	16317.59
	<hr/>	<hr/>
		16672.54

(₹ in crore)

	As at 31 st March, 2023	As at 31 st March, 2022
31: OTHER FINANCIAL LIABILITIES - CURRENT		
Employee related dues	265.22	262.46
Interest accrued but not due on borrowings	204.04	251.12
Interest accrued and due on steel development fund loans	312.00	280.00
Other liabilities-debtors banking arrangement	124.23	351.34
Unclaimed matured deposits and interest accrued thereon	1.01	1.01
Security deposits	1697.28	1698.91
Unpaid dividends	9.00	368.29
Unspent corporate social responsibility	51.73	-
Payable for capital works	2053.97	2414.96
Other payables*	5412.13	6228.00
	10130.61	11856.09

*Other payables include liability for salary & wages, royalty, pension and employee welfare etc.

32: OTHER LIABILITIES - CURRENT

Income received in advance from customers	1472.27	1844.34
Income received in advance - others	98.11	97.46
Deferred Income**	22.38	17.35
GST payable	1019.23	1200.06
Liability for interest on GST	3.15	2.58
TDS deducted from suppliers on GST	39.52	40.94
Other payables*	878.35	874.02
	3533.01	4076.75

*includes ITD from employees, Government departments etc.

**Deferred income includes award conferred by the Prime Minister of India to the Bhilai Steel Plant as best integrated steel plant in India and the earnings from the fund are utilised for the welfare of the employees in Bhilai.

33: PROVISIONS - CURRENT

Provision for accrued leave liability	364.63	143.45
Provision for post retirement medical & settlement benefits	253.94	221.76
Provision for long term service award	2.10	1.73
Provision for pollution control	45.58	42.02
Provision for foreign exchange fluctuation	28.19	35.91
Provision for mine afforestation/restoration etc.	169.37	176.43
Other provisions*	515.47	549.17
	1379.28	1170.47

* includes provision for DVC, railway, other assets etc.

34: CURRENT TAX LIABILITIES (NET)

Opening Balance	-	12.06
Add: Provision during the year	118.37	12.06
Less: Amount paid/transferred during the year	118.37	6.20
Less: Provision written back during the year	-	5.86
	-	-
	-	-

(₹ in crore)

	As at 31 st March, 2023	As at 31 st March, 2022
35: REVENUE FROM OPERATIONS		
Sale of products		
Domestic	101089.74	95700.30
Exports	2638.89	6988.42
Export incentives	38.91	116.41
Sub Total (a)	103767.54	102805.13
Sale of Services		
Service charges	20.22	24.38
Sub Total (b)	20.22	24.38
Other Operating Revenues		
Social amenities-recoveries	322.78	318.05
Sale of empties etc.	86.41	106.79
Sundries	250.41	218.97
Sub Total (c)	659.60	643.81
Total (a+b+c)	104447.36	103473.32

Desegregation of Revenue
Nature of Goods and Services

The parent Company is engaged in the manufacturing of Iron and Steel products and generate revenues from sale of Iron and Steel products and the same is the only reportable segment of the parent Company.

(1) Primary Geographical Markets

Within India	101089.74	95700.30
Outside India	2677.80	7104.83
Total	103767.54	102805.13
(2) Major Products		
Iron and steel	99813.35	98004.53
Other Secondary and by-products	3954.19	4800.60
Total	103767.54	102805.13

Contract Balances

The following table provides information about receivables, contract assets and contract liabilities from contracts with customers receivables which are included in 'Trade Receivables'.

Trade receivables	5362.48	4736.83
Contract liabilities	1472.27	1844.34

36. OTHER INCOME
Interest income*

Customers	198.04	169.89
Employees	5.77	6.36
Bank deposits	0.66	26.60
Others	77.62	76.26
Sub Total (a)	282.09	279.11

Dividend income**

Dividend from investments	12.52	5.30
Dividend from investments**	407.12	187.69
Sub Total (b)	419.64	192.99

Net gain on sale of investments

Sub Total (c)	-	0.08
---------------	---	------

Other non-operating Income

Subsidy, relief and concession	0.10	0.28
Grant-in-aid	5.77	4.67
Allowances no longer required written back	52.48	62.75
Write back of other liabilities	350.52	288.75
Liquidated damages	103.57	136.67
Profit on sale of fixed assets (net)	49.50	-
Others	92.75	76.73
	654.69	569.85
Less: Expenses attributable to non-operating income	1.58	-
Sub Total (d)	653.11	569.85
Total (a+b+c+d)	1354.84	1042.03

*Interest income represents income on financial assets carried at amortised cost.

**Includes dividend from investments carried at fair value through OCI -₹5.15 crore (previous year: 0.29 crore)

(₹ in crore)

	As at 31 st March, 2023	As at 31 st March, 2022
37 : COST OF MATERIALS CONSUMED		
Iron ore	8871.00	9388.84
Coal	50993.38	33761.24
Coke	480.44	52.06
Limestone	2287.51	1764.00
Dolomite	768.52	710.04
Ferro manganese	331.76	271.32
Ferro silicon	548.94	393.60
Silico manganese	2260.30	2002.02
Hot rolled stainless steel coils	-	0.83
Zinc	146.89	128.17
Aluminium	584.67	528.04
Others	2796.19	2204.47
	70069.60	51204.63
Less: Inter account adjustments	7978.50	8428.17
	62091.10	42776.46

38 : CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND BY-PRODUCTS

Opening stock

Finished goods	4880.55	4506.53
Work in progress	2397.75	2399.45
Iron ore fines (sub-grade)	4249.96	4337.29
	11528.26	11243.27

Less: Closing stock

Finished goods	8606.57	4880.55
Work in progress	3899.83	2397.75
Iron ore fines (sub-grade)	4182.00	4249.96
	16688.40	11528.26
(Accretion)/depletion to stock	(5160.14)	(284.99)

39: EMPLOYEE BENEFITS EXPENSE*

Salaries & wages	8826.81	9230.60
Leave encashment	1075.80	1163.89
Company's contribution to provident & other funds	1285.83	1309.10
Travel concession	103.92	62.82
Welfare expenses	541.61	845.29
Gratuity	219.65	234.54
	12053.62	12846.24

*Expenditure on employees's remuneration and benefits not included above and charged to:

Expenditure during construction	104.84	102.14
---------------------------------	---------------	--------

For descriptive notes on disclosure of defined benefit obligation, refer note 50.1

(₹ in crore)

	As at 31 st March, 2023	As at 31 st March, 2022
40: FINANCE COSTS		
Interest Cost		
Foreign currency loans*	26.32	135.71
Non convertible bonds	243.80	392.26
Bank borrowings - working capital	12.20	8.57
Steel development fund loans	3.61	3.50
Other bank borrowings and commercial paper	1601.80	972.10
Other borrowing costs	149.74	185.74
	2037.47	1697.88

*Including foreign exchange fluctuations nil (as on 31st March, 2022: loss ₹ 90.96 crore).

Expenditure on Interest & Finance charges not included above and charged to Expenditure during Construction:

Foreign currency loans	-	1.89
Non convertible bonds	127.40	75.42
Steel development fund loans - Interest	0.99	1.10
Other bank borrowings	82.67	115.12
	211.06	193.53

41: OTHER EXPENSES
Consumption of stores & spares

Consumption	6286.65	5144.98	
Less: Departmentally manufactured stores	713.73	658.59	
Less: Finished products internally consumed as stores and spares	804.73	4768.19	552.74

Repairs & maintenance

Buildings	282.73	253.99	
Plant & machinery	1314.59	1233.64	
Others	422.18	2019.50	387.90

Handling expenses

Raw material	647.64	594.48	
Scrap recovery	312.59	960.23	348.00

Remuneration to auditors

Audit fees	3.00	3.05	
Tax audit fees	0.86	0.65	
In other services	1.76	1.39	
Out of pocket expenses	1.05	6.67	0.50

Allowances

Doubtful debts, loans and advances	115.16	98.24	
Investments	18.75	-	
Stores, spares and sundries	218.89	352.80	258.60

Power and fuel	7703.71	6966.92	
Freight outward	3024.29	2669.38	
Royalty and cess	4520.86	7060.09	

Conversion charges	197.76	116.87	
Demurrage & wharfage	87.03	63.02	
Water charges & cess on water pollution	154.20	164.52	

Insurance	82.16	74.80	
Postage, telegram & telephone	18.29	15.65	
Printing & stationery	11.41	9.88	

Rates & taxes	44.51	81.70	
Rent	5.22	12.75	
Law charges	821.58	745.61	

Security expenses	99.61	124.64	
Travelling expenses	29.76	23.75	
Training expenses	80.85	58.12	

Expenditure on corporate social responsibility (refer note-44.6)	162.46	94.24	
Foreign exchange fluctuations (net)	963.87	216.75	
Loss on sale/scraping of fixed assets (net)	-	21.71	

Cost audit fee and reimbursement of expenses	0.04	0.09	
--	-------------	------	--

41: OTHER EXPENSES (contd...)

(₹ in crore)

	As at 31 st March, 2023	As at 31 st March, 2022
Write-offs - Miscellaneous	0.10	-
Handling expenses - finished goods	236.43	192.49
Impairment loss	9.10	-
Commission to selling agents	8.24	15.86
Export sales expenses	145.27	140.60
Miscellaneous	924.57	829.93
	27438.71	26813.46

41a: EXCEPTIONAL ITEMS

Sale of fixed assets (refer note 49.12)	(301.34)	-
Others (refer note 49.12)	43.35	353.41
	(257.99)	353.41

41b: EARNING PER SHARE

Profit for the year (₹ in crore)	1903.07	12015.04
Number of equity shares	4130525289	4130525289
Earning per share - basic and diluted (₹)	4.61	29.09
Face value per equity share (₹)	10.00	10.00

42. FINANCIAL INSTRUMENTS

i) Fair values hierarchy

Financial assets and financial liabilities measured at fair value in the statement of financial position are categorized into three levels of a fair value hierarchy. The three levels are defined based on the observability of significant inputs to the measurement, as follows:

Level 1: Quoted prices (unadjusted) in active markets for financial instruments.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data rely as little as possible on entity specific estimates.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

ii) Financial assets and liabilities measured at fair value - recurring fair value measurements

(₹ in crore)

As at 31 st March, 2023	Level 1	Level 2	Level 3	Total
Financial assets				
Financial instruments at FVTPL				
Derivative financial assets	-	-	-	-
Investments at FVOCI				
Equity instruments				
Quoted	-	-	-	-
Unquoted	-	-	239.79	239.79
Total financial assets	-	-	239.79	239.79
Financial liabilities				
Financial instruments at FVTPL				
Derivative liabilities	-	-	-	-
Total financial liabilities	-	-	-	-

Financial assets and liabilities measured at fair value - recurring fair value measurements

(₹ in crore)

As at 31 st March, 2022	Level 1	Level 2	Level 3	Total
Financial assets				
Financial instruments at FVTPL				
Derivative financial assets	-	-	-	-
Investments at FVOCI				
Equity instruments				
Quoted	-	-	-	-
Unquoted	-	-	172.85	172.85
Total financial assets	-	-	172.85	172.85
Financial liabilities				
Financial instruments at FVTPL				
Derivative liabilities	-	-	-	-
Total financial liabilities	-	-	-	-

iii) Financial assets and liabilities - for which fair values are disclosed

(₹ in crore)

	Level	As at 31 st March, 2023		As at 31 st March, 2022	
		Carrying value	Fair Value	Carrying value	Fair Value
Financial assets					
Loans	Level-3	690.48	800.71	602.64	837.76
Derivative financial assets	Level-2	-	-	-	-
Equity instruments					
Quoted	Level-1	-	-	-	-
Unquoted*	Level-3	239.79	239.79	172.85	172.85
Total financial assets		930.27	1040.50	775.49	1010.61
Financial liabilities					
Borrowings (including lease liability)	Level-3	31836.05	31683.48	18616.36	18764.70
Other payables	Level-3	10457.61	10517.82	11914.11	12033.17
Derivative liabilities	Level-2	-	-	-	-
Total financial liabilities		42293.66	42201.30	30530.47	30797.87

* Already at fair value

(iv) Valuation process and technique used to determine fair value

Specific valuation techniques used to value financial instruments include:

- (a) Fair value of interest swap is determined based on dealer or counterparty quotes for similar instruments.
- (b) Fair value of forward foreign exchange contract and principal swap is determined using forward rate at balance sheet date.
- (c) The carrying value of borrowings bearing variable interest rate are considered to be representative of their fair value.
- (d) The carrying value of financial assets and liabilities with maturities less than 12 months are considered to be representative of their fair value.
- (e) Fair value of fixed interest rate financial assets and liabilities carried at amortised cost (including lease obligations) is determined by discounting the cash flows using a discount rate equivalent to market interest rate applicable to similar assets and liabilities as at the balance sheet date.

(v) Unquoted investments:

Fair value estimates of unquoted equity investments are included in level-3 and are based on information relating to value of investee Group's net assets. For investments in co-operative societies, the Group has determined that cost is appropriate estimate of fair value, therefore, there have been no changes on account of fair values.

vi) The following table presents the changes in value of financial instruments measured at fair value using level 3 inputs:

(₹ in crore)

Unlisted equity securities		
As at 31st March, 2021		147.98
Gains recognised in other comprehensive income		24.87
As at 31st March, 2022		172.85
Gains recognised in other comprehensive income		66.94
As at 31st March, 2023		239.79

43. FINANCIAL RISK MANAGEMENT
(i) Financial instruments by category

(₹ in crore)

Particulars	As at 31 st March, 2023			As at 31 st March, 2022		
	FVTPL	FVOCI	Amortised cost	FVTPL	FVOCI	Amortised cost
Financial assets						
Investments	-	239.79	-	-	172.85	-
Equity instruments*	-	-	5362.48	-	-	4736.83
Trade receivables	-	-	6.44	-	-	59.76
Cash and cash equivalents	-	-	391.51	-	-	588.07
Other Bank Balances	-	-	690.48	-	-	602.64
Loans	-	-	1632.11	-	-	1578.42
Derivative financial assets	-	-	-	-	-	-
Other receivables	-	-	-	-	-	-
Total	-	239.79	8083.02	-	172.85	7565.72
Financial liabilities						
Borrowings (including lease liability)	-	-	31836.05	-	-	18616.36
Trade payable	-	-	14338.87	-	-	16672.54
Derivative Liability	-	-	-	-	-	-
Other payables	-	-	10457.61	-	-	11914.11
Total	-	-	56632.53	-	-	47203.01

* Investment in equity of joint ventures and associates have been carried at cost as per Ind AS 27 "Separate financial statements" and hence are not presented here.

ii) Risk Management

The Group, its Joint Ventures & Associate is exposed to various risks in relation to financial instruments. The Group, its Joint Ventures & Associate's financial asset and liabilities by category are summarised in note 43 (i). The main types of risks are market risk, credit risk and liquidity risk. The Group's, its Joint Venture's & Associate's risk management is co-ordinated at its headquarters, in close co-operation with the Board of Directors, and focuses on actively securing the Group's, its Joint Venture's & Associate's short to medium-term cash flows by minimising the exposure to volatile financial markets. Long term financial investments are managed to generate lasting returns. The Group, its Joint Ventures & Associate does not actively engage in the trading of financial assets for speculative purposes nor does it write options. The most significant financial risks to which the Group, its Joint Ventures & Associate is exposed are described below.

A) Credit risk

Credit risk is the risk that a counterparty fails to discharge an obligation to the Company. The Company is exposed to this risk for various financial instruments, for example by granting loans and receivables to customers, placing deposits, etc. The Company's maximum exposure to credit risk is limited to the carrying amount of following types financial assets.

- Cash and cash equivalents
- Derivative financial instruments
- Trade receivables
- Other financial assets measured at amortized cost

The Company continuously monitors defaults of customers and other counterparties, identified either individually or by the Company, and incorporates this information into its credit risk controls. Where available at reasonable cost, external credit ratings and/or reports on customers and other counterparties are obtained and used. The Company's policy is to deal only with creditworthy counterparties.

a) Credit risk management

Cash and cash equivalent

Credit risk related to cash and cash equivalents is managed by only accepting highly rated banks and diversifying bank deposits and accounts in different banks across the country.

Derivative financial instruments

Credit risk related to derivative financial instruments is also managed by only entering into such arrangement with highly rated banks or financial institutions as counterparties. The company diversifies its holdings with multiple counterparties.

Trade receivables

Credit risk related to trade receivables are mitigated by taking bank guarantees from customers where credit risk is high. The Company closely monitors the credit-worthiness of the debtors and only sells goods to credit-worthy parties. The Company's internal systems are configured to define credit limits of customers, thereby limiting the credit risk to pre-calculated amounts.

Other financial assets measured at amortized cost

Other financial assets measured at amortized cost includes loans and advances to employees and others. Credit risk related to these other financial assets is managed by monitoring the recoverability of such amounts continuously, while at the same time internal control system in place ensure the amounts are within defined limits.

b) Expected credit losses

Company provides expected credit losses based on the following:

Trade receivables

The Company recognizes lifetime expected credit losses on trade receivables using a simplified approach and uses historical information to arrive at loss percentage relevant to each category of trade receivables. For descriptive note on trade receivables ageing, refer note 48.4 (B)

Other financial assets measured at amortized cost

Company provides for expected credit losses on "loan advances and other than trade receivables" by assessing individual financial instruments for expectation of any credit losses. Since, this category includes loans and receivables of varied natures and purpose, there is no trend that the Company can draw to apply consistently to entire population. For such financial assets, the Company's policy is to provide for 12 month expected credit losses upon initial recognition and provide for lifetime expected credit losses upon significant increase in credit risk. The Company does not have any expected loss based impairment recognised on such assets considering their low credit risk nature, though incurred loss allowances are disclosed under each sub-category of such financial assets.

B) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due. Due to the nature of the business, the Group, its Joint Ventures & Associate maintain flexibility in funding by maintaining availability under committed facilities. Management monitors rolling forecasts of the Group's, its Joint Venture's & Associate's liquidity position and cash and cash equivalents on the basis of expected cash flows. The Group, its Joint Ventures & Associate takes into account the liquidity of the market in which the entity operates. In addition, the Group's, its Joint Venture's & Associate's liquidity management policy involves projecting cash flows in major currencies and considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios against internal and external regulatory requirements and maintaining debt financing plans.

Maturities of financial liabilities

The tables below analyse the Group's, its Joint Venture's & Associate's financial liabilities into relevant maturity Grouping based on their contractual maturities for all non-derivative financial liabilities and the amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

(₹ in crore)

Contractual maturities of financial liabilities as at 31st March, 2023	Less than 1 year	1-2 year	2-3 year	More than 3 years	Total
Non-derivatives					
Borrowings	19804.09	2437.65	911.79	5312.62	28466.15
Trade payables	13879.36	234.82	3.73	219.00	14336.91
Other payables	6160.57	135.39	227.78	894.48	7418.22
Total	39844.02	2807.86	1143.30	6426.10	50221.28
Derivatives					
Derivative liabilities	-	-	-	-	-
Total	-	-	-	-	-

Contractual maturities of financial liabilities as at 31st March, 2022	Less than 1 year	1-2 year	2-3 year	More than 3 years	Total
Non-derivatives					
Borrowings	5815.58	2427.08	1374.61	5761.01	15378.28
Trade payables	16190.27	94.68	94.39	538.67	16918.01
Other payables	9495.61	115.65	82.11	289.18	9982.55
Total	31501.46	2637.41	1551.11	6588.86	42278.84
Derivatives					
Derivative liabilities	-	-	-	-	-
Total	-	-	-	-	-

C) Market Risk
a) Foreign currency risk

Most of the Company's transactions are carried out in INR. Exposures to currency exchange rates arise from the Company's overseas borrowing arrangements, which are primarily denominated in US dollars (USD).

To mitigate the Company's exposure to foreign currency risk, non-INR cash flows are monitored and forward exchange contracts are entered into in accordance with the Company's risk management policies. Generally, the Company's risk management procedures distinguish short-term foreign currency cash flows (due within 6 months) from longer-term cash flows (due after 6 months). Where the amounts to be paid and received in a specific currency are expected to largely offset one another, no further hedging activity is undertaken. Forward exchange contracts are mainly entered into for significant long-term foreign currency exposures that are not expected to be offset by other same-currency transactions.

Foreign currency risk exposure:

The Company's significant exposures to foreign currency risk at the end of the reporting period expressed in ₹ crore are as follows:

Particulars	As at 31st March, 2023		As at 31st March, 2022	
	USD	Euro	USD	Euro
Financial assets				
Trade receivables	32.77	-	149.70	-
Cash and cash equivalents	-	-	-	-
Other Bank Balances	-	-	-	-
Loans	-	-	-	-
Derivative financial assets (Gross amounts, to hedge borrowings)	-	-	-	-
Other receivables	-	-	-	-
Net exposure to foreign currency risk (assets)	32.77	-	149.70	-
Financial liabilities				
Borrowings	-	302.95	-	310.51
Trade payable	8412.14	51.58	11257.64	84.71
Other payables	152.01	216.87	179.76	230.10
Net exposure to foreign currency risk (liabilities)	8564.15	571.40	11437.40	625.32

Sensitivity

The following table illustrates the sensitivity of profit and equity in regard to the Group's, its Joint Venture's & Associate's financial assets and financial liabilities and the USD/INR exchange rate and EUR/INR exchange rate 'all other things being equal'. It assumes a +/- 4.93% change of the INR/USD exchange rate for the year ended at 31st March, 2023 (2022: 4.65%). A +/- 8.75% change is considered for the INR/EUR exchange rate (2022: 5.63%). Both of these percentages have been determined based on the average market volatility in exchange rates in the previous 12 months. The sensitivity analysis is based on the Group's, its Joint Venture's & Associate's foreign currency financial instruments held at each reporting date and also takes into account forward exchange contracts that offset effects from changes in currency exchange rates.

(₹ in crore)

Particulars	As at 31st March, 2023	As at 31st March, 2022
USD sensitivity		
INR/USD- increase by 4.93% (31 March 2023)	420.60	-
INR/USD- decrease by 4.93% (31 March 2023)	(420.60)	-
INR/USD- increase by 4.65% (31 March 2022)	-	529.39
INR/USD- decrease by 4.65% (31 March 2022)	-	(529.39)
Euro sensitivity		
INR/EUR- increase by 8.75% (31 March 2023)	50.00	-
INR/EUR- decrease by 8.75% (31 March 2023)	(50.00)	-
INR/EUR- increase by 5.63% (31 March 2022)	-	42.40
INR/EUR- decrease by 5.63% (31 March 2022)	-	(42.40)

b) Interest rate risk

The Group's, its Joint Venture's & Associate's policy is to minimise interest rate cash flow risk exposures on long-term financing. Long-term borrowings are therefore usually at fixed rates. At 31st March, 2023, the Group, its Joint Ventures & Associate is exposed to changes in market interest rates through bank borrowings at variable interest rates. Other borrowings are at fixed interest rates. The Group's, its Joint Venture's & Associate's investments in bonds all pay fixed interest rates. The exposure to interest rates for the Group's, its Joint Venture's & Associate's money market funds is considered immaterial. The following table illustrates the sensitivity of profit and equity to a reasonably possible change in interest rates of +/- 1% (2022: +/- 1%). These changes are considered to be reasonably possible based on observation of current market conditions. The calculations are based on a change in the average market interest rate for each period, and the financial instruments held at each reporting date that are sensitive to changes in interest rates. All other variables are held constant.

i) Liabilities

The Company's policy is to minimise interest rate cash flow risk exposures on long-term financing. As at 31st March, 2023, the Company is exposed to changes in market interest rates through bank borrowings at variable interest rates.

Interest rate risk exposure

Below is the overall exposure of the Group to interest rate risk:

(₹ in crore)

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
Variable rate borrowing (excluding exposures offset by derivatives)	21607.68	8052.98
Fixed rate borrowing	4054.10	5332.67
Total borrowings	25661.78	13385.65

Sensitivity

Below is the sensitivity of profit or loss and equity changes in interest rates.

(₹ in crore)

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
Interest rate sensitivity		
Interest rates-increase by 100 basis points	216.08	254.23
Interest rates-decrease by 100 basis points	(216.08)	(254.23)

ii) Assets

The Company's fixed deposits are carried at amortised cost and are fixed rate deposits. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

Interest rate risk exposure

Below is the overall exposure of the financial assets:

(₹ in crore)

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
Variable rate deposits/ loans	-	-
Fixed rate deposits/ loans	1081.99	1190.71
Total deposits	1081.99	1190.71

c) Price risk

Exposure

The Company is exposed to other price risk in respect of its investment shares of other Companies (see Note 8). The Company does not consider changes in value of its investments in shares as significant, therefore is not exposed to price risks on exposures outstanding on the balance sheet date.

44. Capital management

The Company's capital management objectives are

- to ensure the Company's ability to continue as a going concern
- to provide an adequate return to shareholders

The Company monitors capital on the basis of the carrying amount of equity less cash and cash equivalents as presented on the face of balance sheet.

Management assesses the Company's capital requirements in order to maintain an efficient overall financing structure while avoiding excessive leverage. This takes into account the subordination levels of the Company's various classes of debt. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares, or sell assets to reduce debt.

(₹ in crore)

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
Net debts	31829.61	18556.60
Total equity	52139.18	52017.14
Net debt to equity ratio	0.61	0.36

Dividends

(₹ in crore)

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
Equity shares		
(i) Interim dividend on paid up equity share capital ₹10 each	413.05	2684.84
(ii) Final dividend not recognised at the end of the reporting period.	206.53	929.37

45: DETAILS OF ASSETS PLEDGED

(₹ in crore)

	As at 31 st March, 2023	As at 31 st March, 2022
Current		
Inventories and trade receivables (to the extent pledged)	3957.68	3302.98
Non Current		
Plant & Machinery (movable assets) - RSP (to the extent of pledged).	4100.00	4100.00
Land at Mouje-Wadej of city taluka, District Ahemadabad, Gujarat and Plant & Machinery - ISP including land on which it stands.	1533.00	3547.00

46: EFFECTIVE TAX RECONCILIATION

(₹ in crore)

	As at 31 st March, 2023	As at 31 st March, 2022
Profit before tax	2636.91	16038.72
Domestic tax rate	25.168%	25.168%
Expected tax expense [A]	663.66	4036.63
Adjustment for tax-exempt income/non-deductible expenses	46.85	33.00
Adjustment for difference tax rate items	(6.89)	-
Tax related to earlier years	18.25	(45.95)
Others	11.97	-
Total adjustments [B]	70.18	(12.95)
Actual tax expense [C=A+B]	733.84	4023.68
Tax expense comprises:		
Current tax	118.37	-
Deferred tax charge	615.47	4023.68
Tax expense recognized in Statement of profit and loss	733.84	4023.68

47.1 CONTINGENT LIABILITIES

(₹ in crore)

		As at 31 st March, 2023	As at 31 st March, 2022
(i)	Claims against the Company pending appellate/judicial decisions :		
a)	Excise Duty	6154.00	5796.98
b)	Sales Tax on inter-state stock transfers from plants to stockyards*	958.56	1115.62
c)	Other sales tax matters	206.43	209.43
d)	Income Tax	1478.26	957.33
e)	Other duties, cess and levies	9738.31	9714.52
f)	Civil matters **	5528.84	5117.34
g)	Entry Tax	1536.37	1793.50
h)	Miscellaneous ***	12317.18	11401.60
* No liability is expected to arise, as sales tax has been paid on eventual sales. ** includes certain claims, against which there are counter-claims.			
(ii)	Other claims against the Company not acknowledged as debt:		
a)	Sales Tax	347.56	88.72
b)	Duties, cess and levies	109.10	376.12
c)	Civil Matters	34.93	165.34
d)	Miscellaneous ***	2190.55	2695.28
*** includes certain claims, against which there are counter-claims.			
(iii)	Disputed income tax/service tax/other demand on joint venture companies for which company may be contingently liable under the joint venture agreement.	48.72	48.86
(iv)	Bills drawn on customers and discounted with banks.	212.99	39.84
(v)	Price escalation claims by contractors/suppliers and claims by employees.	310.18	309.34

- 47.2 a)**
- (i) The Nine Judges Constitutional Bench of Hon'ble Supreme Court, vide its judgment dated 11th November, 2016, upheld the Constitutional validity of Entry Tax Act enacted by various States and laid down principles/tests for consideration for deciding the specific issues related to levy of Entry Tax. As on 31st March, 2023, the matters are pending before Regular Benches of Hon'ble Supreme Court/Jurisdictional High Courts/ assigned authorities in this regard. Pending decision by the other Courts, disputed Entry Tax liabilities of ₹1184.81crores have been treated by the Company as Contingent Liability (As at 31st March, 2022 - ₹1178.51 crores) and included in Note No. 47.1 (i) (g) above.
 - (ii) In respect of levy of Entry Tax in Industrial township of Rourkela Steel Plant, Hon'ble Supreme Court, vide its judgment dated 4th November, 2022 had decided that Entry Tax is leviable in areas covered under Rourkela Steel Plant Industrial township. However, by virtue of a judgement dated 01.12.2021 pronounced by Orissa High Court and subsequently upheld by the Supreme Court vide its order dated 13.07.2022, the reassessed demands raised under Section 10 of Orissa Entry Tax Act, 1999 in absence of original assessment are liable to be rejected. Pending such adjudication as on 31st March, 2023, these demands amounting to ₹213 crores (31st March 2022 ₹241 crores) have been treated as Contingent Liability and included in Note No. 47.1 (i) (g) above.
 - b) Hon'ble Supreme Court dismissed the SLP by the Company (pertaining to Bokaro Steel Plant) in respect of dispute with Damodar Valley Corporation (DVC) related to provisional tariff petition of electricity charges for 2009-14 vide order dated 18th January, 2017, keeping the question of law open. The Order of Central Electricity Regulatory Commission (CERC) dt.7/8/2013 related to Tariff of 2009-14 against Petition No.275/GT/2012 has been challenged before Appellate Tribunal for Electricity (APTEL) (Appeal No.18 of 2014) in which the Company has also intervened and the order of APTEL is pending. Further, in respect of the civil appeal filed by Damodar Valley Corporation (DVC) pertaining to tariff of Financial Year 2004-05 to 2008-09 against the order of the Appellate Tribunal for Electricity (APTEL), the Hon'ble Supreme Court of India dismissed the appeal vide its Order dated 3rd December, 2018 which can also have effect on future tariff orders in view of consideration of certain parameters for fixation of tariff. Accordingly, State Electricity Regulatory Commission (SERC) will finalise the retail tariff

as directed by APTEL, the financial implication of which can only be ascertained after the Tariff fixation by SERC. For the State of Jharkhand where the dispute of ₹587.72 crore arises, DVC filed its Retail Tariff Application in November, 2020 along with application for Annual Revenue Requirement before the Jharkhand State Electricity Regulatory Commission for the period 2006-07 to 2011-12 and also seeking adjustment of Revenue Gap/ Surplus in the period of 2012-13 to 2014-15. The Company has also filed their objections on 28.12.2020 to the aforesaid Application of DVC. Pending fixation of such Electricity Tariffs, disputed claims of DVC of ₹587.72 crore upto 31st March, 2023 (upto 31st March, 2022, ₹587.72 crore) has been treated as Contingent Liability and included in Note No. 47.1(i)(f) above. Against the said claims, the entire amount has been paid to DVC and retained as advance. Further from 1st April, 2017 onwards full invoice value is being paid and charged to revenue.

- 47.3** Under the Jharkhand Mineral Area Development Authority (Amendment) Act, 2015, the State Government of Jharkhand has made a demand of ₹5037.29 crore upto 31st March, 2023 (upto 31st March, 2022 ₹4690.37 crore) towards "Market Fee" on transaction value of coal, iron and steel items. As the matter is sub-judice, the amount has been disclosed as Contingent Liability in Note No. 47.1(i)(e) above.

The Mineral (Mining by Government Company) Rules 2015 (the "MMGC Rules") were notified by GOI on 03.12.2015. Although no provision was made for realization of any money for extension of the leases in the said Rules, demands for payment under the MMGC Rules 2015 in respect of Duargaiburu lease of Gua, Amalgamated leases of Kiriburu-Meghatuburu and Dhobil lease of Chiria were raised by the District Mining Officer (DMO), Chaibasa, Jharkhand. The collective demand for payment against the notices was about ₹2980 Crore. SAIL challenged the demand notices through the filing of Writ Petitions in Hon'ble High Court of Jharkhand in December 2019. Hon'ble High Court vide order dated 18.12.2019/20.12.2019 stayed the operation of such demand notices. In the meantime, the Government of Jharkhand sought clarification in respect of right/claim to raising of demand under Rule 5 of Mineral (Mining by Government Company) Rule, 2015 (MMGC) from the Ministry of Mines, Govt. of India. The Ministry of Mines, GOI vide letter dated 29.01.2021 clarified MMGC Rule, 2015 do not provide for payment of the additional amount for extension of mining leases granted to a Government Company. Pending disposal of the matter by the Hon'ble High Court of Jharkhand, an amount of ₹5241.88 crores (₹4526.00 crore as on 31st March, 2022) has been disclosed as contingent liability in Note No. 47.1(i)(h) above.

47.4 In its judgement, the Central Administrative Tribunal (CAT), Kolkata has directed that Ministry of Steel shall consider the aspect of payment of arrears of revised perks and allowances and take appropriate decision for payment of revised perks and allowances amounting to ₹309.34 crore (previous year: ₹309.34 crore) to the executives for the period from 26.11.2008 to 4.10.2009. Ministry of Steel intimated the matter to the Company on 7.12.2016. A stay petition in the matter has been filed on 22.12.2016 and is pending before the Hon'ble Calcutta High Court. As the matter is sub-judice, the amount has been disclosed as Contingent Liability in Note No. 47.1(v) above.

47.5 (i) The Ministry of Environment & Forest and Climate Change (MoEF& CC) vide their letter No.-11-599/ 2014-FC dated 1st April 2015 issued revised Guidelines for diversion of Forest Land for non-forest purpose under the Forest (Conservation) Act, 1980 (FC Act). These revised Guidelines stipulated that in case of existing mining leases having Forest Land (partially or fully), where approval for only a part of forest land has been obtained under the FC Act, the Central Government accorded general approval under Section-2(iii) of the FC Act for the remaining area also to be Forest Land, subject to certain conditions, which includes realising Net Present Value (NPV) for the entire forest land falling in the mining lease, in case NPV of such forest land has not already been realised.

In this matter, as per legal opinion obtained by the Company, Section 2 (iii) of FC Act, 1980 will not apply to Government Corporation and NPV is required to be paid only for that limited area, which has been approved by MoEF& CC and in which mining activities are proposed to be done and not for the entire forest area. The matter of applicability of NPV for total forest land has been challenged by the Company in Hon'ble High Court of Jharkhand. The Hon'ble Court, in its order, has directed to place the matter before Division Bench of this Court.

A writ petition has also been filed in the Hon'ble high Court of Chhattisgarh against the demand of ₹96.28 crores received during 2017-18 from the Office of Principal Chief Conservator of Forest, Chhattisgarh, in which the Hon'ble High Court of Chhattisgarh awarded judgement in favour of Chhattisgarh Government.

The Company has deposited ₹96.28 crores with Principal Chief Conservator of Forest, Chhattisgarh and a Special Leave Petition has been filed in Hon'ble Supreme Court of India against the order of Hon'ble High Court of Chhattisgarh. The

disputed amount of ₹96.28 (previous year: ₹96.28 crore) crore has been disclosed under contingent liability in Note no.47.1.(i)(e).

(ii) Chhattisgarh State enacted Chhattisgarh (Adhosanrachna Vikas ewam Paryawaaran) Upkar Adhiniyam, 2005 and levied Cess on the mineral extracted in the State of Chhattisgarh. BSP has filed a writ petition in the High Court of Chhattisgarh challenging the enactment as ultra vires. However, BSP has deposited ₹212.96 crore under protest till March, 2023 and shown as deposit with Government Department. Total disputed amount of ₹212.96 crore (previous year ₹190.80 crore) is disclosed under contingent liability in Note no.47. 1.(i) (e).

47.6 Pursuant to the Hon'ble Supreme Court Judgment dated 2nd August, 2017 in the Common Cause matter regarding illegal mining, demand>Show cause notices have been issued for recovery of the price of minerals produced without and beyond the environmental clearances under Section 21(5) of Mines and Mineral Development Regulation Act, 1957, forest clearance under the Forest Conservation Act 1980, and towards excess production beyond consent to operate. The Company has challenged the purported demand before the High Court of Jharkhand and Odisha and obtained stay on demand.

(a) As the matter is pending for final determination and considering the implication of existing litigation, the Company has provided:

(i) In respect of Iron Ore, by the Government of Odisha and Government of Jharkhand amounting to ₹386.33 crore and ₹2847.52 crore (₹345.03 crore and ₹2573.03 crore as on 31st March, 2022) respectively (including interest). Based on internal assessment, the Company has provided an amount of ₹329.67 crore (₹329.67 crore as on 31st March, 2022) on estimated basis. Balance amount of ₹2904.18 crore (₹2588.39 crore as on 31st March, 2022) (including interest) has been treated as contingent liability in Note No. 47.1(i)(h).

(ii) In respect of Flux, by the Government of Jharkhand & Odisha amounting to ₹59.03 crore (₹52.35 crore as on 31st March 2022) (including interest). Based on internal assessment, the Company has provided an amount of ₹6.86 crore (₹6.86 crore as on 31st March 2022) on estimated basis. Balance amount of ₹52.17 crore (₹45.49 crore as on 31st March 2022) (including interest) has been treated as contingent liability in Note No. 47.1(i)(h) above.

- (iii) In respect of Coal, by the Government of Jharkhand amounting to ₹755.90 crore (₹675.62 crore as on 31st March 2022) (including interest), Revision Application has been filed under Rule 55 (5) of Mineral Concessions Rule, 1960 read with Section 30 of Mines and Minerals (Development and Regulation) Act, 1957 (MMDR). The Revisional Authority, Ministry of Coal, has granted Stay to the Company. Accordingly pending disposal, the amount of ₹755.90 crore (₹675.62 crore as on 31st March 2022) (including interest) has been treated as Contingent Liability in Note No. 47.1(i)(h) above.
- 47.7** M/s JSC Cryogenmash have filed a case before Arbitral Tribunal in International Chamber of Commerce against SAIL/Bhilai Steel Plant for resolution of dispute arising out of contract. Arbitral Tribunal has awarded a sum of ₹106.92 crores on 20.07.2018 against SAIL / Bhilai Steel plant.
- Against the award, the management has filed an appeal before Hon'ble High Court at Delhi which has been admitted. Pending disposal of appeal, the sum of ₹160.37 crore (previous year: ₹133.65 crore) (including interest) has been disclosed under contingent liability in Note no 47.1(ii) (d) above.
- 47.8** Land measuring 5.545 acres was allotted to DVC for 30 years w.e.f. 12.07.1966 on long term lease basis. The Land was given to DVC for setting up of Electrical sub-station for ensuring supply of power for the benefit of ASP. There was no lease agreement for the subsequent period, i.e., w.e.f. 13/07/1996. In absence of any agreement, the dues receivables for the said period, could not be ascertained with reasonable certainty. The same will be accounted for in the year of settlement.
- 47.9** Consequent to the order of Hon'ble Odisha High Court, Company's claim towards renewal of lease [total area of 2599.54 acre disclosed under Note No. 4.(ii) (b)], of land at Horomoto stands rejected, except surface area of 222.54 acre for which State Govt has been directed to consider as per provisions of Law.
- 47.10** An award arising out of the Arbitration between M/S. Goyal Mg Gases Pvt. Ltd. (Claimant) And SAIL/Alloy Steels Plant, Durgapur (Respondent) seeking claim of ₹116.86 crore, has been received on 22.05.2020, vide SCOPE, New Delhi letter dated 18.05.2020.
- By the aforesaid award, Tribunal allowed claim no. 1 and 2 of the Claimant w.r.t. differential amount pertaining to transportation charges of Argon from DSP BOO Plant to ASP based upon market rate claimed by the Claimant and refund of withheld/ deducted amount by ASP from the bills of the Claimant on account of merchant market sale of Oxygen, Nitrogen and Argon respectively along with applicable interest thereon, out of the total claimed amount.
- SAIL ASP is in the process of 2nd stage of litigation and filed a petition before the Commercial Court, Asansol, for setting aside the award under Section 34 of the Arbitration and Conciliation Act 1996 (the Act), as the issues pertain to patent illegality committed by the Tribunal while giving the award.
- In view of above and based on the amount quantified by the tribunal, the net disputed liability of ₹6.56 crore as on 31st March, 2023 (previous year: ₹10.92 crore) including interest, has been shown under Contingent Liability in Note No. 47.1(i)(b) above.

48.1 (A) Estimated amount of contracts remaining to be executed and not provided for (net of advances) are: (₹ in crore)

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
Capital commitments	4821.58	5844.48
Other commitments	6365.38	4220.20

(B) The Title Deeds/Lease Agreements of the following Immovable Properties (included under the line item 'Property Plant and Equipment' and 'Right of use asset') are not held in the name of the Group

As at 31st March, 2023

S. No.	Line Item in Balance Sheet	Nature of Property	Gross Value (₹ Crore)	Title deed held in the name of	Whether title deed holder is a promoter/ Director etc. (Y/N)	Date/Month/ Year since property held	Reason for not being held in name of Group
1	Right of use Assets	Leasehold Land	15.07	CG government	N	01-03-2013	Taken up with the concerned authorities
2	Right of use Assets	Lease Hold Land	16.80	Kolkata Port Trust	N	07-05-2014	Pending Registration
3	Right of use Assets	Lease Hold Land	11.97	Vizag Seaport Pvt Limited	N	27-07-2004	Pending Registration
4	Right of use Assets	Lease Hold Land	0.91	Jammu & Kashmir Govt	N	05-07-1968	Pending Registration
5	Property, Plant & Equipment	Free Hold Land	0.13	Triveni Structural Limited	N	25-02-1970	Pending Registration
6	Right of use Assets	Lease Hold Land	0.67	Kanpur Development Authority	N	1986	Pending Registration
7	Property, Plant & Equipment	Free Hold Land	0.06	Southern Railway	N	31.03.1984	Pending Registration
8	Right of use Assets	Lease Hold Land	23.04	Kolkata Metropolitan Development Authority	N	09.10.2009	Pending Registration
9	Property, Plant & Equipment	Building	0.28	ASHOK SANKAR BHATNAGAR (HUF)	N	01.08.2019	Pending Registration
10	Right of use Assets	Leasehold Land	0.20	Mecon Ltd	N	1979-1980	Held by Mecon Ltd (As per ActNo. 16 of 1978)
11	Property, plant and Equipment	Freehold Land	0.01	Asian Refractories	N	05-04-1963	Rehabilitation on behalf of Deptt of Industries, Govt of Bihar
12	Property, plant and Equipment	Freehold Land	0.12	Assam Siliminites & Bharat Refractories Ltd	N	11-02-1976 & 30-04-1978	Rehabilitation on behalf of Deptt of Industries
13	Property, plant and Equipment	Freehold Land	0.13	India Firebricks & Insulation Company Ltd.	N	15-09-1960	Rehabilitation on behalf of Deptt of Industries
14	Property, Plant & Equipment	Freehold Land	0.10	State Govt	N	Sept'1958	Pending receipt of Records of Rights (ROR)
15	Right of use Assets	Leasehold Land	147.81	Uttar Pradesh State Industrial Development Corporation (UPSIDC)	N	01.02.2009	Litigation with UPSIDC, U.P
16	Right of use Assets	Leasehold Land	3.28	Odisha Govt	N	01.10.1959	Absence of lease agreement with Govt of Odisha
17	Property, Plant & Equipment	Freehold Land	126.24	Jharkhand State Government	N	From 1960	MOU signing formalities awaited between Jharkhand Govt and SAIL/ Bokaro Steel Plant
18	Property, Plant & Equipment	Freehold Land	10.29	Various Parties	N	1986 to2008	Mutation is pending
19	Property, Plant & Equipment	Freehold Land	0.09	Various Parties	N	1954-1974	Mutation is pending
20	Property, Plant & Equipment	Freehold Land	0.96	Govt of W.B.	N	1963	Pending Registration
21	Property, Plant & Equipment	Freehold Land	7.56	Title Deed not execute for land acquired by State Govt	N	1972 TO 1980	Land was Acquired by State Government

As at 31st March, 202

S. No.	Line Item in Balance Sheet	Nature of Property	Gross Value (₹ Crore)	Title deed held in the name of	Whether title deed holder is a promoter/ Director etc. (Y/N)	Date/Month/ Year since property held	Reason for not being held in name of Group
1	Property, Plant & Equipment	Freehold Land	0.96	Govt of West Bengal	N	1963	Pending Registration
2	Property, Plant & Equipment	Freehold Land	126.24	Jharkhand State Government	N	From 1960	MOU signing formalities awaited between Jharkhand Govt and SAIL/ Bokaro Steel Plant
3	Right of use Assets	Lease Hold Land	16.80	Kolkata Port Trust	N	07-05-2014	Pending Registration
4	Right of use Assets	Lease Hold Land	11.97	Vizag Seaport Pvt Limited	N	27-07-2004	Pending Registration
5	Right of use Assets	Lease Hold Land	0.91	Jammu & Kashmir Govt	N	05-07-1968	Pending Registration
6	Property, Plant & Equipment	Free Hold Land	0.13	Triveni Structural Limited	N	25-02-1970	Pending Registration
7	Right of use Assets	Lease Hold Land	0.67	Kanpur Development Authority	N	1986	Pending Registration
8	Property, Plant & Equipment	Free Hold Land	3.85	Chennai Metro Development Authority	N	06.03.1995	Pending Registration
9	Property, Plant & Equipment	Free Hold Land	0.06	Southern Railway	N	31.03.1984	Pending Registration
10	Right of use Assets	Lease Hold Land	23.04	Kolkata Metropolitan Development Authority	N	09.10.2009	Pending Registration
11	Property, Plant & Equipment	Building	0.28	ASHOK SANKAR BHATNAGAR (HUF)	N	01.08.2019	Pending Registration
12	Property, Plant & Equipment	Freehold Land	0.48	State Govt	N	Sept'1958	Pending receipt of Records of Rights (ROR)
13	Property, Plant & Equipment	Freehold Land	7.56	Title Deed not execute for land acquired by State Govt	N	1972 TO 1980	Land was Acquired by State Government
14	Right of use Assets	Leasehold Land	0.20	Mecon Ltd	N	1979-1980	Held by Mecon Ltd (As per ActNo. 16 of 1978)
15	Right of use Assets	Leasehold Land	15.07	Chhattisgarh government	N	01-03-2013	Taken up with the concerned authorities
16	Property, plant and Equipment	Freehold Land	0.01	Asian Refractories	N	05-04-1963	Rehabilitation on behalf of Deptt of Industries, Govt of Bihar
17	Property, plant and Equipment	Freehold Land	0.12	Assam Siliminites & Bharat Refractories Ltd	N	11-02-1976 & 30-04-1978	Rehabilitation on behalf of Deptt of Industries
18	Property, plant and Equipment	Freehold Land	0.13	India Firebricks & Insulation Company Ltd.	N	15-09-1960	Rehabilitation on behalf of Deptt of Industries
19	Property, Plant & Equipment	Freehold Land	10.29	Various Parties	N	1986 to 2008	Mutation is pending
20	Property, Plant & Equipment	Freehold Land	0.09	Various Parties	N	1954-1974	Mutation is pending
21	Right of use Assets	Leasehold Land	0.49	Govt. of West Bengal	N	01.08.2011	Lease property right is in the name of SAIL for 99 years
22	Right of use Assets	Leasehold Land	147.81	Uttar Pradesh State Industrial Development Corporation (UPSIDC)	N	01.02.2009	Litigation with UPSIDC, U.P
23	Right of use Assets	Leasehold Land	3.28	Odisha Govt	N	Since 1960s	Absence of lease agreement with Govt of Odisha

48.2 (A)
CWIP AGEING SCHEDULE
Amount of CWIP as on 31st March, 2023 from initial recognition in Balance Sheet

(₹ in crore)

S. No.	CWIP	0-12 months	12-24 months	24-36 months	More than 36 months	Total
1	Projects in progress	1419.38	552.79	450.91	2464.40	4887.48
2	Projects Temporarily suspended	11.00	15.70	26.59	358.06	411.35
	Gross CWIP	1430.38	568.49	477.50	2822.46	5298.83
					Less: Provision	407.47
						TOTAL
						4891.36

Amount of CWIP as on 31st March, 2022 from initial recognition in Balance Sheet

(₹ in crore)

S. No.	CWIP	0-12 months	12-24 months	24-36 months	More than 36 months	Total
1	Projects in progress	1027.03	545.67	387.89	2805.27	4765.86
2	Projects Temporarily suspended	17.15	0.68	2.62	322.88	343.33
	Gross CWIP	1044.18	546.35	390.51	3128.15	5109.19
					Less: Provision	399.24
						TOTAL
						4709.95

(B)
CWIP COMPLETION SCHEDULE FOR PROJECTS OVERDUE
As on 31st March, 2023

(₹ in crore)

S. No.	CWIP	To be completed in			
		0-12 months	12-24 months	24-36 months	More than 36 months
Projects in progress					
1	Replacement of Plate Bending Machine in CEM	1.21	-	-	-
2	Restoration of Structure for SGP of BF-4	3.37	-	-	-
3	Installation of 4th Stove in Blast Furnace 4	24.85	-	-	-
4	Rebuilding of salt handling in COCC	2.63	-	-	-
5	Procurement of Railway Rolling Stock - GPWIS	1.79	-	-	-
6	Installation of 3rd BF Gas Flare at DSP	5.79	-	-	-
7	Implementation of Zero liquid discharge at Coke Ov	3.15	-	-	-
8	Recirculation of recovery pit water at SGP of BF	1.63	-	-	-
9	Modification of emergency water Tank	1.76	-	-	-
10	Replacement of 11KV switchboard of sub-station.	5.92	-	-	-
11	Installation of 2 nos addl. pressure PRDU in Power	1.42	-	-	-
12	Replacement of 2 nos Electric loco in coke oven	5.59	-	-	-
13	Installation of land record information system	0.38	-	-	-
14	Installation of ASP Gas Booster in COCC	1.01	-	-	-
15	Stack emission control of NLCP.	2.95	-	-	-
16	Replacement of cooling water pipelines in BOF.	0.02	-	-	-
17	Upgradation of stake emission contrl system in BOF	2.87	-	-	-
18	Installation of a new Gas booster in Rolling Mills	9.80	-	-	-
19	Automation system of Conveyor control in COCC.	6.80	-	-	-
20	Installation of reverse osmosis plant in power pla	6.21	-	-	-
21	Procure. of 1 no Turbo Blower in power plant.	0.01	-	-	-
22	Digital map of Durgapur Steel Plant & ASP	0.00	-	-	-
23	Upgradation-PLC for Process Control- Sinter Plant 1	0.59	-	-	-
24	Emergency Power Backup - Load Lifting Magnets CCP	0.89	-	-	-

48.2 (B) Contd...

(₹ in crore)

S. No.	CWIP	To be completed in			
		0-12 months	12-24 months	24-36 months	More than 36 months
25	Tundish car Weighing System in Billet Caster	0.27	-	-	-
26	Replacement 25 Ton EOT Crane Sinter Fan House SP1	0.15	-	-	-
27	Extn of 3.3KV Switchboard at HT-13 Substation PMD	0.77	-	-	-
28	1 Portable Ultrasound Machine for M&HS	0.00	-	-	-
29	Electro Slag Remelting Unit	1.57	-	-	-
30	Portable Optical Emission Spectrometer	0.41	-	-	-
31	Enterprise Procurement System	0.47	-	-	-
32	Vacuum ARC Degassing Unit	1.50	-	-	-
33	Hydrogen Atmosphere Annealing Furnace	2.78	-	-	-
34	Electronic Drawing & Document Management System (EDDMS)	0.58	-	-	-
35	Heavy Mould Handling System at SRU RRRP	2.32	-	-	-
36	De-dusting System at SRU Bhilai	1.24	-	-	-
37	RM Shed at SRU Bhandaridah	0.62	-	-	-
38	PGP at SRU IFICO	1.93	-	-	-
39	Recycle of waste water - Oxygen Plant (3094)	11.35	-	-	-
40	Construction of Flyover (M250)	29.50	-	-	-
41	Recycle of waste water - BOF/BF (3095)	11.30	-	-	-
42	Elevator (E031)	1.73	-	-	-
43	Hydraulic Laboratory (M043)	1.77	-	-	-
44	DEVELOPMENT OF ROTARY HEARTH FURNACE TECHNOLOGY	1.48	-	-	-
Projects Temporarily suspended		-	-	-	-
1	INST. OF SPNO.3-SURVEY WORK	-	-	-	0.01
2	WIP-MODIFICATION 200T TEEMING CRANE-BLOOM CASTER	-	-	-	2.82
3	DEPOSITION OF 2% CODAL FEES TO RAILWAYS	-	-	-	4.99
4	ENABLING JOBS-ROLLING MILLS-3.0MT EXPN.	-	-	-	6.66
5	3 MT EXPANSION OF DSP - SURVEY WORK.	-	-	-	0.10
6	3 MT EXPAN.DSP/GEOTECHN. INVESTIGATION WORK	-	-	-	0.20
7	Construction of Power supply- 3.0mt Expn	-	-	-	5.27
8	Upgradation of Railway / Traffic infrastructure fa	-	-	-	2.25
9	Consultancy Service for Expnsion Plan-MECON	-	-	-	24.34
10	New Sinter Plant -III - Dismantling Job	-	-	-	4.05
11	Infrastructural Facilities - Expansion	-	-	-	1.04
12	RECIRC WATER SUPPLY SYSTEM RIM SPRAY QUENCH WAP	-	-	-	0.42
13	Dynamic Balancing Machine for Railway Wheels in	2.45	-	-	-
14	Wheel Handling System for Dynamic Wheel Balancing	0.66	-	-	-
15	Additional drinking Water Supply lines in DSP Town	6.36	-	-	-
16	M139	-	-	-	6.17
17	2009	-	-	-	0.56
18	M024	-	-	-	1.29
19	2848	-	-	-	11.63
20	M104	-	-	-	2.42
21	1367	-	-	-	0.31
22	1368	-	-	-	0.05
23	1318	-	-	-	0.52
24	Others	-	-	-	1.28

48.2 (B) Contd...
**CWIP COMPLETION SCHEDULE FOR PROJECTS OVERDUE
As on 31st March, 2022**

(₹ in crore)

S. No.	CWIP	To be completed in			
		0-12 months	12-24 months	24-36 months	More than 36 months
	Projects in progress				
1	Installation Addl nitrogen compressor Oxy plant	4.77	-	-	-
2	RENOVATION OF OLD GCP COOLING TOWER OF BLAST FURNACE	5.08	-	-	-
3	Ladle Tilters at Steel Melting Shop	5.07	-	-	-
4	ESP-2 & PNEUMATIC CONVEYING SYSTEM AT SINTER PLANT	2.78	-	-	-
5	Power supply at 33KV/11KV Punabad Sub-station	8.95	-	-	-
6	Dynamic Balancing Machine for Railway Wheels in	2.45	-	-	-
7	Closed soft water circuit for LF-1 and LF-2 in BOF	5.98	-	-	-
8	Mechanical Shear by Oxy-fuel gas cutting torches	5.10	-	-	-
9	Cast House Tap Hole Drilling Machine and Mud Guns	11.70	-	-	-
10	Installation of 4th Stove in Blast Furnace 4	4.29	-	-	-
11	dupli line of CO gas from furnace to rest of Plant	19.47	-	-	-
12	Replacement of PLC system in Blast Furnace	2.06	-	-	-
13	Recirculation of clean pit water from WAP to RM	0.50	-	-	-
14	Revamping of Cooling Tower in COCC.	0.00	0.02	-	-
15	Installation of ASP Gas Booster in COCC	0.16	-	-	-
16	Bucket Wheel Blender in RMHP	17.17	-	-	-
17	Installation of a new coke oven Gas in COCC	0.00	0.07	-	-
18	Diversion of control cables in BOO oxyzen Plant	0.00	-	0.68	-
19	Procurement of 2 nos. Water cum Foam Fire Tender	0.01	-	-	-
20	Electro Slag Remelting Unit	3.07	-	-	-
21	Portable Optical Emission Spectrometer	0.37	-	-	-
22	Enterprise Procurement System	0.32	-	-	-
23	Scanning Electron Microscope	4.49	-	-	-
24	Development of Railway Yard	8.34	-	-	-
25	Erection of 25KV AC traction at Hirapur Yard	5.60	-	-	-
26	Construction of Flyover	17.40	-	-	-
27	Interplant By Pass Pipeline to BF#05	4.53	-	-	-
28	Recycle of waste water from Sinter Plant & PBS including TRT	5.99	-	-	-
29	Recycle of waste water from CCP, RHF, WRBM, USM, CCAS & Oxygen plant	5.23	-	-	-
30	Recycle of waste water from BF, BOF & PBS seal pot	4.10	-	-	-
31	Sewerage Treatment Plant	5.24	-	-	-
32	Heavy Mould Handling System at SRU RRRP	1.44	-	-	-
	Projects Temporarily suspended				
1.	Wheel Handling System		-	0.66	-
2.	Additional Drinking Water Supply Line	6.36	-	-	-

48.3 The amount due to Micro and Small Enterprises as defined in the The Micro, Small and Medium Enterprises Development Act, 2006 (MSMED) (as disclosed in Note No. 30 Trade Payables) has been determined to the extent such parties have been identified on the basis of information available with the Company. The disclosures relating to Micro, Small and Medium Enterprises under Section 22 of MSMED Act, 2006 as at 31st March, 2023 are as under:

(₹ in crore)

S. No.	Description	As at 31 st March, 2023	As at 31 st March, 2022
i.	The principal amount remaining unpaid to suppliers as at the end of the Year.	448.62	140.65
ii.	The amount of interest accrued during the Year and remaining unpaid at the end of the Year.	-	-
iii.	The amount of further interest remaining due and payable even in the succeeding Year, until such date when the interest dues as above are actually paid to the small enterprises, for the purpose of disallowance as a deductible expenditure under section 23.	-	-
iv.	The interest due thereon remaining unpaid to supplier as at the end of the Year.	-	-
		For the Year ended	
		31 st March, 2023	31 st March, 2022
v.	The amount of interest paid in terms of section 16, along with the amount of the payment made to the supplier beyond the appointed day during the Year.	-	-
vi.	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the Year) but without adding the interest specified under this Act.	-	-

48.4 (A)

TRADE PAYABLE AGEING SCHEDULE

(₹ in crore)

Outstanding as on 31/03/2023 from due date of payment								
S. No.	Particulars	Unbilled Dues	Not due	0-12 months	12-24 months	24-36 months	More than 36 months	Total
1	MSME - Disputed	-	-	-	-	-	-	10.68
2	MSME - Undisputed	139.27	298.67	-	-	-	-	437.94
	Subtotal - A	139.27	309.35	-	-	-	-	448.62
3	Others - Disputed	3.52	129.18	0.78	0.27	0.29	44.06	178.10
4	Others - Undisputed	1476.11	1645.65	9900.21	330.47	25.88	333.85	13712.16
	Subtotal - B	1479.63	1774.83	9900.99	330.74	26.17	377.91	13890.25
	Grand Total (A+B)	1618.90	2084.18	9900.99	330.74	26.17	377.91	14338.88

(₹ in crore)

Outstanding as on 31 st March, 2022 from due date of payment								
S. No.	Particulars	Unbilled Dues	Not due	0-12 months	12-24 months	24-36 months	More than 36 months	Total
1	MSME - Disputed	-	-	-	-	-	-	-
2	MSME - Undisputed	1.85	108.51	30.29	-	-	-	140.65
	Subtotal - A	1.85	108.51	30.29	-	-	-	140.65
3	Others - Disputed	1.92	92.56	0.27	0.92	41.26	9.25	146.18
4	Others - Undisputed	1326.22	1247.68	13114.25	71.00	185.86	440.70	16385.71
	Subtotal - B	1328.14	1340.24	13114.52	71.92	227.12	449.95	16531.89
	Grand Total (A+B)	1329.99	1448.75	13144.81	71.92	227.12	449.95	16672.54

(B)

Expected credit losses

Group provides expected credit losses based on the following;

The Group recognizes lifetime expected credit losses on trade receivables using a simplified approach and uses historical information to arrive at loss percentage relevant to each category of trade receivables:

TRADE RECEIVABLE AGEING SCHEDULE

(₹ in crore)

Ageing of Trade Receivables as at 31 st March, 2023									
Particulars	Unbilled	Not Due	0-3 months	3-6 months	6-12 months	12-24 months	24-36 months	more than 36 months	Total
Gross carrying amount									
(A) Current:									
Undisputed - considered good	-	4040.12	702.98	338.26	166.52	51.85	45.06	17.66	5362.44
Disputed - considered good	-	-	-	-	-	0.04	-	-	0.04
	-	4040.12	702.98	338.26	166.52	51.89	45.06	17.66	5362.48

Ageing of Trade Receivables as at 31 st March, 2023										
Particulars	Unbilled	Not Due	0-3 months	3-6 months	6-12 months	12-24 months	24-36 months	more than 36 months	Total	
Undisputed - credit impaired	-	-	-	-	-	-	-	-	265.15	265.15
Disputed - credit impaired	-	-	-	-	-	-	-	-	46.15	46.15
	-	-	-	-	-	-	-	-	311.29	311.29
Total current	-	4040.12	702.98	338.26	166.52	51.89	45.06	328.95	5673.77	
(B) Non - current:										
Undisputed - considered good	-	-	-	-	-	-	-	-	-	-
Disputed - considered good	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-
Undisputed - credit impaired	-	-	-	-	-	-	-	-	-	-
Disputed - credit impaired	-	-	-	-	-	-	-	-	7.83	7.83
	-	-	-	-	-	-	-	-	7.83	7.83
Total Non-current	-	-	-	-	-	-	-	-	7.83	7.83
Total gross	-	4040.12	702.98	338.26	166.52	51.89	45.06	336.78	5681.60	
Expected loss (%)	-	-	-	-	-	-	-	-	94.76	5.62
Credit loss allowance	-	-	-	-	-	-	-	-	319.12	319.12
Net carrying value	-	4040.12	702.98	338.26	166.52	51.89	45.06	17.66	5362.48	

(₹ in crore)

Ageing of Trade Receivables as at 31 st March, 2022										
Particulars	Unbilled	Not Due	0-3 months	3-6 months	6-12 months	12-24 months	24-36 months	more than 36 months	Total	
Gross carrying amount										
(A) Current:										
Undisputed - considered good	11.41	3371.78	740.22	100.82	117.42	223.00	163.94	7.81	4736.40	
Disputed - considered good	-	-	-	-	0.05	-	0.38	-	0.43	
	11.41	3371.78	740.22	100.82	117.47	223.00	164.32	7.81	4736.83	
Undisputed - credit impaired	-	-	-	-	-	-	-	-	192.14	192.14
Disputed - credit impaired	-	-	-	-	-	-	-	-	68.79	68.79
	-	-	-	-	-	-	-	-	260.93	260.93
Total current	11.41	3371.78	740.22	100.82	117.47	223.00	164.32	268.74	4997.76	
(B) Non - current:										
Undisputed - considered good	-	-	-	-	-	-	-	-	-	-
Disputed - considered good	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-
Undisputed - credit impaired	-	-	-	-	-	-	0.04	-	-	0.04
Disputed - credit impaired	-	-	-	-	-	-	7.83	-	-	7.83
	-	-	-	-	-	-	7.87	-	-	7.87
Total Non-current	-	-	-	-	-	-	7.87	-	-	7.87
Total gross	11.41	3371.78	740.22	100.82	117.47	230.87	164.32	268.74	5005.63	
Expected loss (%)	-	-	0.04	-	-	10.60	2.42	89.34	5.37	
Credit loss allowance	-	-	0.27	-	-	24.47	3.97	240.09	268.80	
Net carrying value	11.41	3371.78	739.95	100.82	117.47	206.40	160.35	28.65	4736.83	

Reconciliation of expected credit loss allowance

(₹ in crore)

S. No.	Particulars	Amount
	As at 31st March, 2021	244.71
	Changes in allowance	23.73
	As at 31st March, 2022	268.44
	Changes in allowance	50.68
	As at 31st March, 2023	319.12

48.5 Balances of some of the Trade Receivables, Other Assets, Trade and Other Payables are subject to confirmations/reconciliations and consequential adjustment, if any. Reconciliations are carried out on on-going basis. Provisions, wherever considered necessary, have been made. However, Management does not expect to have any material financial impact of such pending confirmations/reconciliations.

49.1 In accordance with Ind AS 115- Revenue from Contracts with Customers', GST amount of ₹ 18071.67 crore (Previous Year: ₹ 16589.94 crore) is not included in Revenue from Operations

49.2 (a) As per the terms of sales with certain Government agencies, the invoicing to these agencies are done at provisional prices, till a final price is subsequently agreed. The revenue recognized on aforementioned provisional prices basis is as under:

(₹ in crore)					
Quarter ended 31 st March, 2023	Year ended 31 st March, 2023	Cumulative till 31 st March, 2023	Quarter ended 31 st March, 2022	Year ended 31 st March, 2022	Cumulative till 31 st March, 2022
2305.64	8688.65*	29182.75*	1808.94	6237.41	21163.29

* Includes ₹ 489.32 Crore in respect of sales for the Financial Year ended 31st March, 2022 on account of revision of Provisional rail prices made with effect from 1st April 2021.

(b) Sales for the year ended 31st March, 2023 include ₹198.63 crore towards rail price revision for the Financial Year 2020-21, as per the recommendation of the Office of the Chief Adviser (Cost), Ministry of Finance. However, the same is pending for approval of the Railway Board. As per the assessment of the Company, it is highly probable that significant reversal in the amount of cumulative revenue recognised will not occur. Further, an amount of ₹108.17 Crore has been provided towards revision of rail prices for the Financial Year 2019-20.

49.3 As per the Department of Public Enterprises (DPE) guideline, the Company is required to contribute up to 30% of Salary (Basic Pay plus Dearness Allowance) in respect of executive employees as superannuation benefits, which may include Contributory Provident Fund, Gratuity, Pension and Post-Superannuation Benefits. Accordingly the Company has made provision for pension benefit for executive employees @ 9% of Salary w.e.f. 1st January, 2007 and @3% of Salary w.e.f. 1st April, 2015. Further, pension benefit for non-executive employees has been provided @ 6% of Salary w.e.f. 1st January, 2012 and @2% of Salary w.e.f. 1st April, 2015. Subsequent to wage revision, the pension benefit for non-executive employees has been provided @ 9% of Salary w.e.f. 1st November, 2021.

Pension Scheme was approved in the Meeting of the Board of Directors held on 9th February, 2017 with modification that from the Financial Year 2015-16 and onwards, the contribution towards Pension shall be measured, as a percentage of Profit Before Tax (PBT) to average Net-worth. If the percentage of PBT to average Net-worth is 8% or above, amount of Pension contribution shall be limited to 9% of Basic Pay plus DA for Executives and 6% of Basic Pay plus DA for Non-executive (@9% w.e.f. 1st November, 2021), else the amount of contribution towards Pension will be reduced proportionately. However, a minimum Pension contribution shall be kept at the rate of 3% and 2 % (@3% w.e.f. 1st November, 2021) of Basic Pay plus DA for Executive and Non-Executive employees respectively even in case of loss during a Financial Year. During the Financial Year ended 31st March, 2023 provision for pension has been made @ 6.84% for all employees.

The cumulative liability towards pension for Executive and Non-executive employees, amounting to ₹825.71 crore (₹462.62 crore during the Year) and ₹57.53 crore (₹2.06 crore during the Year) has been charged to 'Employee Benefits Expense' and 'Expenditure during Construction' respectively. An amount of ₹569.35 crore has been transferred to Pension Fund during the Year. Further, an amount of ₹58.77 crore has been paid to retired employees during the Year and an amount of ₹0.19 crore deposited by the employees for being eligible for pension.

49.4 The research and development expenditure charged to Statement of Profit and Loss and allocated to Fixed Assets/Capital work-in-progress (Net), during the Year, amount to ₹397.60 crore (₹742.90 crore during the previous Year) and ₹32.88 crore (₹71.91 crore during the previous Year) respectively. The aggregate amount of revenue expenditure incurred on research and development is shown in the respective head of accounts. The break-up of the amount is as under:

Head of Account	For the Year ended	
	As at 31 st March, 2023	As at 31 st March, 2022
Raw Materials	217.91	418.42
Employees Benefits Expense	88.79	152.07
Stores & Spares Consumed	7.04	23.52
Power & Fuel	16.30	29.53
Repairs & Maintenance	6.56	11.30
Depreciation and Amortisation Expense	11.63	20.05
Other Expenses	45.40	80.62
Finance Cost	3.97	7.39
Total	397.60	742.90

49.5 The Group considers the assets of one entire plant as Cash Generating Unit (CGU). The Group internally reviews whether there are any indicators that the carrying amount of assets of CGUs may be impaired on each balance sheet date. If any such indicators exist, the asset recoverable amount is estimated as higher of the net selling price and the value in use. Value in use is based on present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. An impairment loss is recognised whenever the carrying amounts of assets of a CGU exceed the asset recoverable amount. Further to the internal assessment, the Group also determines net selling price of the assets of CGU, in which any such indication exists, once every three years by an independent expert.

As on the reporting date, based on the internal assessment done by the group at its different CGUs, Property, Plant and Equipment (except leasehold land) of one of the units (Bokaro Steel Plant) is impaired during F/Y 2022-23. The amount of impairment losses recognised in profit & loss during the year is ₹ 9.10 Crs. (₹ NIL crore as on 31.03.2022) and the same is included under the item other expenses (Note no.41).

Disclosure related to Corporate Social Responsibility

49.6 (A) As per Section 135 of the Companies Act, 2013, the Company is required to spent ₹157.95 crore for the year 2022-23 (previous year: ₹ 80.47 crore). The Company has incurred an expenditure of ₹162.46 crore on CSR activities during the year (₹ 94.24 crore during the previous Year) under the following heads:-

(₹ in crore)

Particulars	For the Year ended	
	As at 31 st March, 2023	As at 31 st March, 2022
Education	30.41	8.50
Healthcare	30.31	63.25
Livelihood Generation	12.18	2.22
Women Empowerment	3.56	1.11
Drinking Water	4.50	1.03
Sanitation	5.39	1.54
Sports	15.03	0.80
Art & Culture	11.92	1.33
Rural Development	15.06	11.03
Social Security	6.57	0.66
Environment Sustainability	21.10	1.08
Disaster Relief	0.24	1.38
Project Identification and Monitoring	0.09	0.18
Capacity Building of Personnel	6.11	0.13
Total	162.46	94.24

(B) The Company has spent an amount of ₹6.74 crore on construction/acquisition of asset during the year (₹7.95 crore during the previous year).

(C) Out of ₹162.46 crore, an amount of ₹51.73 crore (previous year- ₹Nil crore) has been transferred to 'Unspent CSR Bank Account'. The liability for the same has been booked under Note No. 31 with expenditure booked under the following heads:

(₹ in crore)

Particulars	For the Year ended 31 st March, 2023
Education	3.42
Healthcare	10.89
Livelihood Generation	1.59
Women Empowerment	1.63
Drinking Water	2.18
Sanitation	1.08
Sports	6.39
Art & Culture	0.44
Rural Development	4.76
Social Security	3.03
Environment Sustainability	16.26
Project Identification and Monitoring	0.04
Total	51.73

- 49.7** In compliance to General Financial Rule 238(5) & (6), the details of Grants received from Ministry of Steel and its utilization for Research and Development Projects during last three years are as under:

(₹ in crore)

Year	Grant Received from Central Government	Grant Utilised (from Opening Balance and Current Year)
2022-23	-	0.39
2021-22	-	0.26
2020-21	-	1.50

- 49.8** Information on leases as per Indian Accounting Standards (Ind AS) 116 on 'Leases':

(I) The Company has leases for Land, office building, Plant & Equipment, warehouses & related facilities and vehicles. With the exception of short-term leases and leases of low-value underlying assets, each lease is reflected on the balance sheet as a right-of-use asset and a lease liability. Variable lease payments which do not depend on an index or a rate are excluded from the initial measurement of the lease liability and right of use assets. The Company classifies its right-of-use assets in a consistent manner to its Property, plant and equipment.

Each lease generally imposes a restriction that, unless there is a contractual right for the Company to sublease the asset to another party, the right-of-use asset can only be used by the Company. Some leases contain an option to extend the lease for a further term. The Company is prohibited from selling or pledging the underlying leased assets as security. For leases over office buildings and other premises the Company must keep those properties in a good state of repair and return the properties in their original condition at the end of the lease. Further, the Company is required to pay maintenance fees in accordance with the lease contracts.

Right of Use assets

Set out below are the carrying amounts of right-of-use assets (Refer note 4a) recognised and the movements during the period:

(₹ in crore)

Particulars	Leasehold	Plant and equipment	Vehicles	Buildings	Right of Use assets Total
As at 1 st April, 2022	782.38	3038.83	4.92	7.91	3834.04
Additions/Disposal	5.25	1470.40	1.84	-1.26	1476.23
Depreciation expense	57.03	337.88	3.66	1.46	400.03
As at 31st March, 2023	730.60	4171.35	3.10	5.19	4910.24

Lease liabilities

Set out below are the carrying amounts of lease liabilities (included under interest-bearing loans and borrowings) and the movements during the year:

(₹ in crore)

Particulars	Lease liabilities
As at 1 st April , 2022	3898.44
Additions	735.36
Interest accrued	367.22
Payments	593.84
Adjustments	704.40
As at 31st March, 2023	5111.61
Current	374.50
Non Current	4737.11

a. Lease payments not included in measurement of lease liability

The expenses relating to payments not included in the measurement of the lease liability are as follows:

(₹ in crore)

Particulars	As at 31 st March, 2023
Short-term leases	0.36
Leases of low value assets	-
Variable lease payments	18.76
Others	-

- b. Total cash outflow for leases for the Year ended 31st March, 2023 are ₹1550.79 crore (previous year: ₹1196.26 crore).
- c. The Group has total commitment for short-term leases of ₹0.47 crore as at 31st March, 2023 (previous year: ₹0.08 crore).
- d. Maturity of lease liabilities**

The lease liabilities are secured by the related underlying assets. Future minimum lease payments are as follows:

(₹ in crore)

Particulars	Minimum lease payments due as at 31 st March 2023			
	Within 1 year	1-5 years	More than 5 years	Total
Lease payments	669.62	2369.71	5365.23	8404.56
Interest expense	318.50	1106.53	1867.92	3292.94
Net present values	351.12	1263.18	3497.31	5111.61

(₹ in crore)

Particulars	Minimum lease payments due as at 31 st March 2022			
	Within 1 year	1-5 years	More than 5 years	Total
Lease payments	592.04	2134.00	5036.32	7762.36
Interest expense	329.79	1235.86	2298.27	3863.92
Net present values	262.25	898.14	2738.05	3898.44

- e. Variable lease payments are expensed in the period they are incurred. Expected future cash outflow as at 31st March, 2023 is ₹Nil crore (Previous Year ₹NIL crore).

f. Information about extension and termination options :

Right of use assets	Number of leases	Range of remaining term	Average remaining lease term	Number of leases with extension option	Number of leases With termination option
Leasehold Land	26	1-87	30.64	17	2
Plant and equipment	10	0-19	7.13	10	1
Vehicles	14	0-4.67	1.58	4	8
Buildings	17	0.3-46.80	6.95	15	13

- g. The total future cash outflows as at 31st March, 2023 for leases that had not yet commenced is of ₹Nil crore (previous Year ₹NIL crore) (office premises).

Group as a lessor

Operating lease as a lessor

The Group has entered into lease agreements for spaces such as banks, housing societies, hospitals, mobile towers land plots and employee Quarter/flats spaces, etc.

The period for such leases ranges from 11 months to 50 years depending upon terms and conditions of each lease arrangements.

Future minimum lease payments receivable under the operating lease is as below:

(₹ in crore)

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
(a) Not Later than one year	26.04	25.01
(b) Later than one year and not later than five years	65.53	64.26
(c) Later than five years	93.92	126.54
Total	185.49	215.81

Total operating lease rental income recognised in the statement of profit and loss during the Year ended 31st March, 2023 is ₹29.71 crore (previous year: ₹27.91 crore).

Finance lease as a lessor

The Group has freehold land which has been leased to various parties under finance lease arrangements.

Future minimum lease payments receivable under the finance lease is as below: (₹ in crore)

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
(a) Not Later than one year	0.73	0.29
(b) Later than one year and not later than five years	0.84	1.01
(c) Later than five years	8.79	9.74
Total undiscounted lease payments	10.36	11.04
Unearned finance income	9.27	9.67
Net investment in lease	1.09	1.37

Total finance lease rental income recognised in the statement of profit and loss during the Year ended 31st March, 2023 is ₹0.54 crore (previous year: ₹0.56 crore).

(II) Description of major leasing arrangements

Power Plant

The Company has accounted for certain power plants as finance lease under Appendix C of Ind AS 17 by virtue of the power purchase agreement with the supplier. Under the terms of the power purchase agreement, the Company shall continue to purchase power until the parties decide to terminate the agreement, which has been determined to be an un-economic proposition considering the specialised nature and location of the asset. For any new lease treatment has been done in accordance with Ind AS 116 – Leases.

Oxygen Plant

The Company has accounted for certain oxygen plants as finance lease (or operating lease) under Appendix C of Ind AS 17 by virtue of the oxygen purchase agreement with the supplier. The agreement to purchase oxygen is a 15 year fixed term agreement. There is no change in treatment under Ind AS 116 – Leases.

Mining land

The Company has accounted for leasehold lands for mining as finance leases by virtue of its rights under the lease agreement after considering the right/ economic compulsion for renewal. There is no change in treatment under Ind AS 116 – Leases.

49.9 Contributions made in cash and kind for the period from the Financial Year 2006-07 to 2021-22 to Railway authorities for laying out railway line from Rajhara to Rowghat would be recovered in cash at the rate of 7% per annum for 37 years on total contribution towards redemption of SAIL's contribution after commencement and fulfilment of assured traffic from Rowghat mines. Management is of view that the criteria laid out in Memorandum of Understanding will be met and interest accrues from the date of investment. The refund amount comprises principal and interest elements. Accordingly, the interest element has been computed and recognised as income during the year amounting to ₹51.60 crore (till date ₹249.92 crore). As per the opinion of Expert Advisory Committee of The Institute of Chartered Accountants of India, such treatment of recognition on time proportion basis is in order as in view of the Management, no significant uncertainty exists regarding collectability and measurability of revenue.

During the year, the company has recognised a loss of ₹170.81 crore arising out of modification of financial assets on account of revision of estimated period of completion of Rowghat railway line.

49.10 The inventory of sub-grade iron ore fines generated at the captive mines of the Company were not assigned any value in the books of accounts of the Company till the financial Year ended 31st March 2019, since, the Government of India Notification dated 19th September 2012 prohibited all captive miners from selling such sub-grade fines.

Following the Government of India Order no. F.No.16/30/2019-M.VI dated 16th September 2019 allowing sale of sub-grade iron ore fines, the inventories of sub-grade fines held by the Company gained economic value. In this regard, the Company also obtained opinions from the Additional Solicitor General of India as well as the Expert Advisory Committee (EAC) of Institute of Chartered Accountants of India (ICAI). Based on the aforesaid opinions, the Company recognized these inventories as by-product inventory as at 31st March 2020. Since, these inventories were generated over many years, hence, making it impracticable to ascertain the actual valuation, the Company assigned a valuation to such inventories basis average selling price of similar sub-grade fines over the last 36 months as declared by Indian Bureau of Mines (IBM), a Government of India organisation and as adjusted for royalty and other selling costs.

The Company has obtained all clearances including environmental clearance and clearance from Director General of Mines Safety, Government of India. Further, procedural clearances have been obtained from the State Government of Odisha. With respect to the State of Jharkhand, the delay in the clearances is procedural and the management expects to receive the clearances soon. This is also supported by the legal opinion taken by the Company in this regard.

As a result, the management has been able to sell off such inventories in certain locations. While, on an overall basis during the current and the previous year, there has been movement of 1.43 million tonnes in the volume of such inventories, there is significant market demand for sub-grade fines and the recent sales price trends are indicative of considerable margins over and above the carrying value of such inventories. The management also has plans to set up beneficiation plant in future that will consume significant volume of sub-grade fines annually. Accordingly, in view of the management, there is no adjustment required in the carrying value of these inventories at this stage.

Considering the substantial volume of inventories, the quantity estimated to be sold / consumed within the next one year has been recognized as current and the balance has been classified as non-current inventory.

As at 31st March 2023, the Company is carrying sub-grade iron-ore fines inventory of 41.55 MT (as at 31st March 2022: 41.94 MT) valuing ₹3995.75 crores (as at 31st March 2022 valuing ₹4034.95 crores) at its various mines.

Likewise, the Company

- at its Barsua and Dalli Mines is carrying inventory of tailings of 10.27 MT (as at 31st March 2022: 7.44 MT) valuing ₹491.98 crores (as at 31st March 2022 valuing ₹382.66 crores).
- at its Bhilai, Bokaro and Rourkela Steel Plants is carrying inventory of extractable iron and steel scrap embedded in BF Slag and LD Slag of 0.47 MT (as at 31st March 2022 : 0.49 Mt) valuing ₹ 460.35 crores (as at 31st March 2022 valuing ₹507.10 crores).
- at its Chandrapur Ferro Alloys Plant is carrying inventory of Granulated high manganese ore (HMnO) slag and slag fines of 0.52 MT (as at 31st March 2022 : 0.52 MT) valuing ₹41.56 crores (as at 31st March 2022 valuing ₹39.29 crores).

The Company is formulating a detailed plan for disposal / consumption of these inventories.

Considering the market volatility, steel market dynamics, possibility of future additions to steel and pellet making capacity in the country which may augment the demand of these materials, the carrying value of the non-current inventories need not be adjusted for any unforeseeable changes in the future prices. Accordingly, in view of the management, the carrying values of the aforementioned inventories are the best estimates basis the information available at this stage.

49.11 The Cabinet Committee on Economic Affairs (CCEA) in its meeting held on 27th October, 2016 had accorded 'in-principle' approval for Strategic Disinvestment of three units of Steel Authority of India Limited (SAIL) viz. Visvesvaraya Iron & Steel Plant (VISP), Bhadravati, Karnataka, Salem Steel Plant (SSP), Tamil Nadu and Alloy Steel Plant (ASP), West Bengal. Subsequently, in line with the "in-principle" approval of Government of India, SAIL Board in its meeting held on 9th February, 2017, approved the Strategic Disinvestment of ASP, VISP and SSP. The Company appointed various Advisors to carry out the process. The entire process of Strategic Disinvestment is being overseen by an Inter-Ministerial Group (IMG). The IMG is chaired by Secretary, Department of Public Assets Management (DIPAM) and co-chaired by Secretary (Steel).

Preliminary Information Memorandum (PIM)/Expression of Interest (EoI), Requests of ASP, SSP and VISP were issued on 4th July 2019 and EOI bids were opened on 10th September 2019. EOIs were received for Salem Steel Plant(SSP) and Visvesvaraya Iron & Steel Plant (VISP), Bhadravati. The existing Expression of Interest of VISP has been annulled due to lack of interest of the shortlisted bidders in proceeding further with the transaction and Alternative Mechanism has approved.

In view of the current status and the various disinvestment processes which are underway, no adjustment in these financial statements is considered necessary at this stage.

49.12 (a) During the current year, Exceptional items includes:

- (i) Profit on sale of Fixed assets amounting to ₹301.34 crore on account of sale of a portion of land to Dedicated Freight Corridor Corporation of India Limited (DFCCIL).
- (ii) An amount of ₹ 38.91 crore towards settlement of a long pending demand of electricity duty on Transmission & Transformation loss under One Time Settlement Scheme and an amount of ₹ 4.44 crore towards a dispute arising out of a contract finalized during 2000-01.

(b) During previous year, In relation to a case pending before the Hon'ble Delhi High Court in respect of an award by Arbitral Tribunal, the company went for out of court settlement and accordingly an amount of ₹353.41 crore has been disclosed as exceptional item

49.13 The net of unreconciled balances in IUCA (Inter-unit current accounts) at the end of the year are transferred to IUCA Reserve under head Other Equity (Note. No. 23). The sum of IUCA Reserve for all units of SAIL is Nil

49.14 The Company declared interim dividends @ 10% of the paid-up equity share capital (i.e. ₹1.00 per equity share of ₹10/- each) during the Financial Year 2022-23. Further, final dividend @ 5% of the paid-up equity share capital (i.e. ₹ 0.50 per equity share of ₹10/- each) is proposed be declared for the Financial Year 2022-23 subject to approval of the Shareholders in the ensuing Annual General Meeting of the Company. Accordingly, the cumulative dividend for the Financial Year 2022-23 will be 15% of paid-up equity share capital.

50.1 DEFINED BENEFIT SCHEMES

50.1.1 General Description of Defined Benefit Schemes:

Gratuity	: Payable on separation @15 days pay for each completed year of service to eligible employees who render continuous service of 5 years or more (for service beyond 30 years, one month's salary for every completed year of service beyond 30 years). Maximum amount of ₹20 lakhs for executives & non-executives joined on or after 1 st July, 2014. For non-executive employees joined before 1 st July, 2014, the gratuity accrued on pre revised Basic Pay and DA, as on the date of implementation of wage revision i.e. 18.10.2021 or ₹20 lakhs whichever is higher has been considered for actuarial valuation.
Leave Encashment	: Payable on superannuation to eligible employees who have accumulated Earned and Half Pay Leave, subject to maximum limit of 300 days combined for earned leave and half pay leave. Encashment of accumulated earned leave also allowed upto 30 days once in the Financial Year from 2022-23.
Provident Fund	: 12% of Basic Pay Plus Dearness Allowance, contributed to the Provident Fund Trusts by the company.
Post Retirement Medical Benefits	: Available to retired employees at company's hospitals and/or under the health insurance policy.
Post Retirement Settlement Benefits	: Payable to retiring employees for settlement at their home town.
Long term service Award	: Payable in kind on rendering minimum 25 years of service and also on superannuation.

50.1.2 Other disclosures, as required under Ind AS 19 on 'Employee Benefits', in respect of defined benefit obligations are:

(a) Reconciliation of Present Value of Defined Benefit Obligations : (₹ in crore)

Sl. No.	Particulars	Gratuity	Leave Encashment	Post Retirement Medical Benefits	Post Retirement Settlement Benefit	Long Term Service Award
i)	Present Value of projected benefit obligations, as at the beginning of the year.	5523.12 (5780.54)	3527.05 (3207.65)	1467.26 (1046.79)	1467.26 (1046.79)	21.18 (17.57)
ii)	Service Cost	277.47 (291.54)	511.25 (506.34)	- (-)	- (-)	0.67 (0.59)
iii)	Interest Cost	364.64 (381.22)	220.55 (197.94)	95.75 (67.89)	9.35 (7.49)	1.40 (1.10)
iv)	Actuarial Gains(-) / Losses(+)	205.34 (-107.68)	347.07 (454.83)	411.55 (228.13)	15.37 (23.39)	-2.29 (5.20)
v)	Past Service Cost	- (-)	- (-)	- (305.75)	- (-)	- (-)
vi)	Benefits Paid	774.74 (822.49)	841.90 (839.72)	237.14 (181.27)	7.78 (5.90)	3.38 (3.28)
vii)	Present Value of projected benefit obligations as at the end of the year. (i+ii+iii+iv+v-vi)	5595.83 (5523.12)	3764.05 (3527.03)	1737.45 (1467.28)	152.80 (135.86)	17.55 (21.18)

(b) Reconciliation of Fair Value of Assets and Obligations

The Company has funded the gratuity liability through a separate Gratuity Fund. The fair value of the plan assets is mainly based on the information given by the insurance companies through whom the investments have been made by the Fund. The reconciliation of fair value of assets of the Gratuity Fund and defined benefit gratuity obligations is as under:

(₹ in crore)

Sl. No.	Particulars	2022-23	2021-22
i)	Fair Value of plan assets as at the beginning of the year	5936.04	6235.29
ii)	Actuarial Gain/Loss(-)	-16.88	12.23
iii)	Actual Company's contribution	242.77	68.38
iv)	Expected return on plan assets	421.45	442.70
v)	Benefits payments	774.74	822.56
vi)	Fair value of plan assets as at the end of the year	5808.77	5936.04
vii)	Present value of defined benefit obligation [50.1.2(a)(vii)]	5595.84	5523.12
viii)	Net liability recognised in the Balance sheet (vii)-(vi) *	-212.93	-413.04

*The Company does not expect to contribute any amount towards the expenses of Gratuity Fund during the year 2023-24, after considering the return on the investments.

The defined benefit obligations, other than gratuity, are non-funded.

(c) Expenses recognised in the Statement of Profit and Loss for the Year :

(₹ in crore)

Sl. No.	Particulars	Gratuity	Leave Encashment	Post Retirement Medical Benefits	Post Retirement Settlement Benefit	Long Term Service Award
i)	Service Cost	277.47 (291.54)	511.25 (506.34)	- (-)	- (-)	0.67 (0.59)
ii)	Interest Cost	-56.82 (-61.48)	220.55 (197.94)	95.75 (67.89)	9.35 (7.49)	1.40 (1.10)
iii)	Actuarial Gains (-)/Losses	205.34 (-107.68)	347.07 (454.83)	411.55 (228.13)	15.37 (23.39)	-2.29 (5.20)
iv)	Past Service Cost	- (-)	- (-)	- (305.75)	- (-)	- (-)
v)	Expected Return on Plan Assets	-16.88 (12.33)	- (-)	- (-)	- (-)	- (-)
vi)	Total (i+ii+iii+iv-v)	442.87 (110.15)	1078.87 (1159.10)	507.30 (601.77)	24.72 (30.88)	-0.21 (6.89)
vii)	Employees' Benefits Expenses :					
	a) Charged to Profit & Loss Account (Note 39)	219.66 (230.13)	1075.78 (1157.20)	95.75 (373.63)	8.76 (30.89)	-0.21 (6.89)
	b) Charged to Expenditure During Construction (Note 5.1)	0.99 (-0.07)	3.09 (1.90)	- (-)	- (-)	- (-)
	c) Charged to OCI*	222.22 (-119.90)	- (-)	411.55 (228.13)	- (-)	- (-)
	d) Charged to Profit & Loss Account- Other Expenses	- (-)	- (-)	- (-)	15.96 (30.89)	- (-)
viii)	Actual Return on Plan Assets	404.60 (455.05)				

*Remeasurement gains/(losses) on Defined Benefit Plans have been reclassified and shown under Retained Earnings (Note No. 23)

(d) Effect of half percentage point change in the Discount rate on Employees' Benefit schemes

(₹ in crore)

Sl. No.	Particulars	0.5 percentage point decrease in discount rate	0.5 percentage point increase in discount rate
i)	Gratuity	-164.06	154.96
ii)	Leave	-135.70	127.21
iii)	Post Retirement benefit	-76.42	71.66
iv)	Long Term Service Award	-0.64	0.30
v)	Retirement Travelling Allowance	-12.46	16.31

(e) Effect of half percentage point change in the salary escalation rate on Employees' Benefit schemes

(₹ in crore)

Sl. No.	Particulars	One percentage point decrease in salary escalation rate	One percentage point increase in salary escalation rate
i)	Gratuity	58.59	-57.87
ii)	Leave	138.49	-151.18

(f) Effect of half percentage point change in the assumed inflation rate in case of valuation of benefits under post-retirement medical benefits scheme.

(₹ in crore)

Sl. No.	Particulars	One percentage point decrease in salary escalation rate	One percentage point increase in salary escalation rate
i)	Post-retirement medical benefits	-53.79	62.24

(g) Investments of Gratuity Trust

Particulars	% of Investment	
	As at 31 st March, 2023	As at 31 st March, 2022
Insurance Investments	96.95	96.61
Central Government Securities	1.51	1.45
State Government Securities	0.47	0.73
PSU Bonds	0.97	0.94
Cash at Bank	0.10	0.27
Total	100.00	100.00

(h) Actuarial assumptions

Sl. No.	Description	As at 31 st March, 2023	As at 31 st March, 2022
i)	Discount Rate (per annum)	7.35	7.10%
ii)	Mortality rate	IALM (2012-14) Ultimate	IALM (2012-14) Ultimate
iii)	Withdrawal Rates (per annum)	Executives & Non-executives- 0.01% to 0.10% depending upon the age	Executives & Non-executives- 0.01% to 0.10% depending upon the age
iv)	Medical Cost Trend Rates (per annum)	5% for hospital cost and Nil for Medi-claim premium	5% for hospital cost and Nil for Medi-claim premium
v)	Estimated Rate of Return on Plan Assets	7.35%	7.10%
vi)	Salary Escalation	Executives : 6% p.a. Non-Executives : 6% p.a. All employees- 6% step-up after every 10 years of service starting 2017.	Executives : 6% p.a. Non-Executives : 6% p.a. All employees- 6% step-up after every 10 years of service starting 2017.
		The estimate of future salary increases considered in actuarial valuation, takes into account inflation rate, seniority, promotion and other relevant factors	

(i) Maturity profile of Defined Benefit Obligations

(₹ in crore)

Period	As at 31 st March, 2023	As at 31 st March, 2022
Upto 1 year	766.47	733.95
Between 1 to 2 years	689.10	694.12
Between 2 to 3 years	644.82	647.59
Between 3 to 4 years	642.11	623.82
Between 4 to 5 years	690.53	634.35
Between 5 to 10 years	2871.06	3062.02
More than 10 years	2513.48	3269.33
Total Undiscounted Payments related to Past Service	8826.55	9665.16
Less: Discount for Interest	3230.74	4142.04
Projected Benefit Obligation	5595.83	5523.12

51. GENERAL

51.1 Segment Reporting

Business Segments: The five Integrated Steel Plants and three Alloy Steel Plants, being manufacturing units, have been considered as primary business segments for reporting under Ind AS 108 -'Operating Segments' issued by Ministry of Corporate Affairs.

51.2 Related Party

As per Ind AS 24 -'Related Party Disclosures' issued by the Ministry of Corporate Affairs, the names of the related parties, are given below:-

A. Name of the related party and nature of relationship
Subsidiary Companies
SAIL Refractory Company Limited
Chhattisgarh Mega Steel Limited
Joint Venture Companies
NTPC-SAIL Power Company Limited
Bokaro Power Supply Company Private Limited
SAIL Bansal Service Centre Limited
Mjunction Services Limited
Bhilai Jaypee Cement Limited
International Coal Ventures Private Limited
SAIL SCL Kerala Limited
SAIL-RITES Bengal Wagon Industry Private Limited
SAIL Kobe Iron India Private Limited
Prime Gold-SAIL JVC Limited
VSL SAIL JVC Limited
Romelt-SAIL (India) Limited
Bastar Railway Private Limited
GEDCOL SAIL Power Corporation Limited
Associate Company
Almora Magnesite Limited
Other Companies
ICVL Mauritius
Riverdale Mining (PTY) Limited (RML)
Minas De Banga
ICVL Zambeze Mauritius Limited
Benga Power Plant (Mauritius) Limited
IISCO Ujjain Pipe & Foundry Co. Limited
UEC-SAIL Information Technology Limited
Post-employment Benefit Plans
HSL BSP Provident Fund, Bhilai
DSP Provident Fund, Durgapur
Hindustan Steel Ltd Contributory Provident Fund, Rourkela
Bokaro Steel Employees Provident Fund, Bokaro
IISCO Limited Provident Institution, Burnpur
Coal Provident Fund Trust, Collieries
IISCO Limited Works Provident Fund, Burnpur
SAIL ASP Provident Fund, Durgapur
Salem Steel Provident Fund, Salem
Visvesvaraya Iron and Steel Plant Employees Provident Fund Trust, Bhadravati
SAIL Provident Fund, New Delhi
Hindustan Steel Provident Fund, Ranchi
Hindustan Steel Limited, Central Purchase Organisation, Sales & Transport, Calcutta Provident Fund
Bharat Refractories Provident Fund, Bokaro
IFICO Provident Fund, Ramgarh CCSO Provident Fund, Dhanbad
SAIL RMD Establishment and Administrative Offices Employees Provident Fund, Kolkata
Bolani Ores Mines Provident Fund, Bolani
SAIL Employees' Superannuation Benefit Fund
SAIL Gratuity Fund
SAIL Pension Fund

B. Key Management Personnel

Smt Soma Mondal
 Shri Harinand Rai
 Smt Sukriti Likhi
 Shri Puneet Kansal
 Shri A K Tripathi
 Shri Kanhaiya Sarda
 Smt Neelam Sonkar
 Shri SKV Raju
 Dr. G S Bhati
 Shri N Shankarappa
 Shri A Dasgupta
 Shri VS Chakravarthy
 Shri Amarendu prakash
 Shri Atanu Bhowmick
 Shri A K Tulsiani
 Shri B P Singh
 Shri K K Singh
 Smt. K Raman
 Shri Jagdish Arora
 Shri Sanjeev Taneja
 Shri S Subbaraj
 Shri Rajeev Sehgal
 Shri Surajit Mishra
 Shri Nirvik Banerjee
 Shri M V Zode
 Shri M B Balakrishnan
 Shri Subhashis Sengupta

C. Details of transactions between the Company and the Related Parties during the Year

(₹ in crore)

Sl. No.	Particulars	Subsidiary/ Associate/Joint Ventures	Key Management Personnel	Total	Note No. and account head
i)	Investments	- (5.00)		- (5.00)	8 : Investments
ii)	Advance for purchase of shares	-3.52 (5.00)		-3.52 (5.00)	11/19 : Other Financial Assets
iii)	Services rendered	18.98 (8.28)		18.98 (8.28)	
iv)	Rental Income	0.06 (-)		0.06 (-)	36: Other income
v)	Dividend Received	414.49 (192.70)		414.49 (192.70)	
vi)	Sale of Goods	37.59 (6.63)		37.59 (6.63)	35 : Revenue from Operations
vii)	Other Operating Revenues	18.37 (16.11)		18.37 (16.11)	35 : Revenue from Operations
viii)	Purchase of Goods	2075.54 (2158.80)		2075.54 (2158.80)	25/30 : Trade Payables
ix)	Purchase of Power	3085.72 (2374.04)		3085.72 (2374.04)	41 : Other Expenses
x)	Services received	56.25 (64.11)		56.25 (64.11)	41: Other Expenses
		1.88 (0.96)		1.88 (0.96)	5 : Capital WIP
xi)	Interest Income	- (0.01)		- (0.01)	36: Other income
xii)	Managerial remuneration		15.84 (13.18)	15.84 (13.18)	39 : Employees' Benefits Expenses

D. Balances with Related Parties as at the end of the Year

(₹ in crore)

Sl. No.	Particulars	Total	Note No. and account head
i)	Investments	1459.72 (1459.72)	8 : Investments
ii)	Provision for investments	23.77 (5.03)	
iii)	Other Loans and Advances	107.40 (64.70)	11/18/19: Loans
iv)	Provision for Loans and Advances	15.95 (11.92)	
v)	Advance for Purchase of shares	- (3.52)	11/19 : Other Financial Assets
vi)	Trade Receivable	8.41 (15.35)	9/16 : Trade Receivables
vii)	Trade Payable	591.67 (414.07)	25/30 : Trade Payables
viii)	Security Deposit	0.37 (0.37)	26/31 : Other financial liabilities

E. Disclosure of Material Transactions with Related Parties

(₹ in crore)

Name of Struck Off Company	For the Year ended 31st March, 2023	For the Year ended 31st March, 2022	Note No. and account head
Dividend Income SAIL Refractory Co. Ltd Bokaro Power Supply Co. Pvt. Ltd. NTPC-SAIL Power Supply Co. Ltd. Mjunction Services Limited	12.52 66.97 325.00 10.00	5.30 12.40 100.00 75.00	36: Other Income
Investments ICVL S&T Mining Co Ltd.		4.61 0.39	8 : Investments
Advance for Purchase of Shares ICVL SAIL SCL Kerala Ltd. S&T Mining Co Ltd.	-3.52	4.61 0.39	11/19 : Other Financial Assets
Sale of Goods Bhilai Jaypee Cement Limited SAIL Refractory Co. Ltd. SAIL Rites Bengal Wagon Pvt Ltd. NTPC-SAIL Power Supply Co. Ltd	0.06 2.35 30.69 4.49	4.57 2.06	35: Revenue from Operations
Other Operating Revenues NTPC-SAIL Power Supply Co. Ltd.	18.37	16.11	35: Revenue from Operations
Purchase of Goods SAIL Refractory Co. Ltd. Almora Magnesite Ltd. Minas De Banga	197.15 6.11 1872.28	202.30 6.19 1950.31	25/30 : Trade Payables
Purchase of Power Bokaro Power Supply Co. Pvt. Ltd. NTPC-SAIL Power Supply Co. Ltd.	1022.55 2063.17	901.52 1472.52	41 : Other Expenses
Services Rendered Bhilai Jaypee Cement Limited Mjunction Services Limited SAIL-Bansal Services Centre Ltd. Bokaro Power Supply Co. Pvt. Ltd. NTPC SAIL Power Supply Co. Ltd. SAIL Refractory Co. Ltd. SAIL RITES Bengal Wagon	3.21 0.09 0.08 0.29 10.87 1.48	0.54 0.11 0.04 0.38 - 2.65 4.56	36:Other income
Auction services Mjunction Services Limited	56.25 1.88	64.11 0.96	41 : Other Expenses 5 : Capital WIP
PF Trusts	1024.53	1120.47	39: Employee Benefit Expense



F. During the Year, Sales and Trade Receivables include `10739.35 crore (previous Year ₹8574.03 crore) and ₹1429.92 crore (previous Year ₹1147.08 crore) for transactions with the Central Government (including Indian Railways).

G. Details of Loans and Advances granted that are:

- (i) Repayable on demand, or
- (ii) without specifying any terms or period of repayment

(₹ in crore)

Sl. No.	Name of Struck Off Company	As on 31/03/2023		As on 31/03/2022	
		Amount Outstanding	% of Total	Amount Outstanding	% of Total
1	PROMOTER	NIL	NIL	NIL	NIL
2	DIRECTORS (SPECIFY NAMES)				
3	KMPS (SPECIFY NAMES)				
4	RELATED PARTIES				
	(partywise)				
	TOTAL				

H. RELATION WITH STRUCK OFF COMPANIES

(₹ in crore)

Sl. No.	Name of Struck Off Company	Nature of Transaction	Relationship	Balance as on	
				31-03-2023	31-03-2022
1	META INDUSTRIES LIMITED	Job Work Service	Vendor	0.01	0.01
2	HYWELL FORGINGS PRIVATE LIMITED	Receivable	CUSTOMER	-	-
3	VISMAYA METALS PRIVATE LIMITED	Receivable	CUSTOMER	0.40	0.40
4	MADRAS AUTHO COUPLINGS P. LTD	Receivable	CUSTOMER	-	-
5	AUTO FIELD ENGINEERS P. LTD.	Receivable	CUSTOMER	-	-
6	ROYAL TYRES PVT. LTD.	Payable	Vendor	-	-
7	SAIL JAGDISHPUR POWER PLANT LIMITED	Investment	Joint Venture	-	-
8	SAIL SINDRI PROJECTS LIMITED	Investment	Joint Venture	-	-
9	NORTH BENGAL DOLOMITE LIMITED	Investment	Joint Venture	-	-
10	NMDC SAIL LIMITED	Investment	Joint Venture	-	-
11	SAIL MOIL FERRO ALLOYS PVT. LIMITED	Investment	Joint Venture	-	-
12	SAIL BENGAL ALLOY CAST (P) LTD	Investment	Joint Venture	-	-
13	SAIL SCI SHIPPING PVT. LIMITED	Investment	Joint Venture	-	-
14	S & T MINING CO. PVT. LIMITED	Investment	Joint Venture	-	-
15	SPRAYING SYSTEMS (INDIA) PVT. LTD.	Payable	Vendor	-	-
16	DECCAN SMITHS PRIVATE LIMITED	Payable	Customer	0.11	0.11
17	SCHWING STETTER (INDIA) PRIVATE LIMITED	Payable	Customer	0.05	0.05
18	BHARAT WAGON AND ENGINEERING CO. LTD	Payable	Customer	0.01	0.01
19	BURN STANDARD CO. LTD.	Payable	Customer	0.59	0.59
20	HUNTING HAWKS SECURITY & FACILITY SERVICE LTD	Payable	Vendor	0.01	0.01
21	SPRAYING SYSTEMS (INDIA) PVT. LTD.	Payable	Vendor	-	-
22	AKASH ISPAT PVT. LTD.	Payable	Customer	0.11	0.11
23	PRAKASH INDUSTRIES LTD.	Payable	Customer	0.02	0.02

* Figures rounded off to ₹ crore

51.3 Disclosures of provisions required by Indian Accounting Standards (Ind AS) 37 'Provisions, Contingent Liabilities and Contingent Assets:
Brief Description of Provisions :

Mines afforestation costs	Payable on renewal (including deemed renewal)/forest clearance of mining leases to Government authorities, towards afforestation cost at mines for use of forest land for mining purposes.
Mines closure costs	Estimated liability towards closure of mines, to be incurred at the time of cessation of mining activities.
Overburden backlog removal costs	To be incurred towards removal of overburden backlog at mines over the future years.

(₹ in crore)

Movement of provisions	Mines afforestation costs	Mines closure costs	Over burden removal Costs	Total
Balance as at 1 st April, 2022	61.38	131.57	115.05	308.00
Additions during the Year	0.28	33.61	18.37	52.26
Amounts utilised during the Year	25.71	3.16	0.00	28.87
Unused amount reversed during the Year	0.00	0.00	0.00	0.00
Balance as at 31 st March, 2023	35.95	162.02	133.42	331.39

51.4 Particulars in respect of Loans and advances as per the disclosure requirement of regulation 34(3) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015:

Name of the subsidiary Company*	Loans and advances in the nature of loans outstanding as at the end of the Year	Maximum amount of loans and advances in the nature of loans outstanding during the Year
IISCO Ujjain Pipe and Foundry Co. Limited (under liquidation)	2.53* (2.53)*	2.53 (2.53)

* ₹2.53 crore (₹ 2.53 crore), being doubtful of recovery has been provided for in the books of accounts.

- ii) No loans have been given (other than loans to employees), wherein there is no repayment schedule or repayment is beyond seven years; and

There are no loans and advances in the nature of loans, to firms/companies, in which directors are interested

51.5 Reconciliation of Yearly Stock/Receivable statement filed

(₹ in crore)

Year ended	Name of Bank	Particulars of Securities Provided	Amount as reported in the Yearly return	Amount as per books of accounts	Amount of Difference	Reasons for material discrepancies
Jun-22	SBI	Inventory	25105	29400	-4295	Provisional data as on date of filing.
Jun-22	SBI	Trade Receivables	6552	6559	-7	Provisional data as on date of filing.
Sep-22	SBI	Inventory	28601	27839	762	Provisional data as on date of filing.
Sep-22	SBI	Trade Receivables	6423	5961	462	Provisional data as on date of filing.
Dec-22	SBI	Inventory	29096	27183	1913	Provisional data as on date of filing.
Dec-22	SBI	Trade Receivables	6277	6220	57	Provisional data as on date of filing.
Mar-23	SBI	Inventory	28695	27449	1246	Provisional data as on date of filing.
Mar-23	SBI	Trade Receivables	5542	5362	180	Provisional data as on date of filing.

51.6 Ratios as per Amended Schedule III

S. No.	Particulars	31 st March, 2023	31 st March, 2022	Variance (%)	Reasons
1.	Current ratio (Current Assets/ Current Liabilities)	0.77:1	0.73:1	+5%	
2.	Debt-Equity Ratio (Total Borrowings/ Total Equity)	0.59:1	0.33:1	-79%	Increase in Borrowings
3.	Debt Service coverage Ratio (number of times) (Earning before Interest and Tax/ Debt Service)	1.52	1.53	+1%	
4.	Return on Equity (%) (Net profit after tax/ Average Net Worth)	3.65	25.16	-85%	Reduction in profits
5.	Inventory Turnover ratio (number of days) (Average Inventory/ Revenue from Operation)*365	99	77	-29%	Decrease Turnover

S. No.	Particulars	31 st March, 2023	31 st March, 2022	Variance (%)	Reasons
6.	Trade Receivable Turnover ratio (number of days) (Average Trade Receivables/ Revenue from operations)*365	18	23	+22%	
7.	Trade Payable Turnover ratio (number of days) (Average trade payable/ purchase of goods)*365	76	92	-17%	
8.	Net Capital Turnover ratio* (Revenue from Operations/ Working Capital)	*	*	-	
9.	Net profit ratio (%) (Net profit after tax/ Revenue from operations)	1.82	11.61	-84%	Decrease in profits
10.	Return on Capital Employed (%) (Earning before Interest and Tax/ Capital Employed)	4.98	24.26	-79%	Decrease in profits
11.	Return on Investment (%) (Income generated from invested funds/ Average invested funds)	25.45	11.99	+112%	Increase in Dividend Received

*Working Capital is negative

- 51.7** **(a)** No funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Company to or in any person(s) or entity(ies), including foreign entities ('the intermediaries'), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries.
- (b)** No funds have been received by the Company from any person(s) or entity(ies), including foreign entities ('the Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries. Ratios as per Amended Schedule III.

51.8 During the Financial Year:

- (a) The company does not hold any Benami property under the Benami Transactions (Prohibitions) Act, 1988 (45 of 1988) and the rules made thereunder.
- (b) The company has not been declared wilful defaulter by any bank or financial institution or other lender.
- (c) The company does not have any charges or satisfaction yet to be registered with ROC beyond the statutory period.
- (d) The company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of layers) Rules, 2017.
- (e) The company has not entered into any Scheme of Arrangement under section 230 to 237 of the Companies Act, 2013.
- (f) The company does not have any undisclosed income in the tax assessments under the Income tax Act, 1961.
- (g) The company has not traded in crypto currency or virtual currency.



52. OPERATING SEGMENT INFORMATION

(₹ in crore)

Particulars	BSP	DSP	RSP	BSL	ISP	ASP	SSP	VISL	Others	Inter Segment Sales	Total
REVENUE											
- External sales											
Current Year ended 31 st March 2023	28670.03	12133.21	24090.46	23155.90	13002.13	731.60	1798.55	144.00	41.66	-	103767.54
Previous Year ended 31 st March 2022	26299.91	11146.83	24130.47	25680.67	11495.65	699.32	2632.13	243.21	476.94	-	102805.13
- Inter segment sales											
Current Year ended 31 st March 2023	1693.79	1062.64	1380.61	2938.16	494.31	258.54	76.36	161.36	1356.57	(9422.34)	-
Previous Year ended 31 st March 2022	1499.17	659.19	2591.85	2607.65	687.31	190.43	16.79	128.19	2808.56	(11189.14)	-
- Total Revenue from sale of products											
Current Year ended 31 st March 2023	30363.82	13195.85	25471.07	26094.06	13496.44	990.14	1874.91	305.36	1398.42	(9422.34)	103767.73
Previous Year ended 31 st March 2022	27799.08	11806.02	26722.32	28288.32	12182.96	889.75	2648.92	371.40	3288.91	(11189.14)	102808.54
RESULTS											
- Operating Profit / (Loss) before Interest and exceptional items											
Current Year ended 31 st March 2023	954.33	502.49	1191.23	1218.79	558.03	(121.79)	(203.06)	(50.57)	366.94	-	4416.39
Previous Year ended 31 st March 2022	2853.35	1157.02	6347.65	6386.86	827.14	(71.46)	97.79	(35.88)	527.54	-	18090.01
- Finance costs											
Current Year ended 31 st March 2023	-	-	-	-	-	-	-	-	-	-	2037.47
Previous Year ended 31 st March 2022	-	-	-	-	-	-	-	-	-	-	1697.88
- Exceptional items											
Current Year ended 31 st March 2023	-	-	-	-	-	-	-	-	-	-	(257.99)
Previous Year ended 31 st March 2022	-	-	-	-	-	-	-	-	-	-	353.41
- Tax expenses											
Current Year ended 31 st March 2023	-	-	-	-	-	-	-	-	-	-	733.84
Previous Year ended 31 st March 2022	-	-	-	-	-	-	-	-	-	-	4023.68
- Profit for the year											
Current Year ended 31 st March 2023	-	-	-	-	-	-	-	-	-	-	1903.07
Previous Year ended 31 st March 2022	-	-	-	-	-	-	-	-	-	-	12015.04
OTHER INFORMATION											
- Segment assets											
Current Year ended 31 st March 2023	34203.09	7440.11	28204.33	22190.44	15867.84	619.15	2515.84	238.26	16435.93	-	127714.99
Previous Year ended 31 st March 2022	31351.06	6283.17	25844.95	20785.61	15750.29	565.31	2211.64	271.24	14677.87	-	117741.14
- Segment Liabilities											
Current Year ended 31 st March 2023	9300.61	3547.08	9203.46	6065.67	1602.70	258.03	501.46	60.45	45036.35	-	75575.81
Previous Year ended 31 st March 2022	9195.16	3016.83	8367.33	7016.39	1752.99	250.07	534.20	63.54	35527.49	-	65724.00
- Capital expenditure											
Current Year ended 31 st March 2023	1030.31	865.13	2011.35	1047.64	338.94	1.45	12.58	3.45	58.80	-	5369.65
Previous Year ended 31 st March 2022	1214.86	270.84	3525.48	848.48	268.09	0.03	2.01	2.76	(405.31)	-	5727.24
- Depreciation											
Current Year ended 31 st March 2023	1242.26	292.98	1528.47	923.53	810.93	8.56	96.68	6.42	52.69	-	4962.52
Previous Year ended 31 st March 2022	1177.46	278.72	935.29	888.10	798.07	8.60	99.00	7.32	81.61	-	4274.17
- Non Cash expenses other than Depreciation											
Current Year ended 31 st March 2023	124.97	33.26	31.44	23.78	14.19	17.19	8.34	3.97	95.66	-	352.80
Previous Year ended 31 st March 2022	75.23	25.73	120.26	33.02	22.83	1.18	0.83	0.29	77.47	-	356.84

53. The figures of previous periods have been re-grouped, wherever necessary, so as to conform to the current periods classification.

For and on behalf of the Board of Directors

Sd/-

[Anil Kumar Tulsiani]

Director (Finance)

DIN: 08742907

Sd/-

[Anirban Dasgupta]

Director Incharge, Bhilai Steel Plant

DIN: 06832261

In terms of our report of even date
For Tej Raj & Pal
Chartered Accountants
Firm Registration No.304124E

For S. Jaykishan
Chartered Accountants
Firm Registration No.309005E

For Walker Chandok & Co LLP
Chartered Accountants
Firm Registration No.001076N/N500013

For KASG & Co.
Chartered Accountants
Firm Registration No.002228C

Sd/-
[Dinakar Mohanty]
Partner
M. No. 059390

Sd/-
[Ritesh Agarwal]
Partner
M. No. 062410

Sd/-
[Nalin Jain]
Partner
M. No. 503498

Sd/-
[Raj Kumar Agarwal]
Partner
M. No. 073063

Place : New Delhi
Dated: May 25, 2023

Annexure-I to the Board's Report

1. Tej Raj & Pal Chartered Accountants A60, Amarpal Society, Lalpur, Ganga Diagnosis Lane, Raipur – 492001	2. S. Jaykishan Chartered Accountants 12, Ho Chi Minh Sarani, 2 nd Floor, Suite No. 2D, 2E & 2F, Kolkata - 700071	3. Walker Chandiok & Co LLP Chartered Accountants L-41, Connaught Circus, New Delhi – 110001	4. KASG & Co. Chartered Accountants 2 nd Floor, Shree Laxmi Complex, Shastri Nagar, Dhanbad – 826001
---	---	--	--

INDEPENDENT AUDITORS' REPORT

To the Members of Steel Authority of India Limited

Comments	Management's Replies
Report on the Audit of Standalone Financial Statements Qualified opinion 1. We have audited the accompanying Standalone Financial Statements of STEEL AUTHORITY OF INDIA LIMITED (the Company) , which comprise the Balance Sheet as at 31 st March 2023, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement, the Statement of Changes in Equity for the year then ended, and notes to the standalone financial statements, including a summary of Significant Accounting Policies and other explanatory information (hereinafter referred to as 'Standalone Financial Statements'), in which are included the returns for the year ended on the date audited by the branch auditors of the Company's branches listed in Appendix 1.	
2. In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of the reports of the branch auditors as referred to in paragraph 19 below, except for the effects / possible effects of the matters described in the Basis for Qualified Opinion section of our report, the aforesaid standalone financial statements give the information required by the Companies Act 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards ('Ind AS') specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 st March, 2023 and its profit (including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.	
Basis for Qualified Opinion 3. As referred in note 47(2)(a)(i) to the accompanying standalone financial statements, the constitutional validity of the Entry Tax Act has been upheld by the Hon'ble Supreme Court and the matters relating to levy of entry tax are now pending before regular benches of the Supreme Court / Jurisdictional High Courts / assigned authorities. Pending decision by the other Courts, the management is of the view that no adjustment is required in the accompanying standalone financial statements of the Company for the disputed entry tax demand in various states amounting to INR 1,184.81 crores as on 31 st March 2023. However, in the absence of sufficient appropriate evidence to support the management's view, we are of the opinion that a provision for entry tax liability should be recognized in the standalone financial statements.	The Nine Judge Bench of the Supreme court, vide its order dated 11th November, 2016, upheld the Constitutional validity of the Entry tax legislations passed by the various States. However, the Bench directed that certain other matters raised by the Petitioner, such as discriminatory rates of entry tax amounting to ₹ 1092.28 crore on iron Ore and Coking Coal in Bhilai-Durg area @ 6% as compared to lower rate of 1% on Coking Coal and 3% on Iron ore in rest of the areas of Chhattisgarh, tax amounting to ₹ 92.53 crore on goods entering into the local area of Jharkhand from other State etc. may be determined by regular benches hearing the matters. Accordingly, various matters raised by SAIL are pending with Supreme Court / Jurisdictional High Courts / assigned authorities. Pending decision by the Courts, the disputed Entry Tax liabilities of ₹ 1,184.81 crore have been treated by the Company as Contingent Liability.
4. As referred in note 47(2)(b) to the accompanying standalone financial statements, current assets include advance of INR 587.72 crores paid under dispute to Damodar Valley Corporation against the bills raised for supply of power for period upto 31 st March 2017. The matter is under litigation with Jharkhand State Electricity Regulatory Commission for finalisation of tariff, pending which, the management is of the view that the amount is fully recoverable and thus no adjustment is required in the accompanying standalone financial statements. However, in the absence of sufficient appropriate evidence to support the management's contention of recoverability of these balances, we are of the opinion that an allowance for possible non-recoverability of such advance should be created in the standalone financial statements.	The Company's view is that the cases are sub-judice and pending for adjudication before the various judicial authorities for a long time. Further, the civil appeal filed by DVC pertaining to tariff of 2004-09 against the Order of the Appellate Tribunal for Electricity (APTEL), have been dismissed by the Hon'ble Supreme Court of India vide its Order dated 3 rd December, 2018. Accordingly, State Electricity Regulatory Commission (SERC) will finalise the retail tariff as directed by APTEL, the financial implication of which can only be ascertained after the Tariff fixation by SERC. DVC filed its Retail Tariff Application in November, 2020 along with application for Annual Revenue Requirement before the Jharkhand State Electricity Regulatory Commission for the period 2006-07 to 2011-12 and also seeking adjustment of Revenue Gap/Surplus in the period of 2012-13 to 2014-15. The Company has also filed their objections on 28 th December, 2020 to the aforesaid Application of DVC. The above disputed demands stated at (3) and (4), contested on valid and bonafide grounds, have been treated as contingent liabilities as it is not probable that present obligations exist as on 31 st March, 2023. Therefore, there is no adverse impact on Profit for the year.

Comments			Management's Replies
5. Impact of all the above qualifications on the Standalone Financial Statements for the year ended 31 st March 2023 is as under: (Amounts in INR crore)			
Particulars	As at 31 st March 2023		
	Reported balances	Balances after impact of all the qualifications which are quantified	
Other equity	48,008.65	46,682.23	
Deferred tax liability	5,747.17	5,301.06	
Other current assets	2,959.90	2,372.18	
Other current liabilities	3,533.01	4,717.82	
The audit report on the standalone financial statements for the year ended 31 st March 2022 was also modified in respect of above matters.			
6. We conducted our audit in accordance with the Standards on Auditing ('Sas') specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditors' Responsibilities for the Audit of the Standalone Financial Statements' section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained together with the audit evidence obtained by the branch auditors, in terms of their reports referred to in paragraph 19 of the Other Matter section below is sufficient and appropriate to provide a basis for our qualified opinion on the Standalone financial statements.			
Emphasis of matter			
7. We draw your attention to the following matter:			
a. Note 49.2(a) to the accompanying Standalone Financial Statements, which describes that the revenue from operations include sales to Government agencies aggregating to INR 8,688.65 crores for the year ended 31 st March 2023 (cumulative up to 31 st March 2023 of INR 29,182.75 crores) which is recognized on the basis of provisional prices as per the terms of sales with such Government agencies. Our opinion is not modified in respect of this matter.			
Key Audit Matters			
8. Key audit matters are those matters that, in our professional judgement, and based on the consideration of the reports of the branch auditors as referred to paragraph 19 below, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.			
9. In addition to the matters described in the Basis for Qualified Opinion section, we have determined the matters described below to be the key audit matters to be communicated in our report.			
Sl. No.	Key audit matter	How our audit addressed the key audit matter	
1.	Provision and contingent liabilities relating to ongoing litigations The Company is subject to a number of legal, regulatory and tax cases for which final outcome cannot be easily predicted and which could potentially result in significant liabilities. Management's disclosures with regards to provisions and contingent liabilities relating to ongoing litigation are presented in Note No. 47.1 read with note 3.18 to the Company's Standalone Financial Statements. The assessment of whether a liability is recognised as a provision or disclosed as a contingent liability in the standalone financial statements is inherently subjective and requires significant management judgement in determination of the cash outflows from the business, interpretation of applicable laws and regulations, and careful examination of pending assessments at various levels of regulatory authorities.	Our audit procedures included, but were not limited to the following: Obtained understanding of the process of identification and measurement of provisions and contingent liabilities relating to ongoing litigations implemented by the Management, through various discussions held with Company's legal and finance personnel. Tested the design and operating effectiveness of the controls put in place by the management in relation to assessment of the outcome of the pending litigations. Inspected the summary of litigation matters and discussed key developments during the year with the Company's Legal and Finance personnel.	

Comments		Management's Replies
Sl. No.	Key audit matter	How our audit addressed the key audit matter
	<p>Since the amounts involved are significant and due to the range of possible outcomes leading to high estimation uncertainty that requires significant management and auditor judgement, this matter is considered to be a key audit matter for the current year audit.</p>	<p>Inspected and evaluated, where applicable, external legal and/or regulatory advice sought by the Company. Obtained direct confirmations from the dealing lawyers for certain material ongoing litigations.</p> <p>Discussed and challenged the management's assessment of the likelihood, magnitude and accounting of any liability that may arise in certain material cases. Accordingly, we reviewed the amount of provisions recognised and contingent liabilities disclosed in the standalone financial statements and exercised our professional judgment to assess appropriateness of such conclusions, involving experts as required.</p> <p>Evaluated the adequacy of disclosures made in the Company's standalone financial statements in accordance with the applicable accounting standards.</p>
2.	<p>Property, plant and equipment and intangible assets (including capital work in progress)</p> <p>As at 31st March 2023 the Company has Property, Plant and Equipment ('PPE'), Intangible Asset ('IA') and Capital Work-in-Progress ('CWIP') with carrying value of INR 67,091.46 crores, INR 1,521.02 crores, INR 4,891.36 crores, respectively, as disclosed in note 4, note 7 and note 5 of the accompanying Standalone Financial Statements. Refer note 3.1 for the accounting policies adopted by the Company for recognition and measurement of such non-current assets.</p> <p>Determination of carrying values and their respective depreciation and amortisation amounts of PPE, IA and CWIP requires considerable management judgement. These include the decisions to capitalise or expense costs, the annual asset life review, the timeliness of the capitalisation of assets and the use of management's assumptions and estimates for the determination and measurement of assets retired from active use, in accordance with the requirements of Ind AS 16 – Property, Plant and Equipment ('Ind AS 16') and Ind AS 38 – Intangible Assets ('Ind AS 38').</p> <p>The carrying value of CWIP also includes balances pertaining to long-term projects which requires careful examination of continuity and viability of such projects.</p> <p>Considering the significance of amounts involved in the context of the balance sheet of the Company and the level of judgements and estimates required, we consider this to be a key audit matter in the current year audit.</p>	<p>Our audit procedures included, but were not limited to the following:</p> <p>Obtained an understanding of the management's process of recording the transactions pertaining to capital expenditure incurred by the company and evaluated the accounting policies adopted by the company in accordance with the requirements of Ind AS 16 and Ind AS 38</p> <p>Tested the design and operating effectiveness of the controls put in place by the management in relation to the above process.</p> <p>Tested the amounts capitalized during the year, on a sample basis, by inspecting supporting documents and evaluating whether assets capitalized satisfied the recognition criteria and were recognized accurately in the correct periods and with correct amounts.</p> <p>Reviewed the judgements made by management in determination of carrying values of the specified non-current assets including the nature of underlying costs capitalized, determination of realizable value of the assets retired from active use, the appropriateness of useful lives applied in the calculation of depreciation as determined by technical assessment by management and external technical experts, where required, and evaluation of appropriateness of long standing CWIP balances pertaining to long-term projects</p> <p>Evaluated the appropriateness and adequacy of the related disclosures in the standalone financial statements in accordance with the applicable accounting standards.</p>

	Comments	Management's Replies
3	<p>By-products inventory</p> <p>Refer to note 3.8 of summary of significant accounting policies and other explanatory information for accounting policy for valuation of by-products amounting to INR 4,989.64 crores as at 31st March 2023 and significant accounting judgements, estimates and assumptions related thereto and the note 3.25.4 of the standalone financial statements.</p> <p>Inventories of by-products mainly consist of sub-grade fines, iron and steel scrap embedded in BF slag and LD slag and slime, and tailings containing iron ore fines, which are accumulated in stock piles.</p> <p>Further, as explained in notes 49.10, pursuant to the order of Ministry of Mines, Government of India dated 16th September 2019, certain by-products were allowed to be sold and hence, were valued for the first time in the previous years.</p> <p>The management of the Company also sought the opinion of Expert Advisory Committee of the ICAI ('EAC Opinions') in the previous year and current year on recognition and measurement of by-product inventories.</p> <p>Valuation of such items requires management to exercise significant judgement in respect of use of estimates for determination of the quantity, quality and valuation rate of these items.</p> <p>Further, basis the expected future saleability and plans for captive consumption of such by-product inventories, the management has classified inventory expected to be sold / consumed after 12 months from the date of balance sheet, being the operating cycle of the Company, as non-current inventory.</p> <p>Owing to the insignificant movement in sales / consumption of such by-products inventory, the materiality of the carrying value thereof and the complexities discussed above, we have considered this area as a key audit matter in the current year audit.</p> <p>Further, the management's assessment of classification and valuation of aforesaid inventory as described in note 49.10 is considered fundamental to the understanding of the users of the standalone financial statements.</p>	<p>Our audit procedures included, but were not limited to the following:</p> <p>Obtained an understanding of the processes and procedures, including controls relating to sub grade fines, iron and steel scrap embedded in BF slag and LD slag and slime containing iron ore fines ('by-products').</p> <ul style="list-style-type: none"> - Evaluated the accounting policy adopted by the Company for valuation of the by-product inventory in accordance with the requirements of Ind AS 2, Inventory in conjunction with the EAC Opinions obtained by the management. - In assessing management's assessment of the value of by-products, we discussed in detail with the management to understand the procedures adopted in ascertaining the quantity and quality (including gradation) of the by-products considered for valuation. - Management's estimate of the NRV was verified with reference to the average selling price (ASP) published by the Indian Bureau of Mines. We also obtained technical analysis report from external experts sought by management for determining the quantity of by-products and the chemical analysis report used by the management for arriving at the quality (including gradation) of fines. - Obtained management's working of estimated future sales / consumption used for classification of the by-product inventory between current and noncurrent, and tested the underlying assumptions basis our understanding of the processing and further approvals required for sale of such inventory in addition to evaluating management's estimates on availability of demand for such by-products. - Evaluated the appropriateness and adequacy of the related disclosures in the standalone financial statements in accordance with the applicable accounting standards. (Also refer to Para 1 of sub-directions in Annexure-3 attached)

Information other than the financial statements and auditors' report thereon

10. The Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the standalone financial statements and our auditors' report thereon. The Annual Report is expected to be made available to us after the date of this auditors' report.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Comments	Management's Replies
<p>Responsibilities of Management and Those charged with Governance for the Standalone Financial Statements</p> <p>11. The accompanying standalone financial statements have been approved by the Company's Board of Directors. The Company's Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these standalone financial statements that give a true and fair view of the financial position financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS specified under section 133 of the Act and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies, making judgments and estimates that are reasonable and prudent, and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error</p> <p>12. In preparing the standalone financial statements, the Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intend to liquidate the Company or to cease operations, or has no realistic alternative but to do so.</p> <p>13. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.</p>	
<p>Auditors' responsibilities for the audit of the Standalone financial statements</p> <p>14. Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Standards on Auditing (Sas) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Standalone Financial Statements.</p>	
<p>15. As part of an audit in accordance with Standards on Auditing, specified under section 143(10) of the Act, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:</p> <ul style="list-style-type: none"> • Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control; • Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to standalone financial statements in place and the operating effectiveness of such controls; • Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management; • Conclude on the appropriateness of Board of Director's use of the going concern basis of accounting and, based on the audit evidence obtained whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained upto the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern; • Evaluate the overall presentation, structure and content of the standalone Financial Statements including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation. 	

Comments	Management's Replies
<ul style="list-style-type: none"> Obtain sufficient appropriate audit evidence regarding the financial information/ financial statements of the Company and its branches to express an opinion on the standalone financial statements. We are responsible for the direction, supervision and performance of the audit of financial information of the Company and such branches included in the standalone financial statements, of which we are the independent auditors. For the other branches included in the standalone financial statements, which have been audited by the branch auditors, such branch auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion. <p>16. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.</p> <p>17. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.</p>	
18. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.	
Other Matters <p>19. We did not audit the annual financial statements / financial information of eleven branches / units / marketing regions included in the standalone financial statements, whose annual financial statements/ financial information reflects total assets and net assets of INR 61,014.55 crores and INR 37,066.54 crores respectively as at 31st March 2023 and total revenues of INR 39,777.42 crores, total net profit after tax of INR 452.98 crores, total comprehensive income of INR 281.71 crores and cash inflows (net) of INR 3.39 crores for the year then ended, as considered in the standalone financial statements. These financial statements / financial information have been audited by the branch auditors, whose reports have been furnished to us by the management, and our opinion on the standalone financial statements, in so far as it relates to the amounts and disclosures included in respect of branches, and our report in terms of sub-section (3) of section 143 of the Act in so far as it relates to the aforesaid branches, is based solely on the report of such branch auditors. Our opinion on the above standalone financial statements and our report on other legal and regulatory requirements below, are not modified in respect of the above matters with respect to our reliance on the work done by and the reports of the branch auditors.</p>	
Report on Other legal and Regulatory Requirements <p>20. Based on our audit and on the consideration of the reports of the branch auditors as referred to in paragraph 19 above, we report that the provisions of section 197 read with Schedule V to the Act are not applicable to the Company since the Company is a Government company as defined under section 2(45) of the Act. Accordingly, reporting under section 197(16) is not applicable.</p> <p>21. As required by the Companies (Auditor's Report) Order, 2020 ('the Order'), issued by the Central Government of India in terms of Section 143(11) of the Companies Act, 2013, we give in the Annexure 1, a statement on the matters specified in paragraphs 3 and 4 of the Order to the extent applicable.</p> <p>22. Further to our comments in 'Annexure 1', as required by section 143(3) of the Act, based on our audit, and on the consideration of the reports of the branch auditors as referred to in paragraph 19 above, we report, to the extent applicable, that:</p> <ul style="list-style-type: none"> (a) We have sought and except for the matters described in the Basis for Qualified Opinion section, obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the accompanying standalone financial statements; (b) Except for the effects / possible effects of the matters described in the Basis for Qualified Opinion section, in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books and proper returns adequate for the purposes of our audit have been received from the branches not visited by us; (c) The reports on the accounts of the branch offices of the Company audited under section 143(8) of the Act by the branch auditors have been sent to us and have been properly dealt with by us in preparing this report; 	

Comments	Management's Replies
<p>(d) The standalone financial statements dealt with by this report are in agreement with the books of account and with the returns received from the branches not visited by us;</p> <p>(e) Except for the effects / possible effects of the matters described in the Basis for Qualified Opinion section, in our opinion, the aforesaid standalone financial statements comply with Ind AS specified under section 133 of the Act;</p> <p>(f) The provisions of section 164(2) of the Act are not applicable to the Company since the Company is a Government company as defined under section 2(45) of the Act;</p> <p>(g) The qualification relating to the maintenance of accounts and other matters connected therewith are as stated in the Basis for Qualified Opinion section;</p> <p>(h) With respect to the adequacy of the internal financial controls with reference to standalone financial statements of the Company as on 31st March 2023 and the operating effectiveness of such controls, refer to our separate report in 'Annexure 2', wherein we have expressed a modified opinion; and</p> <p>(i) With respect to the other matters to be included in the Auditors' Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the branch auditors as referred to in paragraph 19 above:</p> <ul style="list-style-type: none"> i. Except for the effects of the matters described in paragraphs 3 and 4 of the Basis for Qualified Opinion section, the standalone financial statements disclose the impact of pending litigations on the standalone financial position of the Company as at 31st March 2023, as detailed in note 47 to the standalone financial statements; ii. The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses at 31st March, 2023; iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended 31st March 2023 except ₹ 1.00 crore pertaining to unclaimed matured deposits which was required to be deposited in the Investor Education and Protection Fund during the year ended 31st March 2018 and which has not been deposited till 31st March 2023; <p>iv. (a) The management has represented that, to the best of its knowledge and belief, as disclosed in note 51.7 (a) to the standalone financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Company to or in any person(s) or entity(ies), including foreign entities ('the intermediaries'), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries;</p> <p>(b) The management has represented that, to the best of its knowledge and belief as disclosed in note 51.7 (b) to the standalone financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ('the Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and</p> <p>(c) Based on such audit procedures performed as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement.</p> <p>v. The interim/final dividends paid by the Company during the year ended 31st March 2023 in respect of such dividend declared for the previous year is in accordance with section 123 of the Act to the extent it applies to payment of dividend and as stated in notes 44 and 49.14 to the accompanying standalone financial statements, the Board of Directors of the Company have proposed final dividend for the year ended 31st March 2023 which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.</p>	<p>The matured deposit has already been claimed by the successors/relatives of the individuals but is pending for submission of document of proof of legal heir by the claimants. Appropriate procedure is being followed for refunding the matured deposit to the legal heirs.</p>

Comments	Management's Replies
vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company w.e.f. April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.	
23. As required by section 143(5) of the Act, we give in 'Annexure 3', a statement on the matters specified in the directions issued by the Comptroller and Auditor General of India in respect of the Company.	

For Tej Raj & Pal

Chartered Accountants

Firm Registration No. 304124E

 Sd/-
CA. Dinakar Mohanty

Partner

M.No. 059390

UDIN : 23059390BGWJAS9803

Place : New Delhi

For S. Jaykishan

Chartered Accountants

Firm Registration No. 309005E

 Sd/-
CA. Ritesh Agarwal

Partner

M.No. 062410

UDIN : 23062410BGUPPE8310

Place : New Delhi

For Walker Chandiok & Co LLP

Chartered Accountants

Firm Registration No. 001076N/N500013

 Sd/-
CA. Nalin Jain

Partner

M.No. 503498

UDIN: 23503498BGRGBX1676

Place : New Delhi

For KASG & Co.

Chartered Accountants

Firm Registration No. 002228C

 Sd/-
CA. Raj Kumar Agarwal

Partner

M.No. 073063

UDIN: 23073063BGXAOO2353

Place : New Delhi

For and on behalf of Board of Directors

 Sd/-
(Amarendu Prakash)

Chairman

Date: 25th May 2023
Place: New Delhi
Date: 10th August, 2023
Place: New Delhi
Appendix 1
List of branches / units / marketing regions audited by branch auditors

1. Central Marketing Organisation – Southern Region
2. Central Marketing Organisation – Western Region
3. Central Marketing Organisation – Eastern Region
4. Central Marketing Organisation – Transportation & Shipping
5. R&D Centre, Ranchi
6. Rourkela Steel Plant
7. IISCO Steel Plant, Burnpur
8. Salem Steel Plant
9. Vishweswaraya Iron and Steel Plant
10. SAIL Refractories Unit
11. Chandrapur Ferro Alloy Plant

Annexure 1 referred to in Paragraph 21 of the Independent Auditors' Report of even date to the members of Steel Authority of India Limited on the standalone financial statements for the year ended 31st March 2023

Comments						Management's Replies																																																						
<p>In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and based on the consideration of the reports of the branch auditors and, to the best of our knowledge and belief, we report that:</p> <p>(i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment, right of use assets and investment property except in respect of certain lands where area and location needs to be updated in the fixed assets register. Further, the area in respect of these lands need to be reconciled with the records of the authorities in the respective States and wherein, as informed to us by the management, the delay is due to procedural matters involved</p> <p>(B) The Company has maintained proper records showing full particulars of intangible assets.</p> <p>(b) The Company has a regular programme of physical verification of its property, plant and equipment, right of use assets and investment property under which the assets are physically verified in a phased manner over a period of three years, which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. In accordance with this programme, certain property, plant and equipment, right of use assets and investment property were verified during the year and no material discrepancies were noticed on such verification. However, there are certain land and buildings which are under encroachment/unauthorised occupation and hence, were not subjected to physical verification</p> <p>(c) The title deeds of all the immovable properties (including investment properties) held by the Company (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in note 4.4a and 48.1(B) to the standalone financial statements are held in the name of the Company, except for the following properties, for which the Company's management is in the process of getting the registration in the name of the Company:</p>																																																												
<table border="1"> <thead> <tr> <th>Description of property</th><th>Gross carrying value (₹ in Cr)</th><th>Held in name of</th><th>Whether promoter, director or their relative or employee</th><th>Period since held</th><th>Reason for not being held in name of company</th></tr> </thead> <tbody> <tr> <td>Freehold land</td><td>0.01</td><td>Asian Refractories</td><td>No</td><td>05-04-1963</td><td>Rehabilitation on behalf of Deptt of Industries, Govt of Bihar.</td></tr> <tr> <td>Freehold land</td><td>0.11</td><td>Asam Silimnaite & Bharat Refractories Ltd.</td><td>No</td><td>11-02-1976 & 30-04-1978</td><td>NA</td></tr> <tr> <td>Freehold land</td><td>0.13</td><td>India Firebricks & Insulation Company Ltd.</td><td>No</td><td>15-09-1960</td><td>NA</td></tr> <tr> <td>Freehold land</td><td>7.56</td><td>No title deed executed for land acquired by Tamil Nadu State Government. In the "A" register of State Government land records, the entire private land acquired by State Government are in the name of Salem Steel Plant.</td><td>Not Applicable</td><td>Land acquired by Tamil Nadu State Government from 1972 to 1980</td><td>Land was acquired by private land owners by Tamil Nadu State Government and land owned by State Government was also transferred to Salem Steel Plant. Title deed has not been executed for the Land acquired but land records of State Government, these land are registered in the name of Salem Steel Plant.</td></tr> <tr> <td>Freehold land</td><td>10.29</td><td>Various Parties</td><td>No</td><td>1986-2008</td><td>Mutation is pending, disputed.</td></tr> <tr> <td>Freehold Land</td><td>0.09</td><td>Various Parties</td><td>No</td><td>1954-1974</td><td>Mutation is pending, disputed.</td></tr> <tr> <td>Freehold Land</td><td>126.24</td><td>Jharkhand State Government</td><td>No</td><td>From 1960</td><td>MOU signing formalities awaited between Jharkhand state Government and SAIL/Bokaro Steel Plant.</td></tr> <tr> <td>Freehold land</td><td>0.96</td><td>Government of West Bengal</td><td>No</td><td>Since 1963</td><td>Pending Registration</td></tr> </tbody> </table>							Description of property	Gross carrying value (₹ in Cr)	Held in name of	Whether promoter, director or their relative or employee	Period since held	Reason for not being held in name of company	Freehold land	0.01	Asian Refractories	No	05-04-1963	Rehabilitation on behalf of Deptt of Industries, Govt of Bihar.	Freehold land	0.11	Asam Silimnaite & Bharat Refractories Ltd.	No	11-02-1976 & 30-04-1978	NA	Freehold land	0.13	India Firebricks & Insulation Company Ltd.	No	15-09-1960	NA	Freehold land	7.56	No title deed executed for land acquired by Tamil Nadu State Government. In the "A" register of State Government land records, the entire private land acquired by State Government are in the name of Salem Steel Plant.	Not Applicable	Land acquired by Tamil Nadu State Government from 1972 to 1980	Land was acquired by private land owners by Tamil Nadu State Government and land owned by State Government was also transferred to Salem Steel Plant. Title deed has not been executed for the Land acquired but land records of State Government, these land are registered in the name of Salem Steel Plant.	Freehold land	10.29	Various Parties	No	1986-2008	Mutation is pending, disputed.	Freehold Land	0.09	Various Parties	No	1954-1974	Mutation is pending, disputed.	Freehold Land	126.24	Jharkhand State Government	No	From 1960	MOU signing formalities awaited between Jharkhand state Government and SAIL/Bokaro Steel Plant.	Freehold land	0.96	Government of West Bengal	No	Since 1963	Pending Registration
Description of property	Gross carrying value (₹ in Cr)	Held in name of	Whether promoter, director or their relative or employee	Period since held	Reason for not being held in name of company																																																							
Freehold land	0.01	Asian Refractories	No	05-04-1963	Rehabilitation on behalf of Deptt of Industries, Govt of Bihar.																																																							
Freehold land	0.11	Asam Silimnaite & Bharat Refractories Ltd.	No	11-02-1976 & 30-04-1978	NA																																																							
Freehold land	0.13	India Firebricks & Insulation Company Ltd.	No	15-09-1960	NA																																																							
Freehold land	7.56	No title deed executed for land acquired by Tamil Nadu State Government. In the "A" register of State Government land records, the entire private land acquired by State Government are in the name of Salem Steel Plant.	Not Applicable	Land acquired by Tamil Nadu State Government from 1972 to 1980	Land was acquired by private land owners by Tamil Nadu State Government and land owned by State Government was also transferred to Salem Steel Plant. Title deed has not been executed for the Land acquired but land records of State Government, these land are registered in the name of Salem Steel Plant.																																																							
Freehold land	10.29	Various Parties	No	1986-2008	Mutation is pending, disputed.																																																							
Freehold Land	0.09	Various Parties	No	1954-1974	Mutation is pending, disputed.																																																							
Freehold Land	126.24	Jharkhand State Government	No	From 1960	MOU signing formalities awaited between Jharkhand state Government and SAIL/Bokaro Steel Plant.																																																							
Freehold land	0.96	Government of West Bengal	No	Since 1963	Pending Registration																																																							

Comments						Management's Replies
Description of property	Gross carrying value (₹ in Cr)	Held in name of	Whether promoter, director or their relative or employee	Period since held	Reason for not being held in name of company	
Freehold land	0.13	Triveni Structural Limited- Allahabad	No	25-02-1970	Pending Registration	
Freehold Land	0.06	Southern Railway	No	31-03-1984	Pending Registration	
Building	0.28	Ashok Sankat Bhatnagar (HUF) – Allahabad	No	01-08-2019	Pending Registration	
Kalwar Nagur Land	15.07	State of CG	No	2005	Transfer of title deed delayed by State Government and the same is under process.	
Leasehold Land	0.10	West Bengal State Government	No	1956-57	Pending receipt of "Record of Right" (ROR) from State Government. As informed matter taken up with the said Government.	

For properties where the Company is a lessee, the lease arrangements have been duly executed in favour of the Company except in following cases:

Description of property	Right of Use Asset Value	Location	Details of Lessor	Period since held	Reason for non-execution of lease agreement
Leasehold Land	0.20	Ranchi	Mecon Ltd.	Since 1979-80	Held by Mecon Ltd. (As per Act No. 16 of 1978)
Leasehold Land	147.81	Rourkela	Uttar Pradesh State Industrial Development Corporation (UPSIDC)	01-02-2009	Litigation with UPSIDC, U.P.
Leasehold Land	3.28	Rourkela	Government of Odisha	01-10-1959	Absence of Lease agreement with Govt. of Odisha.
Leasehold Land	16.80	Kolkata	Kolkata Port Trust	07-05-2014	Pending Registration
Leasehold Land	11.97	Vishakhapatnam	Vizag Seaport Pvt Limited	27-07-2004	Pending Registration
Leasehold Land	0.91	Jammu	Jammu & Kashmir Govt	05-07-1968	Pending Registration
Leasehold Land	0.67	Kanpur	Kanpur Development Authority	1986	Pending Registration
Leasehold Land	23.04	Kolkata	Kolkata Metropolitan Development Authority	09-10-2009	Pending Registration

(d) The Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets during the year.

(e) No proceedings have been initiated or are pending against the Company for holding any benami Property under the Benami Transactions (Prohibition) Act, 1988 (as amended) and rules made thereunder.

(ii) (a) The management has conducted physical verification of inventory at reasonable intervals during the year, except for inventory lying with third parties. In our opinion, the coverage and procedure of such verification by the management is appropriate and no discrepancies of 10% or more in the aggregate for each class of inventory were noticed as compared to book records. In certain cases, the bulk inventories have been verified on the basis of visual surveys/estimates. For inventory lying with third parties at the year-end, written confirmations have been obtained by the management.

Comments							Management's Replies		
(b) As disclosed in note 51.5 to the standalone financial statements, the Company has been sanctioned a working capital limit in excess of INR 5 crore by banks based on the security of current assets. The quarterly statements, in respect of the working capital limits have been filed by the Company with such banks and such statements are not in agreement with the books of account of the Company for the respective periods which were subject to audit/review, as summarized below:									
(INR in Crores)									
Name of the Bank/financial institution	Working capital limit sanctioned	Nature of current assets offered as security	Quarter ended	Amount disclosed as per return	Amount as per books of accounts	Differences	Remarks/Reason, if any		
Consortium of banks led by State Bank of India	10,000	Stock and trade receivables	30 th June 2022	31,657	35,959	(4,302)	As informed to us by the management, the information to the banks was provided based on provisional numbers		
			30 th September 2022	35,024	33,800	1,224			
			31 st December 2022	35,373	33,402	1,970			
			31 st March 2023	34,237	32,811	1,426			
(iii) The Company has not made any investment in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured to companies, firms, Limited Liability Partnerships (LLPs) or any other parties during the year. Accordingly, reporting under clause 3(iii) of the Order is not applicable to the Company.									
(iv) In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of section 186 of the Act in respect of loans and investments made and guarantees and security provided by it, as applicable. Further, the Company has not entered into any transaction covered under section 185 of the act.									
(v) In our opinion, and according to the information and explanations given to us, the Company has not accepted any deposits or there are no amount which have been deemed to be deposits within the meaning of sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, reporting under clause 3(v) of the Order is not applicable to the Company.									
(vi) The Central Government has specified maintenance of cost records under sub-section (1) of section 148 of the Act in respect of the products of the Company. We have broadly reviewed the books of account maintained by the Company pursuant to the Rules made by the Central Government for the maintenance of cost records and are of the opinion that, <i>prima facie</i> , the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.									
(vii) (a) In our opinion, and according to the information and explanations given to us, undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, have generally been regularly deposited with the appropriate authorities by the Company, though there have been slight delays in a few cases. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.									
(b) According to the information and explanations given to us, there are no statutory dues referred in sub-clause (a) which have not been deposited with the appropriate authorities on account of any dispute except for the following:							₹ in crores)		
Name of the statute	Nature of dues	Gross Amount	Amount paid	Period to which the amount relates	Forum where disputes are pending				
Central Excise Act, 1944	Excise duty	5,863.49	50.82	1987-2019	Tribunal				
		28.00	0.77	1988-2022	Commissioner (Appeal)				
		3.24	1.19	1993-2018	Commissioner				
		197.02	-	1997-2012	High Court				
		234.66	1.50	2000-16	Supreme Court				
		1.56	-	2001-04	Assistant Commissioner				
CG Municipal Corporation Act, 1956	Consolidated Tax	0.72	0.72	2001-02 to 2009-10, 2021-22	High Court				
Chattisgarh (Adho-sanrachna Viaks avam Paryavarana) Upkar Adhiniyam, 2005	Environment Cess	212.96	212.96	2006-07 to 2022-23	High Court				

Comments						Management's Replies
Name of the statute	Nature of dues	Gross Amount	Amount paid	Period to which the amount relates	Forum where disputes are pending	
Chattisgarh Upkar (Sansodhan) Adhiniyam, 2004	Consolidated Tax	2.77	0.15	2001-02 to 2009-10, 2021-22	High Court	
	Energy Development Cess	234.44	-	Dec-2006 onwards	Supreme Court	
Chhattisgarh Entry Tax Act, 1976	Entry Tax	3,752.91	2,304.08	1990 to 2016	High Court	
		201.74	48.50	2010-11, 2014-15, 2016-17	Additional Commissioner, Commercial Tax (Appeal)	
Custom Act, 1962	Custom Duty	1.65	-	2008	High Court	
		9.52	-	2009 to 2021	Tribunal	
Employee Provident Fund Act, 1952	Provident Fund	2.03	-	01.04.1996 to 06.11.2019	Tribunal	
		0.96	-	1979-98	High Court	
Employee State Insurance Act, 1947	Employee State Insurance	67.28	-	1990-2007	Employee State Insurance Court	
		0.19	-	2014-15	High Court	
Finance Act, 1994	Service Tax	19.66	-	2004-05	High Court	
		127.16	1.51	2005-18	Tribunal	
		3.42	0.07	2012-22	Commissioner (Appeal)	
Forest (Conservation) Act, 1980	NPV	96.28	96.28	2017-18	High Court	
Goods and Service Tax Act, 2017	Goods and Service Tax	29.45	-	2017	High Court	
		110.00	53.07	1989-90, 1991-92 to 1993-94	Appellate Authority	
		15.13	0.14	2002-03 to June 2017	Commissioner (Appeal)	
		10.47	0.33	2008-09 to 2013	Tribunal	
		0.35	-	2018-19	Commissioner	
		0.04	-	2022-23	Superintendent of GST & Central Excise	
HP Entry Tax Act, 2010	Entry Tax	3.18	0.25	2010-11	Deputy Excise and Taxation Commissioner, Appeals	
Income Tax Act, 1961	Income Tax	328.36	-	1988-2013	High Court	
		786.66	38.83	2004-14	ITAT	
		3.15	0.22	2014-22	CIT (A)	
		467.68	-	2014-22	Commissioner (Appeal)	
Jharkhand Entry Tax	Entry Tax	92.53	-	2001-18	High Court	
Municipal Corporation Act, 1956	Property Tax	1,089.44	-	2015-22	High Court	
Odisha Entry Tax Act, 1999	Entry Tax	232.38	112.33	2004-17	Sales Tax Tribunal	
		1.00	-	2005-10	Tribunal	
		115.17	21.37	2005-14	Additional Commissioner	
Other Statutory dues	Forest Development Tax	5.01	-	2010-11	Supreme Court	
	Octroi	21.77	-	1990-2023	High Court	
	Others	25.07	-	1981-2015	High Court/ Civil Court	
	Stamp duty	2,320.40	-	1990-2023	High Court	
	Transit Pass Chattisgarh Transit (Forest Produce) Rules, 2001	119.86	111.86	1990-2023	High Court	

Comments						Management's Replies	
Name of the statute	Nature of dues	Gross Amount	Amount paid	Amount disclosed as per return	Amount as per books of accounts		
Sales Tax Law	Sales tax & VAT	17.72	1.30	1984-2016	Commissioner (Appeal)		
		701.80	60.39	1987-2017	Tribunal		
		32.30	3.36	1987-2020	Commissioner of Sales tax		
		346.40	16.10	1989-2016	High Court		
		3.09	-	1989-90 & 1991-92	Supreme Court		
		28.71	1.61	1993-2018	Joint Commissioner		
		3.64	2.46	1994-2018	Additional Commissioner (Appeals)		
		2.12	0.22	1997-2015	Additional Commissioner		
UP Entry Tax Act, 2010	Entry Tax	0.71	-	2008-14	High Court		
		10.31	0.13	2009-13	Tribunal		
		0.83	-	2013-14	Commissioner (Appeal)		
(viii) According to the information and explanations given to us, no transactions were surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961) which have not been previously recorded in the books of accounts.							
(ix) (a) According to the information and explanations given to us, the Company has not defaulted in repayment of its loans or borrowings or in the payment of interest thereon to any lender.							
(b) According to the information and explanations given to us, confirmations received from banks/financial institution and other lenders and representation received from the management of the Company, and on the basis of our audit procedures, we report that the Company has not been declared a wilful defaulter by any bank or financial institution or government or any government authority.							
(c) In our opinion and according to the information and explanations given to us, money raised by way of term loans were applied for the purposes for which these were obtained.							
(d) In our opinion and according to the information and explanations given to us, and on an overall examination of the financial statements of the Company, funds raised by the Company on short term basis have not been utilised for long term purposes.							
(e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associate or joint ventures.							
(f) According to the information and explanations given to us, the Company has not raised any loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.							
(x) (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments), during the year. Accordingly, reporting under clause 3(x)(a) of the Order is not applicable to the Company.							
(b) According to the information and explanations given to us, and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or (fully, partially, or optionally) convertible debentures during the year. Accordingly, reporting under clause 3(x)(b) of the Order is not applicable to the Company.							
(xi) (a) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no material fraud on the Company has been noticed or reported during the period covered by our audit.							
(b) According to the information and explanations given to us including the representation made to us by the management of the Company, no report under sub-section 12 of section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014, with the Central Government for the period covered by our audit.							
(c) The whistle blower complaints received by the Company during the year, as shared with us by the management have been considered by us while determining the nature, timing and extent of audit procedures.							
(xii) The Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, reporting under clause 3(xii) of the Order is not applicable to the Company.							
(xiii) In our opinion and according to the information and explanations given to us, all transactions entered into by the Company with the related parties are in compliance with sections 177 and 188 of the Act, where applicable. Further, the details of such related party transactions have been disclosed in the standalone financial statements, as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified in Companies (Indian Accounting Standards) Rules 2015 as prescribed under section 133 of the Act.							

Comments	Management's Replies
<p>(xiv)(a) In our opinion and according to the information and explanations given to us, the Company has an internal audit system as per the provisions of section 138 of the Act which is commensurate with the size and nature of its business except that the Company needs to strengthen the internal audit system in respect of enhanced documentation of the testing performed.</p> <p>(b) We have considered the reports issued by the Internal Auditors of the Company till date for the period under audit.</p> <p>(xv) According to the information and explanation given to us, the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and accordingly, reporting under clause 3(xv) of the Order with respect to compliance with the provisions of section 192 of the Act are not applicable to the Company.</p> <p>(xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, reporting under clauses 3(xvi)(a),(b),(c) and (d) of the Order is not applicable to the Company.</p> <p>(xvii) The Company has not incurred any cash losses in the current financial year as well as the immediately preceding financial year.</p> <p>(xviii) There has been no resignation of the statutory auditors during the year. Accordingly, reporting under clause 3(xviii) of the Order is not applicable to the Company.</p> <p>(xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, our knowledge of the plans of the Board of Directors and management, and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due</p> <p>(xx) (a) According to the information and explanations given to us there are no unspent amounts towards Corporate Social Responsibility pertaining to other than ongoing projects as at the end of the current financial year. Accordingly, reporting under clause 3(xx)(a) of the order is not applicable to the company.</p> <p>(b) According to the information and explanations given to us, the Company has transferred the remaining unspent amounts towards Corporate Social Responsibility (CSR) under sub-section (5) of section 135 of the Act, in respect of ongoing project, within a period of 30 days from the end of financial year to a special account in compliance with the provision of sub-section (6) of section 135 of the Act.</p> <p>(xxi) The reporting under clause 3(xxii) of the order is not applicable in respect of audit of standalone financial statements of the Company. Accordingly, no comment has been included in respect of said clause under this report.</p>	

For Tej Raj & Pal

Chartered Accountants

Firm Registration No. 304124E

Sd/-

CA. Dinakar Mohanty

Partner

M.No. 059390

UDIN : 23059390BGWJAS9803

Place : New Delhi

For S. Jaykishan

Chartered Accountants

Firm Registration No. 309005E

Sd/-

CA. Ritesh Agarwal

Partner

M.No. 062410

UDIN : 23062410BGUPPE8310

Place : New Delhi

For Walker Chandiok & Co LLP

Chartered Accountants

Firm Registration No. 001076N/N500013

For KASG & Co.

Chartered Accountants

Firm Registration No. 002228C

Sd/-

CA. Nalin Jain

Partner

M.No. 503498

UDIN: 23503498BGRGBX1676

Place : New Delhi

Sd/-

CA. Raj Kumar Agarwal

Partner

M.No. 073063

UDIN: 23073063BGXAOO2353

Place : New Delhi

For and on behalf of Board of Directors

Sd/-

(Amarendu Prakash)

Chairman

Date: 25th May 2023
Place: New Delhi
Date: 10th August, 2023
Place: New Delhi

Annexure 2 to the Independent Auditors' Report on Standalone Financial Statements of Steel Authority of India Limited for the year ended 31st March 2023

Comments	Management's Replies
<p>Independent auditors' report on the internal financial controls with reference to the financial statements under clause (i) of sub-section 3 of section 143 of the Companies Act, 2013 ('the Act')</p> <p>1. In conjunction with our audit of the standalone financial statements of Steel Authority of India Limited ('the Company') as at and for the year ended 31st March 2023, we have audited the internal financial controls with reference to financial statements of the Company as at that date.</p> <p>Responsibilities of management and those charged with governance for internal financial controls</p> <p>2. The Company's Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting ('the Guidance Note') issued by the Institute of Chartered Accountants of India ('the ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of the Company's business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.</p> <p>Auditors' responsibility for the audit of the internal financial controls with reference to financial statements</p> <p>3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the ICAI prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements, and the Guidance Note issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.</p> <p>4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements includes obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.</p> <p>5. We believe that the audit evidence we have obtained and the audit evidence obtained by the branch auditors in terms of their reports referred to in the Other matter paragraph below, is sufficient and appropriate to provide a basis for our qualified audit opinion on the Company's internal financial controls with reference to financial statements.</p> <p>Meaning of internal financial controls with reference to financial statements</p> <p>6. A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.</p> <p>Inherent limitations of internal financial controls with reference to financial statements</p> <p>7. Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.</p> <p>Opinion</p> <p>8. In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at March 31, 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.</p>	

Comments	Management's Replies
Other matter <p>9. We did not audit the internal financial controls with reference to financial statements in so far as it relates to eleven branches / units / marketing regions whose financial statements / financial information reflect total assets and net assets of INR 61,014.55 crores and INR 37,066.54 crores respectively as at 31st March 2023 and total revenues of INR 39,777.42 crores, total net profit after tax of INR 452.98 crores, total comprehensive income of INR 281.71 crores and cash inflows (net) of INR 3.39 crores for the year then ended, as considered in the standalone financial statements. The internal financial controls with reference to financial statements in so far as it relates to such branches / units / marketing regions have been audited by branch auditors whose reports have been furnished to us by the management and our report on the adequacy and operating effectiveness of the internal financial controls with reference to financial statements for the Company under section 143(3)(i) of the Act in so far as it relates to such branches / units / marketing regions is based solely on the reports of the auditors of such branches. Our opinion is not modified in respect of this matter with respect to our reliance on the work done by and on the reports of the branch auditors.</p>	

For Tej Raj & Pal

Chartered Accountants

Firm Registration No. 304124E

Sd/-

CA. Dinakar Mohanty

Partner

M.No. 059390

UDIN : 23059390BGWJAS9803

Place : New Delhi

For S. Jaykishan

Chartered Accountants

Firm Registration No. 309005E

Sd/-

CA. Ritesh Agarwal

Partner

M.No. 062410

UDIN : 23062410BGUPPE8310

Place : New Delhi

For Walker Chandiok & Co LLP

Chartered Accountants

Firm Registration No. 001076N/N500013

For KASG & Co.

Chartered Accountants

Firm Registration No. 002228C

Sd/-

CA. Nalin Jain

Partner

M.No. 503498

UDIN: 23503498BGRGBX1676

Place : New Delhi

Sd/-

CA. Raj Kumar Agarwal

Partner

M.No. 073063

UDIN: 23073063BGXAOO2353

Place : New Delhi

For and on behalf of Board of Directors

Sd/-

(Amarendu Prakash)

Chairman

Date: 25th May 2023
Place: New Delhi
Date: 10th August, 2023
Place: New Delhi

Annexure 3 to the Independent Auditors' Report On Standalone Financial Statements of Steel Authority of India Limited for the year ended 31st March 2023

		Comments	Management's Replies
Directions under Section 143(5) of Companies Act, 2013			
S.No.	Questions	Auditor's Comment	
1.	Whether the Company has a system in place to process all the accounting transactions through IT system? If yes, the implications of processing of accounting transactions outside IT system on the integrity of the accounts along with the financial implications, if any, may be stated.	The Company uses SAP software for processing accounting transactions at five integrated steel plants, Central Marketing Organisations and Head Office. In respect of other plants / units, the Company uses legacy software systems. Based on our audit and based on reports received from the branch auditors, wherever the accounting transactions are based on workings outside IT system, no instances of lack of integrity of accounts and no financial implications have been noted / reported	
2.	Whether there is any restructuring of an existing loan or cases of waiver/write-off of debts/loans/ interest etc., made by a lender to the Company due to the Company's inability to repay the loan? If yes, the financial impact may be stated	As per information and explanations given to us by the management, there was no restructuring of an existing loan or cases of waiver / write off of debts / loans / interest etc., made by a lender to the Company due to the Company's inability to repay the loan	
3.	Whether funds received / receivable for specific schemes from Central / State agencies were properly accounted for / utilised as per its terms and conditions? List the cases of deviation.	To the best of our information, checks applied by us during the course of our audit and based on reports received from the branch auditors, we are of the opinion that funds received / receivable for specific schemes from Central / State agencies were properly accounted for / utilised as per its terms and conditions.	
Sub-Direction under section 143(5) of the Companies Act 2013			
1.	Considering the slow movement and uncertainty in liquidation of the stock of sub-grade iron ore fines by the company during last three years from the old dump of sub-grade iron ore fines and absence of permission of the State Government of Jharkhand for sale of this fine from the mines located in the state, following may be examined:		
i)	Whether valuation of such sub-grade iron ore fines is continued in the Balance Sheet of SAIL as on 31 st March 2023. If yes, it may be stated whether the valuation is appropriate and reasonable in view of quantum of sale and demand as well as age of the stock of sub-grade iron ore fines lying at different captive mines of the Company.	<p>Yes, valuation of such sub-grade iron ore fines is continued in the Balance Sheet of Steel Authority of India Limited as on 31st March 2023.</p> <p>As explained in note 49.10 of the standalone financial statements, based on the opinions taken by the Company from the Additional Solicitor General of India as well as the Expert Advisory Committee (EAC) of Institute of Chartered Accountants of India (ICAI), the Company recognized these inventories as by-product inventory as at 31st March 2020 and since, these inventories were generated over many years, hence, making it impracticable to ascertain the actual valuation, the Company assigned a valuation to such inventories basis average selling price of similar sub-grade fines over the last 36 months as declared by Indian Bureau of Mines (IBM), a Government of India organisation and as adjusted for royalty and other selling costs.</p> <p>Further, as explained in the note, while, on an overall basis during the current and the previous year, there has been insignificant movement in the volume of such inventories, there is significant market demand for sub-grade fines and the recent sales price trends are indicative of considerable margins over and above the carrying value of such inventories. As informed by the management in the process of getting permission for issuance of transit pass in Jharkhand, the company has approached the concerned authorities to make the necessary modification in the portal to facilitate generation</p>	

	Comments	Management's Replies
	<p>of transit pass for movement of goods. Further, considering the market volatility, steel market dynamics, possibility of future additions to steel and pellet making capacity in the country which may augment the demand of these materials, the carrying value of these inventories can't be adjusted for any unforeseeable changes in the future prices. Additionally, the management also has plans to set up a beneficiation and palettization plant in future that will consume significant volume of sub-grade fines annually. Moreover, in order to establish the usability of Dump Fines at Gua, fresh assessment of quality and quantity through a NABL accredited agency was carried out during 2021-22. The average quality of Dump Fines at Gua is confirming to 60-62% Fe Grade. The quality of the subgrade fines have not deteriorated with passage of time as mentioned above. Fines of such quality are in high demand across the steel industry. The management's assessment of classification and valuation of aforesaid inventory as described in note 49.10 is also considered fundamental to the understanding of the users of the standalone financial statements. Also refer to "Key audit matters" section of our main report.</p>	
ii)	<p>Whether there was sale of sizeable quantity in comparison with the entire quantity valued to determine the realistic market rate?</p>	<p>There is insignificant movement of sub-grade iron ore fines during the year in comparison with the entire quantity valued. However, for the reasons mentioned in note 49.10, in view of the management, there is no adjustment required in the carrying value of these inventories at this stage.</p>
2 (i)	<p>Whether uniform practice and reporting was followed by all the Joint Statutory Auditors like addressee of the Independent Auditors' Report, Title of the Audit Report while issuing Independent Auditors Report on the audit of financial statements of steel plants/units of SAIL?</p>	<p>Uniform practice and reporting was followed by all the Joint Statutory Auditors like addressee of the Independent Auditors' Report, Title of the Audit Report while issuing Independent Auditors Report on the audit of financial statements of steel plants / units of the Company in accordance with Revised Standard on Auditing 700, Forming an opinion and Reporting on Financial Statements ('SA 700'), except in respect of three units, being a) Corporate Office, b) Alloy Steels Plant and c) Central Marketing Organisation, for which the auditors have issued an audit report under 'Standard on Auditing 800, Special Considerations - Audits of Financial Statements Prepared in Accordance with Special Purpose Frameworks ('SA 800'). However, the level of assurance provided through all the audit reports issued by all the Joint Statutory auditors in respect of all the steel plants/ units is equal and uniform.</p>
2(ii)	<p>Whether Basis of Preparation of Financial Statements of all the steel plants/units of the Company was uniform? Whether preparation of unit accounts of three units (Corporate office, Alloy Steels Plant and Central Marketing Organisation of SAIL) out of 13 units of SAIL in accordance with Guidance note on Combined and Carved out Financial Statements was as per requirement and justified?</p>	<p>The Company follows uniform accounting policies for preparation of financial statements for all the steel plants/ units.</p> <p>Approach of joint statutory auditors – Walker Chandiok & Co LLP</p> <p>With regards to preparation of unit accounts of three units, being a) Corporate Office, b) Alloy Steels Plant and c) Central Marketing Organisation, the statutory joint auditor for such units, is of the view that the different steel plants / units of the Company, represent subsets of the reporting entity, SAIL, and thus, are covered by the definition of 'Carve-out business' as per paragraph 9 of the Guidance note on Combined and Carved out Financial Statements ('the Guidance Note'). The carve-out financial statements, as per the Guidance Note are identified to be special purpose financial statements (refer paragraph 8 of the Guidance Note) and is based on the adjustments made by the management for allocation of various elements of income and expenses to the respective units through the IT system used for maintaining accounts. Such special purpose financial statements are then aggregated to prepare the standalone financial statements of the company as a whole.</p> <p>The relevant guidance / definitions from the Guidance Note have been reproduced below for ease of reference–</p> <p>Paragraph 3: The combined/carve-out financial statements can include financial information pertaining to different entities, divisions, branches and/or an aggregation of similar assets, associated liabilities and operations in a specified geographic region or line of business pertaining to different entities. These financial statements can be prepared by aggregating financial statements of segments, separate entities or components of groups which may not necessarily have separate management and accounting records.</p>

	Comments	Management's Replies
	<p>Paragraph 8: Scope This Guidance Note should not be construed to be applicable to the general purpose financial statements as the combined/ carve-out financial statements are prepared for specific purposes and, therefore, are 'special purpose financial statements'.</p> <p>Paragraph 9: Definitions Carve-out business: For the purpose of this Guidance Note and notwithstanding the definition of 'business' as contained in Ind AS 103, Business Combinations, the term 'carve-out business' refers to an identifiable set of assets and liabilities, pertaining to an economic activity carved out of the aggregate activities of an entity. A division, segment, or business activity of an entity may also signify a carve-out business.</p> <p>Carve-out Financial Statements: Carve-out financial statements are the financial statements pertaining to a carve-out business.</p> <p>However, it is pertinent to note that reporting under SA 800 also requires applying requirements of all other SAs including SA 700 (refer paragraphs 1, 3, 9, 10 and 11 of SA 800), and thus, in effect, other than taking into account special considerations in applying the requirements of other SAs, pursuant to the adoption of a special purpose financial reporting framework by the reporting entity, the level of assurance provided through all the audit reports issued by all the Joint Statutory auditors in respect of all the steel plants/ units as equal and uniform.</p> <p>Approach of Joint Statutory auditors – Tej, Raj & Pal, S. Jaykishan and KASG & Co. The appointment as statutory auditors was made under Section 139 of the Companies Act 2013 for the financial year 2022-23 vide letter dated 26th August 2022 in exercise of the powers conferred by Section 139 of the Companies Act 2013 ("Act"). We were appointed as statutory/joint statutory/ Branch auditors of the Company as per Annexure – II for Consolidation of SAIL Accounts and respective units. As such, we are required to ensure compliance with the provisions of Section 143 of the Act. As per the provisions of Section 143(8) of the Act, "the branch auditor shall prepare a report on the accounts of the branch examined by him and send it to the auditor of the company who shall deal with it in his report in such manner as he considers necessary".</p> <p>Accordingly, the auditor's report of the respective units audited by the joint statutory auditors - Tej, Raj & Pal, S. Jaykishan and KASG & Co. and the units audited by the branch auditors was issued in compliance with SA 700. The financial statements of the respective units are prepared in accordance with general purpose framework. Examples of special purpose frameworks as provided in paragraph A1 of SA 800 are not applicable to the financial statements of the respective units. Reference may also be made to the publication on "Guidance note on Bank Audit" issued by ICAI wherein the illustrative format of report of the Branch Auditor of a bank is drafted in compliance with SA 700.</p> <p>Further, the joint statutory auditors - Tej, Raj & Pal, S. Jaykishan and KASG & Co. – are of the view that financial statements of the branch cannot be considered as "carve-out financial statements" in respect of a "carve-out business" referred to in the Guidance Note on Combined and Carved out Financial Statements.</p> <p>The situations warranting the preparation of combined/ carve-out financial statements, as indicated in paragraph 13 of the Guidance Note, do not apply to the financial statements of the respective units. Paragraph 13 suggests that the carve-out financial statements are required pursuant to the specific requirements of the management in scenarios where a restructuring of a division is undertaken.</p>	

	Comments	Management's Replies
	<p>Paragraph-13</p> <p>Carve-out financial statements may be prepared for one or more divisions, segments, businesses, etc. of the same entity. Examples where carve-out financial statements may be required to be prepared are demerger, spin-off, hiving off or any other related restructuring of a segment/ divisions/ business of the same entity or acquisition of a segment/ division/ business of another entity.</p> <p>The purpose of the Guidance note is to provide guidance on procedure of preparation of the carve-out financial statements including basis of allocating transaction amounts and balances. In the case of the Company, separate books of accounts are maintained by each of the units and there is no question of carving out the financial statements. Each unit maintains its distinct set of books and records. Therefore, the concept of 'carving out' financial statements doesn't apply here. In other words, each unit operates and records its financial transactions independently, negating the need to separate or 'carve-out' its financial information from a larger, consolidated set of accounts.</p> <p>Joint Statement of all Joint Statutory auditors – Walker Chandiok & Co LLP, Tej, Raj & Pal, S. Jaykishan and KASG & Co.</p> <p>It is pertinent to note that while the approach appears to be different as above, the resultant financial information is the same for the units under the two approaches.</p> <p>Further, as mentioned above, even the level of assurance issued through the respective audit reports is the same under the two approaches.</p>	

For Tej Raj & Pal
Chartered Accountants
Firm Registration No. 304124E

Sd/-
CA. Dinakar Mohanty
Partner
M.No. 059390
UDIN : 23059390BGWJAS9803
Place : New Delhi

For Walker Chandiok & Co LLP
Chartered Accountants
Firm Registration No. 001076N/N500013

Sd/-
CA. Nalin Jain
Partner
M.No. 503498
UDIN: 23503498BGRGBX1676
Place : New Delhi

Date: 25th May 2023
Place: New Delhi

For S. Jaykishan
Chartered Accountants
Firm Registration No. 309005E

Sd/-
CA. Ritesh Agarwal
Partner
M.No. 062410
UDIN : 23062410BGUPPE8310
Place : New Delhi

For KASG & Co.
Chartered Accountants
Firm Registration No. 002228C

Sd/-
CA. Raj Kumar Agarwal
Partner
M.No. 073063
UDIN: 23073063BGXAOO2353
Place : New Delhi

For and on behalf of Board of Directors

Sd/-
(Amarendu Prakash)
Chairman

Date: 10th August, 2023
Place: New Delhi

COMMENTS OF C&AG

COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6)(b) OF THE COMPANIES ACT, 2013 ON THE STANDALONE FINANCIAL STATEMENTS OF STEEL AUTHORITY OF INDIA LIMITED FOR THE YEAR ENDED 31st MARCH 2023

Comments
The preparation of Financial Statements of Steel Authority of India Limited for the year ended 31 March 2023 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the management of the company. The Statutory Auditors appointed by the Comptroller and Auditor General of India under Section 139(5) of the Act are responsible for expressing opinion on the financial statements under section 143 of the Act based on independent audit in accordance with the standards on auditing prescribed under Section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 25 th May 2023.
I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit under Section 143(6)(a) of the Act of the financial statements of Steel Authority of India Limited for the year ended 31 st March, 2023. This supplementary audit has been carried out independently without access to the working papers of the Statutory Auditors and is limited primarily to inquiries of the Statutory Auditors and company personnel and a selective examination of some of the accounting records.
On the basis of my supplementary audit, nothing significant has come to my knowledge which would give rise to any comment upon or supplement to Statutory Auditors' Report under Section 143(6)(b).
For and on the behalf of the Comptroller & Auditor General of India Sd/- (U. S. Prasad) Director General of Audit (Steel), Ranchi
Place: Ranchi Date: 4 th August, 2023

Annexure-III to the Board's Report

SECRETARIAL AUDIT REPORT

 FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2023

{Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014}

To,
The Members,
Steel Authority of India Limited

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Steel Authority of India Limited** (hereinafter called SAIL/the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the SAIL's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that, in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2023 complied with the statutory provisions listed hereunder and also that the Company has proper Board- processes and Compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by SAIL for the financial year ended on 31st March, 2023 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'), as applicable: -
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;

(d) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;

(e) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

(f) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021;

(g) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;

(vi) Compliances/processes/systems under following specific applicable Laws (as applicable to the industry) to the Company are being verified on the basis of periodic certificate submitted to the Board of Directors of the Company:

(vii) Compliances/processes/systems under following specific applicable Laws (as applicable to the industry) to the Company are being verified on the basis of periodic certificate submitted to the Board of Directors of the Company:

(a) Mines Act, 1952

(b) Mines and Mineral(Regulation and Development) Act, 1957

(c) The Factories Act, 1948

(d) Explosives Act, 1884

We have also examined compliance with the applicable clauses of the following:

(a) Secretarial Standards, as amended from time to time, issued by the Institute of Company Secretaries of India. Generally complied with.

(b) The Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015 with National Stock Exchange of India Limited & BSE Limited.

(c) DPE Guidelines on Corporate Governance for CPSE.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observations:

- I. Regulation 17(1)(a) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the number of Non-Executive Directors on the Board was less than fifty percent during the period from 12.11.2022 to 31.03.2023.

II. Regulation 17(1)(b) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Clause 3.1.4 of the DPE Guidelines on Corporate Governance for Central Public Sector Enterprises, the number of Independent Directors on the Board is less than fifty percent during 01.04.2022 to 31.03.2023. Consequently, in terms of Clause 3.1.2 of the DPE Guidelines on Corporate Governance for Central Public Sector Enterprises, the number of Functional Directors on the Board of the Company is exceeding 50% of the actual strength of the Board during the period from 12.11.2022 to 31.03.2023.

We further report that the Board of Directors of the Company was not duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Generally, adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting from Directors.

All the decisions made in the Board/Committee meeting(s) were carried out with unanimous consent of all the Directors/ Members present during the meeting and dissent, if any, have been duly incorporated in the Minutes.

We further report that the Software for SDD Certificate is being developed. Therefore, the SDD certificate for Quarter September, 2022 and December, 2022 could not be submitted.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that the National Stock Exchange of India Limited and BSE Limited have levied monetary fines for non-compliance under Regulation 17(1), 17(1A) and 54(2) of the Securities and Exchange Board of India (Listing Obligations and Disclosure requirements) Regulations, 2015 against which the Company has submitted replies along with the request to waive off fines imposed on the Company and not to take any action on the Company.

We further report that during the audit period, there were no specific events/actions having a major bearing on the Company's affairs in pursuance of the above referred laws.

For **Agarwal S. & Associates**,
Company Secretaries,
ICSI Unique Code: P2003DE049100
Peer Review Cert. No.: 2725/2022

Sd/-
Garima Grover
Partner
ACS No.: 27100
CP No.: 23626

Place: New Delhi
Date: 15.07.2023

UDIN: A027100E000617382

This report is to be read with our letter of even date which is annexed as "**Annexure A**" and forms an integral part of this report.

"Annexure A" to Secretarial Audit Report

To,
The Members,
Steel Authority of India Limited

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial records is the responsibility of the management of the Company. Our Responsibility is to express an opinion on these secretarial records, based on our inspection of records produced before us for Audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company and our report is not covering observations/comments/ weaknesses already pointed out by the other Auditors.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations, happening of events, etc.
5. The Compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is

the responsibility of management. Our examination was limited to the verification of procedures on test basis and to give our opinion whether Company has proper Board-processes and Compliance-mechanism in place or not.

6. The Secretarial Audit Report is neither an assurance as to future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **Agarwal S. & Associates,**
Company Secretaries,
ICSI Unique Code: P2003DE049100
Peer Review Cert. No.: 2725/2022

Sd/-
Garima Grover
Partner
ACS No. : 27100
CP No. : 23626

Place: New Delhi
Date: 15.07.2023

Annexure-IV to the Board's Report

CORPORATE GOVERNANCE REPORT

Corporate Governance is the system of Policies, Rules, Procedures, Processes and Practices by which a company is administered, directed or controlled with the ultimate objective of maximising the value for all the stakeholders viz. Government, Investors, Shareholders, Customers, Vendors, Employees, Environment and the Society at large. As a good governance measure being integral to a company, the concerned officers of the Company are accountable to its Stakeholders in terms of transparency, fairness, ethics and professional approach followed in the decisions taken by them.

(a) Company's Philosophy

The philosophy of the Company in relation to Corporate Governance is to ensure transparency, disclosures and reporting that conforms fully to laws, regulations, guidelines including DPE guidelines and robust policies formulated over the years and to promote ethical conduct throughout the Organization, with the primary objective of enhancing shareholders' value, while being a responsible corporate citizen. Your Company is committed to confirming to the highest standards of Corporate Governance in the Country. It recognizes that the Board is accountable to all shareholders and that each member of the Board owes his/her first duty for protecting and furthering the interest of the Company.

(b) Board of Directors

The Board of Directors being at the core of our corporate governance is entrusted with the responsibility of management, direction performance of the Company and ensuring that the long term interest of the stakeholders is protected and stakeholders' value enhanced. The Board reviews and approves management's strategic plans and business objectives and monitors the Company's strategic direction. The Board of Directors functions in accordance with the powers delegated under the Companies Act, 2013, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Corporate Governance Guidelines issued by DPE and other guidelines issued by the Government of India from time to time, as applicable to the Company.

Steel Authority of India Limited (SAIL) is Government Company within the meaning of Section 2(45) of the Companies Act, 2013. In terms of the provisions of the Articles of Association of the Company, the strength of the Board shall not be less than six Directors or more than twenty four Directors. As per the Articles of Association, the power to appoint Directors vests with

the President of India. Consequent to restructuring of the Board, vide letter no. 3(4)/2007-SAIL (PC)(Pt) dated 25th September, 2020, Government of India (GoI), Ministry of Steel (MoS) has conveyed the sanctioned strength of the Board of Directors as under:

- (i) Nine Functional Directors including the Chairman & Managing Director and four Director In-charges for Integrated Steel Plants;
- (ii) Two Government Nominee Directors; and
- (iii) Eleven Independent Directors as per the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

As on 31st March, 2023, the Board of Directors comprised of a full time Chairman, 5 Whole Time Directors (i.e. Executive Directors) and 8 Non-Executive Directors (consisting of 2 Government Nominee Directors and 6 Independent Directors). During the year, 11 Board meetings were held on 27th April, 2022, 9th May, 2022, 23rd May, 2022, 29th July, 2022, 10th August, 2022, 23rd September, 2022, 20th October, 2022, 10th November, 2022, 16th January, 2023, 13th February, 2023 and 16th March, 2023. The gap between any two board meetings did not exceed 120 days and the requisite quorum was present in all the meetings held during the Financial Year 2022-23. In addition to the physical mode, the board meetings during the Financial Year 2022-23 were also held through video conference.

During the FY 2022-23, none of the Directors were Members in more than 10 committees or Chairperson in more than 5 committees in all the listed entities where they were Directors. In this regard, for the purpose of determination of limit of the Board Sub-committees, Chairpersonship and Membership of the Audit Committee and Stakeholders' Relationship Committee has been considered as on 31st March, 2023, as per the Regulation 26(1)(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Further, during the year under review, there was no instance where the Board had not accepted any recommendation of any Board Sub-committee. Further, there are no inter-se relationships among the Directors on the Board.

The names of Director(s), their attendance at the Board meeting(s) held during 2022-23 as also at the last Annual General Meeting and number of other directorships held by each of them, as disclosed, are as under:

Name of the Director	Category of Directorship	No. of Board Meetings in 2022-23		Attendance at last AGM	No. of other Directorships*		No. of Board Committee(s) as Chairman/ Member**
		Held during tenure	Attended		Total	In Listed Cos.	
1. Smt. Soma Mondal	Executive Chairman	11	11	Yes	1	-	-
2. Smt. Sukriti Likhi (from 23 rd April, 2021)	Non-Executive Director (Gol. Nominee)	11	11	No	5	3	M-1
3. Shri Puneet Kansal (upto 26 th April, 2022)	Non-Executive Director (Gol. Nominee)	0	0	Not Applicable	-	-	-
4. Shri Abhijit Narendra (from 27 th April, 2022)	Non-Executive Director (Gol. Nominee)	11	10	No	2	2	-
5. Shri Harinand Rai (upto 30 th April, 2022)	Executive Director	1	1	Not Applicable	-	-	-
6. Shri N. Shankarappa (upto 12 th November, 2022)	Independent Director	8	8	Yes	-	-	-
7. Shri Anirban Dasgupta	Executive Director	11	11	Yes	3	-	M-1
8. Shri Amarendu Prakash	Executive Director	11	11	Yes	-	-	-
9. Shri Ashok Kumar Tripathy	Independent Director	11	11	Yes	-	-	M-1
10. Shri Kanhaiya Sarda	Independent Director	11	11	Yes	2	-	M-1
11. Smt. Neelam Sonker	Independent Director	11	10	Yes	-	-	C-1, M-1
12. Shri Sagi Kasi Viswanatha Raju	Independent Director	11	11	Yes	3	-	C-1, M-1
13. Dr. Gopal Singh Bhati	Independent Director	11	11	Yes	-	-	-
14. Shri Vejendra Srinivasa Chakravarthy	Executive Director	11	11	Yes	-	-	-
15. Shri Atanu Bhowmick	Executive Director	11	11	Yes	1	-	-
16. Shri Brijendra Pratap Singh (from 19 th April, 2022)	Executive Director	11	11	Yes	-	-	-
17. Prof.(Dr.) K. Jayaprasad (from 26 th April, 2022)	Independent Director	11	11	Yes	-	-	M-1
18. Shri Anil Kumar Tulsiani (from 20 th June, 2022)	Executive Director	8	8	Yes	1	-	C-1, M-1
19. Shri Krishna Kumar Singh (from 25 th August, 2022)	Executive Director	6	6	Yes	-	-	M-1
20. Shri Arvind Kumar Singh (from 3 rd September, 2022)	Executive Director	6	6	Yes	-	-	-

* The status is as on 31st March, 2023 and includes directorship in Private companies also.

** The status is as on 31st March, 2023 and only Audit Committee and Stakeholders' Relationship Committee have been considered for this purpose. M = Member, C = Chairman.

None of the above Directors, other than Smt. Sukriti Likhi and Shri Abhijit Narendra were on the Board of any listed entity during 2022-23 other than SAIL. Smt. Sukriti Likhi was on the Board of NMDC Limited, MOIL Limited, NMDC Steel Limited and KIOCL Limited as Government Nominee Director. Shri Abhijit Narendra was also on the Board of NMDC Limited and NMDC Steel Limited as Government Nominee Director.

The information, as required under Regulation 17(7) read with Part-A of Schedule-II of the SEBI (Listing Obligations and Disclosure Requirements) Obligations, 2015 is placed before the Board. The Agenda, including compliance reports of all the laws applicable to the Company, along with Explanatory Notes is provided to the Board Members in advance. The Board Members take active part in the deliberations in the Board and Board Sub-committee meetings by providing valuable suggestions, advice and guidance on various areas of the Company's Business, thus adding value to the decision making process. Additional information as sought is provided

to the members. The recommendations of the meetings of the Board Sub-committee meetings are placed before the Board for necessary approval. As an effective post meeting follow-up system, action taken on its decisions is apprised to the Board.

During part of the FY 2022-23, the composition of the Board of Directors in respect of minimum number of Independent Directors and Non-Executive Directors was not as per the requirement of Regulation 17 (1) (a) of the SEBI(Listing Obligations and Disclosure Requirements), 2015 Regulations.

In terms of Regulation 17(1)(b) of SEBI (Listing Obligations and Disclosure Requirements), 2015, Regulations, the number of Independent Directors on the Board is less than 50% during the financial year 2022-23. Consequently, in terms of Clause 3.1.2 of the DPE Guidelines on Corporate Governance for Central Public Sector Enterprises, the number of Functional Directors on the Board of the Company is exceeding 50% of the actual strength of the Board during the period from 12th November, 2022 to 31st March, 2023.

(c) Audit Committee:

(i) Terms of Reference:

The terms of reference of Audit Committee of SAIL Board in line with the Regulation 18(3) read with Part C of Schedule-II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, include: the primary function to assist the Board of Directors in fulfilling its oversight responsibilities by reviewing the Financial Reports; the Company's systems of Internal Financial Controls and Risk management systems, Accounting and Legal compliance that Management and the Board have established; review Related Party Transactions in accordance with the Related Party Transaction Policy of the Company; and the Company's Auditing, Accounting and Financial Reporting process generally.

The Audit Committee reviews the reports of the Internal Auditors, meets Statutory Auditors, reviews the Auditors' independence, performance and effectiveness of the Audit process, discusses their findings, suggestions and other related matters and reviews Accounting Policies followed by the Company. The Audit Committee reviews with the Management, the Quarterly and Annual Standalone and Consolidated Financial Statements and the Auditors' Report thereon, before their submission to the Board.

The minutes of the Audit Committee meetings are submitted to the Board, discussed, and taken note of.

(ii) Composition:

The Audit Committee of the Board was initially formed in 1998 and has been reconstituted from time to time. As on 31st March, 2023, the Audit Committee comprised of Shri Sagi Kasi Viswanatha Raju, (Chairman), Shri Ashok Kumar Tripathy, Smt. Neelam Sonker, Shri Kanhaiya Sarda and Director (Incharge-BSP). During the FY 2022-23, the Committee met 8 times and attendance of the Members at the meetings is given below:

Name of the Director	Status	Meetings held during tenure	Meetings attended
Shri Sagi Kasi Viswanatha Raju, Independent Director, Chairman	Chairman	8	8
Shri N. Shankarappa, Independent Director (upto 12 th November, 2022)	Member	6	6
Shri Ashok Kumar Tripathy, Independent Director	Member	8	8
Shri Kanhaiya Sarda, Independent Director	Member	8	8
Smt. Neelam Sonker, Independent Director	Member	8	8
Shri Anirban Dasgupta, Director (Incharge-BSP)	Member	8	8

(d) Nomination & Remuneration Committee

(i) SAIL, being a Government Company, the nomination and fixation of terms & conditions for appointment of its Directors, are made by the Government of India. However, the Company has constituted a Nomination & Remuneration Committee (NRC), the terms of reference of which, inter-alia, include to look into various HR issues, matters prescribed under the Companies Act, 2013 and SEBI Regulations; to finalise Performance Related Pay (PRP) for the executives of the Company in terms of Department of Public Enterprises Guidelines on Corporate Governance for Central Public Sector Enterprises; etc.

As on 31st March, 2023, the Nomination & Remuneration Committee comprised of Shri Ashok Kumar Tripathy, Independent Director (Chairman); Smt. Soma Mondal, Chairman, SAIL; Shri Abhijit Narendra, Joint Secretary, Ministry of Steel (Government Nominee Director); Shri Sagi Kasi Viswanatha Raju, Independent Director; Dr. Gopal Singh Bhati and Prof.(Dr.) K. Jayaprasad, Independent Director, as Members. During the FY 2022-23, the attendance of the Members in the 2 meetings of NRC held is as under:

Name of the Director	Status	Meetings held during tenure	Meetings attended
Shri Ashok Kumar Tripathy, Independent Director	Chairman	2	2
Smt. Soma Mondal, Chairman	Member	2	2
Shri Puneet Kansal, Joint Secretary, Ministry of Steel (upto 26 th April, 2022)	Member	1	0
Shri Abhijit Narendra, Joint Secretary, Ministry of Steel (from 27 th April, 2022)	Member	1	1
Shri N. Shankarappa, Independent Director (upto 12 th November, 2022)	Member	1	1
Shri Sagi Kasi Viswanatha Raju, Independent Director	Member	2	2
Dr. Gopal Singh Bhati, Independent Director	Member	2	2
Prof. (Dr. K. Jayaprasad), Independent Director (from 10 th February, 2023)	Member	0	0

As per Section 178(2) of the Companies Act, 2013, the Nomination and Remuneration Committee (NRC) shall identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall specify the manner for effective evaluation of performance of the Board, its committees and individual directors. The evaluation is to be carried out either by the

Board, NRC or by an independent external agency and NRC shall review the implementation and compliance of the evaluation system. Further, Regulation 17(10) & 25(4) of SEBI (LODR) 2015 and the Code for Independent Directors pursuant to Section 149(8) of the Companies Act, 2013 requires the performance evaluation of Independent Directors to decide their continuance or otherwise. The Ministry of Corporate Affairs (MCA) has vide its Notification dated 5th June, 2015 notified exemptions to Government Companies from certain provisions of the Companies Act, 2013 which, inter-alia, provides that Sub Sections (2), (3) & (4) of Section 178 regarding appointment, performance evaluation and remuneration shall not apply to Directors of Government Companies. The appointment of Functional Directors as well as Part Time Non-Official Directors (Independent Directors) on the Board of SAIL is made based on nomination/appointment by Government of India (GOI). The terms & conditions of appointment as well as tenure of all Directors are also decided by GOI and there is a well laid down procedure for evaluation of Functional Directors and CMD by the Administrative Ministry. Further, the Ministry of Corporate Affairs vide Notification dated 5th July, 2017 has notified amendments in Schedule IV of the Companies Act, 2013 relating to Code for Independent Directors, wherein, the clauses relating to evaluation of performance of Non-Independent Directors, Chairperson and Board have been exempted for Government Companies.

(ii) The details of remuneration to Whole Time Directors for FY 2022-23 are given below:

Name of the Director	Salary*	Perquisites	Total (₹)
Smt. Soma Mondal	76,31,641	33,90,662	1,10,22,303
Shri Harinand Rai (upto 30 th April, 2022)	28,81,272	49,75,171	78,56,443
Shri Anirban Dasgupta	71,53,289	16,25,841	87,79,130
Shri Amarendu Prakash	63,69,588	19,45,205	83,14,793
Shri Vejendla Srinivasa Chakravarthy	61,46,517	28,17,802	89,64,319
Shri Atanu Bhowmick	67,76,463	22,83,338	90,59,801
Shri Brijendra Pratap Singh (from 19 th April, 2022)	64,79,634	20,37,341	85,16,975
Shri Anil Kumar Tulsiani (from 20 th June, 2022)	47,38,097	17,92,979	65,31,076
Shri Krishna Kumar Singh (from 25 th August, 2022)	38,23,282	17,97,079	56,20,361
Shri Arvind Kumar Singh (from 3 rd September, 2022)	37,60,463	19,54,817	57,15,280
Total	5,57,60,246	2,46,20,235	8,03,80,481

*Salary includes provision for Pension

(iii) The Non-Executive Directors (other than Government Nominee Directors) are paid only sitting fee for each Board/Board Sub-committee/ Meeting attended by them. The sitting fee of ₹30,000/- for each Board Meeting attended and ₹25,000/- for each Board Sub-committee and Independent Directors Meeting attended is paid, as approved by the Board of Directors in its 485th meeting held on 31st January, 2022.

(iv) The salary of the Whole Time Directors is governed by Pay scales and Rules issued by the Department of Public Enterprises. No variable incentive is being paid to the Directors except Performance Related Pay (PRP), paid to them on annual basis as per DPE Guidelines. No Bonuses, severance fees and Stock Options were paid during the FY 2022- 23.

(v) Terms & Conditions

The Whole Time Directors are nominated by Government of India for appointment as Director for a period of five years or till the age of superannuation or until further orders, whichever is the earliest. They are initially appointed by the Board of Directors as Additional Directors and, thereafter, by the Shareholders in the Annual General Meeting in terms of the provisions of the Companies Act, 2013. However, w.e.f. 1st January, 2022, in terms of the Regulation 17(1C) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, (prior to its amendment dated 17th January, 2023 exempting public sector company to seek the approval at the next general meeting), approval of Shareholders is taken at the next general meeting or within a time period of three months from the date of appointment, whichever is earlier.

The appointment may, however, be terminated by either side on three months' notice or on payment of three months' salary in lieu thereof.

(e) Stakeholders' Relationship Committee

(i) A Stakeholders' Relationship Committee comprising Smt. Neelam Sonker, Independent Director, Chairman; Shri Sagi Kasi Viswanatha Raju, Independent Director; Prof. (Dr.) K. Jayaprasad, Independent Director and two Whole Time Directors, i.e. Director (Finance) and Director (Personnel), is functioning to consider and resolve the grievances of the security holders of the Company including complaints related to non-receipt of balance sheet, non-receipt of dividend, transfer/transmission of shares, etc. During the year, one meeting of Stakeholders' Relationship Committee was held on 24th March, 2023 and the attendance of the Members is as under:

Name of the Director	Status	Meetings held during tenure	Meetings attended
Smt. Neelam Sonker, Independent Director	Chairman	1	1
Shri N. Shankarappa, Independent Director (upto 12 th November, 2022)	Member	0	0
Prof. (Dr.) K. Jayaprasad, Independent Director (from 26 th April, 2022)	Member	1	1
Shri Sagi Kasi Viswanatha Raju, Independent Director	Member	1	1
Shri Anil Kumar Tulsiani, Director (Finance) (from 20 th June, 2022)	Member	1	1
Shri Krishna Kumar Singh, Director (Personnel) (from 25 th August, 2022)	Member	1	1

(ii) Name of Compliance Officer: Shri M.B. Balakrishnan, Company Secretary.

(iii) There was no complaint pending for redressal as on 31st March, 2023. Number of shareholders' complaints received during the year from 1st April, 2022 to 31st March, 2023 was 62. All the 62 complaints were resolved and no complaint was pending for redressal as on 31st March, 2023. The details of the complaints received and resolved are as under:

Complaints Received from	No. of Complaints
SEBI	29
BSE	2
NSE	31
CPGRAMS	0
Total	62

(f) **Risk Management Committee:** The Company has constituted the SAIL Risk Management Committee (SRMC) and the Chief Risk Officer of the Company is acting as the Secretary to the Committee. Chairman, Audit Committee, is the Chairman of the SRMC and majority of the members are Directors on the Board of the Company. The Company has formulated a Risk Management Policy for dealing with different kinds of risks which it faces. The Policy is available on the website of the company-www.sail.co.in. The Risk Management Policy is comprehensive and processes faster risk updation in a dynamic business environment. The SRMC oversees the risk management function in SAIL by addressing issues pertaining to policy formulation as well as evaluation of the risk management function to assess its continuing effectiveness. The Terms of reference of the Committee mainly includes establishment of a risk management system; formulation, adoption and implementation of the Risk Management Policy; setting standards for risk documentation; to review the Enterprise Risk Management framework to assess

its continuing effectiveness; to monitor emerging issues and oversee the risk management. As on 31st March, 2023, the SRMC comprised of Shri Sagi Kasi Viswanatha Raju, Independent Director, Chairman; Director (Technical, Projects & Raw Materials); Director (Finance); Director (Commercial); Director (Personnel) as Members. During the year, two meetings of the Risk Management Committee were held on 11th May, 2022 and 1st November, 2022. The attendance of the members of the Committee during the meetings held in FY 2022-23 is as under:

Name of the Director	Status	Meetings held during tenure	Meetings attended
Shri Sagi Kasi Viswanatha Raju, Independent Director	Chairman	2	2
Shri N. Shankarappa, Independent Director (upto 12 th November, 2022)	Member	2	2
Shri Harinand Rai, Director (Technical, Projects & Raw Materials) (upto 30 th April, 2022)	Member	0	0
Shri Vejendla Srinivasa Chakravarthy, Director (Commercial)	Member	2	2
Shri Anil Kumar Tulsiani, Director (Finance) (from 20 th June, 2022)	Member	1	1
Shri Krishna Kumar Singh, Director (Personnel) (from 25 th August, 2022)	Member	1	1
Shri Arvind Kumar Singh, Director (Technical, Projects & Raw Materials) (from 3 rd September, 2022)	Member	1	1

(g) **Corporate Social Responsibility Committee:** Corporate Social Responsibility (CSR) is the Company's vision to strive for excellence in promoting innovative CSR Initiatives and Improvement in quality of life of communities through ethical, transparent, accountable and sound governance practices and be known as a Corporate Leader in sustainable CSR initiatives. It is the Company's commitment to its stakeholders to conduct business in an economically, socially and environmentally sustainable manner, whereby organisations serve the interests of the society, by taking responsibility for the impact of their activities. The Board of Directors of the Company has constituted the Corporate Social Responsibility Committee and has also approved Corporate Social Responsibility Policy of the Company. The Policy is available on the website of the Company- www.sail.co.in. As on 31st March, 2023, Prof. (Dr.) K. Jayaprasad, Independent Director, was Chairman of the Committee. The other Members included Dr. Gopal Singh Bhati, Independent Director; Shri Kanhaiya Sarda, Independent Director; Shri Anil Kumar Tulsiani, Director (Finance) and Shri Krishna Kumar Singh, Director (Personnel). During the year, three meetings of CSR Committee were held on 23rd April, 2022, 31st August, 2022 and 15th October, 2022 and the attendance of the Members is as under:

Name of the Director	Status	Meetings held during tenure	Meetings attended
Shri N. Shankarappa, Independent Director (upto 12 th November, 2022)	Chairman	3	3
Prof. (Dr.) K. Jayaprasad, Independent Director (Chairman) from 10 th February, 2023)	Chairman	2	2
Smt. Soma Mondal, Chairman with Additional Charge of Director (Personnel) (upto 24 th August, 2022);	Member	1	1
Dr. Gopal Singh Bhati, Independent Director	Member	3	3
Shri Kanhaiya Sarda, Independent Director	Member	3	3
Shri Anil Kumar Tulsiani, Director (Finance) (from 20 th June, 2022)	Member	2	2

Name of the Director	Status	Meetings held during tenure	Meetings attended
Shri Krishna Kumar Singh, Director (Personnel) (from 25 th August, 2022)	Member	2	2
Shri Sagi Kasi Vishwanatha Raju	Independent Director (Invitee)	0	1

(h) During the year, in addition to the physical mode, the meetings of Board Sub-committees (BSCs) were also held through video conference. The constitution of the BSCs was reviewed and some of the BSCs were reconstituted. At present, besides mandatory Committees, the following BSCs have been constituted by the Company so that the important issues are examined in detail before the same are considered by the Board. The objective and composition of these BSCs as on 31st March, 2023 are given below:

S. No.	Board Sub-committee	Objective of BSC in Brief	Composition of BSCs as on 31 st March, 2023
1.	Strategic Issues & Joint Ventures Committee	To examine and recommend to the Board the issues relating to formation of Strategic Alliance(s) and Joint Ventures of the Company and review their performance.	<ul style="list-style-type: none"> • Shri Kanhaiya Sarda, Independent Director (Chairman) • Joint Secretary, MOS & Director, SAIL • Shri Sagi Kasi Viswanatha Raju, Independent Director • Smt. Neelam Sonker, Independent Director • Dr. Gopal Singh Bhati, Independent Director • Prof. (Dr.) K. Jayaprasad, Independent Director • Director (Finance) • Director in-charge (BSP) • Director in-charge (BSL)
2.	Projects Committee	To monitor and recommend to the Board the matters regarding taking up of new projects, monitoring implementation of major capital projects vis-a-vis approved plan, etc.	<ul style="list-style-type: none"> • Shri Ashok Kumar Tripathy, Independent Director (Chairman) • Joint Secretary, MOS & Director, SAIL • Dr. Gopal Singh Bhati, Independent Director • Shri Kanhaiya Sarda, Independent Director • Prof.(Dr.) K. Jayaprasad, Independent Director • Director (Technical, Projects & Raw Materials) • Director (Finance) • Director in-charge (BSL)
3.	Health, Safety & Environment Committee	To review the policy, procedures and systems on Health, Safety and Environmental matters in respect of Plants & Mines.	<ul style="list-style-type: none"> • Dr. Gopal Singh Bhati, Independent Director (Chairman) • Shri Ashok Kumar Tripathy, Independent Director • Smt. Neelam Sonker, Independent Director • Shri Sagi Kasi Viswanatha Raju, Independent Director • Director (Technical, Projects & Raw Materials) • Director (Personnel) • Director in-charge (RSP) • Director in-charge (BSL)
4.	Share Transfer Committee	To consider (i) transmission, rejection, issue of duplicate share certificate and split share certificates; (ii) transfer of shares for which request was received before 31 st March, 2019 but was rejected earlier on account of discrepancies, and resubmitted after duly rectifying the objections; and (iii) Transfer of shares to IEPF.	<ul style="list-style-type: none"> • Director (Commercial) • Director (Finance) • Director (Personnel) • Director (Technical, Projects & Raw Materials)
5.	Operational Issues Committee	To periodically review performance in the areas of Production, Sales & Marketing, Mines and Collieries. To review coordination amongst Plants and Central Marketing Organisation.	<ul style="list-style-type: none"> • Prof.(Dr.) K. Jayaprasad (Chairman) • Joint Secretary, MOS & Director, SAIL • Shri Ashok Kumar Tripathy, Independent Director • Shri Kanhaiya Sarda, Independent Director • Smt. Neelam Sonker, Independent Director • Shri Sagi Kasi Viswanatha Raju, Independent Director • Director (Technical, Projects & Raw Materials) • Director (Commercial) • Director (Finance)

(i) Details of Meetings of various Board Sub-Committees held during the FY 2022-23 and Directors' attendance therein are as under:

Board Sub-Committee	Audit Committee Meetings		Project Committee Meetings		Strategic Issues & Joint Ventures Committee Meetings		Nomination & Remuneration Committee Meetings		Corporate Social Responsibility Committee Meetings		Health, Safety & Environment Committee Meetings		Stakeholders Relationship Committee Meetings		Operational Issues Committee Meetings		Share Transfer Committee Meetings	
	Held during Tenure	Attended	Held during Tenure	Attended	Held during Tenure	Attended	Held during Tenure	Attended	Held during Tenure	Attended	Held during Tenure	Attended	Held during Tenure	Attended	Held during Tenure	Attended	Held during Tenure	Attended
1	2		3		4		5		6		7		8		9		10	
Meetings held in 2022-23	8		7		1		2		3		2		1		3		8	
Directors Attendance																		
Smt. Soma Mondal*	-	-	1	0	-	-	2	2	1	1	-	-	-	-	-	-	2	1
Smt. Sukriti Likhi	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Shri Puneet Kansal (upto 26 th April, 2022)	-	-	1	0	-	-	1	0	-	-	-	-	-	-	-	-	-	-
Shri Abhijit Narendra (from 27 th April, 2022)	-	-	6	6	1	1	1	1	-	-	-	-	-	-	3	3	-	-
Shri Harinand Rai (upto 30 th April, 2022)	-	-	1	1	-	-	-	-	-	-	-	-	-	-	-	1	1	-
Shri N. Shankrappa (upto 12 th November, 2022)	6	6	-	-	-	-	1	1	3	3	2	2	-	-	-	-	-	-
Shri Anirban Dasgupta	8	8	1	1	1	1	-	-	-	-	1	1	-	-	1	1	-	-
Shri Amarendu Prakash	-	-	7	7	1	1	-	-	-	-	-	-	-	-	-	-	-	-
Shri Ashok Kumar Tripathy	8	8	7	7	-	-	2	2	-	-	2	2	-	-	3	3	-	-
Shri Kanhaiya Sarda	8	8	7	7	1	1	-	-	3	3	-	1@	-	-	3	3	-	-
Smt. Neelam Sonker	8	8	-	-	1	1	-	-	-	-	2	2	1	1	3	3	-	-
Shri Sagi Kasi Viswanatha Raju	8	8	-	-	1	1	2	2	-	1@	2	2	1	1	3	3	-	-
Dr. Gopal Singh Bhati	-	-	7	7	1	1	2	2	3	3	2	2	-	-	-	-	-	-
Shri Vejendra Srinivasa Chakravarthy	-	-	-	-	-	-	-	-	-	-	1	1	-	-	3	3	8	8
Shri Atanu Bhowmick	-	-	-	-	-	-	-	-	-	-	2	2	-	-	-	-	-	-
Shri Brijendra Pratap Singh (from 19 th April, 2022)	-	-	-	-	-	-	-	-	-	-	2	2	-	-	-	-	-	-
Prof.(Dr.) K. Jayaprasad (from 26 th April, 2022)	-	-	5	5	1	1	-	-	2	2	-	-	1	1	3	3	-	-
Shri Anil Kumar Tulsiani (from 20 th June, 2022)	-	-	5	5	1	1	-	-	2	2	-	-	1	1	3	3	6	6
Shri Krishna Kumar Singh (from 25 th August, 2022)	-	-	-	-	-	-	-	-	2	2	1	1	1	1	-	-	6	6
Shri Arvind Kumar Singh (from 3 rd September, 2022)	-	-	4	4	-	-	-	-	-	-	1	1	-	-	2	1	6	5

*Smt. Soma Mondal, Chairman was holding additional charge of the post of Director (Personnel) upto 24th August, 2022; and Director (Technical, Projects & Raw Materials) upto 2nd September, 2022; during FY 2022-23.

@ Shri Sagi Kasi Viswanatha Raju was Invitee in the 28th Meeting of Board Sub-committee on CSR.

@ Shri Kanhaiya Sarda was Invitee in the 29th Meeting of Board Sub-committee on HSE.

(j) In addition to above, 1 meeting of Independent Directors was held during the FY 2022-23.

(k) General Body Meetings:

- (i) Location and time where last three AGMs held:

Financial Year	Date	Time	Location
2021-22	28.09.2022	10.30 A.M.	Through Video Conferencing/Other Audio Visual Means
2020-21	28.09.2021	10.30 A.M.	Through Video Conferencing/Other Audio Visual Means
2019-20	22.10.2020	10.30 A.M.	Through Video Conferencing/Other Audio Visual Means

- (ii) In the last 3 years, Six Special Resolutions were passed through Postal Ballot and none in the Annual General Meetings, as detailed below:

Financial Year	No. of Special Resolutions Passed
2021-22	6
2020-21	NIL
2019-20	NIL

(iii) Postal Ballot

Pursuant to SEBI Regulations, Section 110 read with Section 108 and other applicable provisions, if any, of the Companies Act, 2013, Rule 20 and Rule 22 of the Companies (Management and Administration) Rules, 2014, Secretarial Standard on General Meetings issued by The Institute of Company Secretaries of India and in accordance with the guidelines prescribed by Ministry of Corporate Affairs, six Special Resolutions were passed through Postal Ballot during the financial year 2022-23. The Postal Ballot Notice dated 3rd June, 2022 was sent only in electronic form to the Members whose names appeared in the Register of Members/ List of Beneficial Owners as received from the National Securities Depository Limited ('NSDL') and Central Depository Services (India) Limited ('CDSL') as on Friday, 3rd June, 2022 (cut-off date) and who had registered their e-mail addresses with the Company/ Depositories. The period of the Postal Ballot was from 9.00 AM (IST) on Tuesday, 14th June, 2022 till 5.00 PM (IST) on Wednesday, 13th July, 2022. Shri Sachin Agarwal, Partner, Agarwal S. & Associates, Company Secretaries, was appointed as Scrutinizer for conducting the postal ballot process. The details of the business items contained in the Postal Ballot Notice passed through Special Resolutions are as under:

Sl.No.	Period of Postal Ballot	Mode
1.	Tuesday, June 14, 2022 at 9:00 a.m. (IST) till Wednesday, July 13, 2022 at 5:00 p.m. (IST)	Remote e-voting

Sl. No.	Resolutions	Details of Voting Pattern	
		Voting % (favour)	Voting % against)
1.	Appointment of Shri Ashok Kumar Tripathy (DIN:02485365) as an Independent Director	99.73	0.27
2.	Appointment of Shri Kanhaiya Sarda (DIN:06792668) as an Independent Director	99.95	0.05
3.	Appointment of Smt. Neelam Sonker (DIN:03111659) as an Independent Director	96.70	3.30
4.	Appointment of Shri Kasi Viswanatha Raju Sagi (DIN:00434856) as an Independent Director	96.70	3.30
5.	Appointment of Dr. Gopal Singh Bhati (DIN:09406763) as an Independent Director	96.91	3.09
6.	Appointment Prof. (Dr.) K. Jayaprasad (DIN:09585722) as an Independent Director	96.82	3.18

As on 31st March, 2023, no resolution is proposed to be conducted through postal ballot.

(I)

Disclosures:

- (i) **Pecuniary Relationship:** There were no transactions by the Company of material nature with Promoters, Directors or the Management, their Subsidiaries, relatives, etc. that may have potential conflict with the interests of the Company at large. The Board has taken note of the declaration and confirmation regarding meeting the criteria of independence submitted by the Independent Directors. The Non-Executive Directors had no pecuniary relationships or transactions vis-à-vis the Company during the year except receipt of sitting fee paid to Independent Directors for attending the meetings of the Board/Board Sub-committee. None of the Non-Executive (Gol Nominee) Directors held any share of the Company.
- (ii) **Maximum tenure of an Independent Director:** SAIL being a Government Company, the nomination and fixation of terms and conditions for appointment of Independent Directors is made by the Government of India.
- (iii) **Letter of appointment to Independent Directors:** SAIL being a Government Company, Directors on its Board are nominated/appointed by the Government of India. During the FY 2022-23, one Independent Director was nominated

by the Government of India on the Board of the Company. The letter of appointment intimating the roles, duties, responsibilities, was issued to the Independent Director based on the Terms and Conditions mentioned by the Government of India while nominating the Independent Director. The Independent Director(s) are intimated of their roles, duties and responsibilities and provided the copies of Code of Conduct for Directors.

- (iv) **Familiarization programme for Independent Directors:** An induction cum familiarization programme for Independent Directors is organized on their appointment, where an overall view of the Company is presented to them which includes, inter-alia, details of Organization Structure, Company's Plants & Units, Product Portfolio, Financial and Operational Performance, Modernization and Expansion Programme, etc. The Company also organizes visits of the Directors to various Plants/Units of the Company for first-hand knowledge of the operations. Further, the Directors are nominated to the training programmes organised by various institutions such as DPE, SCOPE, IOD and other institutions on issues related to Corporate Governance, etc. The details of familiarisation programmes imparted to Independent Directors are available on the website of the Company - www.sail.co.in.

- (v) The Company has adopted Whistle Blower Policy of Central Vigilance Commission (CVC) and it has not denied access to any personnel to approach the Audit Committee/ Management on any issue. The Whistle Blower Policy is available on the website of the Company - www.sail.co.in. The Company has also formulated a Vigil Mechanism for conducting the affairs in a fair and transparent manner by adopting highest standards of professionalism, honesty, integrity and ethical behaviour. All employees of the Company and Directors on the Board of the Company are covered under this Mechanism. This Mechanism has been established for employees to report concerns about unethical behaviour, actual or suspected fraud or violation of Code of Conduct. It also provides for adequate safeguards against the victimization of employees who avail the Mechanism and allows direct access to the Chairperson of the Audit Committee in exceptional cases. The Vigil Mechanism has been posted on the website of the Company - www.sail.co.in.
- (vi) The Company has complied with the mandatory requirements of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Guidelines on Corporate Governance for Central Public Sector Enterprises issued by the Department of Public Enterprises, Government of India, during the FY 2022-23. However, there was shortfall between one to five Independent Directors during the Financial Year 2022-23. SAIL being a Government Company, the Directors on its Board are appointed, based on nomination by the Government of India. The matter of nominating the requisite number of Independent Directors on the Board of SAIL was taken up with the Ministry of Steel, Government of India. Further, the Company has not fully adopted non-mandatory requirements of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and amendments thereof.
- (vii) There were One Whole Time Woman Director, One Non-executive Government Nominee Woman Director and One Independent Woman Director on the Board of the Company as on 31st March, 2023.
- (viii) Presidential Directives for revision of pay scales of Board level and below Board level executives in SAIL were issued by the Ministry of Steel vide letter dated 18th November, 2021 w.e.f. 1st January, 2017 notionally and the actual payment was made w.e.f. 1st April, 2020. In case of Non-executive employees, the wages including perks were finalized/revised in bipartite forum of National Joint Committee for Steel Industry (NJSI) with the approval of Ministry of Steel on 18th November, 2021. The pay scales have been implemented notionally w.e.f. 1st January, 2017 and the actual payment was made w.e.f. 1st April, 2020. The Perks and Allowances under Cafeteria Approach have been implemented w.e.f. 18th November, 2021.
- (ix) The Independent Directors have submitted the declaration of independence, as required under Regulation 25(8) of the SEBI Listing Regulations read with Section 149(7) of the Companies Act, 2013 stating that they meet the criteria of independence as provided in Regulation 16(1)(b) of the SEBI Listing regulations read with subsection (6) of Section 149 of the Companies Act, 2013 and have confirmed that they are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties. The same has been taken on record by the Board.
- (x) **Code of Conduct:** The Board has laid down a Code of Conduct covering the requirements to be complied with by all the Board Members and Senior Management Personnel of the Company. An affirmation of compliance with the Code is received from them on annual basis. The Code of Conduct has been placed on the website of the Company - www.sail.co.in.
- (xi) **Policy on Related Party Transactions:** In terms of the Listing Agreement, the Board of Directors of the Company has adopted a Policy on Related Party Transactions. The Policy is placed on the website of the Company - www.sail.co.in. There was no related party transaction that may have any potential conflict with the interests of the Company.
- (xii) **Policy on Material Subsidiaries:** The Board of Directors of the Company has adopted a Policy for determination of Material Subsidiaries. The Policy is placed on the website of the Company - www.sail.co.in. The Company did not have any Material Subsidiary during 2022-23.
- (xiii) **Dividend Distribution Policy:** In terms of the Regulation 43A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors of the Company has adopted Dividend Distribution Policy and the same is placed on the website of the Company - www.sail.co.in.
- (xiv) The financial statements are signed by the Chairman and Director (Finance) of the Company, who are CEO and CFO respectively of the Company.
- (xv) Steel Authority of India Limited (SAIL) being a Government Company under the control of its administrative Ministry viz. Ministry of Steel, all the Directors of the Company viz. Whole-time, Independent Directors, Nominee Directors are appointed/ nominated by the Ministry of Steel. The skills/expertise/competencies as required in the context of business and areas pertaining to the Company are identified by Government of India. Further, selection of Directors on the Board of SAIL is made by Government of India/ Ministry of Steel as per their defined procedures and rules in vogue. In this regard, skills/ expertise/ competence of the Directors on the Board of SAIL is mentioned below:

Sl. No.	Name of the Director	Designation	Existing Skills/Expertise/Competence
1	Shri Amarendu Prakash	Chairman	BE/B. Tech.(Metallurgy); Project Implementation; Strategic Planning; Operations;
2	Smt. Sukriti Likhi	Govt. Nominee Director	IAS; B.A. Honours-Economics; M.A.-Sociology; Administration; Finance;
3	Shri Abhijit Narendra	Govt. Nominee Director	IRTS; B.Sc.; LL.B; Infrastructure Development; Logistics; Production; Sales;
4	Shri Anirban Dasgupta	Director In-charge-BSP	B.Tech. (Metallurgy); Technology; Operations; Project Management; Corporate Planning;
5	Shri Ashok Kumar Tripathy	Independent Director	IAS; B.Sc.-Physics Honours; M.Sc.-Physics; LL.B-Law; Administration;
6	Shri Kanhaiya Sarda	Independent Director	PGDBM (Finance, Business Laws, Sales & Marketing, Business Administration, Research, Corporate Governance, Technical Operations); Finance;
7	Smt. Neelam Sonker	Independent Director	BA; MA; Administration;
8	Shri Sagi Kasi Viswanatha Raju	Independent Director	BA in Public Admin., Politics, Sociology; MBA in Finance & HR; Administration; Finance; Management;
9	Dr. Gopal Singh Bhati	Independent Director	MBBS; DMRD in Radiology; Medical & Health; Management; Administration;
10	Shri Vejendla Srinivasa Chakravarthy	Director (Commercial)	B.Tech. (Chemical); Marketing;
11	Shri Atanu Bhowmick	Director (In-charge-RSP) holding additional charge of Director (In-charge-BSL)	BE/B.Tech. (Metallurgy); MBA (HR); Projects; Operations;
12	Shri Brijendra Pratap Singh	Director (In-charge-ISP and DSP & ASP)	B.Tech. (Mining Engineering); Operations; Mining & Minerals;
13	Prof.(Dr.) K. Jayaprasad	Independent Director	M.A. Political Science; Ph.D Political Science; Administration;
14	Shri Anil Kumar Tulsiani	Director (Finance)	B.Com; CMA; MBA(Finance); Budget; Funds Management; Project Finance; Accounts;
15	Shri Krishna Kumar Singh	Director (Personnel)	BE/B.Tech. (Elect.); PGD(HRM); Human Resource Development
16	Shri Arvind Kumar Singh	Director (T,P & RM)	BE (Metallurgy); Technical Management; Conflict Management; Business Negotiation;

(xvi) During the FY 2022-23, no funds have been raised through preferential allotment or qualified institutional placement.

(xvii) Pursuant to Regulation 34(3) and Schedule V Para C clause 10(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, M/s. Agarwal S. & Associates, Practising Company Secretaries, has certified that none of the Directors on the Board of SAIL have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities Exchange Board of India/Ministry of Corporate Affairs or any such other Statutory Authority.

(xviii) An amount of ₹ 6.69 crore is paid/payable as total fees for all services by the Company and its subsidiaries, on a consolidated basis, to the statutory auditors and all entities in the network firm/ network entity of which Satutory Auditors are part.

(xix) Disclosure under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

The Company has set up Internal Complaints Committees in line with the requirements of the

Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013. These Committees have been set up to redress complaints received regarding sexual harassment. All employees of the Company are covered under these Rules. The details of sexual harassment complaints received and disposed off during the FY 2022-23 are as under:

Particulars	No. of Complaints
Number of complaints pending as on 1 st April, 2022	1
Number of complaints filed during the FY	8
Number of complaints disposed off during the FY	7
Number of complaints pending as on 31 st March, 2023	2

(xx) During the FY 2022-23, no independent director has resigned before completion of their respective tenure.

(xxi) Shri Kanhaiya Sarda, Independent Director and Shri Atanu Bhowmick, Director In-charge (RSP) are holding 2500 and 148 equity shares of SAIL respectively as on 31st March, 2023.

(xxii) Credit Ratings obtained along with any revision thereto during the FY 2022-23 are as under:

A. India Ratings	₹ in crore	Current Rating		Previous Rating
Particulars	Rated amount	6 th September, 2022	Status	7 th November, 2021
Long Term Bonds	4746^	IND AA Stable Outlook	Reaffirmed	IND AA Stable Outlook
Short Term (CPs)	8000	IND A1+	Reaffirmed	IND A1+
				20th October, 2021
Fund-Based Working Capital based limits	10000	IND AA Stable / IND A1+	Reaffirmed	IND AA Stable / IND A1+
Non-Fund-Based Working Capital limits	5000	IND A1+	Reaffirmed	IND A1+
Non-Fund-Based limits	5000	IND AA Stable Outlook	Reaffirmed	IND AA Stable Outlook
Proposed Bank Loan #	2000	IND AA Stable Outlook	Reaffirmed	IND AA Stable Outlook
Public Deposits	1000	IND AA Stable Outlook	Reaffirmed	IND AA Stable Outlook

^ Outstanding at the time of Rating ₹ 4,746 crore.

Unallocated

B. CARE Ratings	₹ in crore	Current Rating		Previous Rating
Particulars	Rated amount	4 th August, 2022	Status	5 th August, 2021
Long Term Bonds Programme	3561*	CARE AA Outlook Stable	Reaffirmed	CARE AA Outlook Stable
Long Term Public Deposits	1000	CARE AA Outlook Stable	Reaffirmed	CARE AA Outlook Stable
Short Term CP / ICD Programme	8000	CARE A1+	Reaffirmed	CARE A1+
				9th October, 2020
Long Term Bank Facilities (Term Loans)	8500	CARE AA Outlook Stable	Reaffirmed	CARE AA Outlook Stable
Fund-Based-ST- Working Capital Limits	30000	CARE A1+	Assigned	
		06.04.2023		

*Outstanding at the time of additional rating as on 6th April, 2023

C. Brickworks Ratings	₹ in crore	Current Rating		Previous Rating
Particulars	Rated amount	18 th November, 2022	Status	12 th November, 2021
Long Term Bonds Programme	5000	BWR AA (Stable)	Reaffirmed	BWR AA (Stable)

(xxiii) **Risk w.r.t. Commodities:** Pursuance to Circular No. SEBI/HO/CFD/ CMD1/ CIR/ P/2018/ 0000000141 dated 15th November, 2018, SAIL does not perceive any risk with respect to commodities, as it has taken adequate steps to ensure uninterrupted supply of major materials. However, in case of imported coking coal, there is a risk of interruption in supply as there are limited number of vendors and bulk supply from one geographical area. Action is being taken to increase vendor base through EOI route and increase coal basket by exploring new coal producing countries from different geographies like Russia, Mongolia, etc. For iron ore, SAIL has its own captive iron ore mines which meet its requirement. Similarly, for refractories and ferro-alloys, SAIL has its own captive Plants and SAIL is procuring limestone under Long Term Agreement.

(xxiv) There was no case of any non-compliance, penalties, strictures imposed on the Company by the Stock Exchanges/ SEBI or any other statutory authority on any matter related to capital markets during the last three years.

However, in the FY 2020-21, both National Stock Exchange Limited (NSE) and BSE Limited (BSE) imposed a fine of ₹ 2,53,700/-, ₹ 5,36,900/- and ₹ 5,42,800/- for the quarters ended 31st March, 2020, 30th June, 2020 and 30th September, 2020

respectively for non-compliance of Regulation 17(1) of the SEBI(Listing Obligations and Disclosure Requirements) Regulations, 2015. For the quarter ended 31st December, 2020, a fine of ₹ 5,42,800/- was imposed by BSE against Regulation 17(1). During the FY 2021-22, both NSE and BSE have imposed fine of (i) ₹ 5,31,000/- for the quarter ended 31st March, 2021; (ii) ₹ 5,36,900/- for the quarter ended 30th June, 2021; and (iii) ₹ 5,42,800/- each for the quarter ended 30th September, 2021 & 31st December, 2021 each for non-compliance in respect of Regulation 17(1). With respect to FY 2022-23, BSE has imposed fine of Rs.5,31,000/- for the quarter ended 31st March, 2022 for non-compliance in respect of Regulation 17(1). In respect of quarters ended 30th June, 2022 and 30th September, 2022, both NSE and BSE have levied a fine of ₹ 5,36,900/- and ₹ 5,42,800/- respectively for non-compliance of Regulation17(1). Further, both NSE and BSE have imposed a fine of ₹ 1,32,160/- for the quarter ended 30th September, 2022 for non-compliance of Regulation 17(1A). For the quarter ended 31st December, 2022, BSE has imposed a fine of ₹ 5,42,800 and ₹ 1,01,480/- for non-compliance of Regulations 17(1) and 17(1A) respectively. In respect of quarter ended 31st March, 2023, a fine of ₹ 5,31,000/- has been imposed by both NSE and BSE for non-compliance of Regulation 17(1).

A representation has been made to BSE and NSE to waive of the fines as the Board level appointments are not within the purview of SAIL Board and Directors on the Board of the Company are appointed by Government of India, Ministry of Steel.

(m) Means of Communication:

Quarterly results have been published in prominent daily newspapers as per the requirement, on the following dates:

Quarter Ending	30 th June, 2022	30 th September, 2022	31 st December, 2022	31 st March, 2023
Date of Publication	11 th August, 2022	11 th November, 2022	14 th February, 2023	27 th May, 2023
Name of the Newspapers	Business Standard (E)	Business Standard (E)	Business Standard (E)	Business Standard (E)
E-English, H-Hindi	Business Standard (H)	Business Standard (H)	Business Standard (H)	Business Standard (H)

The Quarterly/Annual results are also made available at the website of the Company-www.sail.co.in. The Company also displays official news releases on its website.

The Company participates in Conference Calls in respect of Quarterly/Annual Financial Performance. Further, presentations are made to institutional investors or to the analysts and the transcripts of the same are available at the website of the Company-www.sail.co.in

(n) General Shareholders Information:

- i. In terms of the General Circular No.10/2022 dated 28th December, 2022 read with General Circular No.02/2022 dated 5th May, 2022 and General Circular No.20/2020 dated 5th May, 2020 issued by Ministry of Corporate Affairs (MCA) and Circular No. SEBI/HO/CFD/PoD-2/P/CIR/2023/4 Dated 5th January, 2023, Annual General Meeting (AGM) is scheduled to be held on 27th September, 2023 at 1030 Hours at Registered Office through Video Conferencing or Other Audio Visual Means.
- ii. Financial Year: 1st April, 2022 – 31st March, 2023.
- iii. Date of Book Closure: 21st September, 2023 to 27th September, 2023 (Both days inclusive) for the purpose of AGM. The Cut-off date has been fixed as 20th September, 2023 (end of business hours) for determining the eligibility of the shareholders to cast their vote during the E-voting process on the Resolutions as set-out in the Notice of the AGM and attend the AGM.
- (iv) The Final Dividend, if approved by the Members at the AGM, will be paid subject to deduction of Income Tax at Source (TDS) within the stipulated period of 30 days from the date of approval by the Shareholders. Final Dividend will be paid through

electronic mode to those members whose bank account details are available. In the event the Company is unable to pay the dividend to any Member directly in the bank account through Electronic Clearing Service or any other means, due to non-registration of the Electronic Bank Mandate, etc., the Company shall despatch the Dividend Warrant / Bankers' Cheque / Demand Draft to such Members. The interim dividend declared by the Board of Directors on 16th March, 2023 was paid to the eligible shareholders during March / April, 2023.

- (v) The Shares of the Company are actively traded and are listed at the following stock exchanges:

Bombay Stock Exchange Ltd., Phiroze Jeejeebhoy Towers, Dalal Street, Fort Mumbai-400001 (Stock Code No.500113)

The National Stock Exchange of India Limited, Exchange Plaza, Plot No. C/1, G Block, Bandra Kurla Complex, Bandra (E), Mumbai- 400051 (Code: SAIL)

The GDRs issued by the Company in 1996 are listed at the London Stock Exchange, 10 Paternoster Square, London EC4M 7LS, UK.

The Annual Listing fee for 2022-23 has been paid to each of the Stock Exchange(s).

During the FY 2022-23, the securities of the Company were not suspended from trading.

- (vi) The monthly high and low quotes of the Company's shares during each month in the FY 2022-23 at the Bombay Stock Exchange (BSE) and National Stock Exchange (NSE) are indicated below:

Month & Year	SENSEX		SAIL at BSE (₹)		NIFTY		SAIL at NSE (₹)	
	High	Low	High	Low	High	Low	High	Low
April, 2022	60845.10	56009.07	112.30	94.20	18114.65	16824.70	112.35	95.50
May, 2022	57184.21	52632.48	98.50	69.50	17132.85	15735.75	98.40	69.50
June, 2022	56432.65	50921.22	77.45	63.60	16793.85	15183.40	77.40	63.60
July, 2022	57619.27	52094.25	77.45	67.50	17172.80	15511.05	77.45	67.50
August, 2022	60411.20	57367.47	84.00	75.45	17992.20	17154.80	84.05	75.45
September, 2022	60676.12	56147.23	85.00	73.25	18096.15	16747.70	85.00	73.20
October, 2022	60786.70	56683.40	82.85	75.60	18022.80	16855.55	82.90	75.55
November, 2022	63303.01	60425.47	87.95	78.40	18816.05	17959.20	88.00	78.40
December, 2022	63583.07	59754.10	88.65	73.80	18887.60	17774.25	88.65	73.75
January, 2023	61343.96	58699.20	93.90	83.05	18251.95	17405.55	93.90	83.05
February, 2023	61682.25	58795.97	92.30	81.10	18134.75	17255.20	92.40	81.10
March, 2023	60498.48	57084.91	89.25	80.56	17799.95	16828.35	89.35	77.60

(vii) **Registrar and Share Transfer Agent** M/s. MCS

Share Transfer Agent Limited, F-65, 1st Floor, Okhla Industrial Area Phase-I, New Delhi-110020. Phone No.011-41406149

(viii) **Share Transfer System:** The equity shares of the Company are mandatorily traded in the dematerialized form. In terms of Regulation 40(1) of SEBI Listing Regulations, securities can be transferred only in dematerialized form w.e.f. 1st April, 2019, except in case of request received for transmission or transposition of securities. The Share Transfer Committee of the Board meets at regular intervals, to consider requests for transmission, rejection, issue of duplicate share certificate, split share certificates and transfer of shares for which request was received before 31st March, 2019 but was rejected earlier on account of discrepancies, and resubmitted after duly rectifying the objections. During the year, the Share Transfer Committee met 8 times on 5th April, 2022, 1st June, 2022, 6th September, 2022, 28th September, 2022, 10th November, 2022, 2nd January, 2023, 25th January, 2023 and 21st March, 2023.

(ix) **Distribution of Shareholdings as on 31st March, 2023:**

Shareholding	Shareholders		Amount	
	Number	% to Total	In Rupees	% of Total
(1)	(2)	(3)	(4)	(5)
Upto 500	1324399	87.02	1385510700	3.35
501 - 1000	98425	6.47	774195580	1.87
1001 - 2000	51587	3.39	771636760	1.87
2001 - 3000	17670	1.16	44993620	1.09
3001 - 4000	7866	0.52	282722350	0.68
4001 - 5000	6166	0.40	290854750	0.70
5001 - 10000	9421	0.62	693401770	1.68
10001 - 50000	5419	0.36	1080911940	2.62
50001 - 100000	492	0.03	35795698	0.88
Above 100000	543	0.03	3521812554	85.26
Total	1521988	100.00	41305252890	100.00

(x) **Shareholding pattern as on 31st March 2023**

S. No.	Category	No. of Shares held	% age of Shareholding
A. Promoters' holding			
1	Promoters		
	- Indian Promoters Viz., the Govt. of India	2684714550	65.00
	- Foreign Promoters	-	-
2	Persons acting in Concert	-	-
	Sub-Total	2684714550	65.00
B. Non-Promoters Holding			
3	Institutional Investors		
a	Mutual Funds and UTI	185292619	4.49
b	Banks & Financial Institutions	931411	0.02
c	Insurance Companies	325841275	7.89
d	Foreign Institutional Investors (FIIs)	193737178	4.69
	Sub-Total	705802483	17.09
4	Others		
a	Private Corporate Bodies	68521634	1.66
b	Indian Public	636879557	15.42
c	Trusts and Societies, etc.	2874434	0.07
d	NRIs/OCBs	27427948	0.66
e	GDR	110990	0.00
f	IEPF	4193693	0.10
	Sub-Total	740008256	17.91
	GRAND TOTAL	4130525289	100.00

(xi) **Status of dematerialization as on 31st March, 2023**

Particulars	No. of Shares	% of Capital	No. of Accounts
NSDL	3741430241	90.58	437284
CDSL	386573653	9.36	1112995
Total Dematerialised	4128003894	99.94	1550279
Physical	2521395	0.06	14312
Total	4130525289	100.00	1564591

Government of India's shares are held in Demat form.

(xii) The Company's Plants/Units/Subsidiaries are located at:

STEEL PLANTS

- Bhilai Steel Plant, Bhilai-490001, Chhattisgarh
- Durgapur Steel Plant, Durgapur-713203, West Bengal

- Rourkela Steel Plant, Rourkela-769011, Odisha
- Bokaro Steel Plant, Bokaro Steel City-827001, Jharkhand
- IISCO Steel Plant, Burnpur-713325, West Bengal
- Alloy Steels Plant, Durgapur-713208, West Bengal
- Salem Steel Plant, Salem-636013, Tamil Nadu
- Visvesvaraya Iron & Steel Plant, Bhadravati-577031, Karnataka
- Chandrapur Ferro Alloy Plant, Chandrapur, Maharashtra

UNITS

- Central Marketing Organisation, Ispat Bhawan, 40, Jawahar Lal Nehru Road, Kolkata-700 071, West Bengal.
- Centre for Engineering & Technology, Ranchi-834002, Jharkhand.
- Environment Management Division, SAIL House, 3rd Floor, 50, Jawaharlal Nehru Road, Kolkata-700071, West Bengal.
- SAIL Growth Works, Kulti, Distt. Burdwan, West Bengal.
- Management Training Institute, Ranchi-834002, Jharkhand.
- Logistics and Infrastructure Department, Ispat Bhawan, 40, Jawaharlal Nehru Road, Kolkata-700071.
- Collieries Division, SAIL Officers' Colony, Chasnalla Dhanbad, Jharkhand-828135.

- Research & Development Centre for Iron & Steel, Ranchi-834002, Jharkhand.
- SAIL Consultancy Division, 16-20 Floor, SCOPE Minar, North Tower, Laxmi Nagar District Centre, Delhi-110092.
- SAIL Safety Organisation, Ranchi-834002, Jharkhand.
- SAIL Refractory Unit, Bokaro-827004, Jharkhand.

SUBSIDIARIES

- IISCO-Ujjain Pipe & Foundry Company Limited, Kolkata (under liquidation)
- SAIL Refractory Company Limited, Salem-636013, Tamilnadu
- Chhattisgarh Mega Steel Limited, Bhilai, Chhattisgarh
- SAIL Jagdishpur Power Plant Limited, New Delhi-110003 (Strike Off)
- SAIL Sindri Projects Limited, Chasnala-828135, Jharkhand (Strike Off)

(xiii) **Address for correspondence from shareholders for queries/ complaints, if any:**

M/s. MCS Share Transfer Agent Limited,
F-65, 1st Floor, Okhla Industrial Area, Phase-I,
New Delhi-110020
Phone No.91-11-41406149,
Fax No. 91-11-41709881
E-mail: admin@mcsregistrars.com

For and on behalf of Board of Directors

Sd/-

(Amarendu Prakash)

Chairman

Place: New Delhi

Date: 2nd September, 2023

1. Tej Raj & Pal Chartered Accountants A60, Amarpali Society, Lalpur, Ganga Diagnosis Lane, Raipur – 492001	2. S. Jaykishan Chartered Accountants 12, Ho Chi Minh Sarani, 2 nd Floor, Suite No. 2D, 2E & 2F, Kolkata - 700071	3. Walker Chandiok & Co LLP Chartered Accountants L-41, Connaught Circus, New Delhi – 110001	4. KASG & Co. Chartered Accountants 2 nd Floor, Shree Laxmi Complex, Shastri Nagar, Dhanbad – 826001
--	---	--	--

Independent Auditor's Certificate on Corporate Governance

To the Members of Steel Authority of India Limited

1. This certificate is issued in accordance with the terms of our engagement letter dated 27th October 2022
2. We have examined the compliance of conditions of corporate governance by **Steel Authority of India Limited** ('the Company') for the year ended on 31st March 2023, as stipulated in Regulations 17 to 27, clauses (b) to (i) of Regulation 46(2), and paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations').

Management's Responsibility

3. The compliance of conditions of corporate governance is the responsibility of the management. This responsibility includes the designing, implementing and maintaining operating effectiveness of internal control to ensure compliance with the conditions of corporate governance as stipulated in the Listing Regulations.

Auditor's Responsibility

4. Pursuant to the requirements of the Listing Regulations, our responsibility is to express a reasonable assurance in the form of an opinion as to whether the Company has complied with the conditions of corporate governance as stated in paragraph 2 above. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring the compliance with the conditions of corporate governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
5. We have examined the relevant records of the Company in accordance with the applicable Generally Accepted Auditing Standards in India, the Guidance Note on Certification of Corporate Governance issued by the Institute of Chartered Accountants of India ('ICAI'), and Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Qualified opinion

7. Based on the procedures performed by us and to the best of our information and according to the explanations provided to us, in our opinion, the Company has complied, in all material respects, with the conditions of corporate governance as stipulated in the Listing Regulations during the year ended 31st March 2023, subject to the following:
 - a. **Regulation 17(1)(a):** The requirement of minimum number of Non-Executive Directors in the composition of Board of Directors from 12th November 2022 to 31st March 2023.
 - b. **Regulation 17(1)(b):** The requirement of minimum number of Independent Directors in the composition of Board of Directors during the period 1st April 2022 to 31st March 2023.

We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Restriction on use

8. This certificate is issued solely for the purpose of complying with the aforesaid regulations and may not be suitable for any other purpose.

For Tej Raj & Pal Chartered Accountants Firm Registration No. 304124E	For S. Jaykishan Chartered Accountants Firm Registration No. 309005E	For Walker Chandiok & Co LLP Chartered Accountants Firm Registration No. 001076N/N500013	For K A S G & Co. Chartered Accountants Firm Registration No. 002228C
Sd/- CA. Dinakar Mohanty Partner M.No. 059390 UDIN : 23059390BGWJBH2245 Place : New Delhi	Sd/- CA. Ritesh Agarwal Partner M.No. 062410 UDIN:23062410BGUPQM1050 Place : New Delhi	Sd/- CA. Nalin Jain Partner M.No. 503498 UDIN : 23503498BGRGCV6468 Place : New Delhi	Sd/- CA. Raj Kumar Agarwal Partner M.No. 073063 UDIN : 23073063BGXAOY9711 Place : New Delhi

Date: 8th August 2023

Business Responsibility & Sustainability Report (BRSR) FY 2022-23

SECTION A: GENERAL DISCLOSURES

I. Details of the listed entity:

1.	Corporate Identity Number (CIN) of the Listed Entity	L27109DL1973GOI 006454
2.	Name of the Listed Entity	Steel Authority of India Limited
3.	Year of Incorporation	1973
4.	Registered office address	Ispat Bhawan, Lodhi Road, New Delhi – 110003
5.	Corporate office address	Ispat Bhawan, Lodhi Road, New Delhi – 110003
6.	E-mail	investor.relation@sail.in
7.	Telephone	011-24367481
8.	Website	www.sail.co.in
9.	Financial year for which reporting is being done	2022-23
10.	Name of the Stock Exchange(s) where shares are listed	National Stock Exchange of India Limited ('NSE'), Bombay Stock Exchange Limited ('BSE') and London Stock Exchange ('LSE')
11.	Paid-up capital	₹ 41,30,52,52,890
12.	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	Shri M.B. Balakrishnan Executive Director (F&A) & Company Secretary Corporate Office Steel Authority of India Limited secy.sail@sail.in 011-24300227
13.	Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together).	The data related to Business Responsibility and Sustainability Report is on a standalone basis. This includes SAIL entity as a whole excluding Subsidiaries, Associates and Joint Ventures. The Reporting boundary includes the following: <ul style="list-style-type: none"> a. Integrated Steel Plants: Bhilai Steel Plant, Durgapur Steel Plant, Rourkela Steel Plant, Bokaro Steel Plant, IISCO Steel Plant b. Special Steel Plants: Alloy Steels Plant, Salem Steel Plant, Visvesvaraya Iron and Steel Plant c. Units: Chandrapur Ferro-Alloy Steel Plant, Central Marketing Organization, Research and Development Centre for Iron & Steel, SAIL Refractory Unit, SAIL Safety Organization, SAIL Growth Works Kulti, Environment Management Division, Centre for Engineering and Technology, Management Training Institute d. Iron Ore Mines – <ul style="list-style-type: none"> • Jharkhand Group of Mines: Kiriburu Iron Ore Mines, Meghahatuburu Iron Ore Mines, Gua Iron Ore Mines, Manoharpur Iron Ore Mines • Odisha Group of Mines: Bolani Iron Ore Mines, Barsua – Taldhi, Kalta • Bhilai Steel Plant Group of mines: Rajhara Group, Dalli Group, Rowghat e. Flux Mines: Kuteshwar Limestone Mines in MP, Nandini Limestone Mines, Bhadigund Limestone Mines, Bhawanathpur Limestone Mines in Jharkhand, Hirri Dolomite Mines, Kenchapura Dunite Mines, Tulsidamar Dolomite Mine in Jharkhand, Baraduar.

II. Products/services

14. Details of business activities (accounting for 90% of the turnover):

S.No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1.	Manufacturing of Iron & Steel	Manufacturing of Iron & Steel	100%

15. Products/Services sold by the entity (accounting for 90% of the entity's Turnover):

S.No.	Product/Service	NIC Code	% of Total Turnover contributed
1.	Manufacture of Iron & Steel	241	100%

III. Operations

16. Number of locations where Plants and/or operations/offices of the entity are situated

The Company's businesses and operations are spread across the Country. Details of Plant locations are provided below:

Plants Locations:

- a. Five Integrated Steel Plants at Bhilai, Durgapur, Rourkela, Bokaro & Burnpur
- b. Three Special Steel Plants at Durgapur, Salem and Bhadravati.

No. of Offices: The Company has offices located at different locations spread across pan-India.

17. Markets served by the entity

a. Number of locations

Location	Number
National (No. of States)	States - 28, Union Territories - 8
International (No. of Countries)	8

b. What is the contribution of exports as a percentage of the total turnover of the entity?

Exports contributed 2.56% of the total turnover in FY 2022-23.

c. A brief on types of customers

Steel Authority of India Limited (SAIL) is one of the largest steel-making companies in India catering to the demands of various kinds of customers. The customers range from various Government Organizations, PSUs, Manufacturers and Private Companies, Distributors, Resellers etc.

IV. Employees

18. Details as at the end of Financial Year:

a. Employees and workers (including differently abled):

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
EMPLOYEES*						
1.	Permanent (D)	59,186	55,568	94%	3,618	6%
2.	Other than Permanent (E)			N/A		
3.	Total employees (D + E)	59,186	55,568	94%	3,618	6%
WORKERS#						
4.	Permanent (F)			N/A		
5.	Other than Permanent (G)	65,938	62,641	95%	3,296	5%
6.	Total workers (F + G)	65,938	62,641	95%	3,296	5%

*Employees include Executive and Non-Executive Personnel

Workers include contract labour engaged under various job contracts by Plants/Units, N/A - Not Applicable

b. Differently abled Employees and workers:

During FY 2022-23, the Company has 745 differently abled employees spanning across different departments.

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
DIFFERENTLY ABLED EMPLOYEES						
1.	Permanent (D)	745	688	92.3%	57	7.7%
2.	Other than Permanent (E)			N/A		
3.	Total differently abled employees (D + E)	745	688	92.3%	57	7.7%
DIFFERENTLY ABLED WORKERS						
4.	Permanent (F)			N/A		
5.	Other than Permanent (G)			NA		
6.	Total differently abled workers (F + G)	-	-	-	-	-

NA - Not Available, N/A - Not Applicable

19. Participation/Inclusion/Representation of women

S. No.	Particulars	Total (A)	No. and percentage of Females	
			No. (B)	% (B/A)
1.	Board of Directors	17	3	17.6%
2.	Key Managerial Personnel	20	1	5%

20. Turnover rate for permanent employees and workers

Particulars	FY 2022-23			FY 2021-22			FY 2020-21		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	6.7%	6.7%	6.7%	6.6%	6.6%	6.6%	6.3%	6.3%	6.3%
Permanent Workers						N/A			

N/A - Not Applicable

V. Holding, Subsidiary and Associate Companies (including joint ventures)

21. (a) Names of holding/subsidiary/associate companies/joint ventures

S. No.	Name of the Holding/Subsidiary/ Associate Companies/Joint Ventures (A)	Indicate Whether Holding/ Subsidiary/ Associate/Joint Venture	% of Shares Held by Listed Entity	Does the Entity Indicated at Column A, Participate in the Business Responsibility Initiatives of the Listed Entity? (Yes/No)
1.	SAIL Refractory Company Limited	Subsidiary	100.00	Yes
2.	Chhattisgarh Mega Steel Limited	Subsidiary	74.00	No
3.	Almora Magnesite Limited	Associate	20.00	No
4.	NTPC- SAIL Power Company Limited	Joint Venture	50.00	No
5.	Bokaro Power Supply Company Pvt. Limited	Joint Venture	50.00	No
6.	Bastar Railway Private Limited	Joint Venture	12.00	No
7.	Romelt -SAIL India Limited	Joint Venture	15.00	No
8.	Mijunction Services Limited	Joint Venture	50.00	No
9.	SAIL Bansal Service Centre Limited	Joint Venture	40.00	No
10.	Bhilai Jaypee Cement Limited	Joint Venture	26.00	No
11.	GEDCOL SAIL Power Corporation Limited	Joint Venture	26.00	No
12.	International Coal Venture Pvt. Limited	Joint Venture	47.82	No
13.	SAIL-SCL Kerala Limited	Joint Venture	49.26	No
14.	SAIL-RITES Bengal Wagon Industries Pvt. Limited	Joint Venture	50.00	No
15.	SAIL-KOBE Iron India Private Limited	Joint Venture	50.00	No
16.	VSL SAIL JVC Limited	Joint Venture	20.58	No
17.	Prime Gold-SAIL JVC Limited	Joint Venture	26.00	No

VI. CSR Details

22. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: (Yes/No).

Yes, CSR is applicable as per Section 135 of Companies Act, 2013.

(ii) Turnover of the Company for the year ended 31st March 2023 – ₹ 1,04,447.36 Crores

(iii) Net worth of the Company as on 31st March 2023 – ₹ 52,139.18 Crores

VII. Transparency and Disclosures Compliances

23. Complaints/grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web-link for grievance redress policy)	FY 2022-23			FY 2021-22		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	Yes. Public Grievances are being received through CPGRAMS PORTAL. The portal is developed by Govt.of India. Link is pgportal.gov.in	432	8	These are total grievances received and disposed. The figure includes the grievances related to subjects as mentioned.	496	24	These are total grievances received and disposed. The figure includes the grievances related to subjects as mentioned.
Investors (other than shareholders)	Nil	Nil	Nil	-	Nil	Nil	-
Shareholders	Details of investor complaints received by the Company are filed on a quarterly basis on SCORES platform with the SEBI on a half-yearly basis.	62	0	-	42	0	-
Employees and workers	Yes, the grievance redressal mechanism exists at the Plant / Unit level and it is decentralized. Most of the grievances are handled in offline mode.	126	11	-	261	42	-

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web-link for grievance redress policy)	FY 2022-23			FY 2021-22		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Customers	Yes. Robust systems have been put in place to address the grievances of the customers across SAIL. The customers can lodge Quality complaint (QC) following which the material under QC is inspected by the Branch Executive. SAIL extends help of regional AE (Application Engineer) or respective Plant to the Branch Executive to aid and expedite the process, if required. Based on the genuineness of complaint, return order and subsequent refund is issued to the customer to ensure the trust of the customers.	1793	9	-	1183	28	-
Value Chain Partners	Value chain partners can file their grievances on the Government's CHAMPIONS portal. Link- https://champions.gov.in	10	0	-	0	0	-

24. Overview of the entity's material responsible business conduct issues

SAIL conducted a Survey on Material topics for its Employees at Plants/Units and Corporate Office. The following are some Material Issues identified from Economic, Environmental, Social and Sustainability aspects.

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/ opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
Environment					
1	Conserving water by recycling and reusing	R	Production processes at SAIL involve consumption of water from different sources. To ensure that there is proper usage and no non-compliance with respect to regulatory requirements, it is identified this as an important material issue.	Across all SAIL Plants, substantial investments are being made to achieve the long-term goal of "Zero Liquid Discharge" through adequate treatment and recycling of effluent being discharged through the outfalls at the Plant boundary	Negative
2	Reducing greenhouse gas emissions & carbon footprint	R	Transition to low carbon steel making is an important factor for the long-term success of the Company. Hence this is identified as an important material issue.	SAIL is taking the steps to substantially reduce CO ₂ emission and increase the share of renewable / non conventional energy by 2030 as well as to achieve net zero emission by 2070.	Negative
Social					
3	Upholding human rights in operations and supply chain	R	As a steel manufacturing company with plants operational in multiple locations, SAIL has a vast pool of human resources to cater to. As a result of this, it becomes important to address all human rights related concerns across all locations in compliance with norms under ILO. Any form of non-compliance can lead to reputational damage for the company and hence is an important material issue.	-	Negative
4	Providing fair and equal wages	O	Employees at SAIL are treated equally irrespective of caste, creed, colour or gender. Fair and equal treatment is critical for all our employees at SAIL and hence it is identified as an important material issue.	-	Positive

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/ opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
5	Investing in employee's health and safety during catastrophic situations viz. Natural calamities, medical emergencies (COVID-19) etc.	R	SAIL plants are operational in multiple locations. Investing in employee's health and well being is crucial for operational efficiency of the plant. Increase in safety incidents can create a negative impact hence it has been identified as an important material issue.	SAIL has implemented Occupational Health and Safety management system i.e ISO 45001:2018 certification. The Company makes constant efforts to avert all illnesses and accidents related to the workplace. Internal and surveillance audits and evaluations are conducted on a regular basis, which leads to continuous improvement in safety systems, standards, and performance. More details are given later in the report.	Negative
Governance					
6	Ethics / Code of Conduct	R	Ensuring that all business operations function in an ethical manner is crucial for the development and growth of the company. Any unethical behavior can create a negative impact on profitability of the business.	SAIL has a policy on Code of Conduct for all its Directors, KMP's, Employees and Workers. It serves as a guiding path for an ethical and transparent conduct in managing the operations of the company.	Negative

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

The National Guidelines for Responsible Business Conduct (NGRBC) as brought out by the Ministry of Corporate Affairs advocates nine principles referred as P1-P9 as given below:

P1	Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable
P2	Businesses should provide goods and services in a manner that is sustainable and safe
P3	Businesses should respect and promote the well-being of all employees, including those in their value chains
P4	Businesses should respect the interests of and be responsive to all its stakeholders
P5	Businesses should respect and promote human rights
P6	Businesses should respect and make efforts to protect and restore the environment
P7	Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent
P8	Businesses should promote inclusive growth and equitable development
P9	Businesses should engage with and provide value to their consumers in a responsible manner

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
Policy and management processes									
1. a. Whether your entity's policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
b. Has the policy been approved by the Board? (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
c. Web Link of the Policies, if available	Web link to the policies: https://www.sail.co.in								
2. Whether the entity has translated the policy into procedures. (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
4. Name of the national and international codes/ certifications/ labels/standards (e.g., Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustee) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	SAIL's manufacturing facilities have well-defined Environment, Health and Safety (EHS) and Quality Management System in place and are aligned with International Standards like ISO 14001 for EMS, ISO 9000 for Quality Management System, OHSAS 45001 for Occupational Health Safety, SA 8000 for Social Accountability and ISO 37001 for Anti Bribery Management Systems.								
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	<p>1. P6: In line with the Government of India's enhanced ambitions at COP26, SAIL has reaffirmed its commitment to substantially reduce CO₂ emission and increase the share of renewable / non-conventional energy by 2030 as well as to achieve net zero emission by 2070.</p> <p>2. P6: Achieve "Zero Liquid Discharge" across all SAIL Plants through adequate treatment and recycling of effluent being discharged through the outfalls at the Plant boundary.</p>								
6. Performance of the entity against specific commitments, goals and targets along with reasons in case the same are not met.	As a responsible corporate citizen, SAIL has drawn its environmental vision in consonance with the Corporate Environmental Policy, which not only addresses the need for compliance with stipulated norms but also emphasizes striving to go beyond. While the SAIL Plants and Mines operate their processes without disturbing the ecological balance, SAIL has also been taking all appropriate measures to restore and rehabilitate the degraded ecosystem and maintain and enhance biodiversity. These include ecological restoration of mined-out areas, fresh plantation, bio-sequestration of CO ₂ , enhancing utilization of wastes, utilization of renewable energy sources, etc. Structured plantation programmes are being carried out every year in SAIL's Plants and Mines. SAIL Plants and Mines are efficiently operating the pollution control								

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
	devices/facilities and maintaining them regularly through revamping/refurbishing/ revitalization and upgrading them. As a result of these efforts, all the sustainability parameters like Solid Waste utilization, Specific Water Consumption, Specific PM Emission Load, Specific Effluent Discharge, Specific Effluent Load, etc. have showed improvement with respect to previous year.								
	2. SAIL is on track and has implemented its waste water treatment process designed to remove all the liquid waste from the system.								
Governance, leadership, and oversight									
7. Statement by Director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure).	Please refer to Chairman's letter to Shareholders of the Annual Report FY 2022-23.								
8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	The Board is at the Apex of the Governance Framework at SAIL. The management of issues pertaining to economic, environmental and social areas are taken up by various Plants/ Units regularly. The Plant/Unit heads review and monitor the status reports in conjunction with the agenda papers. These reports are prepared with the valuable inputs provided by the respective departments/divisions, on the economic, environment and social performances including legal compliance and are regularly and methodically put up to the Board Sub Committees for examination, comments and recommendations. The input and observations of the Board Sub Committees are examined and analyzed by the top management. The Board is informed about these observations which subsequently helps in business decision making.								
9. Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes/No). If yes, provide details.	Yes. The following Committees of the Board with their specific terms of reference are in place to ensure decision making/review of sustainability related issues – <ul style="list-style-type: none"> • Corporate Social Responsibility Committee • Health, Safety & Environment Committee • Stakeholders Relationship Committee • Operational Issues Committee • Project Committee • SAIL Risk Management Committee 								

10. Details of Review of NGRBCs by the Company:

Subject for Review	Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee									Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify)								
	P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against above policies and follow up action	Y	Y	Y	Y	Y	Y	N	Y	Y	Need basis								
Compliance with statutory requirements of relevance to the principles, and certification of any non-compliances	Y	Y	Y	Y	Y	Y	N	Y	Y	Need basis								

11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.

P1	P2	P3	P4	P5	P6	P7	P8	P9
SAIL has not conducted any independent assessment/evaluation of the working of its policies by any external agency. However, SAIL, being a government company, is subject to review & audit by C&AG of India across various areas/functions of the organization which also encompasses various policies as per the NGRBC guidelines. Material Non- compliances find mention in their report and placed in the Parliament. The processes and compliances are reviewed by internal auditors and regulatory compliances , as applicable. Further, SAIL has rich technical expertise in its domain of operations and accordingly peer review is being done by their other plants. From a best practices perspective as well as from a risk perspective, policies are periodically evaluated and updated. An internal assessment of the workings of the policies is being done at regular intervals. Additionally, SAIL has engaged Safety Management Consultant for safety culture transformation at its Plants in Bhilai, Rourkela & Bokaro and is in the process of being followed up in other Steel plants.								

12. If answer to question (1) above is "No" i.e., not all Principles are covered by a policy, reasons to be stated:

Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
The entity does not consider the principles material to its business (Yes/No)									
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)									
The entity does not have the financial or/human and technical resources available for the task (Yes/No)									
It is planned to be done in the next financial year (Yes/No)									
Any other reason (please specify)									

N/A - Not Applicable

Principle-Wise Policies

P1	P2	P3	P4	P5	P6	P7	P8	P9
Code of conduct for Board members & Senior Management Personnel	Sustainable Development Policy	Safety Policy	Grievance Redressal Mechanism	Code of conduct for Board members & Senior Management Personnel	Corporate Environment Policy	Citizen Charter	Corporate Social Responsibility Policy	Quality Policy
Anti-Bribery Management Policy	Corporate Environment Policy	SAIL Medi-claim Scheme for Retired Employees	Code of Conduct Corporate Fair Disclosure Practices for Prevention of Insider Trading	Recruitment & Remuneration Policy	Sustainable Development Policy	Environment and Sustainability Policy		Information Technology Security Policy



P1	P2	P3	P4	P5	P6	P7	P8	P9
Internal code of conduct for prevention of insider trading in dealing with securities of Steel Authority of India Limited	Interplant Standardization in Steel Industry	Human Resource Policy	Policy for Determining Materiality of Events / Information for Disclosure to Stock Exchange(s)	Human Resource Policy		Code of Conduct		
Terms & Conditions For the appointment of Independent Director		HIV/AIDS policy		SAIL Equal Opportunity Policy				
Whistle Blower Policy Policy		SAIL Equal Opportunity Policy		Prevention of Sexual Harassment				
Policy for Determining Materiality of Events / Information for Disclosure to Stock Exchange(s)		Prevention of Sexual Harassment						

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

This section is aimed at helping entities demonstrate their performance in integrating the Principles and Core Elements with key processes and decisions. The information sought is categorized as "Essential" and "Leadership". While the essential indicators are expected to be disclosed by every entity that is mandated to file this report, the leadership indicators may be voluntarily disclosed by entities which aspire to progress to a higher level in their quest to be socially, environmentally, and ethically responsible.

Principle 1: Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.

Essential Indicators

1. Percentage coverage by training and awareness programmes on any of the principles during the financial year:

Segment	Total Number of Training and Awareness Programmes held	Topics/Principles Covered Under the Training and its Impact	% of Persons in Respective Category Covered by the Awareness Programmes
Board of Directors			
Key Managerial Personnel	The Directors of the Company are briefed on the <i>Code of Conduct for Board Members & Senior Management Personnel</i> which has been framed specifically in accordance with SEBI LODR (Listing Obligations & Disclosure Requirements) guidelines. Compliance with the provisions of Listing Regulation with Stock Exchange(s) (Listing Agreement). The purpose of this Code is to enhance further an ethical and transparent process in managing the affairs of the Company. Periodic trainings related to Anti-bribery are also given to the Directors to ensure that they are aware about anti-bribery conduct. Keeping the top management aware will help trickle-down the culture of transparency and ethical practices to ensure integrity at SAIL. They are also oriented on sustainability related national & international guidelines so that they are aware and familiar with initiatives being taken up globally. The company promotes building a culture of transparency through regular sessions on good governance practices which further supports in making informed decisions.		
Employees* other than BoD and KMPs	39 programs covering 665 executives	Preventive Vigilance	100%
Workers#		NA	

In FY 2022-23, as a part of training and awareness programmes 8045 employees (other than BoD and KMPs) were covered in various communication exercises.

*Employees include Executive and Non-executive personnel #Workers include Contractual Workers etc. NA - Not Available

2. Details of fines/penalties/punishment/award/ compounding fees/settlement amount paid in proceedings (by the entity or by directors/KMPs) with regulators/law enforcement agencies/judicial institutions, in the financial year, in the following format. (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity's website):

Monetary

NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (In ₹)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Penalty/ Fine	NIL	0	NIL	NIL
Settlement	NIL	0	NIL	NIL
Compounding fee	NIL	0	NIL	NIL

Non-Monetary

	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Brief of the Case	Has an appeal been preferred? (Yes/ No)
Imprisonment	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL

- 3. Of the instances disclosed in Question 2 above, details of the Appeal/Revision preferred in cases where monetary or non-monetary action has been appealed.**

Case Details	Name of the regulatory/ enforcement agencies/ judicial institutions
N/A	N/A

N/A - Not Applicable

- 4. Does the entity have an anti-corruption or anti- bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.**

Yes. SAIL as an organization follows well defined systems & procedures to prevent, detect and address bribery. On 5th November 2022, during Vigilance Awareness Week-2022, the Bureau of Indian Standards (BIS) awarded the Anti-Bribery Management System (ABMS) Certificate as per IS/ISO 37001:2016 to Corporate Office and Bokaro Steel Plant of SAIL.

With this, SAIL has achieved the distinction of becoming the first Maharatna Public Sector Undertaking to have implemented ABMS. ABMS is a Management System that is designed to help an organization prevent, detect and respond to bribery. SAIL intends to implement ABMS in other Plants / Units as well in FY 2023-24.

The Anti-Bribery Management Policy (Vision Statement) of SAIL is available at Weblink: https://sail.co.in/sites/default/files/Comp_policies/2022-04/ABMS.pdf

- 5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:**

	FY 2022-23	FY 2021-22
Directors	0	0
KMP's	0	0
Employees	0	9*
Workers	0	0

*The above data relates to CBI cases only.

- 6. Details of complaints with regard to conflict of interest:**

	FY 2022-23		FY 2021-22	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of conflict of interest of the Directors	Nil	-	Nil	-
Number of complaints received in relation to issues of conflict of interest of the KMPs	Nil	-	Nil	-

- 7. Provide details of any corrective action taken or underway on issues related to fines/penalties/ action taken by regulators/law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.**

Since there were no fines/penalties/actions taken by regulators / law enforcement agencies / judicial institutions on cases of corruption and conflict of interest, hence no corrective action was required.

Leadership Indicators

- 1. Awareness programmes conducted for value chain partners on any of the principles during the financial year:**

Total number of awareness programmes held	Topics/ principles covered under the training	%age of value chain partners covered (by value of business done with such partners) under the awareness programmes
<ul style="list-style-type: none"> Vendor Development Programmes for MSEs - 24 Special Vendor Development Programmes for SC/ST and Women MSEs - 19 	Principle Covered: Principle 8 – Businesses should promote inclusive growth and equitable development. Vendor Development Programmes (VDP) and Special Vendor Development Programmes (SVDP) are conducted for MSE vendors, SC/ST & Women MSE vendors in collaboration with District Industries Centre / Khadi Industries Centre & Regional National SC / ST Hub offices to encourage their participation in SAIL's procurement.	<ul style="list-style-type: none"> MSE Procurement: ₹ 3110.30 cr (32.71 % of total procurement) Procurement from SC / ST MSEs: ₹ 10.96 cr (0.12%) Procurement from women MSEs: ₹ 94.37 cr (0.99%)

- 2. Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board? (Yes/No) If yes, provide details of the same.**

Yes. SAIL has a policy on Related Party Transaction which governs the transparency of approval process and disclosures requirements to ensure fairness in the conduct and reporting of the 'Related Party Transactions', as per the applicable laws. The policy is applicable to the Director and all the KMPs and they are responsible for providing notice to the Company, of any potential 'Related Party Transaction' involving him/her or Relative(s), including any additional information about the transaction. The policy establishes procedure to avoid/manage cases of conflict of interest. Link of the policy - https://sail.co.in/sites/default/files/2020-06/policy_for_related_party.pdf

Principle 2: Businesses should provide goods and services in a manner that is sustainable and safe

Essential Indicators

- 1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.**

	FY 2022- 2023	FY 2021-2022	Details of improvements in environmental and social impacts
R & D	9.02 %	11.93 %	To improve its environmental and social footprint, SAIL is pursuing various research activities such as coal blending optimisation, Balling index optimization & intensification of sintering process, productivity and quality enhancement in all steel processes, fire detection and suppression systems, secured landfill facility for disposal of hazardous waste, addition of waste plastic granules for coke making, utilization of lean grade iron ore to produce concrete and other by-products, enhancement of PCI rate in BF, utilization of BoF slag for paver blocks/bricks/roads, upgradation of curing kilns, improvement in heating control and thermal regimes of re-heating furnaces and coke oven batteries, different application potential of BOF slag and sludge, optimum utilization of pellets, effluent treatment, refractory linings, rooftop on-grid solar PV systems, etc.
Capex	-	-	SAIL has incurred capex of ₹ 5,474 crores in FY 2022-23 (₹ 6,013 crores in FY 2021-22). The capex includes amount spent on social and environment initiatives/projects, which is not separately ascertained.

For more details, refer to **Annexure XI** to the Board Report titled “Particulars of Energy Conservation, Technology Absorption and Foreign Exchange Earnings & Outgo”, and Project Management Section under Management Discussion Analysis of Annual Report FY 2022-23

- 2. a. Does the entity have procedures in place for sustainable sourcing? (Yes/No)**

- b. If yes, what percentage of inputs were sourced sustainably?**

Yes. SAIL has been a pioneer in the establishment of the Environment Management System (EMS) in the steel industry in the Country. All the Integrated Steel Plants, major Mines/Units and warehouses of SAIL are compliant with EMS ISO: 14001 Standard. Further, all mines are accredited with Integrated Management System (IMS) combining all aspects under ISO-9001, ISO-14001 & ISO-45001. The mines are also having IBM star rating. The procurement of majority of coal is done from the international market of the advanced economies which are compliant with the global sustainable standards. Other inputs like Iron Ore, Limestone etc. are all sourced from organizations having robust ESG practices.

All these practices described above have enabled SAIL to establish procedures for sustainable sourcing.

To secure transparent and sustainable procurement, proactive measures are undertaken like on boarding vendors on GeM (Government e-Marketplace) for which over 19,000 vendor records were shared with GeM, organizing exclusive awareness programs for vendors (refractory / ancillary, etc.), encouraging sense of competition among Plants / Units for procurements, empanelment, review and updation of vendor database, etc.

- 3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.**

SAIL has adopted the “4R’s Policy” (Reduce, Recover, Recycle and Reuse) across all its processes and is committed to its Corporate Environmental Policy to reduce solid waste generation and maximize its utilization to 100%.

As a commitment towards the 4R’s Policy, various steps undertaken by SAIL are as follows:

a. Iron and Steel Slag: The iron slag and steel slag are the two major contributors towards solid waste generation. To ensure reuse and safe disposal, the granulated BF slag is used in cement industry as a substitute of clinker. This way 100% utilization of iron slag through cement industry is achieved after it is granulated. Various avenues for use of BOF Slag as soil ameliorant, in rural road making, in cement making, as rail track blast are being explored.

b. Solid Waste (other than Slag): Solid wastes like mill scales, BF flue dust, and waste refractory bricks are utilized fully. SAIL is also working towards utilizing Municipal wastes in an environment friendly way. Three of Steel Plants have installed bio-digesters for processing of canteen wastes daily, resulting in safe disposal of biodegradable wastes from the canteens inside plant premises. These bio-digesters convert the biodegradable solid wastes into compost, which is then used as manure for horticulture.

c. E-Waste: SAIL being a bulk consumer of Electrical and Electrical Equipment generated an appreciable quantity of e-wastes during FY 2022-23 and its environmentally sound management was done in accordance with the applicable E-Waste (Management) Rules, 2016.

The procedure for handling and disposal of e-wastes as per the rule is available with the concerned departments of each Plant and Unit and has already been in practice. Nodal agencies were identified internally to facilitate collection of the wastes and dispatch of the same thereafter to the place designated centrally for its storage.

In line with the rule, record of e-wastes is being maintained in the Form-2. The e-waste is then channelised through authorised collection centres or dealers of authorised producers or authorised dismantlers or recyclers or through the designated take back service provider of the producer to authorised dismantler or recycler.

As per the notified rule, annual return in the Form-3 has been submitted to the respective State Pollution Control Board on or before the 30th day of June following the financial year to which that return relates.

- d. **Hazardous Waste:** Wastes which are hazardous in nature due to their physical and/or chemical characteristics are safely disposed as per the rules of the "*Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016*" and its amendments, either in the Secured Landfill Facility (SLF) or through the authorized agency dealing with Treatment, Storage and Disposal of hazardous wastes. Some hazardous wastes are reused/co-processed.
 - d. **Packaging Waste:** Usually packaging material is dispatched along with consignment to customers; the loose/left over packaging after dispatching of products are disposed-off sustainably from warehouses at regular intervals
- Various R&D initiatives either through in-house research wing or in association with other research centres or academies of national repute are being undertaken to improve upon the BOF slag utilization. Some notable amongst the R&D initiatives are given below:
- a. Utilization of steel slag in construction of rural roads under the Pradhan Mantri Gram Sadak Yojana (PMGSY)
 - b. Development of steel slag based cost effective eco-friendly fertilizers for sustainable agriculture and inclusive growth in association ICAR-Indian Agricultural Research Institute (IARI)
 - c. Study on use of composite slag (mix of BF slag and BOF slag) for making of Portland Slag Cement (PSC)
4. **Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes/No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.**

Yes, EPR is applicable to the activities of SAIL.

All Integrated Steel Plants of SAIL have obtained the EPR registration number from CPCB as per amended Schedule-II rule of the Plastic Waste Management (Amendment), Rules-2022. The guideline says any importer who imports material with plastic packaging is obligated to obtain registration in the centralized portal of CPCB.

SAIL gets most of the imported items wrapped in plastic packaging and it falls under the purview of obligations of Extended Producer Responsibility (EPR). Importers who are not directly associated with plastic packaging but are importing goods wrapped in plastic packaging are required to upload the EPR registration certificate in the Customs Portal, without which the clearance of goods are not permitted.

Leadership Indicators

1. **Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?**

NIC Code	Name of Product/Service	% of total Turnover contributed	Boundary for which the Life Cycle Perspective / Assessment was conducted	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No) If yes, provide the web-link.
24103, 24109, 24105	a. Slab of BSP, RSP and BSL b. Plates from BSP c. Wire rods from BSP d. Hot Rolled and Cold Rolled Coil from RSP e. Hot Dip Galvanized Sheet, Finished Rolled Coil (FCRC) and Pickled Hot Rolled Coil (PHRC) from BSL f. Hot Rolled Coil from BSL	-	From Raw material handling to finished products including transportation.	Yes	No

2. **If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.**

Name of Product/ Service	Description of the risk/ concern	Action Taken
a. Slab of BSP, RSP and BSL b. Plates from BSP c. Wire Rods from BSP d. Hot Rolled and Cold Rolled Coil from RSP e. Hot Dip Galvanized Sheet, Finished Rolled Coil (FCRC) and Pickled Hot Rolled Coil (PHRC) from BSL f. Hot Rolled Coil from BSL	No significant social or environmental concerns and risk were identified	-

- 3. Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).**

Indicate input material	Recycled or re-used input material to total material	
	FY 2022-23	FY 2021-22
Iron Scrap and Steel Scrap	8.57%	9.12%

- 4. Of the products and packaging reclaimed at end of life of products, amount (in metric -tonnes) reused, recycled, and safely disposed, as per the following format:**

	FY 2022-23			FY 2021-22		
	Re-Used	Recycled	Safely Disposed	Re-used	Recycled	Safely Disposed
Plastics (including packaging)						
E-waste				N/A		
Hazardous waste						
Other waste						

N/A - Not Applicable. SAIL does not have any procedures to reclaim products. Still, the company ensures that all by-products are handled with care and disposed-off without harming the environment.

- 5. Reclaimed products and their packaging materials (as percentage of products sold) for each product category.**

Indicate product category	Reclaimed products and their packaging materials as % of total products sold in respective category
	N/A

N/A - Not Applicable. Being a steel producer, we do not consider steel scrap as a waste but use it as raw material for manufacturing new steel. Steel is a bulky material, so there is minimal packaging of end-product. Hence, reclaiming of packaging materials is not applicable.

Principle 3: Businesses should respect and promote the well-being of all employees, including those in their value chains

Essential Indicators

- 1. a. Details of measures for the well-being of employees:**

Category	% of Employees Covered by										
	Total (A)	Health Insurance \$		Accident Insurance		Maternity Benefits		Paternity Benefits		Day Care Facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent Employees*											
Male	55,568	55,568	100%	55,568	100%	N/A	55,568	100%	-	-	
Female	3,618	3,618	100%	3,618	100%	3,618	100%	N/A	-	-	
Total	59,186	59,186	100%	59,186	100%	3,618	100%	55,568	100%	-	
Other than Permanent Employees											
Male									N/A		
Female											
Total											

The employees of the Company in addition to the above are covered under the Employee Family Benefit Scheme.

\$ Health Insurance includes reimbursement of Hospitalization expenses incurred by employees.

*Employees include Executive and Non-executive personnel

N/A - Not Applicable

- b. Details of measures for the well-being of workers:**

Category	% of Workers Covered by										
	Total (A)	Health Insurance		Accident Insurance		Maternity Benefits		Paternity Benefits		Day Care Facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent Workers											
Male											
Female											
Total											
Other than Permanent Workers*											
Male											
Female											
Total											

All the benefits are extended as per statute

* Workers include contract labour engaged under various job contracts by Plants/Units N/A - Not Applicable

Reply a & b : In SAIL, there is no common Group Accident insurance scheme (GPAIS). However, Plants/Units are running GPAIS at local level based on the number of regular employees, location and security concerns. The schemes are voluntary in nature and concerned employees pays premium for the insurance.

2. Details of retirement benefits, for Current FY and Previous Financial Year.

Benefits	FY 2022-23			FY 2021-22		
	No. of Employees* Covered as a % of Total Employees	No. of Workers# Covered as a % of Total Workers	Deducted and Deposited with the Authority (Y/N/N.A.)	No. of Employees* Covered as a % of Total Employees	No. of Workers Covered as a % of Total Workers	Deducted and Deposited with the Authority (Y/N/N.A.)
PF	100%	-	Yes, in SAIL PF Trust	100%	-	Yes, in SAIL PF Trust
Gratuity	100%	-	NA	100%	-	NA
ESI			NIL			
Leave Encashment	100%	-	NA	100%	-	NA
Post Retirement Medical Benefits	100%	-	NA	100%	-	NA
Post Retirement Settlement Benefits	100%	-	NA	100%	-	NA

* Employees include Executive and Non-executive personnel

#Workers refer to Contractual Workers etc.

NA - Not Available

3. Accessibility of workplaces

Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

Yes, all our office premises are accessible to the differently abled employees. SAIL is continuously working towards improving accessibility of infrastructure to the differently abled person.

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.

Yes, SAIL has an Equal Opportunity Policy in place. For more details, please refer to the link <https://sail.co.in/sites/default/files/upload/2022-06/SAIL-Equal-Opportunity-Policy.pdf>

5. Return to work and Retention rates of permanent employees and workers that took parental leave.

Gender	Permanent Employees*		Permanent Workers#	
	Return to Work Rate	Retention Rate	Return to Work Rate	Retention Rate
Male	100%	100%		
Female	100%	100%		N/A
Total	100%	100%		

*Employees include Executive and Non-executive personnel

N/A - Not Applicable

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief.

	Yes/No (If yes, then give details of the mechanism in brief)
Permanent Workers	N/A
Other than Permanent workers	Yes, Effective internal grievances redressal machinery has been evolved and established in SAIL Plants and Units for employees. The grievances are being received through CPGRAMS portal. SAIL Plants/Units are maintaining grievance handling system and employees are given an opportunity at every stage to raise grievances relating to service matters like wage irregularities, working conditions, transfers, leave, work assignments and welfare amenities etc. Majority of grievances are redressed informally in view of the participative nature of environment existing in the steel plants. The system is comprehensive, simple and flexible and has proved effective in promoting harmonious relationship between employees and management
Permanent Employees*	Separate Grievance Committee exists at Plants/units for handling the grievances related to employees belonging to SC/ST/OBC category.
Other than Permanent Employees	N/A

*Employees include Executive and Non-executive personnel, N/A - Not Applicable

7. Membership of employees and worker in association(s) or Unions recognized by the listed entity:

Category	FY 2022-23			FY 2021-22		
	Total Employee*/ workers in respective category (A)	No. of Employees*/ workers in respective category, who are part of Association(s) or Union (B)	% (B/A)	Total Employee*/ workers in respective category (C)	No. of Employees*/ workers in respective category, who are part of Association(s) or Union (D)	% (D/C)
Total Permanent Employees	59,186	59,186	100%	62,181	62,181	100%
Male	55,568	55,568	100%	58,459	58,459	100%
Female	3,618	3,618	100%	3,722	3,722	100%
Total Permanent Workers			N/A			
Male						
Female						

Note: Trade Unions are recognized by respective Plants/Units. Almost all employees of SAIL are members of either Trade Unions or Officers' Associations.

*Employees include Executive and Non-executive personnel

N/A - Not Applicable

8. Details of training given to employees and workers:

Category	FY 2022-23					FY 2021-22				
	Total (A)	On Health and Safety Measures		On Skill Upgradation		Total (D)	On Health and Safety Measures		On Skill Upgradation	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E / D)	No. (F)	% (F / D)
Employees*										
Male	55,568	NA			58,459	NA				
Female	3,618				3,722					
Total	59,186	18,011	30.4%	19,301	32.6%	62,181	9,458	15.2%	14,117	22.7%
Workers#										
Male		NA								
Female										
Total	65,938	65,938	100%	NA	NA	62,040	62,040	100%	NA	NA

*Employees include Executive and Non-executive personnel

#Workers include Contractual Workers etc. NA - Not Available

9. Details of performance and career development reviews of employees and worker:

Category	FY 2022-23			FY 2021-22		
	Total (A)	No. (B)	% (B / A)	Total (C)	No. (D)	% (D / C)
Employees*						
Male	55,568	55,568	100%	58,459	58,459	100%
Female	3,618	3,618	100%	3,722	3,722	100%
Total	59,186	59,186	100%	62,181	62,181	100%
Workers#						
Male		N/A				
Female						
Total						

*Employees include Executive and Non-executive personnel

#Workers include Contractual Workers etc.

N/A - Not Applicable

10. Health and safety management system:

- a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, the coverage of such system?

Yes. SAIL has implemented Occupational Health and Safety Management System. SAIL aims to establish the highest standards necessary to meet and surpass any regulatory requirements for health and safety. Majority of SAIL Plants & Units have ISO 45001:2018 certification, and the coverage is as required by the system. In line with the statutory requirements/regulations/guidelines/polices, SAIL makes constant efforts to avert all illnesses and accidents related to the workplace. Accordingly, health and safety are crucial components of all its operations. It aids in risk assessment and offers safeguards against health and safety issues in operations and activities. Internal and surveillance audits and evaluations are conducted on a regular basis, which leads to continuous improvement in safety systems, standards, and performance.

- b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

A well-defined Hazard Identification and Risk Assessment (HIRA) procedure is in place. In addition, other tools & techniques used for Hazard Identification & Risk assessment are as follows:

a. Quantitative Risk Assessment & HAZOP Studies

b. Inspections

c. Audits

d. Safety Observation & Behavioral Intervention rounds

e. ROKO-TOKO drives & campaigns

c. Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks. (Y/N)

Yes. Central to our operations is a steadfast commitment to ensuring the safety and welfare of our employees. Our Hazard Identification and Risk Assessment (HIRA) procedure, crafted for both routine and specialized tasks, guarantees that each team member is equipped with knowledge and protection to perform their duties effectively. We routinely revise our Standard Operating Procedures (SOPs) & Safe Method Procedures (SMPs) based on continuous feedback, reflecting our proactive stance in enhancing workplace safety.

Communication is key in our safety strategy. Workers are not only encouraged but also provided with incentives to report any perceived hazards or anomalies. Leveraging contemporary technologies, such as safety portals and mobile applications, we ensure real-time and efficient reporting of workplace hazards.

Our 'ZERO TOLERANCE RULES' and 'LIFE SAVING RULES' serve as a firm assertion of our commitment to safety standards. Moreover, workers are empowered and advised to distance themselves from situations they deem hazardous, underscoring our belief in placing their safety above all else.

d. Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? (Yes/ No)

Yes, all Plants & Units have access to non-occupational medical and healthcare services either on-site or through tie-ups with reputed medical entities in proximity. Also, employees/ workers have access to company run Hospitals / Health Centres to take care of their Health care services.

11. Details of safety related incidents, in the following format:

Safety Incident/Number	Category	FY 2022-23	FY 2021-22
Lost Time Injury Frequency Rate (LTIFR) (per one million-person-hours worked)*	Employees	0.02	0.06
	Workers	0.13	0.18
Total recordable work-related injuries**	Employees	28	40
	Workers	35	50
No. of fatalities	Employees	1	3
	Workers	10	16
High consequence work-related injury or ill-health (excluding fatalities)	Employees	NA	NA
	Workers	NA	NA

*RLTIFR (Reportable Lost Time Injury Frequency Rate)

**Includes Reportable & Non reportable accidents

NA - Not available

12. Describe the measures taken by the entity to ensure a safe and healthy workplace.

SAIL has a Safety Policy to ensure that its employees and the people associated with them, such as those residing in the vicinity of Plants, Units and Mines are protected. A dedicated Board Sub-Committee on Health, Safety & Environment (BSC on HSE) is in place to review the policy, procedures and systems on Health, Safety and Environment matters. At corporate level, SAIL Safety Organisation (SSO) centrally monitors and guides the Plants & Units in safety efforts. Every Monday, performance on safety parameters is reviewed at the highest level at each Plant / Unit. In line with this commitment, systematic approach to safety is adopted and workplace hazards have been identified, risks assessed and accordingly, control measures are taken on continuous basis to bring the risk to an acceptable level. Good Safety Practices (G-SaPs) are identified from the Steel industry and are implemented at different levels. Various kinds of initiatives & drives/campaigns are undertaken on regular basis in all the Plants, Units & Mines to ensure safe working and continual improvement in the safety performance.

Some of the initiatives taken by the entity to ensure a safe workplace are as follows:

- a. OHS Policy
- b. Safety performance monitoring & review at different levels (Board/ Board Sub-Committee on HSE, Corporate & Plant levels)
- c. Safety Committees
- d. Statutory compliances
- e. Safety Induction, on-the job, refresher training and LEO (Learning from Each Other) workshops
- f. SOPs & SMPs
- g. Safety Talk & Toolbox Talks
- h. Adherence to Permit to Work & Protocol system
- i. Implementation of High-risk standards & MoS Safety guidelines (Work at height, PTW, Confined space, Electrical safety, Gas safety, conveyor belt safety, Rail & road safety, etc.)
- j. Safe Management of High Hazardous Processes (HAZOP, Bow Tie, etc.)
- k. OHS Audits & Inspections
- l. Theme based drives & campaigns
- m. Tools, tackles & equipment's inspection / certification
- n. Incident reporting, investigation & analysis
- o. Emergency Plan & Procedure and rehearsal through periodic mock drills
- p. Extensive usage of web portals, mobile applications, and latest technology tools
- q. Safety promotional & motivational programs
- r. Speed monitoring & checking of vehicles inside Plant premises to ensure Road safety
- s. Industrial Hygiene Survey (Noise, dust, illumination, etc.), initial & periodical medical examination

Giving utmost priority to safety, SAIL has engaged Safety Management Consultants of repute for Safety Culture Transformation, at its Bhilai, Rourkela, Bokaro & IISCO Steel Plant and is in the process of deployment in Durgapur Steel Plant, which will provide further impetus to existing safety improvement efforts.

13. Number of Complaints on the following made by employees and workers.

	FY 2022-23			FY 2021-22		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	0	0	-	0	0	-
Health & Safety	0	0	-	0	0	-

14. Assessments for the year:

	% of your Plants and Offices that were Assessed (by entity or Statutory Authorities or Third Parties)
Health and safety practices	100%
Working Conditions	100%

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.

Some of the corrective measures taken to address safety-related incidents are as follows:

- a) All safety related incidents are investigated and learnings from investigation are shared across all Plants and Offices for deployment of corrective actions to prevent recurrence of such incidents. The effectiveness of deployment of corrective actions is checked during Safety Audits.
- b) SOPs & SMP's, Safety Manuals are reviewed/revisited for the concerned area or function where the incident has taken place.
- c) Significant risks/concerns arising from assessment of Health and Safety Practices are addressed by following risk control hierarchy i.e. elimination, substitution, engineering controls (use of Technology tools, Digitization etc.), administrative controls (Safety Capability Building, Monitoring and supervision, visual displays etc.) and usage of PPEs.

Leadership Indicators

- 1. Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N).**

A.	Employees*	Yes
B.	Workers#	Yes

*Employees include Executive and Non-executive employees

#Workers refer to Contractual Workers etc.

- 2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.**

The Company is compliant to statutory dues of employees towards income tax, provident fund, professional tax, ESIC etc. as applicable from time to time. The value chain partners are also responsible for complying with the same as per the contract.

- 3. Provide the number of employees / workers having suffered high consequence work-related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been rehabilitated and placed in suitable employment.**

	Total no. of Affected Employees*/Workers#		No. of Employees/Workers that are Rehabilitated and Placed in Suitable Employment or whose Family Members have been Placed in Suitable Employment	
	FY 2022-23	FY 2021-22	FY 2022-23	FY 2021-22
Employees*				N/A
Workers#				

*Employees include Executive and Non-executive personnel

#Workers include Contractual Workers etc.

N/A - Not Applicable

- 4. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/ No)**

No. Most of the employees superannuate from the service after completion of their tenure in SAIL. Though there are no such assistance programs for their employability, there is assistance program for retired workers for managing their retired life.

- 5. Details on assessment of value chain partners:**

	% of value chain partners (by value of business done with such partners) that were assessed
Health and safety practices	0%
Working Conditions	0%

The Company expects its value chain partners to follow extant regulations, including health & safety practices and working conditions, which are specified in the contract document. Safety requirements of the job are defined in the terms & conditions of contract which are assessed through periodic site inspections. A well-defined Consequence Management system to deal with safety violations & lost time incidents is also in place.

- 6. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners.**

As a system strengthening measure, a structured 'Contractor Safety Management Standard' is underway at Plants under the expert guidance of the safety management consultants deployed. Corrective actions are taken immediately, in case any significant hazard / risk is observed during site inspections.

SAIL follows several guidelines to address significant risks/concerns arising from assessment of health and safety practices of value chain partners. Some of them are:

- Organizing Safety Awareness Programmes including Film Shows on Safety, Safety Competition / Quiz—once in 3 months.
- Providing ratings to value chain partners on health and safety practices. The value chain partners who are rated higher are provided certain benefits while signing contracts.
- Physical demonstrations on Safe Handling Procedures at Plant level like- Dos & Dont's with photographs is being displayed at strategic points within Warehouses. Physical display is also being carried out every six months.
- Organizing Health Check-up camps & Eye Testing camps, regularly.
- Installation of Fire Extinguishers and Live demonstration on Mock Drills to ensure Fire Safety.

Principle 4: Businesses should respect the interests of and be responsive to all its stakeholders
Essential Indicators
1. Describe the processes for identifying key stakeholder groups of the entity.

Stakeholders are an integral part of the company's growth strategy. Engagement with stakeholders is crucial to identify risks and develop a management plan for integration into the company's business model. At SAIL, a rigorous Stakeholder Engagement approach is being followed, which entails identifying and capturing stakeholders; assessing and evaluating their views; prioritizing key material issues; identifying sustainability indicators; preparing action plans; implementation and communication.

The identification of the various stakeholders is largely based on their material influence on the business strategy and sustainability vision of the company. Additionally, desk research (documentary analyses), community need assessment, benchmarking against peers, and interviews with key personnel within the Company are also done to identify the vulnerable and marginalized stakeholders.

2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.

Stakeholder Group	Whether identified as vulnerable & Marginalized Group (Yes/No)	Channels of communication	Frequency of engagement with each stakeholder group	Purpose and scope of engagement including key topics and concerns raised during such engagements
Shareholders	No	1. Annual General Meetings 2. Quarterly and half-quarterly reports to shareholders 3. Shareholder relation meets 4. Investor surveys	Annually/ Quarterly/ Half quarterly	1. Profitability of the Company 2. Creation of wealth 3. Stock Price 4. Grievances and Complaints
Employees	Yes	1. Labor Unions, Bipartite & Tripartite Meetings 2. Departmental & Zonal Committee Meetings 3. Various Platforms for Dialogues & Communication 4. CEO Interactions, 5. Employee Satisfaction Surveys, 6. Annual Appraisals, 7. Internal newsletters etc	Daily	1. Safety and Healthy working conditions 2. Good remuneration package 3. Professional Growth 4. Quality of life 5. Welfare Measures 6. Training and Career Development
Suppliers	Yes	1. Vendor meetings 2. Meetings with suppliers 3. Ancillary Association Meetings 4. Supplier Relationship Management	Quarterly / As and when required	1. Partnership with Value creation 2. Timely Payment 3. Engaging more local suppliers 4. Supplier Satisfaction
Customers	No	1. Regional Customer meets 2. Plant visits, Director's conference with customer groups 3. Visits to customers and customer satisfaction surveys 4. Virtual Meetings, visit by customers 5. Telephonic conversation emails 6. AI ChatBot	Continuous basis	1. Partnership with Value creation 2. Product Quality 3. Delivery 4. Compliance, Customer Satisfaction 5. Resolution of complaints.
Community	Yes	1. Community meetings 2. Interaction with municipalities 3. Town administrative committee 4. Involvement in local society functions	As and when required	1. Quality of life 2. Job opportunities 3. Education 4. Welfare Measures 5. Medical Facilities 6. Sustainable Livelihood
NGOs	No	1. Visit to plants 2. Seminars 3. Conferences 4. Interactions, etc.	Quarterly / As and when required	1. Environment Quality 2. Human Rights 3. Freedom of association 4. Compliance to regulations
Regulators	No	1. Meetings with Central and state Govt./Steel Ministry /Trade Bodies 2. Industry Associations 3. Ministry of Environment, Forests & Climate Change 4. Other Statutory bodies, etc.	Annually/ As and when required	1. Economic, Environmental and Social Compliance 2. Human Rights 3. Safety 4. Compliance to ILO Conventions
Competitors	No	1. Knowledge sharing, Partnership with value creation, Anticompetitive behaviour 2. Consumer privacy	As and when required	1. Fair Business 2. Partnership 3. Public policy Advocacy

Stakeholder Group	Whether identified as vulnerable & Marginalized Group (Yes/No)	Channels of communication	Frequency of engagement with each stakeholder group	Purpose and scope of engagement including key topics and concerns raised during such engagements
Industry Associations	No	1. Conferences 2. Workshops 3. Seminars	Annually/ As and when required	4. Industry Policy, Regulations 5. Technology 6. Environment 7. CSR 8. Business Excellence
Academic Bodies	No	1. Conferences 2. Workshops 3. Seminars	As and when required	1. Knowledge Management Activities 2. Partnership for value Creation
Professionals/ Consultants	No	1. Visit to Plants 2. Seminars 3. Conferences, Interactions	As and when required	1. Partnership with Value creation 2. Training and Development
Media	No	1. Press Meets, Interactions with Plants & Corporate Communications	As and when required	1. Economic, Environmental and Social Performance Achievements

Leadership Indicators

1. Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.

SAIL believes that effective stakeholder engagement is essential for inclusive growth. The Company aims to strengthen its relationships with key stakeholders, such as government, shareholders, employees, customers, suppliers, communities, NGOs, academics, consultants, competitors, and financial institutions.

SAIL engages with stakeholders through a variety of channels, from daily interaction with employees to Annual General Meetings (AGMs). The Company also has dedicated Board Sub-Committees to deal with economic, environmental, and social topics. These Sub-Committees meet regularly to discuss and address identified issues. Recommendations from the meetings are presented to the Board for approval, and an effective follow-up mechanism keeps the Board apprised of the actions taken.

An effective engagement mechanism is incorporated in the Stakeholder Engagement Matrix. This matrix anchors stakeholder engagement on the following principles:

Completeness: Understanding key concerns of stakeholders and their expectations, and transparent and balanced reporting.

Materiality: Prioritized consideration of the economic, environmental, and social impacts identified to be important to the stakeholders as well as the Company.

Responsiveness: Responding coherently and transparently to such issues and concerns.

In addition to these principles, SAIL uses numerous modes to engage with its both internal and external stakeholders in a constructive manner and consciously captures their expectations. Frequent interaction with stakeholders, especially suppliers, allows the Company to recognize focus areas and strengthen relationships with them. The Company has adopted Customer Satisfaction Index and Employee Satisfaction as a few of the metrics and methodologies to gauge and quantify the stakeholders' feedback. The outcomes of the feedback received are integrated into the organization's medium- and long-term strategy and planning. The Company strives to meet the identified goals for the shared growth of the Company and society.

Customer feedback also goes into forming the basis for product improvement, product, and services development necessary for customer retention, market penetration, and growth.

2. Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.

Yes, stakeholder consultation is used to support the identification and management of environmental, and social topics.

At SAIL we have conducted Stakeholder Engagement and Materiality Assessment for 109 employees. Stakeholder engagement is an essential element for the sustainability strategy that helps the company to learn from its stakeholders to identify and manage risks, to build trust and strong relationships and to identify ways to improve its performance. The Company tries to understand where business interests overlap with the sustainability priorities of a Company's stakeholders. Basis the surveys, we have highlighted materiality topics and are taking them into consideration.

3. Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/marginalized stakeholder groups.

SAIL Plants have continuously been making efforts for development of MSE vendors by organizing Vendor Development Programs (VDPs). Further, Special Vendor Development Programs targeted towards developing a supportive ecosystem to SC/ST entrepreneurs were conducted in collaboration with National SC/ST Hub Office (NSSHO) along with participation from Dalit Indian Chamber of Commerce & Industries and TICCI (Tribal Indian Chamber of Commerce & Industries) where procurement procedure and vendor registration procedures were explained to intended beneficiaries.

During these meets, the vendors are also informed about the requirements of SAIL, items reserved for SC ST / Women vendors, registration procedures, benefits available to SC/ST and Women MSEs etc. SAIL has also been actively participating in conclaves organized by NSSHO for SC/ST entrepreneurs.

Officials of Invoice Mart are also invited to some SVDPs to inform the participants regarding benefits of bill discounting through TReDS. SAIL has organized 24 VDPs and 19 SVDPs in FY 2022-23.

SAIL Plants also provide support to local MSEs by mentoring, training, hand-holding and by providing technical support. SAIL is also incentivizing the local MSMEs (located in the same district as our 5 ISPs) by making steel available to them at affordable & competitive prices with suitable commercial terms to accelerate industrial growth of the region.

Principle 5: Businesses should respect and promote human rights

Essential Indicators

1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:

Category	FY 2022-23			FY 2021-22		
	Total (A)	No. of employees / workers covered (B)	% (B/A)	Total (C)	No. of employees / workers covered (D)	% (D/C)
Employees*						
Permanent	All employees are provided training on various aspects of human rights, as well as other key areas such as prevention of sexual harassment, vigil mechanism, code of conduct, and code of business ethics. This is to keep them apprised of changing regulations and to help them make ethical decisions and understand the consequences of any wrongdoing.					
Other than Permanent	N/A					
Workers#						
Permanent	N/A					
Other than Permanent	All workers are provided training on various aspects of human rights, as well as other key areas such as prevention of sexual harassment, vigil mechanism, code of conduct, and code of business ethics. This is to keep them apprised of changing regulations and to help them make ethical decisions and understand the consequences of any wrongdoing.					

*Employees include Executive and Non-executive personnel #Workers include Contractual Workers etc. N/A - Not Applicable

2. Details of minimum wages paid to employees and workers, in the following format:

Category	FY 2022-23					FY 2021-22																		
	Total (A)	Equal to Minimum Wage	More than Minimum Wage	Total (D)	Equal to Minimum Wage	More than Minimum Wage	Total (D)	Equal to Minimum Wage	More than Minimum Wage	Total (D)														
Employees*																								
Permanent																								
Male	55,568	NIL		55,568	100%	58,459	NIL		58,459	100%														
Female	3,618			3,618	100%	3,722			3,722	100%														
Other than Permanent																								
Male	N/A																							
Female																								
Workers#																								
Permanent																								
Male	N/A																							
Female																								
Other than Permanent#																								
Male	62,641	NIL		62,641	100%	48,863	NIL		48,863	100%														
Female	3,296			3,296	100%	2,814			2,814	100%														

*Employees include Executive and Non-executive personnel #Workers include Contractual Workers etc. N/A - Not Applicable

3. Details of remuneration/salary/wages, in the following format:

Particulars	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category	Number	Median remuneration/ salary/ wages of respective category
Board of Directors (BoD)	14	83.93 Lakhs*	3	110.22 Lakhs*
Key Managerial Personnel	19	65.31 Lakhs	1	110.22 Lakhs
Employees (Executive) other than Board of Directors and Key Management Personnel	55,535	14.49 Lakhs	3,614	13.52 Lakhs
Workers		NA		

*Median remuneration is for Non-Independent Directors

NA - Not Available

4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)

SAIL being a socially responsible entity and one of the Maharatna PSU is working for the Planet, People and Profit. The organization through its various forums/activities works for growth of the nations. RTI, CPGRAM, Commissions like NCSC/NCST/NCBC/NHRC, CVC, CAG, etc. are the major focal points which support in addressing the Human Rights impacts. Further Grievance redressal system also exists at Plant/Unit level for effective redressal of grievances.

5. Describe the internal mechanisms in place to redress grievances related to human rights issues.

Effective internal grievances redressal machinery has been evolved and established in SAIL Plants and Units for employees. Grievance Committees have been set up at Plant/Unit level for effective redressal of grievances.

SAIL Plants/Units maintain grievance handling system and employees can raise grievance relating to service matters like wage irregularities, working conditions, transfers, leave, work assignments and welfare amenities etc. at any given point of time. Majority of grievances are redressed informally in view of the participative nature of environment existing in the Steel Plants. The system is comprehensive, simple and flexible and has proved effective in promoting harmonious relationship between employees and management.

6. Number of Complaints on the following made by employees and workers:

Particulars	FY 2022-23			FY 2021-22		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	8	2	-	3	1	-
Discrimination at workplace	0	0	-	0	0	-
Child Labour	0	0	-	0	0	-
Forced Labour / Involuntary Labour	0	0	-	0	0	-
Wages	0	0	-	0	0	-
Other human rights related issues	0	0	-	0	0	-

7. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

SAIL has a Policy for Prohibition, Prevention and Redressal of Sexual Harassment (POSH) of Women at Workplace and Equal Opportunity Policy.

The mechanism is well laid in the Policy. For more details, refer to the Policy link (<https://sail.co.in/sites/default/files/upload/2022-06/Policy-for-Prohibition-Prevention-Redressal-of-Sexual-Harassment-of-Women-at-Workplace.pdf>)

8. Do human rights requirements form part of your business agreements and contracts? (Yes/No)

SAIL has provisions in its business agreements / contracts to ensure protection of human rights of contract labour deployed in its premises by contractors. The agreements / contracts have provisions requiring contract labour to undergo mandatory safety training as per SAIL's internal guidelines before being deployed at the worksite, ensuring that the contractor provides necessary safety gear to the contract labour, adherence to safe working practices by the contractor, timely payment by the contractor to the contract labour as per applicable statutes. SAIL does not allow child labour in its premises. Apart from the above, SAIL extends all facilities required to be provided to contract labour as per applicable statutes.

9. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour	
Forced/involuntary labour	
Sexual harassment	NA
Discrimination at workplace	
Wages	
Others – please specify	

Although no formal assessment has been conducted for our Plants and Offices, the Plant Heads and HR department of the Corporate Office ensures that there are no violations of any human rights aspects. Any grievance received on a violation of human rights is taken seriously, and necessary actions are taken against the accused, if found guilty.

NA - Not Available

10. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 9 above.

There were no significant risks or concerns (considering Q9)

Leadership Indicators
1. Details of a business process being modified / introduced as a result of addressing human rights grievances/ complaints.

SAIL is highly committed to upholding and respecting Human Rights of all of its stakeholders, inter-alia, employees and their families, contract labour under various job contracts, peripheral population etc. In this regard, SAIL undertakes review of its policies and processes periodically for making them contemporaneous and aligning them to the objective of achieving welfare of the intended target population.

Some of the policies/processes that are focused towards safeguarding and promoting the avowed principles that forms the foundation of Human Rights

1. SAIL ensures compliance to payment of minimum wages to contract labours as per applicable statutory provision. Also, necessary safety training is imparted to each and every contract labour engaged under various job contracts and provided by personal protective equipment to enable their safe working.
2. There is no discrimination based on caste, creed, religion or gender. The HR policies are implemented impartially and without any biases. SAIL provides equal employment opportunity for every Indian Citizen fulfilling the eligibility criteria.
3. SAIL has put in place an Equal Opportunity Policy, the objective of which is to provide a barrier free and conducive environment for growth and development of persons with disabilities without any discrimination as per the guidelines/orders issued by Govt. of India.
4. SAIL is committed to promote gender equality and women's empowerment by providing a safe and secure work environment. It has put in place enabling systems and procedures to not only discharge its statutory obligations but also for nurturing enhanced participation of women employees. A codified policy for prohibition, prevention and redressal of sexual harassment of women at workplace also bolsters the said objective.
5. Women Leadership Development Programme: Women executives in E-5 & above grades are being mandatorily nominated to reputed leadership development programme.
6. Introduction of "**Sakhi**"- a women-exclusive network portal for discussions/experience sharing to be managed & maintained by a dedicated all-women team of Corporate C& IT.
7. Other initiatives in this line include 'Rules for promotion framed under the Promotion Policy for executives/medical executives':
 - a. A woman executive promoted during the time period of her maternity leave; will be allowed to join the higher post after completion of her maternity leave, without any loss of notional seniority.
 - b. A woman executive who gets promoted & transferred to another Plant/ Unit/location during the time period of her Maternity Leave, will be allowed to join the higher post within one month of completion of her maternity leave, without any loss of notional seniority.
8. With a view to facilitate employees to attain better work-life balance, a codified policy viz. "Shorter Working Period Scheme" has been produced. It can be opted by employees desirous of pursuing philanthropic goal and other voluntary activities for development of society.

9. SAIL's vision of social development is practiced through its Corporate Social Responsibility initiatives and it is directed towards the empowerment of the underprivileged and development of the peripheral areas of Plants and Mines. SAIL undertakes various activities/projects in the area of education, health, safe drinking water, promotion of sports and cultural activities. SAIL has also been instrumental in developing women Self Help Groups (SHGs) under CSR for promotion of entrepreneurial spirit and generation of income.
10. SAIL also has a codified guideline for providing relief and succour to dependent family members of employee in cases of death, permanent disablement, and medical invalidation.
11. Besides the above, SAIL, being a Maharatna CPSE of Govt. of India is guided by all the applicable Govt. orders, Govt. notifications Acts, Govt. assurances in the matters concerning Human Rights.

2. Details of the scope and coverage of any Human rights due diligence conducted.

No due diligence has been conducted yet.

3. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?

Yes. The office and plant premises are accessible to differently abled visitors.

4. Details on assessment of value chain partners:

	% of value chain partners (by value of business done with such partners) that were assessed
Sexual Harassment	0%
Discrimination at workplace	0%
Child Labour	0%
Forced Labour/Involuntary Labour	0%
Wages	0%
Others – please specify	0%

We have a declaration on human rights aspects from all of our value chain partners regarding various human rights aspects. Any violation leads to the cancellation of business transaction with the value chain partner. Additionally, our major suppliers, being global coal companies, already have set high standards of adherence to human rights aspects.

5. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above.

No significant risks/concerns were identified.

Principle 6: Businesses should respect and make efforts to protect and restore the environment

Essential Indicators

1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:

Parameter	FY 2022-23	FY 2021-22
Total electricity consumption for own sites (A) (TJ)	1,40,372.3	1,37,186
Total fuel consumption for own sites (B)	4,49,756	4,52,269
Energy consumption through other sources (C)	916	684
Total energy consumption (A+B+C) (TJ)	5,91,044	5,90,139
Energy intensity per rupee of turnover (Total energy consumption/ turnover in rupees crore) (TJ / ₹ in Crore)	5.70	5.74

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, Mandatory comprehensive energy audit by external agencies is carried out. Name of the BEE empanelled accredited energy auditors are:

- M/s MCJ Energy Engineers Pvt. Ltd
- M/s Katyani Energy Solutions Pvt. Ltd
- M/s Padmashtdal Energy Services

2. Does the entity have any sites / facilities identified as Designated Consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.

All five Integrated Steel Plants of SAIL have been identified as Designated Consumers by Bureau of Energy Efficiency, Government of India. However, no fixed targets were assigned to the individual Plants, during FY 2022-23 for compliance.

3. Provide details of the following disclosures related to water, in the following format:

Parameter	Specify unit	FY 2022-23	FY 2021-22
Water withdrawal by source (in kiloliters)			
(i) Surface water	KL	Nil	
(ii) Groundwater	KL		
(iii) Third party water	KL		
(iv) Seawater / desalinated water	KL		
(v) Others	KL		
Total volume of water withdrawal (in kiloliters) (i + ii + iii + iv + v)	KL	5,52,85,451	5,35,09,221
Total volume of water consumption	KL	5,52,85,451	5,35,09,221
Water intensity per rupee of turnover (Water consumed / turnover)	L/₹	0.053	0.052
Water intensity (optional) – the relevant metric may be selected by the entity	m ³ /tcs	3.06	3.12

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, by Pollution Control Board

4. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

Across all SAIL Plants, concerted efforts are being taken to achieve the long-term goal of "Zero Liquid Discharge" through adequate treatment and recycling of effluent being discharged through the outfalls at our plant boundaries. SAIL has initiated action to create a potential for saving of water to the tune of 265 million m³/year through waste-water treatment and recycling schemes. Waste-water treatment and recirculation facility of 106 million m³/year water capacity has already been implemented and the schemes for treatment of 159 million m³/year of effluent are in various stages of implementation. During 2022-23, three waste water treatment and recycling facilities (2 at DSP and 1 at ISP) with a total capacity of 440 m³/hr effluent have been installed and are under operation.

5. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format

Parameter	Specify unit	FY 2022-23	FY 2021-22
NOx (NO ₂)	µg/m ³	Min.: 3, Max.: 87	8 to 66
SOx (SO ₂)	µg/m ³	Min.: 3, Max.: 76	5 to 68
Particulate matter (PM) (PM ₁₀)	µg/m ³	Min.: 31, Max.: 99	27 to 99
Persistent organic pollutants (POP) (Benzo-a-Pyrene)	ng/m ³	Min.: BDL, Max.: 1	<1
Volatile organic compounds (VOC)	-	-	-
Hazardous air pollutants (HAP)	-	-	-
Others – please specify	-	-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, by Pollution Control Board

6. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format

Parameter	Unit	FY 2022-23	FY 2021-22
Total Scope 1 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF6, NF3, if available)	Tonnes of CO ₂	4,76,03,938	4,52,51,391
Total Scope 2 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF6, NF3, if available)	Tonnes of CO ₂	30,20,822	33,06,845
Total Scope 1 and Scope 2 emissions per rupee of turnover	Tonnes / ₹ in crore	487.9	472.3
Total Scope 1 and Scope 2 emission intensity – the relevant metric may be selected by the entity (optional)*	Tonnes of CO ₂ / Total Crude Steel Tonnes	2.80	2.83

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. No

* However, total emissions intensity (Scope-1, Scope 2 and credits from Co-products) is 2.49 t/tcs and 2.51 t/tcs for FY 2022-23 and FY 2021-22 respectively

7. Does the entity have any project related to reducing Green House Gas emission? If yes, then provide details.

Details of project		
Refer to Annexure-XI of the Board Report "PARTICULARS OF ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS & OUTGO" of Annual Report FY 2022-23.		

8. Provide details related to waste management by the entity, in the following format

Parameter	FY 2022-23	FY 2021-22
Total Waste generated (in metric tonnes)		
Plastic Waste (A)	2,260	2,278
E-waste (B)	33	18
Biomedical waste (C)	141	136
Construction and demolition waste (D)	Insignificant Quantity	Insignificant Quantity
Battery waste (E)		
Radioactive waste (F)	Not applicable	Not applicable
Other hazardous waste (G)	172387.859	158022
Other non-hazardous waste (H)	12549470	11436992
Total (A+B + C + D + E + F + G + H)	12724292	11597446
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
(i) Recycled	31,40,793	2768677
(ii) Reused		
(iii) Other recovery options (Sold)	9765888	82,07,561
Total	12906681*	10976238
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration	35	27
(ii) Landfilling	3,529	4,328
(iii) Other disposal options	107	108
Total	3,671	4,464

*Waste recovered includes excess waste from stock

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, by Pollution Control Board

9. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

SAIL is committed to its Corporate Environmental Policy to reduce solid waste generation and maximise its utilisation to achieve 100%. SAIL thus adopted the "**4R's Policy**" (Reduce, Recover, Recycle and Reuse) across all its processes in order to improve sustainability of the industry. The iron slag and steel slag are the two major contributors towards solid waste generation. 100% utilization of iron slag through cement industries is achieved after it is granulated. On the other hand, BOF slag is used internally in blast furnace & steel melting shop as a partial replacement of limestone and in sinter making through base-mix. Solid wastes like mill scale and lime/dolo fines are recycled entirely through sinter making process and waste refractory bricks are fully utilized through either selling to external agencies or reusing internally. Various R&D based studies have been/are being taken up by SAIL either through in-house research wing or in association with other research centres or academies of national repute to explore potential avenues for enhancing BOF slag utilization. Wastes, hazardous in nature by reasons of their physical and/or chemical characteristics are safely disposed as per the rules of the "Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016", either in captive Secured Landfill Facility (SLF) or through the authorized recyclers dealing with Treatment, Storage and Disposal of hazardous wastes. Some hazardous wastes are reused/co-processed.

10. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:

S. No.	Location of operations / offices	Type of operations	Whether the conditions of environmental approval/clearance are being complied with/ (Y/N) if no, the reasons thereof and corrective action taken, if any.
N/A			

N/A- Not Applicable

None of the SAIL Plants are in ecologically sensitive areas.

11. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws in the current financial year:

Name and brief details of project	EIA Notification No. (EC Identification No)	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
SAIL did not undertake any new project requiring environmental impact assessments during 2022-23.					

12. Is the company compliant with the applicable environmental law/ regulations/ guidelines in India, such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Mention Yes/No). If not, provide details of all such non-compliances, in the following format:

S. No.	Plant location	Specify the law /regulation/ guidelines which was not complied with	Provide details of the non-compliance	Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken if any
1.	IISCO Steel Plant	The Water (Prevention and Control of Pollution) Act and Air (Prevention and Control of Pollution) Act	Non-compliance of the environmental standards at IISCO Steel Plant	Direction issued by West Bengal Pollution Control Board	Corrective measures have already been implemented to comply with the environmental standards. Moreover, a time bound action plan is in place to improve upon our environment performance further.

Leadership Indicators

1. Provide break-up of the total energy consumed (in Joules or multiples) from renewable and non-renewable sources, in the following format:

Parameter	Unit	FY 2022 - 23	FY 2021 - 22
From renewable sources#			
Total electricity consumption (A)	TJ (Terajoules)	127.2	443.3
Total fuel consumption (B)	L (Litres)	0	0
Energy consumption through other sources (C)	TJ (Terajoules)	0	0
Total energy consumed from renewable sources (A+B+C)	TJ (Terajoules)	127.2	443.3
From non-renewable sources#			
Total electricity consumption (D)	TJ (Terajoules)	1,40,245	1,36,743
Total fuel consumption (E)	TJ (Terajoules)	4,49,756	4,52,269
Energy consumption through other sources (F)	TJ (Terajoules)	916	684
Total energy consumed from non-renewable sources (D+E+F)	TJ (Terajoules)	5,90,001	5,89,012

includes the energy consumption in SAIL Integrated Steel Plants, Special Steel Plants, SRU and Mines.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, Mandatory comprehensive energy audit by external agencies is carried out. Name of the BEE empanelled accredited energy auditors are:

- M/s MCJ Energy Engineers Pvt. Ltd
- M/s Katyani Energy Solutions Pvt. Ltd
- M/s Padmashtdal Energy Services

2. Provide the following details related to water discharged:

Parameter	FY 2022 - 23	FY 2021 - 22
Water discharge by destination and level of treatment (in kilolitres)		
(i) To Surface water	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	2,23,63,784	2,21,49,378
(ii) To Groundwater	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(iii) To Seawater	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(iv) Sent to third-parties	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(v) Others	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
Total water discharged (in kilolitres)	2,23,63,784	2,21,49,378

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, by Pollution Control Board

3. Water withdrawal, consumption and discharge in areas of water stress (in kiloliters):

For each facility / plant located in areas of water stress, provide the following information:

- (i) Name of the area
- (ii) Nature of operations
- (iii) Water withdrawal, consumption and discharge in the following format:

Parameter	FY 2022 - 23	FY 2021 - 22
Water withdrawal by source (in kiloliters)		
(i) Surface water		
(ii) Groundwater		
(iii) Third party water		
(iv) Seawater / desalinated water		
(v) Others		Not Applicable
Total volume of water withdrawal (In kilolitres)		
Total volume of water consumption (In kilolitres)		
Water intensity per rupee of turnover (Water consumed / turnover)		
Water intensity (optional) – the relevant metric may be selected by the entity		
Water discharge by destination and level of treatment (in kilolitres)		
(i) Into Surface water		
- No treatment		
- With treatment – please specify level of treatment		
(ii) Into Groundwater		
- No treatment		
- With treatment – please specify level of treatment		
(iii) Into Seawater		
- No treatment		
- With treatment – please specify level of treatment		
(iv) Sent to third-parties		
- No treatment		
- With treatment – please specify level of treatment		
(v) Others		
- No treatment		
- With treatment – please specify level of treatment		
Total water discharged (in kilolitres)		Not Applicable

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

4. Please provide details of total Scope 3 emissions & its intensity, in the following format:

Parameter	Unit	FY 2022-23	FY 2022-21
Total Scope 3 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Tonnes of CO ₂ equivalent	56,20,400	53,86,258
Total Scope 3 emissions per rupee of turnover	Tonnes of CO ₂ / Turnover (₹)	54.2	52.4

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. No

5. With respect to the ecologically sensitive areas reported at Question 10 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and re-mediation activities.

Not Applicable

6. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:

Sr. No	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
1.	Environment-friendly disposal of waste plastics through Coke Oven Batteries at Bhilai Steel Plant	A pilot scale facility for charging of waste plastic granules was installed at Coal Handling Plant-II of Bhilai Steel Plant with in-house research wing RDCIS. The waste plastics is utilised in the form of granules along with coal in coke making process. By this process, waste plastic granules do not burn rather decompose in the coking chamber along with carbonisation of coal, in absence of air at high temperature.	This initiative will help in recycling of large amount of waste plastics in the coke oven batteries with no adverse effect on the environment and added advantage of better coking properties.
2.	Eco-labelling of steel TMT rebar, a product of Merchant Mill at DSP	Durgapur Steel Plant is the first PSU steel plant in Indian steel sector, of which steel TMT rebar, a product of its Merchant Mill is certified with the 'GreenPro' instituted by the Confederation of Indian Industry (CII). GreenPro Ecolabel is accredited by Global Ecolabelling Network (GEN) through GENICES – GEN's Internationally Coordinated Ecolabelling System.	This initiative enables the end users in the building sector and manufacturing industries to choose right products, materials and technologies for reducing the environment impacts during the construction, operation and maintenance of their buildings and factories.
3.	Carbon Capture, Utilisation and Sequestration (CCUS) at IISCO Steel Plant	With the aim of collaborating in the area of CCUS, an MoU has been signed between IISCO Steel Plant and IIT, Bombay for carbon capture, its utilization and geological sequestration in nearby CBM wells.	Carbon Capture, Utilisation and Sequestration (CCUS) is one of the technologies that can mitigate offset the carbon emission from the iron and steel industry and has immense potential to help India meet its emission targets as per NDC, while ensuring the sustainability of the sectors critical to growth of the Indian economy. This would prove to be an important milestone in SAIL's journey towards carbon neutrality.
4.	Upgradation of pollution control system at Sinter Plant-II of Bhilai Steel Plant	All 4 nos. multi-cyclones of Sinter Plant-II in Bhilai Steel Plant were replaced by Electrostatic Precipitators (ESPs) for control of stack emission.	Significant improvement in control of emission of air pollutants through stacks.
5.	An R&D project on "Development of steel slag based cost effective eco-friendly fertilizers for sustainable agriculture and inclusive growth"	SAIL as an industry partner has participated in the R&D project "Development of steel slag-based cost effective eco-friendly fertilizers for sustainable agriculture and inclusive growth" carried out by the ICAR-IARI. The project is sponsored by the Ministry of Steel and part finance by the industry partners. The study is underway at eight IARI sub centres across India.	This R&D project may open up a promising avenue towards gainful utilisation of BOF slag as soil ameliorating agent for vast stretches of arable acidic soil of India.
6.	Installation of Sewage Treatment Plant at Rourkela Steel Plant	A Sewage Treatment Plant of 4 MLD capacity was installed for treatment of sewage generated inside the plant premises of RSP.	Prevention of surface water pollution and conservation of water.
7.	Promotion of Renewable Energy	A project for installation of 4 MW floating solar power plant on the cooling pond has been taken by IISCO Steel Plant.	This will help in augmenting RE component to facilitate reducing the greenhouse gas emission.
8.	Installation of Sewage Treatment Plant at IISCO Steel Plant	A Sewage Treatment Plant of 3.36 MLD capacity was installed inside the plant premises of IISCO Steel Plant for treatment of sewage generated from township.	Prevention of surface water pollution and conservation of water.

7. Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link.

SAIL, at the corporate level and unit level has a Business Continuity and Disaster Management Plan in place to take care of any eventuality with respect to business uncertainties and ensures the safety & health of workmen and also society at large. All the recognized factories in SAIL Units have Disaster Management Plans periodically approved by Inspector of factories.

These are comprehensive and critical strategies that safeguards the continuous and safe operation of the facility, even in the face of potential disruptive events. This plan includes detailed risk assessments, contingency plans, and response procedures for a range of scenarios, such as equipment failures, supply chain interruptions, natural disasters, or industrial accidents.

The plan outlines clear responsibilities for personnel, including emergency response teams, and establishes communication protocols to ensure timely dissemination of information. It incorporates redundant systems and backup power sources to minimize downtime and maintains essential operations.

Regular training drills and simulations are conducted to validate the effectiveness of the plan and improve response capabilities. The organization's commitment to safety, environmental protection, and the well-being of its employees, stakeholders, and the surrounding community is evident in the rigorous maintenance and updates to this integrated steel plant's Business Continuity and Disaster Management Plan.

8. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard.

There is no significant impact arising to the environment, from the value chain of SAIL.

9. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.

Assessments have not been conducted for our value chain partners for their environmental impact.

Principle 7: Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

Essential Indicators

1. a. Number of affiliations with trade and industry chambers/associations.

SAIL is associated with various Government and Regulatory Authorities that support the Company to abide by its values and operate with integrity and transparency. Our stakeholders are valuable to us, and we engage ourselves with matters relating to public good for our stakeholders through these associations. During FY 2022-2023, the Company has 19 active affiliations with trade and industry chamber associations.

b. List the top 10 trade and industry chambers/associations (determined based on the total members of such body) the entity is a member of/affiliated to.

S. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
1	All India Management Association (AIMA)	National
2	Forum of Women in Public Sector (WIPS)	National
3	World Confederation of Productivity Science (WCPS)	International
4	World Steel Association & International Stainless-Steel Forum (ISSF)	International
5	Centre for Organization Development (COD)	National
6	Federation of Indian Chambers for Commerce and Industry (FICCI)	National
7	Standing Conference of Public Enterprises (SCOPE)	National
8	Indian Steel Association (ISA)	National
9	Indian Iron and Steel Sector Skill Council (IISSSC)	National
10	Indian Institute of Metals, Kolkata (IIMK)	National

2. Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities.

Name of authority	Brief of the case	Corrective action taken
SAIL has not engaged in any anti-competitive conduct. Hence, no corrective action was taken.		

Leadership Indicators

1. Details of public policy positions advocated by the entity

S. No.	Public Policy advocated	Method resorted for such advocacy	Whether information is in public domain (Y/N)	Frequency of Review by Board (Annually/ Half yearly/ Quarterly / Others – please specify)	Web Link if Available
1.	Comments on Proposed Amendment of MMDR Act 1957 for bringing reforms in mineral sector circulated by Ministry of Mines, Gol for Public Consultation on 25.05.2022	Through email to Ministry of Mines, Gol on 13.06.2022	N	Board reviews the status of the compliance of Environment (Protection) ACT, 1986, AIR (Prevention and Control of Pollution) ACT, 1981, Water (Prevention and Control of Pollution) ACT, 1974, Wildlife (Protection) ACT 1972 and Forest (Conservation) ACT, 1980, in respect of SAIL Mines and Collieries on Quarterly basis	NA
2.	In order to decriminalize the existing provisions of the Environment (Protection) Act 1986, Ministry of Environment, Forests and Climate Change (MoEFCC) vide notice dated 01.07.2022 shared note on the proposal under consideration for amendment in the Environment (Protection) Act 1986, for which comments / suggestions were provided by SAIL.	Through email to MoEFCC on 21.07.2022	N		NA
3.	Comments/ Suggestions were provided by SAIL on the Proposed Amendment of Air Act 1981 and Water Act'1974 circulated by the MoEFCC for consultation on 30.06.2022	Through email to MoEFCC on 21.07.2022	N		NA
4.	Comments on Forest (Conservation) Rules, 2022 : Draft guidelines on the Accredited Compensatory Afforestation circulated by MoEFCC on 15.09.2022	Through email to Ministry of Steel, Gol on 13.10.2022	N		NA
5.	Information was provided for G-20 publication on restoration of mining affected area – India country report as requested by the Ministry of steel on 29.11.2022.	Through email to ICFRE via MoS on 13.12.2022	N		NA
6.	Comments/suggestions on "Proposal for amendment of the MMDR Act, 1957 for bringing reforms in mineral sector- Additional proposal regarding introducing Exploration License (EL) for deep-seated and critical minerals-reg." Circulated by Ministry of Mines, Gol on 07.02.2023	Through email to Ministry of Mines, Gol via MoS on 14.02.2023	N		NA
7.	Comments /suggestion on Expert Committee Report titled "Compensatory Conservation in India-An analysis of the Science, Policy and Practice" circulated by MoEFCC on 31.01.2023	Through email to Ministry of Steel, Gol on 17.02.2023	N		NA
8.	Comments/ Suggestions were provided by SAIL on the MoEFCC Draft Paper on India's Sustainable Development Evaluation Framework (SDEF) for Article 6 Mechanisms circulated on 20.02.2023	Through email to FICCI on 04.03.2023	N		NA

S. No.	Public Policy advocated	Method resorted for such advocacy	Whether information is in public domain (Y/N)	Frequency of Review by Board (Annually/ Half yearly/ Quarterly / Others – please specify)	Web Link if Available
9.	With respect to the applicability of Compensatory Afforestation in respect of forest land broken prior to 1980 while transferring the approval granted under the Forest (Conservation) to the new lessee after expiry of old lease tenure, MoEFCC vide letter dated 21.03.2023 asked for consolidated details of reclamation carried out and status of reclaimed forest land	Through email to MoEFCC via MoS on 06.04.2023	N		NA
10.	Comments on the report of Joint Committee on Forest (Conservation) Amendment Bill 2023 circulated by Ministry of Steel, Gol on 09.05.2023	Through email to Ministry of Steel, Gol on 15.05.2023	N		NA
11.	Comments/suggestions on "Amendments of the Second Schedules of the MMDR Act for specifying rate of royalty in respect of Rare Earth Elements (REEs) and Lithium-Circulated by Ministry of Mines , Gol on 18.05.2023	Through email to Ministry of Mines, Gol via MoS on 26.05.2023	N		NA
12.	Consultation on amendment of the Minerals (Other than Atomic and Hydro Carbons Energy Minerals) Concession Rules, 2016 (MCR, 2016) on the issue of double incidence of royalty due to inclusion of royalty in the calculation of ASP circulated by Ministry of Mines Gol on 02.06.2023.	Through email to Ministry of Mines, Gol via MoS on 19.06.2023	N		NA

NA - Not Available

Principle 8: Businesses should promote inclusive growth and equitable development

Essential Indicators

- 1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.**

Name and brief of project	SIA Notification No.	Date of notification	Whether conducted by independent external agency (Y/N)	Results communicated in public domain (Y/N)	Relevant Web Link
Not Applicable					

None of the projects undertaken by SAIL in FY 2022-23 required Social Impact Assessments (SIA). In terms of the Companies (CSR Policy) Amendment Rules, 2021, effective from 22/1/2021; Rule 8(3)(a) : CSR projects having outlays of one crore rupees or more, and which have been completed not less than one year before undertaking the impact study; need to be considered for impact assessment through an independent agency. Therefore, the impact study of the CSR projects undertaken in the FY 2022-23 has not been initiated, as the outlay of no single project is one crore rupees or more.

- 2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:**

S. No	Name of Project for which R&R is ongoing	State	District	No. of project affected families (PAFs)	% of PAFs covered under R&R	Amount paid to PAFs in the FY (In INR)
1	Dalli Rajhara-Rowghat Railway Line Project	Chhattisgarh	Uttar Bastar Kanker	133	103 (77.4%)	Nil
2	Dalli Rajhara-Rowghat Railway Line Project	Chhattisgarh	Balod	44	37 (84.1%)	Nil

- 3. Describe the mechanisms to receive and redress grievances of the community.**

SAIL has a diverse and multi-dimensional approach to get feedback from the communities via holding regular community meetings, periodic interaction with municipalities and Town administrative committees and active engagement with the local society so as to understand if their views, issues, complaints and grievances related to the interventions.

Centralised Public Grievance Redress and Monitoring System (CPGRAMS) is an online platform available to the citizens 24x7 to lodge their grievances to the public authorities on any subject related to service delivery. CPGRAMS is also accessible to the citizens through standalone mobile application downloadable through Google Play store and mobile application integrated with UMANG.

The status of the grievance filed in CPGRAMS can be tracked with the unique registration ID provided at the time of registration of the complainant. CPGRAMS also provides appeal facility to the citizens if they are not satisfied with the resolution by the Grievance Officer. After closure of grievance if the complainant is not satisfied with the resolution, he/she can provide feedback. If the rating is 'Poor' the option to file an appeal is enabled. The status of the Appeal can also be tracked by the petitioner with the grievance registration number.

Issues which are not taken up for redress:

- RTI Matters
- Court related / Subjudice matters
- Religious matters
- Suggestions
- Grievances of Government employees concerning their service matters including disciplinary proceedings etc.

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers.

	FY 2022-23	FY 2021-22
Directly sourced from MSMEs/ small producers	MSE Procurement: ₹ 3,110.30 crore (32.71 % of total procurement)	MSE Procurement: ₹ 2,233.72 crore (34.04 % of total procurement)
Sourced directly from within the district and neighbouring districts	The Company has always given priority towards development of peripheral areas. SAIL's Steel Plants and Units operating since 1950s have seen obscure villages turn into large industrial hubs. In this regard, procurement has been prioritized from the local suppliers subject to availability and feasibility.	

Leadership Indicators

1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential indicators above):

Details of negative social impact identified	Corrective action taken
N/A	

N/A - Not Applicable

2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:

SAIL has its CSR interventions in 7 aspirational districts in Jharkhand, Chhattisgarh, and Mizoram. The districts include naxal affected areas and districts including Rajnandgaon, Narayanpur, Kanker, Bokaro, West Singhbhum, Ranchi, and Mamit. The overall CSR expenditure for development of these aspirational districts is ₹ 35.13 crore which amount to 22.24% of the mandatory CSR budget (₹ 157.95 crore).

S. No.	State	Aspirational district	Amount spent (INR crore)
1	Jharkhand	West Singhbhum, Bokaro & Ranchi	29.56
2	Chhattisgarh	Kanker, Narayanpur & Rajnandgaon	4.01
3	Mizoram	Mamit	1.56

3. (a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized/vulnerable groups? (Yes/No):

Yes. SAIL follows Government of India guidelines on preferential procurement. SAIL promotes inclusive growth and equitable development through procurement from MSE vendors, SC/ST and women entrepreneurs. Procurement from such means has increased from ₹ 2,233.72 crore in FY 2021-22 to ₹ 3,110.30 crore in FY 2022-23. SAIL is committed to collaborating with multiple stakeholders and help them build capacity for the emerging markets.

(b) From which marginalized/vulnerable groups do you procure?

MSE including SC/ST and Women MSE

(c) What percentage of total procurement (by value) does it constitute?

MSE Procurement: ₹ 3110.30 crore (32.71 % of total procurement)

Procurement from SC / ST MSEs: ₹ 10.96 crore (0.12%)

Procurement from women MSEs: ₹ 94.37 crore (0.99%)

4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge

S. No.	Intellectual Property based on traditional knowledge	Owned/Acquired (Yes or No)	Benefit shared (Yes or No)	Basis of calculating benefit share
			None	

5. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.

Name of authority	Brief of the authority	Corrective Action Taken
		None

6. Details of beneficiaries of CSR Projects:

S. No.	CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalized groups
1.	Distributed assistive devices like Tricycle, Motorized Vehicles, Calipers, Hearing aids etc. to Divyangjans across the country commenced on 'International Day of Persons with Disabilities'. This priority programme of SAIL has been implemented across several locations in the country " Azadi ka Amrit Mahotsav ".	Approx. 3,000 divyangjans have been benefitted with assistive devices	
2.	Health Camps and Mobile Medical Units have benefitted villagers at their doorsteps and patients were provided free medical care and medicines at SAIL Primary Health centers at Plants during FY 2022-23	Benefitted around 115,000 villagers and above 90000 patients	
3.	SAIL is assisting 600 Govt. schools in Bhilai and Rourkela by providing Mid-day meals and dry ration kits to students in association with Akshya Patra Foundation .	Benefitted around 60,000 students	
4.	22 Special Schools (Kalyan, Mukul & DAV Vidyalayas) benefitted BPL category students at integrated steel plant locations with facilities like free education, mid-day meals, uniform including shoes, textbooks, stationary items, school bags and water bottle, etc, are running under CSR.	Around 9169 BPL category students benefitted from such CSR program	
5.	Children from tribal and naxal-affected areas are getting free Education, Accommodation, Meals and Uniforms, textbooks, etc, at Suranda Suwan Chhatravas, Kiriburu; Gyanodaya Chhatravas, BSP School Rajhara Bhilai; Gyanjyoti Yojna, Bokaro.	440 children received free Education, Accommodation, Meals and Uniforms, textbooks, etc.	
6.	Gyan Jyoti Yojana: Bokaro Steel Plant has introduced this for providing education and holistic development for the children of Birhor tribe, which is at the verge of extinction. They are the first matriculates and 12 th pass from their community. For Skill development and better employability, 9 Matriculate Birhor Boys adopted under Gyan Jyoti Yojana had been sponsored for ITI training in "Welder Trade" alongwith stipend of ₹ 2500/- each, accommodation and food facility at Bokaro Pvt ITI.	15 Birhor child provided free Education along with boarding, wholesome food, clothing, free medical treatment, sports and cultural Opportunities in a conducive atmosphere. Inspired from their achievements, new batch of 15 Birhor children has been adopted	NA
7.	Women Empowerment and Sustainable Income Generation: Women have undergone skills trainings, in areas such as Nursing, Physiotherapy, LMV driving, Computers, Mobile repairing, Welder, Fitter and Electrician, training improved agriculture, Mushroom cultivation, Goatery, Poultry, Fishery, Achar/Papad/Agarbatti/Candle making, Screen printing, Handlooms, Sericulture, Yarn Weaving, Tailoring, Sewing and embroidery, Gloves, Spices, Towels, Gunny-bags, Low-cost-Sanitary Napkins, Sweet Box, Bans/Jute Shilp, Smokeless chullah making etc.	2265 youths and 2315 women have received such trainings	
8.	ITI Trainings : ITI trainings have been provided at ITCs Bolani, Bargaon, Baliapur, Bokaro Pvt ITI and Rourkela etc to youth, The IIs at Bolani and Bursua have been adopted for upgradation and operation by SAIL/RSP mines. Also, at Bokaro Pvt. ITI youths from the periphery are being trained in streams of Electrician, Welder and Fitter.	Approximately 409 youths have been supported for ITI training at ITCs.	
9.	Swachha Bharat Abhiyaan-Swachha Vidhyalaya Abhiyaan: SAIL participated in the " Swachh Bharat Abhiyan " initiated by the Honourable Prime Minister of India. Under the campaign, 672 toilets were constructed in schools falling within the periphery of its Plants and Mines in the States of Chhattisgarh, West Bengal, Odisha, Jharkhand, M.P. and Tamil Nadu. These toilets are being maintained by the respective School Management Committees. Awareness campaigns and Cleanliness drive are going on at various rural locations.	-	

For more details, please refer to Annexure XII to the Board Report "Annual Report on Corporate Social Responsibility Activities" FY 2022-23.

NA - Not Available

Principle 9: Businesses should engage with and provide value to their consumers in a responsible manner

Essential Indicators

1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.

SAIL has a system in place to address matters relating to customer complaints. The customer may lodge the quality complaint either in the prescribed format or by an ordinary letter or even on telephone at nearest Branch Sales Office, not necessarily the branch from where the material was lifted originally. In the case of telephonic complaint, the executive concerned in the Branch Sales Office or the executive attending the telephone call request the customer to furnish detailed information to facilitate immediate settlement of the complaint.

2. Turnover of products and/services as a percentage of turnover from all products/service that carry information about:

		As a percentage to total turnover
Environmental and social parameters relevant to the product		
Safe and responsible usage		The Company provides all the necessary information for all the products as required under the applicable statute.
Recycling and/or safe disposal		

3. Number of consumer complaints in respect of the following:

Particulars	FY 2023-23		Remarks	FY 2021-22		Remarks
	Received during the year	Pending resolution at end of year		Received during the year	Pending resolution at end of year	
Data privacy	0	0	-	0	0	-
Advertising	0	0	-	0	0	-
Cyber security	0	0	-	0	0	-
Delivery of essential services	0	0	-	0	0	-
Restrictive Trade Practices	0	0	-	0	0	-
Unfair Trade Practices	0	0	-	0	0	-
Others (Settlement of Quality Complaint from Customers)	1793	9	-	1183	28	-

4. Details of instances of product recalls on account of safety issues:

	Number	Reasons for recall
Voluntary calls		
Forced calls	Nil. There have not been any instances of product recalls due to safety issues.	

**5. Does the company/entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No)
If available, provide a web-link of the policy.**

The Information Technology Policy at SAIL has a robust approach towards matters relating to data privacy and cyber security. It includes matters concerning Information sensitivity, Acceptable use policy, Server security policy, Network infrastructure security policy, Database password Policy, Extranet Policy, Acceptable encryption policy, Dial-in access security policy, and Anti-virus policy.

For more details, please refer to the policy link: IT Security Policy.

6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.

There were no complaints on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services. Hence corrective actions were not required.

Leadership Indicators

- 1. Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available).**

Platforms where information on products and services of the entity can be accessed are:

- 1) Website- www.sail.co.in
- 2) Facebook- www.facebook.com/SAILsteelofficial
- 3) Twitter- www.twitter.com/SAILSteel
- 4) Instagram- www.instagram.com/steelauthority

- 2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.**

Not Applicable

- 3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.**

In case of a disruption of essential service, SAIL informs its consumers via its Website, Stock Exchange notifications and/or other social media channels. Besides that, our marketing and customer management team provides timely information to our customers and dealers and gives intimation about any discontinuation of service.

- 4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief. Did your entity carry out any survey with regards to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)**

Yes. In case of TMT bars, SAIL has introduced QR coding on stud welded tags on each bundle. It gives complete information about the product. It has been implemented at IISCO Steel Pant which links it to the chemical and physical properties on scanning through an app. Also, in products like PM Plate information regarding size grade and technical delivery condition is provided on the product.

Monthly Customer Satisfaction report is taken from all Key Account Customer. In addition, service performance feedback is taken at servicing points like warehouses on monthly basis.

- 5. Provide the following information relating to data breaches:**

- a. Number of instances of data breaches along-with impact.**

Nil

- b. Percentage of data breaches involving personally identifiable information of customers.**

Nil



CONSOLIDATED FINANCIAL STATEMENTS



Consolidated Balance Sheet

As at 31st March, 2023

(₹ in crore)

	Note No.	As at 31 st March, 2023	As at 31 st March, 2022
ASSETS			
Non-current assets			
(a) Property, plant and equipment	4	67110.71	68382.92
(b) Capital work-in-progress	5	4891.36	4709.95
(c) Right of use assets	4a	4910.28	3834.10
(d) Investment property	6	1.03	1.06
(e) Intangible assets	7	1521.04	1459.41
(f) Investments accounted for using the equity method		3967.50	3587.35
(g) Inventories	7a	4635.29	4598.45
(h) Financial assets			
(i) Investments	8	217.75	169.57
(ii) Trade receivables	9	-	-
(iii) Loans	10	655.26	559.61
(iv) Other financial assets	11	370.73	237.57
(i) Current tax assets (net)	13	595.49	296.34
(j) Other non-current assets	14	3610.03	3433.13
		92486.47	91269.46
Current Assets			
(a) Inventories	15	27764.90	19568.28
(b) Financial assets			
(i) Trade receivables	16	5389.97	4770.85
(ii) Cash and cash equivalents	17 (i)	57.09	131.54
(iii) Bank balances other than (ii) above	17 (ii)	493.55	654.52
(iv) Loans	18	35.29	43.10
(v) Other financial assets	19	1262.61	1338.45
(c) Other current assets	20	2961.93	2318.92
		37965.34	28825.66
Assets classified as held for sale	21	29.28	14.00
TOTAL ASSETS		130481.09	120109.12
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	22	4130.53	4130.53
(b) Other equity	23	50616.14	50081.15
(c) Non-controlling interest		0.01	0.01
		54746.68	54211.69
Liabilities			
Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	24	6112.58	8135.81
(ii) Lease liabilities		4737.13	3606.44
(ii) Trade payables	25	-	-
(a) total outstanding dues of micro enterprises and small enterprises		3.31	3.34
(b) total outstanding dues of creditors other than micro enterprises and small enterprises		1429.00	1424.79
(iii) Other financial liabilities	26	5616.63	5342.89
(b) Provisions	27	5821.27	5358.42
(c) Deferred tax liabilities (net)	12	2680.21	2682.82
(d) Other non-current liabilities	28	26400.13	26554.51
Current liabilities			
(a) Financial liabilities			
(i) Borrowings	29	19549.20	5249.84
(ii) Lease liabilities		374.52	292.08
(ii) Trade payables	30	-	-
(a) total outstanding dues of micro enterprises and small enterprises		448.62	140.65
(b) total outstanding dues of creditors other than micro enterprises and small enterprises		13893.08	16535.71
(iii) Other financial liabilities	31	10150.20	11875.42
(b) Other current liabilities	32	3533.85	4076.89
(c) Provisions	33	1381.68	1171.67
(d) Current tax liabilities (net)	34	3.13	0.66
		49334.28	39342.92
TOTAL EQUITY AND LIABILITIES		130481.09	120109.12

Significant Accounting Policies

3

The accompanying notes are an integral part of these consolidated financial statements.

For and on behalf of the Board of Directors

Sd/-
[M.B. Balakrishnan]
 Company Secretary
 M. No. A17770

Sd/-
[Anil Kumar Tulsiani]
 Director (Finance)
 DIN: 08742907

Sd/-
[Anirban Dasgupta]
 Director Incharge, Bhilai Steel Plant
 DIN: 06832261

In terms of our report of even date

For Tej Raj & Pal
 Chartered Accountants
 Firm Registration No.304124E

For S. Jaykishan
 Chartered Accountants
 Firm Registration No.309005E

For Walker Chandiok & Co LLP
 Chartered Accountants
 Firm Registration No.001076N/N500013

For KASG & Co.
 Chartered Accountants
 Firm Registration No.002228C

Sd/-
[Dinakar Mohanty]
 Partner
 M. No. 059390

Sd/-
[Ritesh Agarwal]
 Partner
 M. No. 062410

Sd/-
[Nalin Jain]
 Partner
 M. No. 503498

Sd/-
[Raj Kumar Agarwal]
 Partner
 M. No. 073063

Place : New Delhi
 Dated: May 25, 2023

Consolidated Statement of Profit and Loss
For the year ended 31st March, 2023

(₹ in crore)

	Note No.	Year ended 31 st March, 2023	Year ended 31 st March, 2022
Income			
Revenue from operations	35	104447.72	103476.84
Other income	36	950.36	858.55
Total Income		105398.08	104335.39
Expenses			
Cost of materials consumed	37	62179.91	42890.12
Changes in inventories of finished goods, work in progress and by-products	38	(5154.71)	(279.54)
Employee benefits expense	39	12071.53	12861.99
Finance costs	40	2037.47	1697.89
Depreciation and amortisation expense		4963.54	4275.02
Other expenses	41	27311.56	26662.75
Total expenses		103409.30	88108.23
Profit before Exceptional items, share of net profits of investment accounted for using equity method and tax		1988.78	16227.16
Share of Profit in investments accounted for using equity method		645.67	418.12
Profit before Exceptional items and tax		2634.45	16645.28
Add/(Less): Exceptional items	41a	257.99	(353.41)
Profit before tax		2892.44	16291.87
Tax expense			
Current tax		125.47	7.25
Deferred tax		590.44	4041.15
Total tax expense		715.91	4048.40
Profit for the year		2176.53	12243.47
Other Comprehensive Income			
A (i) Items that will not be reclassified to profit or loss		(634.43)	(111.68)
Remeasurement of defined benefit plans		66.94	24.87
Gain and losses from investments in equity instruments designated at fair value through OCI		128.39	22.67
(ii) Income tax relating to items that will not be reclassified to profit or loss		139.98	54.46
B (i) Items that will be reclassified to profit or loss		-	-
Share of the OCI of associate and joint ventures accounted for using the equity method		(299.12)	(9.68)
Income tax relating to items that will be reclassified to profit or loss		1877.41	12233.79
Other Comprehensive Income/(Loss) for the year			
Total Comprehensive Income/(Loss) for the year			
Profit attributable to:			
Owners of the parent		2176.53	12243.47
Non-controlling interest		-	-
Total Comprehensive Income for the year		2176.53	12243.47
Owners of the parent		1877.41	12233.79
Non-controlling interest		-	-
Earnings per equity share		1877.41	12233.79
Number of equity shares (face value ₹10/- each)		4130525289	4130525289
Basic and diluted earnings per share (₹)	41b	5.27	29.64
Significant Accounting Policies		3	
The accompanying notes are an integral part of these consolidated financial statements.			

For and on behalf of the Board of Directors

Sd/-
[M.B. Balakrishnan]
Company Secretary
M. No. A17770

Sd/-
[Anil Kumar Tulsiani]
Director (Finance)
DIN: 08742907

Sd/-
[Anirban Dasgupta]
Director Incharge, Bhilai Steel Plant
DIN: 06832261

In terms of our report of even date

For Tej Raj & Pal
Chartered Accountants
Firm Registration No.304124E

Sd/-
[Dinakar Mohanty]
Partner
M. No. 059390

For S. Jaykishan
Chartered Accountants
Firm Registration No.309005E

Sd/-
[Ritesh Agarwal]
Partner
M. No. 062410

For Walker Chandiok & Co LLP
Chartered Accountants
Firm Registration No.001076N/N500013

Sd/-
[Nalin Jain]
Partner
M. No. 503498

For KASG & Co.
Chartered Accountants
Firm Registration No.002228C

Sd/-
[Raj Kumar Agarwal]
Partner
M. No. 073063

Place : New Delhi
Dated: May 25, 2023

Consolidated Statement of changes in equity

For the year ended 31st March, 2023

A. Equity Share Capital

Particulars	Balance as at 1 st April, 2022	Changes in equity share capital	Balance as at 31 st March, 2023
Equity shares with voting rights	4130.42	-	4130.42
Equity shares without voting rights	0.11	-	0.11
Total	4130.53	-	4130.53
Particulars	Balance as at 1 st April, 2021	Changes in equity share capital	Balance as at 31 st March, 2022
Equity shares with voting rights	4130.42	-	4130.42
Equity shares without voting rights	0.11	-	0.11
Total	4130.53	-	4130.53

B. Other Equity

Particulars	Reserves and Surplus					Other comprehensive Income - Reserve		Total other equity	Non-controlling interest	Total
	Capital Reserve	Securities Premium	General Reserve	Bond Redemption Reserve	Retained Earnings	Equity Instruments through Other Comprehensive Income	Investment accounted for as equity method			
Balance as at 1st April, 2022	511.67	235.10	5108.93	530.97	43366.57	100.86	227.05	50081.15	0.01	50081.16
Profit for the year	-	-	-	-	2176.53	-	-	2176.53	-	2176.53
Other comprehensive income/(loss) for the year (net of tax)	-	-	-	-	(490.72)	51.62	139.98	(299.12)	-	(299.12)
Total comprehensive income for the year	-	-	-	-	1685.81	51.62	139.98	1877.41	-	1877.41
Transfer from bond redemption reserve	-	-	-	(157.26)	157.26	-	-	-	-	-
Transaction with owners in their capacity as owners										
Equity dividends	-	-	-	-	(1342.42)	-	-	(1342.42)	-	(1342.42)
Balance as at 31st March, 2023	511.67	235.10	5108.93	373.71	43867.22	152.48	367.03	50616.14	0.01	50616.15
Balance as at 1st April, 2021	511.67	235.10	5108.93	1084.15	34081.59	81.66	172.59	41275.69	0.01	41275.70
Profit for the year	-	-	-	-	12243.47	-	-	12243.47	-	12243.47
Other comprehensive income/(loss) for the year (net of tax)	-	-	-	-	(83.34)	19.20	54.46	(9.68)	-	(9.68)
Total comprehensive income for the year	-	-	-	-	12160.13	19.20	54.46	12233.79	-	12233.79
Transfer from bond redemption reserve	-	-	-	(553.18)	553.18	-	-	-	-	-
Transaction with owners in their capacity as owners										
Equity dividends	-	-	-	-	(3428.33)	-	-	(3428.33)	-	(3428.33)
Balance as at 31st March, 2022	511.67	235.10	5108.93	530.97	43366.57	100.86	227.05	50081.15	0.01	50081.16

Significant Accounting Policies

3

The accompanying notes are an integral part of these consolidated financial statements.

For and on behalf of the Board of Directors

Sd/-
[M.B. Balakrishnan]
 Company Secretary
 M. No. A17770

Sd/-
[Anil Kumar Tulsiani]
 Director (Finance)
 DIN: 08742907

Sd/-
[Anirban Dasgupta]
 Director Incharge, Bhilai Steel Plant
 DIN: 06832261

In terms of our report of even date

For Tej Raj & Pal
 Chartered Accountants
 Firm Registration No.304124E

For S. Jaykishan
 Chartered Accountants
 Firm Registration No.309005E

For Walker Chandiok & Co LLP
 Chartered Accountants
 Firm Registration No.001076N/N500013

For KASG & Co.
 Chartered Accountants
 Firm Registration No.002228C

Sd/-
[Dinakar Mohanty]
 Partner
 M. No. 059390

Sd/-
[Ritesh Agarwal]
 Partner
 M. No. 062410

Sd/-
[Nalin Jain]
 Partner
 M. No. 503498

Sd/-
[Raj Kumar Agarwal]
 Partner
 M. No. 073063

Place : New Delhi
 Dated: May 25, 2023

Consolidated Cash Flow Statement

For the year ended 31st March, 2023

(₹ in crore)

	Year ended 31 st March, 2023	Year ended 31 st March, 2022
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	2892.44	16291.87
Adjustments for:		
Depreciation and amortisation expenses	4963.54	4275.02
Impairment loss	9.10	-
Loss/(Gain) on disposal of fixed assets (net)	(49.50)	21.71
Interest income	(290.07)	(284.41)
Dividend income	(5.15)	(0.29)
Finance costs	2037.47	1606.93
Unrealised loss on foreign exchange fluctuations	-	90.96
Gain on sale of non-current investments	-	(0.08)
Allowance for doubtful debts, loans and advances	116.47	98.24
Other allowances	239.40	266.58
Share of profit from joint ventures	(645.67)	(418.12)
Unclaimed balances and excess provisions written back	(405.03)	(354.54)
Operating Profit before working capital changes	8863.00	21593.87
Changes in assets and liabilities:		
Trade receivables	(718.04)	3312.55
Loans, other financial assets and other assets	(797.69)	297.71
Trade payable	(2334.69)	8878.42
Other financial liabilities and other liabilities	(1295.79)	2020.31
Provisions	(150.68)	(172.27)
Inventories	(8434.91)	(4852.37)
Cash flow from operating activities post working capital changes	(4868.80)	31078.22
Income tax paid (net)	(421.35)	(91.57)
Net cash flow from operating activities (A)	(5290.15)	30986.65
B. CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant & equipment (including capital work-in-progress) and intangibles	(3921.64)	(3665.49)
Proceeds from sale/disposal of property, plant & equipment	399.55	235.80
Purchase of current and non-current investments	-	(4.53)
Movement in fixed deposits (net)	(55.90)	(737.90)
Interest received	201.86	196.05
Dividend received	5.15	0.29
Net cash used in investing activities (B)	(3370.98)	(3975.78)
C. CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from long-term borrowings (net)	(2023.23)	(9770.76)
Lease liabilities	(267.07)	(186.25)
Proceeds from short-term borrowings (net)	14299.36	(12451.62)
Finance cost paid	(2079.96)	(1922.10)
Dividend paid	(1342.42)	(3066.88)
Net cash generated/(used) in financing activities (C)	8586.68	(27397.61)
D. Net change in cash and cash equivalents (A+B+C)	(74.45)	(386.74)
Cash and cash equivalents at the beginning of the year	131.54	518.28
Cash and cash equivalents at the end of the year	57.09	131.54

The cash flow statement has been prepared using the Indirect Method as set out in Ind AS-7, Statement of Cash Flows.

The accompanying notes are an integral part of these consolidated financial statements.

For and on behalf of the Board of Directors

Sd/-
[M.B. Balakrishnan]
Company Secretary
M. No. A17770

Sd/-
[Anil Kumar Tulsiani]
Director (Finance)
DIN: 08742907

Sd/-
[Anirban Dasgupta]
Director Incharge, Bhilai Steel Plant
DIN: 06832261

In terms of our report of even date

For Tej Raj & Pal
Chartered Accountants
Firm Registration No.304124E

For S. Jaykishan
Chartered Accountants
Firm Registration No.309005E

For Walker Chandiok & Co LLP
Chartered Accountants
Firm Registration No.001076N/N500013

For KASG & Co.
Chartered Accountants
Firm Registration No.002228C

Sd/-
[Dinakar Mohanty]
Partner
M. No. 059390

Sd/-
[Ritesh Agarwal]
Partner
M. No. 062410

Sd/-
[Nalin Jain]
Partner
M. No. 503498

Sd/-
[Raj Kumar Agarwal]
Partner
M. No. 073063

Place : New Delhi
Dated: May 25, 2023

Notes to Consolidated Financial Statements for the year ended 31st March, 2023

1. Corporate Information

Nature of Operation

Steel Authority of India Limited ('SAIL' or the 'Parent Company'), a public sector undertaking conferred with Maharatna status by Government of India and its subsidiaries (the Parent Company and its subsidiaries together referred to as the 'Group'), its joint ventures and its associate is engaged primarily in steel manufacturing business in the country.

General information and statement of compliance with Ind AS

The consolidated financial statements of the Group and joint ventures & associate have been prepared in accordance with the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Companies Act, 2013, read with Companies (Indian Accounting Standards) Rules, 2015 (as amended) and other accounting principles generally accepted in India. The Group has uniformly applied the accounting policies during the periods presented.

These consolidated financial statements (the 'financial statements') for the year ended 31st March, 2023 were approved by the Board of Directors and authorised for issue in their meeting held on 25th May, 2023.

2. Summary of significant accounting policies

a) Overall consideration

The consolidated financial statements have been prepared using the significant accounting policies and measurement bases summarised below, which were applied uniformly during the period presented:

Basis of preparation

The consolidated financial statements have been prepared on going concern basis under the historical cost basis except for the following assets and liabilities which have been measured at fair value in accordance with the requirements of the relevant Ind AS:

- certain financial assets and liabilities which are classified as fair value through profit and loss or fair value through other comprehensive income;
- assets held for sale, at the lower of the carrying amounts and fair value less cost to sell;
- defined benefit plans-plan assets measured at fair value.

Basis of consolidation

Subsidiaries

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date when control ceases. Profit/(loss) and Other Comprehensive Income

('OCI') of subsidiaries acquired or disposed of during the period are recognised from the effective date of acquisition, or up to the effective date of disposal, as applicable. All the consolidated subsidiaries have a consistent reporting date of 31st March, 2021.

The Group consolidate the financial statements of the parent and its subsidiaries on line by line basis adding together the items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests, presented as part of equity, represent the portion of a subsidiary's statement of profit and loss and net assets that is not held by the Group. Profit/(loss) and each component of OCI are attributed to the equity holders of the Parent Company and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. The Group attributes total comprehensive income or loss of the subsidiaries between the owners of the parent and the non-controlling interests based on their respective ownership interests.

The Group treats transactions with non-controlling interests that do not result in a loss of control, as transactions with equity owners of the group. Such a change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised within equity.

Associate and Joint ventures

Associate

Investment in entity in which there exists significant influence but not a controlling interest is accounted for under the equity method i.e. the investment is initially recorded at cost, identifying any goodwill/capital reserve arising at the time of acquisition, as the case may be, which will be inherent in investment. The carrying amount of the investment is adjusted thereafter for the post acquisition change in the share of net assets of the investee, adjusted where necessary to ensure consistency with the accounting policies of the Group. The consolidated statement of profit and loss includes the Group's share of the results of the operations of the investee. Dividends received or receivable from associate ventures are recognised as a reduction in the carrying amount of the investment. Unrealised gains on transactions between the Group and associates are eliminated to the extent of the Group's interest in these entities.

Joint ventures

Investments in joint arrangements are classified as either Joint operations or Joint ventures. The classification depends on the contractual rights and obligations of each investor, rather than the legal structure of the Joint arrangement.

- **Joint ventures** – Interest in Joint venture are accounted for using the equity method, after initially being recognised at cost. The carrying amount of the investment is adjusted thereafter for the post acquisition change in the share of net assets of the investee, adjusted where necessary to ensure consistency with the accounting policies of the Group. The consolidated statement of profit and loss includes the Group's share of the results of the operations of the investee. Dividends received or receivable from joint ventures are recognised as a reduction in the carrying amount of the investment. Unrealised gains on transactions between the Group and Joint ventures are eliminated to the extent of the Group's interest in these entities.
- **Joint operations** – The Group recognises its direct right to the assets, liabilities, revenue and expenses of Joint operations and its share of any jointly held or incurred assets, liabilities, revenue and expenses. These have been incorporated in the financial statement under the appropriate heading.

When the Group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

b) Business combinations

The Group applies the acquisition method in accounting for business combinations. The consideration transferred by the Group to obtain control of a subsidiary is calculated as the sum of the fair values of assets transferred on acquisition date, liabilities incurred and the equity interests issued by the Group, which includes the fair value of any asset or liability arising from a contingent consideration arrangement. Acquisition costs are expensed as incurred.

Identifiable acquired assets and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values on acquisition date.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the resulting gain on bargain purchase is recognised in OCI and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the

entity recognise the gain directly in equity as capital reserve, without routing the same through OCI.

Where settlement of any part of cash consideration is deferred, the amount payable in future is discounted to their present value as at the date of exchange. The discount rate used is the Group's incremental borrowing rate, being the rate at which the similar borrowing could be obtained from an independent financier under comparable terms and condition.

Contingent consideration is classified either as equity or financial liability. Amount classified as financial liability are subsequently re-measured to fair value with changes in fair value recognised in statement of profit and loss.

Business combinations involving entities or businesses under common control have been accounted for using the pooling of interest method. The assets and liabilities of the combining entities are reflected at their carrying amounts. No adjustments have been made to reflect fair values, or to recognise any new assets or liabilities except changes made to harmonise the accounting policies.

c)

Current versus Non-current classification

The Group presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is classified as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realised within twelve months after the reporting period; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is classified as current when:

- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. Deferred tax assets and liabilities are classified as non-current assets and liabilities.

2.1 Functional and Presentation Currency

The Financial Statements have been presented in Indian Rupees (₹), which is the Group's functional currency. All financial information presented in ₹ have been rounded off to the nearest two decimals of Crore unless otherwise stated.

2.2 Use of estimates, assumptions and management judgements

In preparing the financial statements in conformity with Ind AS and Group's accounting policies, management is required to make estimates, assumptions and judgements that affect reported amounts of revenues, expenses, assets and liabilities and the accompanying disclosures as at the date of the financial statements. The judgements, estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively. Actual results could differ from those estimates.

3 SIGNIFICANT ACCOUNTING POLICIES

A summary of the significant accounting policies applied in the preparation of the financial statements is given below. The Group, Joint ventures and Associate have uniformly applied the accounting policies during the periods presented.

3.1 Property, Plant and Equipment

3.1.1 Recognition and Measurement

An item of property, plant and equipment is recognised as an asset if it is probable that future economic benefits associated with the item will flow to the Group and its cost can be measured reliably. This recognition principle is applied to costs incurred initially to acquire an item of property, plant and equipment. Property, plant and equipment held for use in the production or/and supply of goods or services, or for administrative purposes, are stated at cost, less accumulated depreciation and impairment losses, if any, except freehold land which are carried at historical cost. The initial cost at cash price equivalence of property, plant and equipment acquired comprises its purchase price, including import duties, non-refundable purchase taxes, any directly attributable costs of bringing the assets to its working condition and location and present value of any obligatory decommissioning costs for its intended use.

In case of constructed assets, cost includes the costs of all materials used in construction, direct labour, allocation of overheads, directly attributable borrowing costs and trial run expenses (net of revenue).

Spares having useful life of more than one year and having value of ₹ 10 lakh or more in each case, are capitalised under the respective heads as and when available for use. Where an item of property, plant and equipment comprises major components having different useful lives, these components are accounted for as separate items.

Capital work-in-progress comprises of assets in the course of construction for production and/ or supply of goods or services or administrative purposes or for purposes not yet determined are carried at cost less any recognised impairment loss. At the point when an asset is operating as intended by the management, the cost of construction is transferred to the appropriate category of property, plant and equipment. Costs associated with the commissioning

of an asset are capitalised where the asset is available for use but incapable of operating at normal levels until a period of commissioning has been completed.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between net disposal proceeds and the carrying amount of the asset and is recognised in the Statement of Profit and Loss.

3.1.2 Subsequent Cost

Subsequent expenditure is recognised as an increase in the carrying amount of the asset or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits derived from the cost incurred will flow to the Group and the cost of the item can be measured reliably. The carrying amount of replaced item(s) is derecognised..

Any repair of ₹50 lakh or more of property, plant and equipment is recognised in the carrying amount of the respective item if it is probable that the future economic benefits of the costs incurred will flow to the Group. The carrying amount of the replaced item(s) is derecognised.

3.2 Investment Properties

Investment properties are properties held to earn rentals and/or for capital appreciation. Investment properties are measured initially at cost including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and impairment losses. Any gain or loss on disposal of investment property is determined as the difference between net disposal proceeds and the carrying amount of the property and is recognised in the Statement of Profit and Loss.

3.3 Depreciation

Depreciation on property, plant and equipment and investment property is provided on straight line method, considering residual value of 5% of the cost of the asset, over the useful lives of the asset, as specified in Schedule II of the Companies Act, 2013 except in case of following category of assets, where useful life is determined by technical experts. The useful life estimated by the technical experts is as under:

Asset category	Estimated useful life (in years)
Factory Buildings	35 to 40
Plant and Machinery	10 to 40
Water Supply & Sewerage	25 to 40
Railway Lines & Sidings	35 to 40

For these classes of assets, based on technical evaluation carried out by external technical experts, the Group believes that the useful lives as given above best represent the period over which Group expects to use these assets. Hence, the useful lives for these assets are different from the useful lives as prescribed under Part C of Schedule II of the Companies Act 2013.

Freehold land is not depreciated.

The estimated useful lives and residual values of depreciable/ amortisable assets are reviewed at each year end, with the effect of any changes in estimates accounted for on a prospective basis.

Where the historical cost of a depreciable asset undergoes a change, the depreciation on the revised unamortised depreciable amount is provided over the residual useful life of the asset. Depreciation on addition/ deletion during the year is provided on pro-rata basis with reference to the month of addition/ deletion. Assets costing up to Rs. 5000/- are fully depreciated in the year in which they are put to use.

Depreciation on capital spares is provided over the useful life of the spare or remaining useful life of the mother asset, as reassessed, whichever is lower.

3.4 Intangible assets

Mining Rights

Mining rights are treated as Intangible Assets and all related costs thereof are amortised using the unit of production basis over the commercially recoverable reserves. In case the mining rights are not renewed, the balance related cost paid is charged to revenue in the year of decision of non-renewal.

Acquisition Cost i.e. cost associated with acquisition of licenses, and rights to explore including related professional fees, payment towards statutory forestry clearances, as and when incurred, are treated as addition to the Mining Rights.

Other Intangible Assets

Other intangible assets are amortised on straight-line method over the expected duration of benefits. Software, which is not an integral part of related hardware, is treated as intangible asset and amortised over a period of five years or its licence period, whichever is less.

Research and development

Development expenditure is capitalised only if it can be measured reliably and the related asset and process are identifiable and controlled by the Group Research and other development expenditure is recognised as revenue expenditure as and when incurred.

3.4.1 Subsequent Cost

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is recognised in the Statement of Profit and Loss.

3.4.2 De-recognition of intangible assets

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset are recognised in the statement of profit and loss when the asset is derecognised.

3.5 Stripping Cost

The stripping cost incurred during the production phase of a surface mine is recognised as a component of the mining asset if such cost provides a benefit in terms of improved access to ore in future periods and following criteria are met:

- It is probable that the future economic benefits (improved access to an ore body) associated with the stripping activity will flow to the entity,
- The entity can identify the component of an ore body for which access has been improved, and
- The costs relating to the improved access to that component can be measured reliably.

The expenditure, which cannot be specifically identified to be incurred to access ore is charged to revenue, based on stripping ratio as per five-year mining plan for mines, except collieries which is based on project report.

3.6 Impairment of Non-Financial Assets

The Group reviews the carrying amount of its assets on each Balance Sheet date for the purpose of ascertaining impairment indicators if any, by considering assets of entire one Plant as Cash Generating Unit (CGU). If any such indication exists, the assets' recoverable amount is estimated, as higher of the Net Selling Price and the Value in Use. An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount.

An assessment is made at each balance sheet date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Group estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised.

3.7 Borrowing costs

Borrowing costs directly attributable to the acquisition or construction of a qualifying asset, which takes substantial period of time, are capitalised as a part of the cost of that asset, during the period of time that is necessary to complete and prepare the asset for its intended use.

The Group considers a period of twelve months or more as a substantial period of time.

Transaction costs in respect of long-term borrowings are amortised over the tenor of respective loans using effective interest method and included within borrowing costs. All other borrowing costs are recognised in the Statement of Profit and Loss in the period in which these are incurred.

3.8 Inventories

Raw materials, Stores & Spares and Finished/Semi-finished products (including process scrap) are valued

at lower of cost and net realisable value of the items of the respective Plants/Units. In case of identified obsolete/ surplus/ non-moving items, necessary provision is made and charged to revenue. The net realisable value of semi-finished special products, which have realisable value at finished stage only, is estimated for the purpose of comparison with cost.

Immaterial By-products, Residue products and other scrap are valued at estimated net realisable value.

The basis of determining cost is:

Raw materials - Periodical weighted average cost

Minor raw materials - Moving weighted average cost

Stores & Spares - Moving weighted average cost

Materials in-transit - at cost

Finished/Semi-finished products Cost of purchase, cost of conversion and other appropriate share of costs including manufacturing overheads incurred in bringing them to their respective present location and condition.

3.9 Government Grants

Government grants are recognised when there is reasonable assurance that the Group will comply with the conditions attached to them and that the grants will be received.

Government grants are recognised in Statement of Profit and Loss on a systematic basis over the periods in which the Group recognises as expenses the related costs for which the grants are intended to compensate. Where the grant relates to an asset value, it is recognised as deferred income, and amortised over the expected useful life of the asset. Other grants are recognised in the Statement of Profit and Loss concurrent to the expenses to which such grants relate/ are intended to cover.

Where the Group receives non-monetary grants, the asset and the grant are recorded gross at fair amounts and released to the income statement over the expected useful life and pattern of consumption of the benefit of the underlying asset.

3.10 Foreign Currency Transactions

Foreign currency transactions are translated into the functional currency of the Group using the exchange rates prevailing at the date of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are re-translated at the rates prevailing at the end of reporting period.

Non-monetary items are not retranslated at period-end and are measured at historical cost (translated using the exchange rates at the transaction date), except for non-monetary items measured at fair value which are translated using the exchange rates at the date when fair value was determined.

The Group opted for accounting the exchange differences arising on reporting of long term foreign currency monetary items in line with Companies (Accounting Standards) Amendment Rules, 2009

relating to Accounting Standard-11 (Revised) notified by Government of India on 31st March, 2009 (as amended on 29th December, 2011), which will continue in accordance with Ind-AS 101 for all pre-existing long term foreign currency monetary items as at 31st March, 2016. Accordingly, for foreign currency loans taken before 31st March, 2016, for adjustments arising from exchange rate variations relating to long term monetary items attributable to the depreciable fixed assets are capitalised. For foreign currency loans taken after 31st March 2016, exchange differences arising on settlement or translation of long term monetary items are recognised in statement of profit or loss.

Exchange differences arising on the re-translation or settlement of other monetary items are included in the Statement of profit and loss for the period.

3.11 Employee Benefits

Defined Contribution Plan

A defined contribution plan is a post-employment benefit plan under which the Group pays fixed contributions into a separate entity. Payment to defined contribution benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions. Contributions towards Provident Funds and Pension Funds are charged to the Statement of Profit and Loss of the period when the contributions to the Funds are due.

Defined Benefit Plan

Defined benefit plans are the amount of the benefit that an employee will receive on completion of services by reference to length of service, last drawn salary or direct costs related to such benefits. The legal and/ or constructive obligation for such benefits remains with the Group.

The liability recognised for Defined Benefit Plans is the present value of the Defined Benefit Obligation (DBO) at the reporting date less the fair value of plan assets, together with adjustments for unrecognised actuarial gains or losses and past service costs. The management estimates the present value of the DBO annually through valuations by an independent actuary using the projected unit credit method. Actuarial gains and losses are included in Statement of Profit and Loss or Other Comprehensive Income of the year.

Remeasurement, comprising of actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding interest), is reflected in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to the Statement of Profit and Loss.

Short Term Employee Benefits

Short term employee benefits comprise of employee costs such as salaries, bonus, ex-gratia, annual leave

and sick leave which are accrued in the year in which the associated services are rendered by employees of the Group.

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related services.

Expenditure incurred on Voluntary Retirement Scheme is charged to the Statement of Profit and Loss immediately.

3.12 Revenue Recognition

The Group manufactures and sells a range of steel and other products.

Sale of Goods

Sales are net of Goods and Services Tax (GST), rebates and price concessions. Sales are recognised when it satisfy performance obligation by transferring promised goods or services (i.e. assets) to the customers and the customers obtain control of those goods or services. Where the contract prices are not finalised with government agencies, sales are accounted for on provisional basis.

Marine export sales are recognised on:

- i) the issue of bill of lading, or
- ii) negotiation of export bills upon expiry of laycan period, in cases where realisation of material value without shipment is provided in the letters of credit of respective contracts, whichever is earlier.

Interest and dividend income

Interest income is accrued on a time proportion basis, by reference to the principal amount outstanding and the effective interest rate applicable.

Dividend income is recognised when the right to receive dividend is established.

3.13 Adjustment pertaining to Earlier Years

Material prior period errors are corrected retrospectively by restating the comparative amounts for the prior periods presented in which the error occurred. If the error occurred before the earliest period presented, the opening of assets, liabilities and equity for the earliest period presented, are restated.

3.14 Claims for Liquidated Damages and Price Escalation

Claims for liquidated damages are accounted for as and when these are considered recoverable by the Parent Company. These are adjusted to the capital cost or recognised in Statement of Profit and Loss, as the case may be on final settlement of Liquidated damages.

Suppliers' and Contractors' claims for price escalation are accounted for to the extent such claims are accepted by the Parent Company.

3.15 Leases

At the inception of a contract, the Group assesses whether a contract is, or contains a lease based on whether the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Group as a Lessee

The Group recognises a right-of-use asset and a lease liability at the lease commencement date except for short-term leases of twelve months or less and leases for which the underlying asset is of low value, which are expensed in the statement of Profit & Loss on a straight-line basis over the lease term. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. Certain lease arrangements include the options to extend the lease term. Right-of-use assets and lease liabilities include these options when it is reasonably certain that they will be exercised. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. In addition, the right-of-use asset is periodically reviewed for indicators of impairment and reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted based on the interest rate implicit in the lease or if that rate cannot be readily determined, the Group's incremental borrowing rate

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, or if the Group changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is re-measured, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Group as a Lessor

Finance leases

Leases which effectively transfer to the lessee substantially all the risks and rewards incidental

to ownership of the leased item are classified and accounted for as finance lease. Lease rental receipts are apportioned between the finance income and capital repayment based on the implicit rate of return. Contingent rents are recognised as revenue in the period in which they are earned.

Operating leases

Leases in which the Group does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. The respective leased assets are included in the balance sheet based on their nature. Rental income is recognized on straight-line basis over the lease term except where scheduled increase in rent compensates the Group with expected inflationary costs.

3.16 Non-current assets held for sale

Group classifies a non-current asset as held for sale if its carrying amount will be recovered principally through a sale transaction. This condition is regarded as met only when the asset is available for immediate sale in its present condition and its sale is highly probable.

Non-current assets including discontinued operations, classified as held for sale are measured at the lower of the carrying amounts and fair value less costs to sell and presented separately in the financial statements. Once classified as held for sale, the assets are not subject to depreciation or amortisation.

Any profit or loss arising from the sale or re-measurement of discontinued operations is presented as part of a single line item in Statement of Profit and Loss.

3.17 Mine Closure

Mine Closure Provision includes the dismantling and demolition of infrastructure, the removal of residual materials and the remediation of disturbed areas for mines. This provision is based on all regulatory requirements and related estimated cost based on best available information. Mine closure costs are provided for in the accounting period when the obligation arises based on the net present value of the estimated future costs of restoration to be incurred during the life of the operation and post closure.

3.18 Provisions, Contingent Liabilities and Contingent Assets

Provisions and Contingent Liabilities

A Provision is recognised when the Group has present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources will be required to settle the obligation and in respect of which a reliable estimate can be made. Provisions are discounted to their present value, where the time value of money is material. All provisions are reviewed at each reporting date and adjusted to reflect the current best estimate.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a

third party, the receivable is recognised as a separate asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

Contingent liability is a possible obligation arising from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group or a present obligation that arises from past events but is not recognised because it is not possible that an outflow of resources embodying economic benefit will be required to settle the obligations or reliable estimate of the amount of the obligations cannot be made.

In cases where the possible outflow of economic resources as a result of present obligation is considered improbable or remote, no Provision is recognised or disclosure is made.

Contingent Assets

Contingent assets usually arise from unplanned or other unexpected events that give rise to the possibility of an inflow of economic benefits. Contingent Assets are not recognised and are disclosed only where an inflow of economic benefits is probable.

3.19 Income Taxes

Tax expense recognised in Statement of Profit and Loss comprises the sum of deferred tax and current tax except to the extent that the tax relates to the items that are recognised directly in Other Comprehensive Income (OCI) or in equity in which case the related tax is recognised either directly in OCI or equity accordingly.

Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income-tax Act. The Group offsets current tax assets and current tax liabilities when the legally enforceable right to offset exists and they are intended to be settled net or realised simultaneously.

Deferred income taxes are calculated using the balance sheet liability method/approach. Deferred tax liabilities are generally recognised in full for all taxable temporary differences. Deferred tax assets are recognised to the extent that it is probable that the underlying tax loss, unused tax credits or deductible temporary difference will be utilised against future taxable income. The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

The Group offsets deferred income tax assets and liabilities when the legally enforceable right to offset current tax assets and liabilities exists and they are intended to be settled or realised simultaneously.

3.20 Cash and Cash Equivalents

Cash and cash equivalents comprise cash on hand and demand deposits, together with other short-term highly liquid investments with original maturities of three months or less that are readily convertible into known amount of cash and are subject to an insignificant risk of changes in value.

3.21 Financial Instruments

Recognition, initial measurement and de-recognition

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instrument and are measured at fair value on initial recognition. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, except for those which are classified at Fair Value through Profit & Loss (FVTPL) at inception, are adjusted with the fair value on initial recognition.

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expires, or has been transferred, and the Group has transferred all substantial risks and rewards of ownership. A financial liability (or a part of financial liability) is derecognised when the obligation specified in the contract is extinguished or discharged or cancelled or expires.

Classification and subsequent measurement of financial assets

For the purpose of subsequent measurement, financial assets are classified into the following categories upon initial recognition:

- amortised cost
- financial assets at fair value through profit or loss (FVTPL)
- financial assets at fair value through other comprehensive income (FVOCI)

All financial assets except for those at FVTPL are subject to review for impairment at least at each reporting date.

Amortised cost

A financial asset is measured at amortised cost using effective interest rates if both of the following conditions are met:

- a) the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- b) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The Group's cash and cash equivalents, trade receivables and most of other receivables fall into this category of financial instruments.

Financial assets at FVOCI

FVOCI financial assets are either debt instruments that are managed under hold to collect and sell business model or are non-trading equity instruments that are irrevocably designated to this category.

FVOCI financial assets are measured at fair value. Gains and losses are recognized in other comprehensive income, except for interest and dividend income, impairment losses and foreign exchange differences on monetary assets, which are recognized in Statement of Profit and Loss.

Financial assets at FVTPL

Financial assets at FVTPL include financial assets that either do not meet the criteria for amortised cost classification or that are equity instruments held for trading or that meet certain conditions and are designated at FVTPL upon initial recognition. All derivative financial instruments also fall into this category. Assets in this category are measured at fair value with gains or losses recognised in Statement of Profit and Loss. The fair values of financial assets in this category are determined by reference to active market transactions or using a valuation technique where no active market exists.

Classification and subsequent measurement of financial liabilities

Financial liabilities are measured subsequently at amortized cost using the effective interest method, except for financial liabilities held for trading or designated at FVTPL, that are carried subsequently at fair value with gains or losses recognized in Statement of Profit and Loss. All derivative financial instruments are accounted for at FVTPL

Embedded Derivatives

Some hybrid financial liability contracts contain both derivative and a non-derivative component. In such cases, the derivative component is termed as embedded derivative, with a non-derivative component representing the host financial liability contract. If the economic characteristics and risks of embedded derivatives are not closely related to those of the host contract and the contract itself is not measured at FVTPL, the embedded derivative is bifurcated and reported at fair value, with gains and losses recognised in net gains (losses) on financial assets/liabilities at fair value through profit or loss (FVTPL). The host financial liability is accounted for in accordance with the appropriate Ind AS.

Fair value measurement

The Company classifies the fair value of its financial instruments in the following hierarchy, based on the inputs used in their valuation:

- i) **Level 1:** The fair value of financial instruments quoted in active markets is based on their quoted closing price at the Balance Sheet date.

- ii) **Level 2:** The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques using observable market data. Such valuation techniques include discounted cash flows, standard valuation models based on market parameters for interest rates, yield curves or foreign exchange rates, dealer quotes for similar instruments and use of comparable arm's length transactions.
- iii) **Level 3:** The fair value of financial instruments that are measured on the basis of entity specific valuations using inputs that are not based on observable market data (unobservable inputs).

Impairment of Financial Assets

In accordance with Ind AS 109, the Group applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss for financial assets measured at amortised cost or at fair value through other comprehensive income.

ECL is the weighted average difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive. The loss allowance for trade receivables is measured using the simplified impairment approach recognising expected lifetime losses from initial recognition. For recognition of impairment loss on other financial assets, the Group determines whether there has been a significant increase in the credit risk since initial recognition.

Trade Receivables

Trade receivables are recognised initially at fair value based on amounts exchanged and subsequently at amortised cost less any impairment as per Ind AS 109.

Offsetting of financial instruments

Financial assets and liabilities are offset, with net amount reported in the balance sheet, only when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable both in the normal course of business and in the event of default, insolvency or bankruptcy of the counterparty.

3.22 Investments in equity Instruments

Investments in equity instruments, where the Group has opted to classify such instruments at fair value through other comprehensive income (FVTOCI) are measured at fair value through other comprehensive income. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the Group may transfer the cumulative gain or loss within equity. Dividends on such investments are recognised in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment.

3.23 Segment reporting

Segments are identified based on the manner in which the Chief Operating Decision Maker ('CODM') decides

about resource allocation and reviews performance. Segment results that are reported to the CODM include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Segment capital expenditure is the total cost incurred during the period to acquire property and equipment and intangible assets.

The Group has eight operating segments: five integrated steel plants and three alloy steel plants, being separate manufacturing units, have been considered reportable operating segments. In identifying these operating segments, management generally considers the Group's separately identifiable manufacturing operations representing its main operations.

Each of these operating segments is managed separately as each has different requirements in terms of technology, raw material and other resources. All inter-segment transfers are carried out at arm's length prices based on prices charged to unrelated customers in standalone sales of identical goods or services. In addition, corporate assets which are not directly attributable to the business activities of any operating segment are not allocated to a segment. This primarily applies to the Group's administrative head office and mining operations.

There have been no changes from prior periods in the measurement methods used to determine reported segment profit or loss.

3.24 Earnings per share

Basic earnings per share is computed by dividing profit or loss for the year attributable to equity holders by the weighted average number of shares outstanding during the year. Partly paid-up shares are included as fully paid equivalents according to the fraction paid-up.

Diluted earnings per share is computed using the weighted average number of shares and dilutive potential shares except where the result would be anti-dilutive.

3.25 Significant Judgements, Assumptions and Estimations in applying Accounting Policies

3.25.1 Leases

The Group evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. The Group uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.

3.25.2 Close-down and Restoration Obligations

Close-down and restoration costs are normal consequence of mining or production, and majority of close-down and restoration expenditure are incurred in the years following the closure of mine. Although the ultimate cost to be incurred is uncertain, the Group estimate their costs based on current interpretation of scientific and legal data and existing technology, in addition to assumptions about probability and future costs.

3.25.3 Recognition of Deferred Tax Assets

The extent to which deferred tax assets can be recognized is based on an assessment of the probability of the Group's future taxable income against which the deferred tax assets can be utilized. In addition, significant judgement is required in assessing the impact of any legal or economic limits.

3.25.4 Inventories

The Group estimates the cost of inventories taking into account the most reliable evidence, such as cost of materials and overheads considered attributable to the production of such inventories including actual cost of production, etc. Management also estimates the net realisable values of inventories, taking into account the most reliable evidence available at each reporting date. Significant technical and commercial judgements are required to determine the Group's quality and quantity of inventories. The future realisation of these inventories may be affected by future technology or other market-driven changes that may reduce future selling prices.

3.25.5 Defined Benefit Obligation (DBO)

Employee benefit obligations are measured on the basis of actuarial assumptions which include mortality and withdrawal rates as well as assumptions concerning future developments in discount rates, medical cost trends, anticipation of future salary increases and the inflation rate. The Group considers that the assumptions used to measure its obligations are appropriate. However, any changes in these assumptions may have a material impact on the resulting calculations.

3.25.6 Fair Value Measurements

The Group applies valuation techniques to determine the fair value of financial instruments (where active market quotes are not available) and non-financial assets. This involves developing estimates and assumptions consistent with the market participants to price the instrument. The Group's assumptions are based on observable data as far as possible, otherwise on the best information available. Estimated fair values may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date.

3.25.7 Provisions and Contingencies

The assessments undertaken in recognising provisions and contingencies have been made in accordance with Indian Accounting Standards (Ind AS) 37, 'Provisions, Contingent Liabilities and Contingent Assets'. The evaluation of the likelihood of the contingent events is applied best judgement by management regarding the probability of exposure to potential loss.

3.25.8 Mine Closure and Restoration Obligations

Environmental liabilities and Asset Retirement Obligation (ARO): Estimation of environmental liabilities and ARO require interpretation of scientific and legal data, in addition to assumptions about probability and future costs.

3.25.9 Useful lives of depreciable/ amortisable assets (tangible and intangible)

Management reviews its estimate of the useful lives of depreciable/ amortisable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to actual normal wear and tear that may change the utility of plant and equipment.

3.26 Recent Accounting Pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Rules, 2015 by issuing the Companies (Indian Accounting Standards) Amendment Rules, 2023, applicable from April 1, 2023, as below:

3.26.1 Ind AS 1 - Presentation of Financial Statements

The amendments require companies to disclose their material accounting policies rather than their significant accounting policies. Accounting policy information, together with other information, is material when it can reasonably be expected to influence decisions of primary users of general purpose financial statements. The Company does not expect this amendment to have any significant impact in its financial statements.

3.26.2 Ind AS 12 - Income Taxes

The amendments clarify how companies account for deferred tax on transactions such as leases and decommissioning obligations. The amendments narrowed the scope of the recognition exemption in paragraphs 15 and 24 of Ind AS 12 (recognition exemption) so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences. The Company is evaluating the impact, if any, in its financial statements.

3.26.3 Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors

The amendments will help entities to distinguish between accounting policies and accounting estimates. The definition of a change in accounting estimates has been replaced with a definition of accounting estimates. Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty". Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty. The Company does not expect this amendment to have any significant impact in its financial statements..

4: PROPERTY, PLANT AND EQUIPMENT

(₹ in crore)

Description	GROSS BLOCK				ACCUMULATED DEPRECIATION / AMORTISATION / IMPAIRMENT					NET BLOCK
	As at 31 st March, 2022	Additions /Adjust- ments	Disposals /Adjust- ments	As at 31 st March, 2023	Up to 31 st March, 2022	For the Year	Disposals /Adjust- ments	Impairment	Up to 31 st March, 2023	
A. PLANTS, MINES & OTHERS										
Land										
- Freehold land	359.41	4.16	0.04	363.53	0.81	-	-	-	0.81	362.72
- Leasehold land	2.16	-	2.16	-	0.30	0.02	0.32	-	-	-
Buildings and related equipments	5261.53	67.46	1.01	5327.98	2301.26	122.85	0.81	(3.82)	2427.12	2900.86
Plant and machinery										
- Steel plant	100625.13	2667.15	710.56	102581.72	39568.64	3963.83	420.13	(5.28)	43117.62	59464.10
- Others	3470.11	253.56	33.10	3690.57	2333.09	137.28	29.67	-	2440.70	1249.87
Furniture and fixtures	147.60	6.59	2.32	151.87	122.72	4.97	0.02	-	127.67	24.20
Vehicles	1425.36	196.72	9.88	1612.20	1055.97	72.47	9.23	-	1119.21	492.99
Office equipments	62.71	2.08	0.35	64.44	54.04	1.78	0.31	-	55.51	8.93
Miscellaneous articles	419.37	24.65	2.47	441.55	273.67	19.13	4.40	-	288.40	153.15
Roads, Bridges & Culverts	533.66	20.62	0.02	554.26	376.54	30.08	0.03	-	406.59	147.67
Water Supply & Sewerage	764.61	58.54	0.78	822.37	463.98	45.50	0.04	-	509.44	312.93
EDP Equipments	452.51	37.66	11.31	478.86	406.27	14.09	10.46	-	409.90	68.96
Railway Lines and Sidings	1048.67	50.02	-	1098.69	343.75	33.31	(0.01)	-	377.07	721.62
Sub-total 'A'	114572.83	3389.21	774.00	117188.04	47301.04	4445.31	475.41	(9.10)	51280.04	65908.00
B. SOCIAL FACILITIES										
Land										
- Freehold land	10.88	0.01	-	10.89	-	-	-	-	-	10.89
Buildings and related equipments	1144.36	5.76	0.10	1150.02	470.85	28.92	0.42	-	499.35	650.67
Plant and machinery	200.35	64.02	2.58	261.79	131.72	9.31	0.19	-	140.84	120.95
Furniture and fixtures	28.51	0.84	0.07	29.28	24.10	0.96	0.06	-	25.00	4.28
Vehicles	10.87	1.19	0.13	11.93	9.68	0.23	0.12	-	9.79	2.14
Office equipments	4.13	0.10	0.01	4.22	3.58	0.12	0.01	-	3.69	0.53
Miscellaneous articles	272.11	59.32	2.71	328.72	177.43	13.36	2.51	-	188.28	140.44
Roads, Bridges & Culverts	167.13	33.25	0.29	200.09	124.80	12.91	4.95	-	132.76	67.33
Water Supply & Sewerage	310.49	2.85	0.22	313.12	160.43	7.18	0.20	-	167.41	145.71
EDP equipments	12.19	0.12	0.30	12.01	10.07	0.78	0.29	-	10.56	1.45
Sub-total 'B'	2161.02	167.46	6.41	2322.07	1112.66	73.77	8.75	-	1177.68	1144.39
C. Property, plant and equipment retired from active use										
Assets retired from active use	62.77	44.47	48.92	58.32	-	-	-	-	-	58.32
Total ('A'+'B'+C')	116796.62	3601.14	829.33	119568.43	48413.70	4519.08	484.16	(9.10)	52457.72	67110.71

4: PROPERTY, PLANT AND EQUIPMENT (Contd.)

(₹ in crore)

Description	GROSS BLOCK				ACCUMULATED DEPRECIATION / AMORTISATION / IMPAIRMENT					NET BLOCK
	As at 31 st March, 2021	Additions /Adjust- ments	Disposals /Adjust- ments	As at 31 st March, 2022	Up to 31 st March, 2021	For the Year	Disposals /Adjust- ments	Impairment	Up to 31 st March, 2022	
A. PLANTS, MINES & OTHERS										
Land										
- Freehold land	359.37	-	(0.04)	359.41	0.81	-	-	-	0.81	358.60
- Leasehold land	2.16	-	-	2.16	0.27	0.03	-	-	0.30	1.86
Buildings and related equipments	5274.67	15.81	28.95	5261.53	2194.58	116.47	9.79	-	2301.26	2960.27
Plant and machinery										
- Steel plant	93616.63	7715.96	707.46	100625.13	36610.84	3492.55	534.75	-	39568.64	61056.49
- Others	3381.77	140.18	51.84	3470.11	2256.23	126.44	49.58	-	2333.09	1137.02
Furniture and fixtures	144.24	5.22	1.86	147.60	117.96	6.08	1.32	-	122.72	24.88
Vehicles	1396.31	44.46	15.41	1425.36	1000.79	69.75	14.57	-	1055.97	369.39
Office equipments	62.76	1.48	1.53	62.71	53.66	1.76	1.38	-	54.04	8.67
Miscellaneous articles	397.89	25.12	3.64	419.37	261.84	15.08	3.25	-	273.67	145.70
Roads, Bridges & Culverts	481.85	56.48	4.67	533.66	355.26	24.73	3.45	-	376.54	157.12
Water Supply & Sewerage	722.05	43.64	1.08	764.61	428.80	36.24	1.06	-	463.98	300.63
EDP Equipments	448.90	6.72	3.11	452.51	396.14	12.34	2.21	-	406.27	46.24
Railway Lines and Sidings	1033.32	18.31	2.96	1048.67	315.25	31.10	2.60	-	343.75	704.92
Sub-total 'A'	107321.92	8073.38	822.47	114572.83	43992.43	3932.57	623.96	-	47301.04	67271.79
B. SOCIAL FACILITIES										
Land										
- Freehold land	10.89	-	0.01	10.88	-	-	-	-	-	10.88
Buildings and related equipments	833.66	313.47	2.77	1144.36	437.45	34.63	1.23	-	470.85	673.51
Plant and machinery	199.41	1.83	0.89	200.35	125.26	7.26	0.80	-	131.72	68.63
Furniture and fixtures	27.26	1.67	0.42	28.51	22.64	0.99	(0.47)	-	24.10	4.41
Vehicles	10.84	0.07	0.04	10.87	9.45	0.23	-	-	9.68	1.19
Office equipments	4.32	0.20	0.39	4.13	3.86	0.04	0.32	-	3.58	0.55
Miscellaneous articles	244.31	31.25	3.45	272.11	168.60	11.87	3.04	-	177.43	94.68
Roads, Bridges & Culverts	149.71	24.79	7.37	167.13	125.45	6.34	6.99	-	124.80	42.33
Water Supply & Sewerage	308.26	2.32	0.09	310.49	153.47	7.04	0.08	-	160.43	150.06
EDP equipments	11.68	0.92	0.41	12.19	9.69	0.68	0.30	-	10.07	2.12
Sub-total 'B'	1800.34	376.52	15.84	2161.02	1055.87	69.08	12.29	-	1112.66	1048.36
C. Property, plant and equipment retired from active use										
Assets retired from active use	59.52	57.76	54.51	62.77	-	-	-	-	-	62.77
Total ('A'+'B'+C')	109181.78	8507.66	892.82	116796.62	45048.30	4001.65	636.25	-	48413.70	68382.92

4: PROPERTY, PLANT AND EQUIPMENT (Contd.)

Note : Allocation of Depreciation of PPE, Intangible assets and Investment property

(₹ in crore)

	As at 31 st March, 2023	As at 31 st March, 2022
(a) Charged to Profit & Loss account	4963.54	4275.02
(b) Charged to expenditure during construction	-	-
	4963.54	4275.02

(i) Contractual obligations

Refer note 48.1 for disclosure of contractual commitments for the acquisition of property, plant and equipment.

(ii) Land:

- (a) Includes 55854.89 acres (58131.07 acres as on 31st March, 2022) owned/possessed/taken on lease by the Company, in respect of which title/lease deeds are pending for registration.
- (b) Includes 31397.15 acres (31397.15 acres as on 31st March, 2022) in respect of which title is under dispute.
- (c) 8873.81 acres (8866.59 acres as on 31st March, 2022) transferred/agreed to be transferred or made available for settlement to various Joint Ventures/Central/ State/ Semi-Government authorities, in respect of which conveyance deeds remain to be executed/registered.
- (d) 6114.59 acres (6105.79 acres as on 31st March, 2022) given on lease to various agencies/employees/ex-employees.
- (e) Includes 4435.60 acres (4208.60 acres as on 31st March, 2022) under unauthorised occupation.
- (f) 2371.10 acres (2381.16 acres as on 31st March, 2022) of land which is not in the actual possession, shown as deemed possession.
- (g) ₹56.72 crore is lying under deposits, in respect of land already acquired (₹55.03 crores as on 31st March, 2022) with the District & Sessions Judge, Bokaro during the year 2007 towards compensation payable to land losers.
- (h) Vide Notification of acquisition in the Gazette of India (Extraordinary) bearing No S.O. 1309(E) dated 08.06.2012 and No. S.O. 2484E dated 13.10.2012, National Highway Authority of India Ltd. (NHAI) had acquired 34.471 acres freehold land. Also notified for acquisition by Government of Jharkhand vide Gazette notification no. 42 & 43 dated 26th August, 2009. Matter is subjudice regarding valuation of the said land.
- (i) 525.43 acres land includes 500 acres land granted by Government of Maharashtra under occupancy rights subject to restrictions agreed upon by the company towards payment of unearned increment on the property transfer as per agreed terms.
- (j) Includes 5.51 acres freehold land out of 21.13 acres land notified for acquisition by Government of Jharkhand vide Gazette notification no. 42 & 43 dated 26th August, 2009, are under dispute for which no compensation was fixed in favour of RDCIS-SAIL. The compensation for the balance freehold land of 15.62 acres amounting to ₹13.07 crore has been considered in the accounts for the Financial Year ended 31st March, 2020. Out of ₹13.07, provision @50% amounting to ₹6.53 crore has been created for the year ended 31st March, 2023.
- (k) ₹0.06 crore is lying under deposits (in respect of land already acquired) with the District & Sessions Judge, Salem during the year 2013 towards compensation payable to land losers.

(iii) Other Assets:

- (a) Includes 7207 (5894 as on 31st March, 2022), residential quarters/houses under unauthorised occupation.

(iv) Refer note 48.1 (B) for title deeds not held in the name of parent Company.

4a: RIGHT OF USE ASSETS*

(₹ in crore)

Description	GROSS BLOCK				ACCUMULATED DEPRECIATION /AMORTISATION				NET BLOCK
	As at 31 st March, 2022	Additions / Adjustments	Disposals / Adjustments	As at 31 st March, 2023	Up to 31 st March, 2022	For the Year	Disposals / Adjustments	Up to 31 st March, 2023	
Right of use assets	5985.10	1480.20	371.81	7093.49	2151.00	399.14	366.93	2183.21	4910.28
Sub-total	5985.10	1480.20	371.81	7093.49	2151.00	399.14	366.93	2183.21	4910.28

Description	GROSS BLOCK				ACCUMULATED DEPRECIATION /AMORTISATION				NET BLOCK
	As at 31 st March, 2021	Additions / Adjustments	Disposals / Adjustments	As at 31 st March, 2022	Up to 31 st March, 2021	For the Year	Disposals / Adjustments	Up to 31 st March, 2022	
Right of use assets	3971.18	2016.13	2.21	5985.10	1916.97	235.01	0.98	2151.00	3834.10
Sub-total	3971.18	2016.13	2.21	5985.10	1916.97	235.01	0.98	2151.00	3834.10

* For detailed disclosures for right of use assets, refer note 49.8.

(₹ in crore)

	As at 31 st March, 2023		As at 31 st March, 2022	
5: CAPITAL WORK-IN-PROGRESS				
Steel Plants & Units	4875.28		4853.30	
Township	186.87		64.56	
Ore Mines and Quarries	210.73		205.79	
	5272.88		5123.65	
Less: Allowances	428.54	4844.34	420.40	4703.25
Construction stores and spares	52.43		10.88	
Less: Allowances for non-moving items	5.41	47.02	4.99	5.89
Expenditure during construction pending allocation (Note 5.1)		-		0.81
	4891.36		4709.95	

5.1: EXPENDITURE DURING CONSTRUCTION PENDING ALLOCATION

Opening balance (a)	0.22	0.61
Expenditure incurred during the year		
Employees' Remuneration & Benefits		
Salaries & Wages	98.11	96.33
Company's contribution to provident fund	3.50	4.10
Travel concession	2.00	1.77
Welfare expenses	0.24	0.02
Gratuity	0.99	104.84
Other expenses		(0.08)
Technical consultants' fees & know-how	7.45	5.57
Power & Fuel	9.53	35.39
Other expenses		
Interest & Finance charges	211.06	193.53
Depreciation	-	233.06
	337.90	239.18
Less: Recoveries		
Hire charges	-	-
Sundries	0.37	0.08
Net expenditure during the year (b)	337.53	341.24
Total (a)+(b)	337.75	341.85
Less : Amount allocated to Property, plant and equipment/Capital Work-in-progress	337.75	341.04
Balance carried forward	-	0.81

6: INVESTMENT PROPERTY

(₹ in crore)

Description	GROSS BLOCK				ACCUMULATED DEPRECIATION /AMORTISATION				NET BLOCK
	As at 31 st March, 2022	Additions / Adjustments	Disposals / Adjustments	As at 31 st March, 2023	Up to 31 st March, 2022	For the Year	Disposals / Adjustments	Up to 31 st March, 2023	
A. BUILDINGS									
Buildings	2.06	-	-	2.06	1.00	0.03	-	1.03	1.03
Total	2.06	-	-	2.06	1.00	0.03	-	1.03	1.03

Description	GROSS BLOCK				ACCUMULATED DEPRECIATION /AMORTISATION				NET BLOCK
	As at 31 st March, 2021	Additions / Adjustments	Disposals / Adjustments	As at 31 st March, 2022	Up to 31 st March, 2021	For the Year	Disposals / Adjustments	Up to 31 st March, 2022	
A. BUILDINGS									
Buildings	2.06	-	-	2.06	0.97	0.03	-	1.00	1.06
Total	2.06	-	-	2.06	0.97	0.03	-	1.00	1.06

(i) Contractual obligations

There are no contractual obligation to purchase, construct or develop investment property or for its repair, maintenance or enhancement.

6: INVESTMENT PROPERTY (Contd...)

(ii) Amount recognised in profit and loss for investment properties

	As at 31 st March, 2023	As at 31 st March, 20212	(₹ in crore)
Rental income	1.77	1.80	
Direct operating expenses that generated rental income*	-	-	
Direct operating expenses that did not generate rental income*	-	-	
Profit from leasing of investment properties before depreciation	1.77	1.80	
Depreciation	0.03	0.03	
Profit from leasing of investment properties	1.74	1.77	

*Direct expenses in relation to investment properties cannot be separately identified and are expected to be insignificant.

(iii) Leasing arrangements

Certain investment properties are leased to tenants under long-term operating leases with rentals payable monthly. Minimum lease payment receivable under non-cancellable leases of investment property are as follows:

	As at 31 st March, 2023	As at 31 st March, 20212	(₹ in crore)
Within one year	1.14	0.29	
Later than one year but not later than 5 years	1.21	1.91	
Later than 5 years	-	-	
	2.35	2.20	

(iv) Fair value

Fair value of investment properties as on 31st March, 2023 is ₹19.12 crore (₹27.66 crore as on 31st March, 2022).

(v) Estimation of fair value

The best evidence of fair value is current prices in an active market for similar properties. Where such information is not available, the Group considers information from a variety of sources including:

- a) Current prices in an active market for properties of different nature or recent prices of similar properties in less active markets, adjusted to reflect those differences.
- b) Discounted cash flow projections based on reliable estimates of future cash flows.
- c) Circle rate of the property as provided by State Government.

7: INTANGIBLE ASSETS

(₹ in crore)

Description	GROSS BLOCK				ACCUMULATED DEPRECIATION /AMORTISATION**				NET BLOCK
	As at 31 st March, 2022	Additions / Adjustments	Disposals / Adjustments	As at 31 st March, 2023	Up to 31 st March, 2022	For the Year	Disposals / Adjustments	Up to 31 st March, 2023	
A. PLANTS, MINES & OTHERS									
Computer Software*	122.73	4.58	0.39	126.92	111.65	5.20	0.39	116.46	10.46
Mining Rights	1913.08	102.34	-	2015.42	464.80	40.07	-	504.87	1510.55
Sub-total 'A'	2035.81	106.92	0.39	2142.34	576.45	45.27	0.39	621.33	1521.01
B. SOCIAL FACILITIES									
Computer Software*	0.49	-	-	0.49	0.44	0.02	-	0.46	0.03
Sub-total 'B'	0.49	-	-	0.49	0.44	0.02	-	0.46	0.03
Total ('A'+'B')	2036.30	106.92	0.39	2142.83	576.89	45.29	0.39	621.79	1521.04

Description	GROSS BLOCK				ACCUMULATED DEPRECIATION /AMORTISATION**				NET BLOCK
	As at 31 st March, 2021	Additions / Adjustments	Disposals / Adjustments	As at 31 st March, 2022	Up to 31 st March, 2021	For the Year	Disposals / Adjustments	Up to 31 st March, 2022	
A. PLANTS, MINES & OTHERS									
Computer Software*	120.57	2.80	0.64	122.73	107.70	4.86	0.91	111.65	11.08
Mining Rights	1847.79	65.27	(0.02)	1913.08	431.35	33.46	0.01	464.80	1448.28
Sub-total 'A'	1968.36	68.07	0.62	2035.81	539.05	38.32	0.92	576.45	1459.36
B. SOCIAL FACILITIES									
Computer Software*	0.69	-	0.20	0.49	0.62	0.01	0.19	0.44	0.05
Sub-total 'B'	0.69	-	0.20	0.49	0.62	0.01	0.19	0.44	0.05
Total ('A'+'B')	1969.05	68.07	0.82	2036.30	539.67	38.33	1.11	576.89	1459.41

*Computer software consists of capitalized development costs being an internally generated intangible asset.

**All amortisation charges are included within depreciation and amortisation expenses.

7a: INVENTORIES NON-CURRENT

(₹ in crore)

	As at 31 st March, 2023	As at 31 st March, 2022
Stores & Spares	-	-
Raw Material		
Slime	276.39	141.25
Others	-	276.39
Others - By product		
Iron ore fines (sub-grade)	3914.55	3976.62
Finished / Semi-finished products		
Slag dump (embedded scrap)*	444.35	4358.90
	480.58	4457.20
	4635.29	4598.45

*includes manganese slag of 0.46 MT (previous year-0.52 MT) valuing ₹34.99 crore (previous year-₹39.29 crore)

8 : INVESTMENTS - NON CURRENT

(₹ in crore)

	No of Shares		Amount	
	As at 31 st March, 2023	As at 31 st March, 2022	As at 31 st March, 2023	As at 31 st March, 2022
Investments carried at fair value through other comprehensive income				
Unquoted equity				
TRL Krosaki Refractories Limited	2203150	2203150	76.87	61.76
Indian Potash Limited	720000	720000	154.24	102.44
Haridaspur Paradeep Railway Co Ltd	5000000	5000000	5.31	5.28
Cement & Allied Products (Bihar) Limited	2	2	-	-
Chemical & Fertilizer Corporation (Bihar) Limited	1	1	-	-
Bhilai Power Supply Company Limited	5	5	-	-
IISCO Ujjain Pipe & Foundry Company Limited (under liquidation)†	3000000	3000000	3.00	3.00
UEC SAIL Information Technology Limited*	180000	180000	0.18	0.18
Bihar State Finance Corporation (Face value ₹100/share)	500	500	0.01	0.01
Total (A)			239.61	172.67
In Co-operative society				
Bokaro Steel Employees' Co-operative Credit Society	116500	116500	0.12	0.12
Bokaro Steel City Central Consumers' Co-operative Society	250	250	0.00	0.00
NMDC Meghatatuburu Employees' Co-operative Society (Face value ₹ 100/share)	25	25	0.00	0.00
DSP Employees' Co-operative Society Limited (Face value ₹ 100/share)	1377	1377	0.01	0.01
Bolani Ores Employees' Consumer Co-operative society limited (Face value ₹ 25/share)	200	200	-	-
IISCO Employees Primary Co-operative society (Face value ₹ 20/share)	23000	23000	0.05	0.05
			0.18	0.18
Total (B)			239.79	172.85
Total (A+B)			239.79	172.85
Allowance for impairment in the value of investments			22.04	3.28
Net investment			217.75	169.57
Aggregate amount of quoted investments (market value thereof)			-	-
Aggregate amount of unquoted investments			239.79	172.85
Aggregate amount of impairment in value of investments			22.04	3.28
			217.75	169.57

All equity shares have face value ₹10 each unless otherwise stated.

*Entity is under liquidation, therefore, not considered as joint venture despite joint agreement between shareholders.

#Entity is under liquidation therefore not in the control of the parent Company.

(₹ in crore)

	As at 31 st March, 2023	As at 31 st March, 2022
9: TRADE RECEIVABLES - NON CURRENT*		
Considered good - Secured	-	-
Considered good - Unsecured	-	-
Receivables - credit impaired	<u>13.51</u>	14.58
	13.51	14.58
Allowance for doubtful receivables	<u>13.51</u>	14.58
	13.51	14.58
	<u>-</u>	<u>-</u>
	-	-

* Receivables due from directors and officers of the parent Company is nil (previous year nil)

10: LOANS - NON CURRENT*

Considered good - Unsecured

Loan to employees	34.05		46.40	
Loan to others**	<u>621.23</u>	655.28	<u>516.41</u>	562.81
		655.28		562.81
Less: Allowance for doubtful loans		0.02		3.20
		655.26		559.61

* Receivables due from directors of the parent Company is nil (previous year nil)

** Given to Indian Railways on account of construction of rowghat railway line.

The exposure to financial risks and fair value measurement related to these financial instruments is described in note 43.

11: OTHER FINANCIAL ASSETS - NON CURRENT

Security deposits	229.42		122.75	
Claims recoverable	10.61		10.73	
Receivable - others	68.14		52.27	
Lease equalisation reserve	1.44		1.46	
Receivables from employees	1.31		1.05	
Bills Receivable*	58.30		58.30	
Loans and advances to related parties	14.05		10.53	
Less: Provision for doubtful related party advances	14.05	-	10.53	-
Fixed deposits with original maturity period more than 12 months		10.78		0.24
		380.00		246.80
Less: Allowance for doubtful assets		9.27		9.23
		370.73		237.57

* Deposit with electricity Company.

The exposure to financial risks and fair value measurement related to these financial instruments is described in note 43.

12 : DEFERRED TAX LIABILITIES (NET)

Tax effect of items constituting deferred tax liabilities

Related to property, plant and equipment	8047.67		7473.57	
Fair value adjustment of investment through OCI	<u>52.61</u>	8100.28	<u>37.29</u>	7510.86

Tax effect of items constituting deferred tax assets

Amount deductible on payment basis	1274.02		1238.04	
Losses available for offsetting against future taxable income	-		133.24	
Accumulated business losses and unabsorbed depreciation	<u>1004.99</u>	2279.01	<u>781.16</u>	2152.44
Deferred tax liabilities (net)	5821.27		5358.42	

12 : DEFERRED TAX LIABILITIES (NET) (Contd...)

Deferred taxes arising from temporary differences and unused tax losses for year ended 31st March, 2023 are summarized as follows:

Deferred tax liabilities (net)	As at 1 st April, 2022	Recognized in Profit or Loss	Recognized in Other comprehensive income	As at 31 st March, 2023
Tax effect of items constituting deferred tax liabilities				
Related to property, plant and equipment	7473.57	574.10	-	8047.67
Fair value adjustment of investment through OCI	37.29	-	15.32	52.61
	7510.86	574.10	15.32	8100.28
Tax effect of items constituting deferred tax assets				
Amount deductible on payment basis	1238.04	35.98	-	1274.02
Losses available for offsetting against future taxable income	133.24	(133.24)	-	-
Accumulated business losses and unabsorbed depreciation	781.16	80.11	143.71	1004.99
	2152.44	(17.15)	143.71	2279.01
Deferred tax liabilities (net)	5358.42	591.25	(128.39)	5821.27

Deferred taxes arising from temporary differences and unused tax losses for year ended 31st March, 2022 are summarized as follows:

Deferred tax (assets) / liabilities (net)	As at 1 st April, 2021	Recognized in Profit or Loss	Recognized in Other comprehensive income	As at 31 st March, 2022
Tax effect of items constituting deferred tax liabilities				
Related to property, plant and equipment	6879.52	594.05	-	7473.57
Fair value adjustment of investment through OCI	31.62	-	5.67	37.29
	6911.14	594.05	5.67	7510.86
Tax effect of items constituting deferred tax assets				
Amount deductible on payment basis	874.75	363.29	-	1238.04
Losses available for offsetting against future taxable income	4378.06	(4244.82)	-	133.24
Accumulated business losses and unabsorbed depreciation	324.25	428.47	28.44	781.16
	5577.06	(3453.06)	28.44	2152.44
Deferred tax (assets) / liabilities (net)	1334.08	4047.11	(22.77)	5358.42

The Company is having accumulated losses of ₹ nil crore (previous year - ₹529.41 crore) [including accumulated unabsorbed depreciation of ₹ nil (previous year - ₹529.41 crore)] as on 31st March, 2023 as per the provisions of the Income Tax Act, 1961.

	As at 31 st March, 2023	As at 31 st March, 2022
13: CURRENT TAX ASSETS (NET)		
Current tax assets		
Advance income tax (net of allowances)	595.49	296.34
	595.49	296.34

14: OTHER ASSETS - NON CURRENT

Advances to contractors & suppliers	30.42	31.26
Deposit with Government authorities	3570.59	3438.02
Prepaid expenses	21.48	27.04
Capital advances	132.85	74.97
Less: Allowance for doubtful capital advances	5.34	5.34
	3750.00	3565.95
Less: Allowance for doubtful other assets	139.97	132.82
	3610.03	3433.13

(₹ in crore)

	As at 31 st March, 2023	As at 31 st March, 2022
15: INVENTORIES*		
Stores & spares		
Production	3524.55	3134.78
Fuel Stores	140.07	152.33
Others	30.74	34.15
	3695.36	3321.26
Add: In-transit	247.07	272.69
	3942.43	3593.95
Less: Allowance for non moving/obsolete items	286.34	258.40
	3656.09	3335.55
Raw Material		
Raw material**	7017.55	3565.42
Add: In-transit	4764.16	5591.96
	11781.71	9157.38
Less: Allowance for unusable materials	15.03	13.77
	11766.68	9143.61
Finished / Semi-finished products		
Finished goods***	8172.54	4453.56
Work in progress	3902.14	2401.51
	12074.68	6855.07
Others - By-products (sub-grade fines)		
	267.45	234.05
	27764.90	19568.28

*Valued as per accounting policy No. 3.8

**Includes inventories of slime of ₹29.34 crore (previous year - ₹26.40 crore)

***Includes inventories of iron and steel scrap embedded in slag dumps of ₹50.99 crore (previous year - ₹27.29 crore)

**** Includes 4.48 MT of iron ore, 0.04 MT of limestone and 0.17 MT of coal valuing ₹262.67 crore, ₹2.39 crore and ₹88.85 crore respectively lying at mines and collieries (previous year 3.53 MT of iron ore, 0.04 MT of limestone and 0.18 MT of coal valuing ₹193.53 crore, ₹2.39 crore and ₹59.07 crore respectively)

****includes manganese slag of 0.06 MT (previous year-nil) valuing ₹6.57 crore (previous year-nil)

16: TRADE RECEIVABLES - CURRENT*

Unsecured

Considered good	5389.97	4770.85
Credit impaired	311.29	260.93
	5701.26	5031.78
Allowance for doubtful receivables	311.29	260.93
	5389.97	4770.85

* Receivables due from directors and officers of the parent Company is nil (previous year nil)

* Refer note 43 and 48.4(B) - Financial instruments for assessment of expected credit losses.

17 (i): CASH AND CASH EQUIVALENTS

Cash and stamps on hand	0.26	0.11
Cheques in hand	3.93	2.91
Balance with Banks		
Current accounts	17.51	79.82
Term deposits with original maturity upto 3 months	35.12	48.68
Term deposits as per court orders with original maturity upto 3 months	0.27	0.02
	52.90	128.52
	57.09	131.54

17 (ii): BANK BALANCES OTHER THAN 17 (i) ABOVE

Earmarked bank balances

Term Deposits as per court orders	197.56	184.67
Term Deposits under Bank Lien/pledge against loan	7.01	0.29
Earmarked Term Deposits	33.36	34.83
Unpaid dividend accounts	9.00	6.83
Dividend account	144.58	361.45
Fixed deposits with maturity for more than 3 months but less than 12 months	102.04	66.45
	493.55	654.52

(₹ in crore)

	As at 31 st March, 2023	As at 31 st March, 2022
18: LOANS - CURRENT*		
Considered good - Unsecured		
Loan to employees	36.02	43.79
Loan to others	1.12	37.14
	37.14	1.16
Less: Allowance for doubtful loans	1.85	1.85
	35.29	43.10

* Receivables due from directors of the parent Company is nil (previous year nil)

19: OTHER FINANCIAL ASSETS - CURRENT

Security deposits	15.84	12.70
Claims recoverable	870.05	747.90
Receivable - others*	509.41	452.72
Receivables from employees	18.77	21.52
Amount recoverable from Gratuity Trust	212.93	413.04
Advances to related parties	80.61	50.03
Less: Allowance for doubtful related parties advances	7.27	7.02
	73.34	43.01
	1700.34	1690.89
Less: Allowance for doubtful assets	437.73	352.44
	1262.61	1338.45

* Includes rent, electricity, hospital and water charges etc., receivable from employees and outsiders.

20: OTHER ASSETS - CURRENT

Gold coins in hand	0.14	0.14
Advances to contractors & suppliers	583.75	551.85
Advance others	1991.40	2575.15
	1991.40	1166.78
Deposit with Government authorities	23.46	125.75
Deposits - GST	1.18	10.71
GST receivable-input service	3.74	36.45
GST receivable	337.77	298.54
TDS deducted by customers on GST	0.05	0.09
Prepaid expenses	76.57	36.88
Claims receivable	134.60	147.62
Export incentive receivables	42.79	67.70
	3195.45	2442.51
Less: Allowance for doubtful other assets	233.52	123.59
	2961.93	2318.92

21: ASSETS CLASSIFIED AS HELD FOR SALE

Assets classified as held for sale	29.28	14.00
	29.28	14.00

- (i) On floatation of tender for sale of items of Property, Plant and Equipment, it is considered highly likely that such assets will be sold within next 12 months and such assets are treated as 'Assets classified as held for sale'.
- (ii) Plant & machinery classified as held for sale during the reporting period was measured at the lower of its carrying amount and fair value less costs to sell at the time of the reclassification. The fair value of the plant & machinery was determined using the comparable value approach. This is a level 3 measurement as per the fair value hierarchy set out in fair value measurement disclosures. The key inputs under this approach is the metal price in the market.

22: EQUITY SHARE CAPITAL

(₹ in crore)

	As at 31 st March, 2023	As at 31 st March, 2022
Authorised capital		
Equity shares of ₹ 10 each		
(5000000000 equity shares of ₹10 each)	<u>5000.00</u>	<u>5000.00</u>
Issued and subscribed capital & fully paid-up		
(4130525289 equity shares of ₹ 10 each fully paid up)	<u>4130.53</u>	<u>4130.53</u>

Reconciliation of equity shares outstanding at the beginning and at the end of the year.

Particulars	As at 31 st March, 2023		As at 31 st March, 2022	
	Numbers	Amount (₹ in crore)	Numbers	Amount (₹ in crore)
Equity shares with voting rights				
Balance at the beginning of the year	4130414299	4130.42	4130414299	4130.42
Shares converted to shares with voting rights during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Balance at the end of the year#	4130414299	4130.42	4130414299	4130.42
Equity shares without voting rights *				
Balance at the beginning of the year	110990	0.11	110990	0.11
Shares Issued during the year	-	-	-	-
Shares converted to shares with voting rights during the year	-	-	-	-
Balance at the end of the year	110990	0.11	110990	0.11
Total Equity shares outstanding at the end of the year	4130525289	4130.53	4130525289	4130.53

- i) *Represented by current holding of 110990 shares in Global Depository Receipt (GDR) issued in 1996 @ US \$ 29.55 each for an aggregate amount of US \$ 125 million.
- ii) #Includes 4193693 shares (previous year 3117487 shares) transferred to IEPF authority on which the voting rights are frozen.
- iii) All shares rank equally with regard to the repayment of capital in the event of liquidation of the parent Company.

(iv) Details of the shareholders holding more than 5% of the shares in the parent Company

Name of Shareholder	As at 31 st March, 2023		As at 31 st March, 2022	
	Number of Shares held	% of Holding	Number of Shares held	% of Holding
President of India	2684714550	65.00	2684714550	65.00
LIC of India	286403775	6.93	236800137	5.73

(v) Details of shares held by Promoters at the end of the year.

Name of Promoter	As at 31 st March, 2023		As at 31 st March, 2022		% change during the year
	Number of Shares held	% of Holding	Number of Shares held	% of Holding	
President of India	2684714550	65.00	2684714550	65.00	-

- (vi) The parent Company has neither issued bonus shares nor has bought back any shares during the last 5 years.

23: OTHER EQUITY

(₹ in crore)

	As at 31 st March, 2023	As at 31 st March, 2022
Reserves & Surplus		
Capital Reserve		
Opening balance	511.67	511.67
Less: Utilisation during the year	-	511.67
	-	511.67
Securities Premium		
Opening balance	235.10	235.10
Changes during the year	-	235.10
	-	235.10
Bond Redemption Reserve		
Opening balance	530.97	1084.15
Transfer to retained earnings	157.26	373.71
	553.18	530.97
General Reserve		
Opening balance	5110.90	5108.93
Additions during the year	1.77	1.97
Less: Utilisation during the year	-	5112.67
	-	5110.90
Retained Earnings		
Opening balance	43364.60	34081.59
Add: Net Profit for the year	2176.53	12243.47
Add: Other comprehensive Income/(Loss)-Remeasurement gains/(losses) of defined benefit plans	(490.72)	(83.34)
Add: Transfer from Bond Redemption Reserve	157.26	553.18
Less: Final dividend	929.37	743.49
Less: Interim dividend paid	413.05	2684.84
Less: Transfer to General Reserve	1.77	43863.48
	1.97	43364.60
Other Comprehensive Income		
Equity Instruments through Other Comprehensive Income		
Opening balance	100.86	81.66
Change in fair value of FVOCI equity instruments	66.94	24.87
Deferred tax	(15.32)	152.48
	(5.67)	100.86
Share in Other Comprehensive Income of equity accounted investees		
Opening balance	227.05	172.59
Change in fair value of FVOCI equity instruments	139.98	367.03
	54.46	227.05
Total other equity	50616.14	50081.15
Nature and purpose of other reserves		
Capital reserve		
Capital reserve is created out of the capital profit, it is created out of the profit earned from some specific transactions of capital nature. Capital reserve is not available for the distribution to the shareholders.		
Securities premium reserve		
Securities premium reserve represents premium received on issue of shares. The reserve is utilised in accordance with the provisions of the Companies Act, 2013.		
Bond redemption reserve		
The Group is required to create bond redemption reserve as per the provisions of Companies Act, 2013 out of the profits which are available for distribution of dividends. The reserve is maintained till the redemption of bonds.		
Other Comprehensive Income (OCI) reserve		
The Group has opted to recognise changes in the fair value of certain investments in equity securities in other comprehensive income. These changes are accumulated within the FVOCI equity investments reserve within equity. The Group transfers amounts from this reserve to retained earnings when the relevant equity securities are derecognised.		

24. BORROWINGS - NON CURRENT

(₹ in crore)

			As at 31 st March, 2023	As at 31 st March, 2022
SECURED				
Redeemable Non-Convertible Bonds				
Rate of Interest	Maturity Date	Call/Put option (yr)	Security reference	
9.35%	9-Sep-2026	12/nil	(a)	455.00
8.80%	26-Oct-2025		(a,b)	28.00
9.00%	14-Oct-2024		(a)	1000.00
8.75%	15-Sep-2024		(a)	50.00
8.30%	3-Aug-2023		(a)	-
8.30%	1-Aug-2023		(a)	-
Total Bonds				1533.00
Term Loans from banks				3547.00
Rupee loans		(f)	4100.00	4100.00
			5633.00	7647.00
UNSECURED				
Foreign currency loan				
1 KFW, Germany		(d)	270.96	278.18
2 Natexis Banque		(e)	4.46	6.47
Steel development fund		(f)	204.16	204.16
			479.58	488.81
Total Non Current Loans				6112.58
				8135.81

No loans have been guaranteed by the directors and others.

There is no default as on the balance sheet date in repayment of borrowings and interest thereon.

All bonds are repayable on the maturity date unless otherwise stated.

Borrowings are secured, in respect of respective facilities by way of :

- a) Secured by charges ranking pari-passu inter-se, on all the present and future immovable property at Mouje-Wadej of City taluka, District Ahmedabad, Gujarat and Group's Plant & Machinery, including the land on which it stands, pertaining to IISCO Steel Plant (ISP).
- b) Redeemable in 12 equal yearly instalments of ₹ 14 crore each starting w.e.f 26th October, 2014. Instalment payable on 26th Oct, 2023 has been shown in current borrowings under the head 'current maturities'.
- c) The soft basis of the loan was drawn in 3 tranches stated as 1(a), 1(b) and 1(c) at an interest rate of 8.75% p.a. The Interest on 1(a) is 0.75% p.a and balance 8% is towards meeting Exchange fluctuation (4%) and pollution control schemes (4%). In case of 1 (b) the Interest is 0.75% p.a and balance 8.0% p.a is towards periphery development. Tranche 1(c) has been fully repaid. The principal and interest amount is repayable half yearly. The loan is guaranteed by Government of India.
- d) The loan is repayable by 2030. The principal and interest is paid half yearly, guaranteed by Government of India.
- e) Terms of Repayment is to be decided by SDF management Committee.
- f) Secured by charges ranking pari-pasu on the present and future movable plant and machinery of RSP to the extent of loan.

Details of current maturities of long term debts shown under note-29, are as under:

(₹ in crore)

	As at 31 st March, 2023	As at 31 st March, 2022
Non convertible bonds	2014.00	1271.00
KFW, Germany	25.09	23.58
Natexis Banque	2.43	2.28
Total	2041.52	1296.86

(₹ in crore)

	As at 31 st March, 2023	As at 31 st March, 2022
25: TRADE PAYABLES - NON CURRENT		
Due to micro, small and medium enterprise (refer note 48.3)	-	-
Amount payable to contractors/suppliers/others	3.31	3.34
	3.31	3.34
26: OTHER FINANCIAL LIABILITIES - NON CURRENT		
Employees related dues	710.39	711.12
Interest Accrued but not due on borrowings	422.39	449.80
Other payables*	296.22	263.87
	1429.00	1424.79

* Includes security deposit from shopkeepers, contractors etc.

27: PROVISIONS - NON CURRENT

Provision for gratuity	1.50	0.56
Provision for accrued leave liability	3399.86	3383.84
Provision for post retirement medical & settlement benefits	1636.31	1381.38
Provision for long term service award	15.45	19.41
Provision for mines closure	162.06	131.61
Other provisions*	401.45	426.09
	5616.63	5342.89

*includes provision for mines closure (refer note 51.3)

28: OTHER LIABILITIES - NON CURRENT

Deferred Income*	424.12	426.73
Other payables**	2256.09	2,256.09
	2680.21	2682.82

***Deferred income includes:**

Central Government grant of ₹281.99 crore for the purpose of upgradation of Ispat General Hospital, Rourkela to Super Speciality Hospital. The Company has complied with all the conditions for such grants in line with Ind AS 20.

** Entry tax

29. BORROWINGS - CURRENT
Secured
Repayable on demand

From banks	3957.68	3302.98
Current maturities of long term debts	2041.52	1296.86
Unsecured		
From banks	13550.00	650.00
	19549.20	5249.84

Security disclosure for the outstanding short term borrowings as on 31st March, 2023:
Borrowings from banks are secured, in respect of respective facilities by way of :

- (i) Hypothecation of all current assets

30: TRADE PAYABLES - CURRENT

Due to micro, small and medium enterprises (refer note 48.3)	448.62	140.65
Amount payable to related parties	357.49	214.30
Amount payable to contractors/suppliers/others	13535.59	16321.41
	14341.70	16676.36

(₹ in crore)

	As at 31 st March, 2023	As at 31 st March, 2022
31: OTHER FINANCIAL LIABILITIES - CURRENT		
Employee related dues	265.22	262.46
Interest accrued but not due on borrowings	204.04	251.12
Interest accrued and due on steel development fund loans	312.00	280.00
Other liabilities-debtors banking arrangement	124.23	351.34
Unclaimed matured deposits and interest accrued thereon	1.01	1.01
Security deposits	1697.92	1700.13
Unpaid dividends	9.00	368.29
Unspent corporate social responsibility	51.73	-
Payable for capital works	2053.97	2414.96
Other payables*	5431.08	6246.11
	10150.20	11875.42

*Other payables include liability for salary & wages, royalty, pension and employee welfare etc.

32: OTHER LIABILITIES - CURRENT

Income received in advance from customers	1472.27	1844.34
Income received in advance - others	98.11	97.46
Deferred Income**	22.38	17.35
GST payable	1019.23	1200.06
Liability for interest on GST	3.15	2.58
TDS deducted from suppliers on GST	39.52	40.94
Other payables*	879.19	874.16
	3533.85	4076.89

*includes ITD from employees, Government departments etc.

**Deferred income includes award conferred by the Prime Minister of India to the Bhilai Steel Plant as best integrated steel plant in India and the earnings from the fund are utilised for the welfare of the employees in Bhilai.

33: PROVISIONS - CURRENT

Provision for accrued leave liability	364.63	143.45
Provision for post retirement medical & settlement benefits	253.94	221.76
Provision for long term service award	2.10	1.73
Provision for pollution control	45.58	42.02
Provision for foreign exchange fluctuation	28.19	35.91
Provision for wage revision	0.98	-
Provision for mine afforestation/restoration etc.	169.37	176.43
Other provisions*	516.89	550.37
	1381.68	1171.67

* includes provision for DVC, railway, other assets etc.

34: CURRENT TAX LIABILITIES (NET)

Opening Balance	0.66	12.06
Add: Provision during the year	125.47	7.25
Less: Amount paid/transferred during the year	123.00	12.79
Less: Provision written back during the year	-	5.86
	3.13	0.66

(₹ in crore)

	As at 31 st March, 2023	As at 31 st March, 2022
35: REVENUE FROM OPERATIONS		
Sale of products		
Domestic	101089.93	95703.71
Exports	2638.89	6988.42
Export incentives	38.91	116.41
Sub Total (a)	103767.73	102808.54
Sale of Services		
Service charges	20.22	24.38
Sub Total (b)	20.22	24.38
Other Operating Revenues		
Social amenities-recoveries	322.87	318.13
Sale of empties etc.	86.41	106.79
Sundries	250.49	219.00
Sub Total (c)	659.77	643.92
Total (a+b+c)	104447.72	103476.84
Desegregation of Revenue		
Nature of Goods and Services		
The parent Company is engaged in the manufacturing of Iron and Steel products and generate revenues from sale of Iron and Steel products and the same is the only reportable segment of the parent Company.		
(1) Primary Geographical Markets		
Within India	101089.93	95703.71
Outside India	2677.80	7104.83
Total	103767.73	102808.54
(2) Major Products		
Iron and steel	99813.35	98004.53
Other Secondary and by-products	3954.38	4804.01
Total	103767.73	102808.54
Contract Balances		
The following table provides information about receivables, contract assets and contract liabilities from contracts with customers receivables which are included in 'Trade Receivables'.		
Trade receivables	5389.97	4770.85
Contract liabilities	1472.27	1844.34

36. OTHER INCOME

Interest income*

Customers	198.04	169.89
Employees	5.77	6.36
Bank deposits	8.46	31.90
Others	77.80	76.26
Sub Total (a)	290.07	284.41

Dividend income**

Dividend from investments	5.15	0.29
Sub Total (b)	5.15	0.29

Net gain on sale of investments

Sub Total (c)

	-	0.08
--	---	------

Other non-operating Income

Subsidy, relief and concession	0.10	0.28
Grant-in-aid	5.77	4.67
Provisions no longer required written back	54.51	65.79
Write back of other liabilities	350.52	288.75
Liquidated damages	103.57	136.67
Profit on sale of fixed assets (net)	49.50	-
Others	92.75	77.61
	656.72	573.77
Less: Expenses attributable to non-operating income	1.58	-
Sub Total (d)	655.14	573.77
Total (a+b+c+d)	950.36	858.55

*Interest income represents income on financial assets carried at amortised cost.

**Dividend from investments carried at fair value through OCI

(₹ in crore)

	As at 31 st March, 2023	As at 31 st March, 2022
37 : COST OF MATERIALS CONSUMED		
Iron ore	8871.00	9388.84
Coal	50993.38	33761.24
Coke	480.44	52.06
Limestone	2287.51	1764.00
Dolomite	768.52	710.04
Ferro manganese	331.76	271.32
Ferro silicon	548.94	393.60
Silico manganese	2260.30	2002.02
Hot Rolled Stainless Steel Coils	-	0.83
Zinc	146.89	128.17
Aluminium	584.67	528.04
Others	2885.00	2318.13
	70158.41	51318.29
Less: Inter account adjustments	7978.50	8428.17
	62179.91	42890.12

38 : CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND BY-PRODUCTS

Opening stock

Finished goods	4894.85	4523.53
Work in progress	2401.51	2405.96
Iron ore fines (sub-grade)	4249.96	4337.29
	11546.32	11266.78

Less: Closing stock

Finished goods	8616.89	4894.85
Work in progress	3902.14	2401.51
Iron ore fines (sub-grade)	4182.00	4249.96
	16701.03	11546.32

(Accretion)/depletion to stock

(5154.71)

(279.54)

39: EMPLOYEE BENEFITS EXPENSE*

Salaries & wages	8842.19	9243.64
Leave encashment	1076.25	1164.29
Company's contribution to provident & other funds	1286.53	1309.84
Travel concession	103.99	62.82
Welfare expenses	542.65	846.28
Gratuity	219.92	235.12
	12071.53	12861.99

***Expenditure on employees's remuneration and benefits not included above and charged to:**

Expenditure during construction	104.84	102.14
---------------------------------	---------------	--------

For descriptive notes on disclosure of defined benefit obligation, refer note 50.1

(₹ in crore)

	As at 31 st March, 2023	As at 31 st March, 2022
40: FINANCE COSTS		
Interest Cost		
Foreign currency loans*	26.32	135.71
Non convertible bonds	243.80	392.26
Bank borrowings - working capital	12.20	8.57
Steel development fund loans	3.61	3.50
Other bank borrowings and commercial paper	1601.80	972.11
Other borrowing costs	149.74	185.74
	2037.47	1697.89

*Including foreign exchange fluctuations loss of ₹ nil crore (as at 31st March, 2022: loss ₹90.96 crore).

Expenditure on Interest & Finance charges not included above and charged to Expenditure during Construction:

Foreign currency loans	-	1.89
Non convertible bonds	127.40	75.42
Steel development fund loans - Interest	0.99	1.10
Other bank borrowings	82.67	115.12
	211.06	193.53

41: OTHER EXPENSES
Consumption of stores & spares

Consumption	6126.08	4955.49		
Less: Departmentally manufactured stores	713.73	658.59		
Less: Finished products internally consumed as stores and spares	804.73	4607.62	552.86	3744.04

Repairs & maintenance

Buildings	282.91	254.18		
Plant & machinery	1314.73	1233.75		
Others	422.27	2019.91	387.99	1875.92

Handling expenses

Raw material	648.83	595.80		
Scrap recovery	312.59	961.42	348.00	943.80

Remuneration to auditors

Audit fees	3.01	3.06		
Tax audit fees	0.86	0.65		
In other services	1.77	1.40		
Out of pocket expenses	1.05	6.69	0.50	5.61

Allowances

Doubtful debts, loans and advances	116.47	98.24		
Investments	18.75	-		
Stores, spares and sundries	220.65	355.87	266.58	364.82
Power and fuel	7713.27	6975.31		
Freight outward	3030.93	2675.92		
Royalty and cess	4521.01	7060.27		
Conversion charges	197.76	116.87		
Demurrage & wharfage	87.03	63.02		
Water charges & cess on water pollution	154.20	164.52		
Insurance	82.32	74.98		
Postage, telegram & telephone	18.35	15.72		
Printing & stationery	11.43	9.90		
Rates & taxes	45.24	81.77		

41: OTHER EXPENSES (Cont...)

(₹ in crore)

	As at 31 st March, 2023	As at 31 st March, 2022
Rent	5.23	12.75
Law charges	29.79	23.76
Security expenses	823.81	747.80
Travelling expenses	99.83	124.73
Training expenses	81.03	58.36
Expenditure on corporate social responsibility (refer note-44.6)	162.92	94.71
Foreign exchange fluctuations (net)	963.87	216.85
Loss on sale/scraping of fixed assets (net)	-	21.71
Cost audit fee and reimbursement of expenses	0.05	0.10
Write-offs - Miscellaneous	0.10	0.09
Handling expenses - finished goods	237.70	193.89
Impairment loss	9.10	-
Commission to selling agents	8.24	15.86
Export sales expenses	145.27	140.60
Miscellaneous	931.57	839.07
	27311.56	26662.75

41a: EXCEPTIONAL ITEMS

Sale of fixed assets (refer note 49.12)	(301.44)	-
Others (refer note 49.12)	43.45	353.41
	(257.99)	353.41

41b: EARNING PER SHARE

Profit for the year (₹ in crore)	2176.53	12243.47
Number of equity shares	4130525289	4130525289
Earning per share - basic and diluted (₹)	5.27	29.64
Face value per equity share (₹)	10.00	10.00

42. FINANCIAL INSTRUMENTS

i) Fair values hierarchy

Financial assets and financial liabilities measured at fair value in the statement of financial position are categorized into three levels of a fair value hierarchy. The three levels are defined based on the observability of significant inputs to the measurement, as follows:

Level 1: Quoted prices (unadjusted) in active markets for financial instruments.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data rely as little as possible on entity specific estimates.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

ii) Financial assets and liabilities measured at fair value - recurring fair value measurements

(₹ in crore)

As at 31 st March, 2023	Level 1	Level 2	Level 3	Total
Financial assets				
Financial instruments at FVTPL				
Derivative financial assets	-	-	-	-
Investments at FVOCI				
Equity instruments				
Quoted	-	-	-	-
Unquoted	-	-	239.79	239.79
Total financial assets	-	-	239.79	239.79
Financial liabilities				
Financial instruments at FVTPL				
Derivative liabilities	-	-	-	-
Total financial liabilities	-	-	-	-

Financial assets and liabilities measured at fair value - recurring fair value measurements

(₹ in crore)

As at 31st March, 2022	Level 1	Level 2	Level 3	Total
Financial assets				
Financial instruments at FVTPL				
Derivative financial assets	-	-	-	-
Investments at FVOCI				
Equity instruments				
Quoted	-	-	-	-
Unquoted	-	-	172.85	172.85
Total financial assets	-	-	172.85	172.85
Financial liabilities				
Financial instruments at FVTPL				
Derivative liabilities	-	-	-	-
Total financial liabilities	-	-	-	-

(iii) Financial assets and liabilities - for which fair values are disclosed

(₹ in crore)

	Level	As at 31st March, 2023		As at 31st March, 2022	
		Carrying value	Fair Value	Carrying value	Fair Value
Financial assets					
Loans	Level-3	690.55	800.78	602.71	837.76
Derivative financial assets	Level-2	-	-	-	-
Equity instruments					
Quoted	Level-1	-	-	-	-
Unquoted*	Level-3	239.79	239.79	172.85	172.85
Total financial assets		930.34	1040.57	775.56	1010.61
Financial liabilities					
Borrowings (including lease liability)	Level-3	31836.09	31683.52	18616.43	18468.09
Other payables	Level-3	10516.54	10576.75	11967.95	12087.01
Derivative liability	Level-2	-	-	-	-
Total financial liabilities		42352.63	42260.27	30584.38	30555.10

* Already at fair value

(iv) Valuation process and technique used to determine fair value

Specific valuation techniques used to value financial instruments include:

- Fair value of interest swap is determined based on dealer or counterparty quotes for similar instruments.
- Fair value of forward foreign exchange contract and principal swap is determined using forward rate at balance sheet date.
- The carrying value of borrowings bearing variable interest rate are considered to be representative of their fair value.
- The carrying value of financial assets and liabilities with maturities less than 12 months are considered to be representative of their fair value.
- Fair value of fixed interest rate financial assets and liabilities carried at amortised cost (including lease obligations) is determined by discounting the cash flows using a discount rate equivalent to market interest rate applicable to similar assets and liabilities as at the balance sheet date.

(v) Unquoted investments:

Fair value estimates of unquoted equity investments are included in level-3 and are based on information relating to value of investee Group's net assets. For investments in co-operative societies, the Group has determined that cost is appropriate estimate of fair value, therefore, there have been no changes on account of fair values.

(vi) The following table presents the changes in value of financial instruments measured at fair value using level 3 inputs:

(₹ in crore)

Unlisted equity securities	
As at 31st March, 2021	147.98
Gains/losses recognised in other comprehensive income	24.87
As at 31st March, 2022	172.85
Gains/losses recognised in other comprehensive income	66.94
As at 31st March, 2023	239.79

43. FINANCIAL RISK MANAGEMENT

(i) Financial instruments by category

(₹ in crore)

Particulars	As at 31 st March, 2023			As at 31 st March, 2022		
	FVTPL	FVOCI	Amortised cost	FVTPL	FVOCI	Amortised cost
Financial assets						
Equity instruments	-	239.79	-	-	172.85	-
Trade receivables	-	-	5389.97	-	-	4770.85
Cash and cash equivalents	-	-	57.09	-	-	131.54
Other Bank Balances	-	-	493.55	-	-	654.52
Loans	-	-	690.55	-	-	602.71
Derivative financial assets	-	-	-	-	-	-
Other receivables	-	-	1633.34	-	-	1576.02
Total	-	239.79	8264.50	-	172.85	7735.64
Financial liabilities						
Borrowings (including lease liability)	-	-	31836.09	-	-	18616.43
Trade payable	-	-	14345.01	-	-	16679.70
Other payables	-	-	10516.54	-	-	11967.95
Total	-	-	56697.64	-	-	47264.08

ii) Risk Management

The Group, its Joint Ventures & Associate is exposed to various risks in relation to financial instruments. The Group, its Joint Ventures & Associate's financial asset and liabilities by category are summarised in note 43 (i). The main types of risks are market risk, credit risk and liquidity risk. The Group's, its Joint Venture's & Associate's risk management is co-ordinated at its headquarters, in close co-operation with the Board of Directors, and focuses on actively securing the Group's, its Joint Venture's & Associate's short to medium-term cash flows by minimising the exposure to volatile financial markets. Long term financial investments are managed to generate lasting returns. The Group, its Joint Ventures & Associate does not actively engage in the trading of financial assets for speculative purposes nor does it write options. The most significant financial risks to which the Group, its Joint Ventures & Associate is exposed are described below.

A) Credit risk

Credit risk is the risk that a counterparty fails to discharge an obligation to the parent Company. The Group, its Joint Ventures & Associate is exposed to this risk for various financial instruments, for example by granting loans and receivables to customers, placing deposits, etc. The Group's, its Joint Venture's & Associate's maximum exposure to credit risk is limited to the carrying amount of following types financial assets.

- Cash and cash equivalents
- Derivative financial instruments
- Trade receivables
- Other financial assets measured at amortized cost

The Group, its Joint Ventures & Associate continuously monitor defaults of customers and other counterparties, identified either individually or by the Group, and incorporates this information into its credit risk controls. Where available at reasonable cost, external credit ratings and/or reports on customers and other counterparties are obtained and used. The Group's, its Joint Venture's & Associate's policy is to deal only with creditworthy counterparties.

a) Credit risk management

Cash and cash equivalent

Credit risk related to cash and cash equivalents is managed by only accepting highly rated banks and diversifying bank deposits and accounts in different banks across the country.

Derivative financial instruments

Credit risk related to derivative financial instruments is also managed by only entering into such arrangement with highly rated banks or financial institutions as counterparties. The Group, its Joint Ventures & Associate diversifies its holdings with multiple counterparties.

Trade receivables

Credit risk related to trade receivables are mitigated by taking bank guarantees from customers where credit risk is high. The Group, its Joint Ventures & Associate closely monitors the credit-worthiness of the debtors and only sells goods to credit-worthy parties. The Group's its Joint Venture's & Associate's internal systems are configured to define credit limits of customers, thereby limiting the credit risk to pre-calculated amounts.

Other financial assets measured at amortized cost

Other financial assets measured at amortized cost includes loans and advances to employees and others. Credit risk related to these other financial assets is managed by monitoring the recoverability of such amounts continuously, while at the same time internal control system in place ensure the amounts are within defined limits.

b) Expected credit losses

Group, its Joint Ventures and Associate provides expected credit losses based on the following:

Trade receivables

The Group, its Joint Ventures and Associate recognizes lifetime expected credit losses on trade receivables using a simplified approach and uses historical information to arrive at loss percentage relevant to each category of trade receivables.

For descriptive note on trade receivables ageing, refer note 48.4 (B)

Other financial assets measured at amortized cost

Group, its Joint Ventures & Associate provides for expected credit losses on "loans advances and other than trade receivables" by assessing individual financial instruments for expectation of any credit losses. Since this category includes loans and receivables of varied natures and purpose, there is no trend that the Group, its Joint Ventures & Associate can draw to apply consistently to entire population. For such financial assets, the Group's its Joint Venture's & Associate's policy is to provide for 12 month expected credit losses upon initial recognition and provides for lifetime expected credit losses upon significant increase in credit risk. The Group, its Joint Ventures & Associate does not have any expected loss based impairment recognised on such assets considering their low credit risk nature, though incurred loss provisions are disclosed under each sub-category of such financial assets.

B) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due. Due to the nature of the business, the Group, its Joint Ventures & Associate maintain flexibility in funding by maintaining availability under committed facilities. Management monitors rolling forecasts of the Group's, its Joint Venture's & Associate's liquidity position and cash and cash equivalents on the basis of expected cash flows. The Group, its Joint Ventures & Associate takes into account the liquidity of the market in which the entity operates. In addition, the Group's, its Joint Venture's & Associate's liquidity management policy involves projecting cash flows in major currencies and considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios against internal and external regulatory requirements and maintaining debt financing plans.

Maturities of financial liabilities

The tables below analyse the Group's, its Joint Venture's & Associate's financial liabilities into relevant maturity Grouping based on their contractual maturities for all non-derivative financial liabilities and the amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

(₹ in crore)

Contractual maturities of financial liabilities as at 31st March, 2023	Less than 1 year	1-2 year	2-3 year	More than 3 years	Total
Non-derivatives					
Borrowings	19804.09	2437.65	911.79	5312.62	28466.15
Trade payables	13882.19	234.83	3.73	222.30	14343.05
Other payables	6180.18	145.17	230.26	921.58	7477.19
Total	39866.46	2817.65	1145.78	6456.50	50286.39
Derivatives					
Derivative liabilities	-	-	-	-	-
Total	-	-	-	-	-

Contractual maturities of financial liabilities as at 31st March, 2022	Less than 1 year	1-2 year	2-3 year	More than 3 years	Total
Non-derivatives					
Borrowings	5815.58	2427.08	1374.61	5761.01	15378.28
Trade payables	16194.09	94.68	94.39	538.67	16921.83
Other payables	9513.75	117.86	84.28	316.47	10032.36
Total	31523.42	2639.62	1553.28	6616.15	42332.47
Derivatives					
Derivative liabilities	-	-	-	-	-
Total	-	-	-	-	-

C) Market Risk

a) Foreign currency risk

Most of the Group's, its Joint Venture's & Associate's transactions are carried out in INR. Exposures to currency exchange rates arise from the Group's, its Joint Venture's & Associate's overseas borrowing arrangements, which are primarily denominated in US dollars (USD). To mitigate the Group's, its Joint Venture's & Associate's exposure to foreign currency risk, non-INR cash flows are monitored and forward exchange contracts are entered into in accordance with the Group's, its Joint Venture's & Associate's risk management policies. Generally, the Group's, its Joint Venture's & Associate's risk management procedures distinguish short-term foreign currency cash flows (due within 6 months) from longer-term cash flows (due after 6 months). Where the amounts to be paid and received in a specific currency are expected to largely offset one another, no further hedging activity is undertaken. Forward exchange contracts are mainly entered into for significant long-term foreign currency exposures that are not expected to be offset by other same-currency transactions.

Foreign currency risk exposure:

The Group's, its Joint Venture's & Associate's significant exposures to foreign currency risk at the end of the reporting period expressed in ₹ crore are as follows:

Particulars	As at 31 st March, 2023		As at 31 st March, 2022	
	USD	Euro	USD	Euro
Financial assets				
Trade receivables	32.77	-	149.70	-
Cash and cash equivalents	-	-	-	-
Other Bank Balances	-	-	-	-
Loans	-	-	-	-
Derivative financial assets (gross amounts, to hedge borrowings)	-	-	-	-
Net exposure to foreign currency risk (assets)	32.77	-	149.70	-
Financial liabilities				
Borrowings	-	302.95	-	310.51
Trade payable	8412.14	51.58	11257.64	84.71
Other payables	152.01	216.87	179.76	230.10
Net exposure to foreign currency risk (liabilities)	8564.15	571.40	11437.40	625.32

Sensitivity

The following table illustrates the sensitivity of profit and equity in regard to the Group's, its Joint Venture's & Associate's financial assets and financial liabilities and the USD/INR exchange rate and EUR/INR exchange rate 'all other things being equal'. It assumes a +/- 4.93% change of the INR/USD exchange rate for the year ended at 31st March, 2023 (2022: 4.65%). A +/- 8.75% change is considered for the INR/EUR exchange rate (2022: 5.63%). Both of these percentages have been determined based on the average market volatility in exchange rates in the previous 12 months. The sensitivity analysis is based on the Group's, its Joint Venture's & Associate's foreign currency financial instruments held at each reporting date and also takes into account forward exchange contracts that offset effects from changes in currency exchange rates.

(₹ in crore)

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
USD sensitivity		
INR/USD- increase by 4.93% (31 March 2023)	420.60	-
INR/USD- decrease by 4.93% (31 March 2023)	(420.60)	-
INR/USD- increase by 4.65% (31 March 2022)	-	529.39
INR/USD- decrease by 4.65% (31 March 2022)	-	(529.39)
Euro sensitivity		
INR/EUR- increase by 8.75% (31 March 2023)	50.00	-
INR/EUR- decrease by 8.75% (31 March 2023)	(50.00)	-
INR/EUR- increase by 5.63% (31 March 2022)	-	42.40
INR/EUR- decrease by 5.63% (31 March 2022)	-	(42.40)

b) Interest rate risk

The Group's, its Joint Venture's & Associate's policy is to minimise interest rate cash flow risk exposures on long-term financing. Long-term borrowings are therefore usually at fixed rates. At 31st March, 2023, the Group, its Joint Ventures & Associate is exposed to changes in market interest rates through bank borrowings at variable interest rates. Other borrowings are at fixed interest rates. The Group's, its Joint Venture's & Associate's investments in bonds all pay fixed interest rates. The exposure to interest rates for the Group's, its Joint Venture's & Associate's money market funds is considered immaterial. The following table illustrates the sensitivity of profit and equity to a reasonably possible change in interest rates of +/- 1% (2022: +/- 1%). These changes are considered to be reasonably possible based on observation of current market conditions. The calculations are based on a change in the average market interest rate for each period, and the financial instruments held at each reporting date that are sensitive to changes in interest rates. All other variables are held constant.

i) Liabilities

The Group's, its Joint Venture's & Associate's policy is to minimise interest rate cash flow risk exposures on long-term financing. At 31st March, 2023, the Group, its Joint Ventures & Associate is exposed to changes in market interest rates through bank borrowings at variable interest rates.

Interest rate risk exposure

Below is the overall exposure of the Group to interest rate risk:

(₹ in crore)

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
Variable rate borrowing (excluding exposures offset by derivatives)	21607.68	8052.98
Fixed rate borrowing	4054.10	5332.67
Total borrowings	25661.78	13385.65

Sensitivity

Below is the sensitivity of profit or loss and equity changes in interest rates.

(₹ in crore)

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
Interest rate sensitivity		
Interest rates-increase by 100 basis points	216.08	80.53
Interest rates-decrease by 100 basis points	(216.08)	(80.53)

ii) Assets

The Group's, its Joint Venture's & Associate's fixed deposits are carried at amortised cost and are fixed rate deposits. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

Interest rate risk exposure

Below is the overall exposure of the financial assets:

(₹ in crore)

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
Variable rate deposits/ loans	-	-
Fixed rate deposits/ loans	1184.10	1257.23
Total deposits	1184.10	1257.23

c) Price risk
Exposure

The Group is exposed to other price risk in respect of its investment shares of other companies (see Note 8). The Group does not consider changes in value of its investments in shares as significant, therefore is not exposed to price risks on exposures outstanding on the balance sheet date.

44. Capital management

The Group's, its Joint Venture's & Associate's capital management objectives are

- to ensure the Group's, its Joint Venture's & Associate's ability to continue as a going concern.
- to provide an adequate return to shareholders

The Group, its Joint Ventures & Associate monitors capital on the basis of the carrying amount of equity less cash and cash equivalents as presented on the face of balance sheet.

Management assesses the Group's, its Joint Venture's & Associate's capital requirements in order to maintain an efficient overall financing structure while avoiding excessive leverage. This takes into account the subordination levels of the Group's, its Joint Venture's & Associate's various classes of debt. The Group, its Joint Ventures & Associate manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Group, its Joint Ventures & Associate may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

(₹ in crore)

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
Net debts	31779.00	17830.37
Total equity	54746.67	54211.68
Net debt to equity ratio	0.58	0.33

Dividends

(₹ in crore)

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
Equity shares		
(i) Interim dividend on paid up equity share capital ₹10 each	413.05	2684.84
(ii) Final dividend not recognised at the end of the reporting period.	206.53	929.37

44A. Details of Subsidiaries, Joint Ventures and Associates

S. No.	Name	Relationship	Nature of activity	Principal Place of Incorporation	Principal Place of Business	Proportionate Ownership in %	
						As at 31 st March, 2023	As at 31 st March, 2022
1	SAIL Refractory Company Limited	Subsidiary	Refractory Material production	India	India	100.00%	100.00%
2	Chhattisgarh Mega steel limited	Subsidiary	Steel production	India	India	74.00%	74.00%
3	NTPC-SAIL Power Company Ltd.	Joint-ventures	Power Production	India	India	50.00%	50.00%
4	Bokaro Power Supply Co. Pvt. Ltd.	Joint-ventures	Power Production	India	India	50.00%	50.00%
5	mjunction Services Limited	Joint-ventures	Consultancy services	India	India	50.00%	50.00%
6	SAIL-Bansal Service Centre Ltd	Joint-ventures	Consultancy services	India	India	40.00%	40.00%
7	Bhilai Jaypee Cement Limited	Joint-ventures	Cement production	India	India	26.00%	26.00%
8	International Coal Ventures Private Ltd.	Joint-ventures	Coal Mining	India	Mozambique	47.82%	47.82%
9	SAIL-SCL Kerala Limited	Joint-ventures	Steel production	India	India	49.26%	49.26%
10	SAIL-RITES Bengal Wagon Industry Pvt. Ltd.	Joint-ventures	Railway Wagon Production	India	India	50.00%	50.00%
11	SAIL-Kobe Iron India Pvt. Limited	Joint-ventures	Steel production	India	India	50.00%	50.00%
12	Prime Gold-SAIL JVC Limited	Joint-ventures	Steel production	India	India	26.00%	26.00%
13	VSL SAIL JVC Limited	Joint-ventures	Alloy Casting	India	India	20.58%	20.58%
14	Bastar Railway Private Limited	Joint-ventures	Railway Project	India	India	12.00%	12.00%
15	GEDCOL SAIL Power Corporation Ltd.	Joint-ventures	Power Production	India	India	26.00%	26.00%
16	Almora Magnesite Limited	Associate	Magnesite Mining	India	India	20.00%	20.00%

44B. Summarised financial information of equity method investees

Joint ventures individually significant

NTPC-SAIL Power Company Limited

(₹ in crore)

Summarized balance sheet	31 st March, 2023	31 st March, 2022
Current assets		
Cash and cash equivalents	32.80	45.07
Other assets	922.20	630.00
	955.00	675.07
Non-current assets	4,621.30	4,606.97
Current Liabilities		
Financial liabilities (excluding provisions)	1,355.87	1,192.71
Other Liabilities	183.10	160.07
	1,538.97	1,352.78
Non-Current liabilities		
Financial liabilities (excluding provisions)	1,152.92	865.98
Other liabilities	6.20	6.07
	1,159.12	872.05
Net Assets	2,878.21	3,057.21
Ownership Interest	50.00%	50.00%
Carrying Amount of Interest	1,439.11	1,528.61
Summarized statement of profit and loss		
Revenue	3,707.74	2,955.34
Depreciation and amortisation	76.05	138.71
Interest Expense	99.05	9.10
Income tax expense or income	79.25	13.03
Profit or loss from continuing operations.	470.33	358.00
Post-tax profit or loss from discontinued operations.	-	-
Other comprehensive income.	0.66	(0.04)
Total comprehensive income.	470.99	357.96
Ownership interest	50.00%	50.00%
mjunction Services Limited		
Summarized balance sheet		
Current assets.		
Cash and cash equivalents	45.76	16.39
Other assets	594.51	444.48
	640.27	460.87
Non-current assets	108.67	82.49
Current Liabilities		
Financial liabilities (excluding provisions)	422.23	275.56
Other Liabilities	12.49	7.95
	434.72	283.51
Non-Current liabilities		
Financial liabilities (excluding provisions)	12.02	11.44
Other liabilities	1.93	1.97
	13.95	13.41
Net Assets	300.27	246.44
Ownership Interest	50.00%	50.00%
Carrying Amount of Interest	150.14	123.22

44B. Summarised financial information of equity method investees (contd...)

(₹ in crore)

mjunction Services Limited

	Summarized statement of profit and loss	31st March, 2023	31st March, 2022
Revenue	322.13	300.99	
Depreciation and amortisation	12.04	11.43	
Interest Expense	0.07	-	
Income tax expense or income	24.64	24.62	
Profit or loss from continuing operations.	74.21	67.75	
Post-tax profit or loss from discontinued operations.	-	-	
Other comprehensive income.	(0.31)	0.77	
Total comprehensive income.	73.90	68.52	
Ownership interest	50.00%	50.00%	

International Coal Ventures Limited

	Summarized balance sheet		
Current assets.			
Cash and cash equivalents	4.85	34.84	
Other assets	57.74	26.69	
	62.59	61.53	
Non-current assets	2,623.72	2,656.57	
Current Liabilities			
Financial liabilities (excluding provisions)	125.08	323.28	
Other Liabilities	0.15	0.11	
	125.23	323.39	
Non-Current liabilities			
Financial liabilities (excluding provisions)	-	-	
Other liabilities	18.50	17.25	
	18.50	17.25	
Net Assets			
Less: Share Application Money Pending Allotment	2,542.58	2,377.46	
Ownership Interest	47.82%	47.82%	
Carrying Amount of Interest	1,215.86	1,136.90	

	Summarized statement of profit and loss		
Revenue	11.86	17.80	
Depreciation and amortisation	-	0.01	
Interest Expense	122.49	4.34	
Income tax expense or income	-	-	
Profit or loss from continuing operations.	(126.46)	(23.18)	
Post-tax profit or loss from discontinued operations.	-	-	
Other comprehensive income.	292.52	114.92	
Total comprehensive income.	166.06	91.74	
Ownership interest	47.82%	47.82%	

Bokaro Power Supply Co. Pvt. Limited

	Summarized balance sheet		
Current assets.			
Cash and cash equivalents	2.00	0.71	
Other assets	498.86	561.79	
	500.86	562.50	
Non-current assets	467.65	500.98	
Current Liabilities			
Financial liabilities (excluding provisions)	60.40	59.16	
Other Liabilities	27.05	40.19	
	87.45	99.35	
Non-Current liabilities			
Financial liabilities (excluding provisions)	4.54	4.95	
Other liabilities	37.91	45.23	
	42.45	50.18	
Net Assets	838.61	913.95	
Ownership Interest	50.00%	50.00%	
Carrying Amount of Interest	419.31	456.98	

44B. Summarised financial information of equity method investees (contd...)

(₹ in crore)

Bokaro Power Supply Co. Pvt. Limited

	Summarized statement of profit and loss	31 st March, 2023	31 st March, 2022
Revenue	890.09	777.06	
Depreciation and amortisation	0.35	0.37	
Interest Expense	3.62	1.97	
Income tax expense or income	26.69	18.80	
Profit or loss from continuing operations.	64.38	78.73	
Post-tax profit or loss from discontinued operations.	-	-	
Other comprehensive income.	(0.27)	(0.19)	
Total comprehensive income.	<u>64.11</u>	<u>78.54</u>	
Ownership interest	50.00%	50.00%	

Bhilai Jaypee Cement Limited

	Summarized balance sheet		
Current assets			
Cash and cash equivalents	2.38	2.82	
Other assets	<u>30.19</u>	<u>38.02</u>	
	32.57	40.84	
Non-current assets	599.90	616.12	
Current Liabilities			
Financial liabilities (excluding provisions)	193.58	190.06	
Other Liabilities	<u>148.10</u>	<u>174.62</u>	
	341.68	364.68	
Non-Current liabilities			
Financial liabilities (excluding provisions)	1.35	1.59	
Other liabilities	<u>503.85</u>	<u>438.75</u>	
	505.20	440.34	
Net Assets	(214.41)	(148.06)	
Ownership Interest	26.00%	26.00%	
Calculated Share of Net Assets	(55.75)	(38.50)	
Goodwill			
Carrying amount of interest	(55.75)	(38.50)	
	Summarized statement of profit and loss		
Revenue	36.29	218.87	
Depreciation and amortisation	35.03	35.21	
Interest Expense	6.83	5.29	
Income tax expense or income	(22.32)	(21.15)	
Profit or loss from continuing operations.	(63.92)	(61.01)	
Post-tax profit or loss from discontinued operations.	-	-	
Other comprehensive income.	0.28	(0.28)	
Total comprehensive income.	<u>(63.64)</u>	<u>(61.29)</u>	
Ownership interest	26.00%	26.00%	

Summarised financial information for Joint Ventures not individually significant

	Summarized statement of profit and loss		
Profit or loss from continuing operations.	(18.07)	(19.11)	
Post-tax profit or loss from discontinued operations.	-	-	
Other comprehensive income.	(0.04)	-	
Total comprehensive income.	<u>(18.11)</u>	<u>(19.11)</u>	

Associates, not individually significant

	Summarized statement of profit and loss		
Profit or loss from continuing operations.	0.94	0.38	
Post-tax profit or loss from discontinued operations.	-	-	
Other comprehensive income.	-	-	
Total comprehensive income.	0.94	0.38	

44B. Summarised financial information of equity method investees (contd...)

The unrecognised share of losses of joint ventures, both for the reporting period and cumulatively, where SAIL has stopped recognising its share of losses of the joint venture when applying the equity method

Summarized statement of profit and loss	31 st March, 2023	31 st March, 2022
Bhilai Jaypee cement Limited - Reporting	3.24	-
Bhilai Jaypee cement Limited - Cumulative	3.24	-
SAIL SCL Kerala Limited - Reporting	2.87	9.04
SAIL SCL Kerala Limited - Cumulative	57.69	54.82
	(₹ in crore)	
	31 st March, 2023	31 st March, 2022
Dividend Received from the Joint Ventures		
NTPC SAIL Power Company Limited	325.00	100.00
mjunction Services Limited	10.00	75.00
Bokaro Power Supply Co. Pvt. Limited	66.97	12.40

44C. Details of Subsidiaries, Joint Ventures and Associates

44.C.1 Investment in Jointly controlled entities of the Group as detailed below has been fully provided for as at 31st March, 2023 . The share of profit/loss in respect of these joint ventures has been considered at Nil:

Name of the Jointly Controlled Entities	
1	VSL SAIL JVC Limited
2	SAIL Bansal Service Centre Ltd
3	SAIL SCL Kerela Limited
4	SAIL Kobe Iron India Pvt. Limited

Jointly controlled entities of the Group as detailed below are under liquidation/closure/resolution.

Subsidiary/ Jointly controlled entities of ICVL (Joint Venture Entity):	
1	SAIL SCL Kerela Limited

44.C.2 In respect of one subsidiary of the Group and eight jointly controlled entities, as detailed below, certain accounting policies are not consistent with that of the Group's accounting policies. The effect on the profit/ loss of these jointly controlled entities due to inconsistency in accounting policy with that of the group is not material

Sl No.	Name of the Jointly Controlled Entities	Details of Differing Accounting Policy in comparison to Accounting Policy of the Holding Company
1	SAIL Refractory Company Limited - Subsidiary	Note No. 3.1.3: Depreciation on certain assets are provided on the basis of estimated useful life, which is different from SAIL. No monetary limit on capitalization of Capital Repairs
2	mjunction services limited	Note No. 2.4: Intangible assets (software) are amortised over a period of three years.
3	International Coal Ventures Private Limited	Note No. 3.2.2: Major repairs of property, plant and equipment are recognised in the carrying amount of the item if it is probable that the future economic benefits of the costs incurred will flow to the Group. Note No. 3.2.3: Depreciation on capital spares is provided over the useful life of the spare or remaining useful life of the mother asset, as reassessed, whichever is lower.
4	NTPC-SAIL Power Company Limited	Note No. 1.1: No monetary limit on capitalization of Capital Spares Note No. 1.2: No monetary limit on capitalization of Capital Repairs Note No. 1.5: Depreciation on certain assets are provided on the basis of estimated useful life, which is different from SAIL. Note No. 3.4: Amortization of software is done for 3 years or legal right to use, whichever is less Note No. 7: Valuation of Inventory Note No. 19: Prior Period Adjustment
5	SAIL-RITES Bengal Wagon Industry Private Limited	Note No. 3.5: Basis of valuation of inventory is different from SAIL. Note No. 3.11: Policy different from SAIL

44.C.2 (contd...)

SI No.	Name of the Jointly Controlled Entities	Details of Differing Accounting Policy in comparison to Accounting Policy of the Holding Company
6	Bokaro Power Supply Co. Pvt. Ltd.	Note No. 4.1 - PPE- Initial Recognition and Measurement Note No.4.2 Derecognition Note No.4.3 Depreciation Note No.6.1 Life of Software Note No.9 Inventories Note No.13 Revenue Recognition Note No.14 Liquidated Damage Note No.24 Dividend Note No.25 Prior Period items
7	Bhilai Jaypee Cement Limited	Note No. 2.9 Property, Plant & Equipment Note No. 2.11 Intangible Assets Note No. 2.16 Inventories
8	GEDCOL SAIL Power Corporation Ltd.	g. The estimated useful life of Computer is 3 years
9	SAIL SCL Kerela Limited	b) Basis of preparation e) Depreciation g) Cash and Cash equivalent i) Inventories

44.C.3 Under equity method, investment in a Joint venture/Associate is not calculated on a line by line method unlike in the case of subsidiaries. Therefore, only profit/loss element on closing stock of purchase/sale from jointly controlled entities is to be considered for elimination. SAIL mainly purchases power from its Joint ventures which has no closing stock. Further, transactions with other Jointly controlled entities is very immaterial and it is also not practically possible to compute profit/loss on the same.

44D. Information required by Schedule III of the Companies Act 2013, with respect to consolidated financial statements

(₹ in crore)

For the year ended 31 st March, 2023	Net Worth			Profit or (Loss)		Other Comprehensive Income		Total Comprehensive Income	
Name of the entity in the group	Ownership in % As at 31 st March, 2023	Proportionate Share (₹ crore)	As % of Consolidated Net Worth	Share in Profit/ (Loss) (₹ crore)	As % of Consolidated Profit/ (Loss)	Share in Other Comprehensive Income (₹ crore)	As % of Consolidated Other Comprehensive Income	Share in Total Compre- hensive Income (₹ crore)	As % of Consolidated Total Comprehensive Income
Steel Authority of India	100.00	52,139.18	95.24%	1,903.07	87.44%	(438.61)	146.64%	1,464.46	78.00%
Subsidiaries									
SAIL Refractory Company Limited	100.00	168.82	0.31%	17.75	0.82%	(0.49)	0.16%	17.26	0.92%
Chhattisgarh Mega steel limited	74.00	-	0.00%	-	0.00%	-	0.00%	-	0.00%
Joint-ventures									
NTPC SAIL Power Company Ltd	50.00	986.76	1.80%	235.17	10.80%	0.34	-0.11%	235.50	12.54%
Bokaro Power Supply Co. Pvt. Ltd.	50.00	384.26	0.70%	32.20	1.48%	(0.14)	0.05%	32.07	1.71%
mjunction Services Limited	50.00	113.54	0.21%	37.11	1.70%	(0.16)	0.05%	36.95	1.97%
SAIL Bansal Service Centre Ltd	40.00	0.50	0.00%	0.01	0.00%	(0.02)	0.01%	(0.01)	0.00%
Bhilai Jaypee Cement Limited	26.00	25.32	0.05%	(13.38)	-0.61%	0.07	-0.02%	(13.31)	-0.71%
International Coal Ventures Private Ltd.	47.82	890.68	1.63%	(60.47)	-2.78%	139.88	-46.76%	79.41	4.23%
SAIL SCL Kerala Limited	49.26	(17.14)	-0.03%	-	0.00%	-	0.00%	-	0.00%
SAIL RITES Bengal Wagon Industry Pvt. Ltd.	50.00	14.83	0.03%	0.17	0.01%	-	0.00%	0.17	0.01%
SAIL Kobe Iron India Pvt. Limited	50.00	0.26	0.00%	(0.01)	0.00%	-	0.00%	(0.01)	0.00%
Prime Gold-SAIL JVC Limited	26.00	6.44	0.01%	0.33	0.02%	-	0.00%	0.33	0.02%
VSL SAIL JVC Limited	20.58	1.25	0.00%	-	0.00%	-	0.00%	-	0.00%
GEDCOL SAIL Power corp. Ltd.	26.00	-	0.00%	(0.01)	0.00%	-	0.00%	(0.01)	0.00%
Bastar Railway Private Limited	12.00	0.28	0.00%	(0.11)	-0.01%	-	0.00%	(0.11)	-0.01%
Associates							0.00%		
Almora Magnesite Limited	20.00	1.01	0.00%	0.19	0.01%	-	0.00%	0.19	0.01%
Non-controlling interest		-	-	-	-	-	-	-	-
Consolidation adjustments		30.64	0.06%	24.53	1.13%	0.00	0.00%	24.53	1.31%
Grand total		54,746.68	100.00%	2,176.53	100.00%	(299.12)	100.00%	1,877.41	100.00%



44E. Information required by Schedule III of the Companies Act 2013, with respect to consolidated financial statements

For the year ended 31 st March, 2022	Net Worth			Profit or (Loss)		Other Comprehensive Income		Total Comprehensive Income	
Name of the entity in the group	Ownership in % As at 31 st March, 2022	Proportionate Share (₹ crore)	As % of Consolidated Net Worth	Share in Profit/ (Loss) (₹ crore)	As % of Consolidated Profit/ (Loss)	Share in Other Comprehensive Income (₹ crore)	As % of Consolidated Other Comprehensive Income	Share in Total Comprehensive Income (₹ crore)	As % of Consolidated Total Comprehensive Income
Steel Authority of India	100.00	47,886.61	88.33%	12,015.04	98.13%	(64.45)	665.82%	11,950.59	97.69%
Subsidiaries									
SAIL Refractory Company Limited	100.00	164.08	0.30%	19.66	0.16%	0.31	-3.20%	19.97	0.16%
Chhattisgarh Mega steel limited	74.00	(0.01)	0.00%	(0.01)	0.00%	-	0.00%	(0.01)	0.00%
Joint-ventures									
NTPC SAIL Power Company Ltd	50.00	1,718.61	3.17%	179.00	1.46%	(0.02)	0.21%	178.98	1.46%
Bokaro Power Supply Co. Pvt. Ltd.	50.00	569.75	1.05%	39.37	0.32%	(0.10)	0.98%	39.27	0.32%
mjunction Services Limited	50.00	136.42	0.25%	34.88	0.28%	0.38	-3.93%	35.26	0.29%
SAIL Bansal Service Centre Ltd	40.00	1.23	0.00%	0.25	0.00%	-	0.00%	0.25	0.00%
Bhilai Jaypee Cement Limited	26.00	19.84	0.04%	(9.34)	-0.08%	(0.07)	0.75%	(9.41)	-0.08%
International Coal Ventures Private Ltd.	47.82	1,136.14	2.10%	(11.08)	-0.09%	54.20	-559.91%	43.11	0.35%
SAIL SCI Shipping Pvt. Limited	50.00	-	0.00%	-	0.00%	-	0.00%	-	0.00%
SAIL SCL Kerala Limited	49.26	-	0.00%	-	0.00%	-	0.00%	-	0.00%
SAIL RITES Bengal Wagon Industry Pvt. Ltd.	50.00	30.82	0.06%	0.81	0.01%	-	0.00%	0.81	0.01%
SAIL Kobe Iron India Pvt. Limited	50.00	0.25	0.00%	(0.01)	0.00%	-	0.00%	(0.01)	0.00%
Prime Gold-SAIL JVC Limited	26.00	3.39	0.01%	-	0.00%	-	0.00%	-	0.00%
VSL SAIL JVC Limited	20.58	1.02	0.00%	-	0.00%	-	0.00%	-	0.00%
Abhinav SAIL JVC Limited	26.00	-	0.00%	-	0.00%	-	0.00%	-	0.00%
TMT SAL SAIL JV Limited	26.00	-	0.00%	-	0.00%	-	0.00%	-	0.00%
SAL SAIL JVC Limited	26.00	-	0.00%	-	0.00%	-	0.00%	-	0.00%
GEDCOL SAIL Power corp. Ltd.	26.00	2.61	0.00%	(0.01)	0.00%	-	0.00%	(0.01)	0.00%
Bastar Railway Private Limited	12.00	35.34	0.07%	(0.11)	0.00%	-	0.00%	(0.11)	0.00%
Associates							0.00%		
Almora Magnesite Limited	20.00	1.38	0.00%	0.08	0.00%	-	0.00%	0.08	0.00%
Non-controlling interest				-				-	
Consolidation adjustments		2,504.24	4.62%	(25.04)	-0.20%	0.07	-0.71%	(24.97)	-0.20%
Grand total		54,211.69	100.00%	12,243.47	100.00%	(9.68)	100.00%	12,233.79	100.00%

(₹ in crore)

	As at 31 st March, 2023	As at 31 st March, 2022
45: DETAILS OF ASSETS PLEDGED		
Current		
Inventories and trade receivables (to the extent pledged)	3957.68	3302.98
Non Current		
Plant & Machinery (movable assets) - RSP (to the extent of pledged).	4100.00	4100.00
Land at Mouje-Wadej of city taluka, District Ahemadabad, Gujarat and Plant & Machinery - ISP including land on which it stands.	1533.00	3547.00

46: EFFECTIVE TAX RECONCILIATION

Profit before tax	2892.44	16291.87
Domestic tax rate	25.168%	25.168%
Expected tax expense [A]	727.97	4100.34
Adjustment for tax-exempt income/non-deductible expenses	46.85	33.00
Adjustment for difference tax rate items	(6.89)	-
Tax related to earlier years	18.25	(45.95)
Others	(70.27)	(38.99)
Total adjustments [B]	(12.06)	(51.94)
Actual tax expense [C=A+B]	715.91	4048.40
Tax expense comprises:		
Current tax	125.47	7.25
Deferred tax charge	590.44	4041.15
Tax expense recognized in Statement of profit and loss	715.91	4048.40

In Respect of Group:

47.1 CONTINGENT LIABILITIES

(₹ in crore)

	As at 31 st March, 2023	As at 31 st March, 2022
(i) Claims against the Group pending appellate/judicial decisions :	37919.08	36115.34
(ii) Other claims against the Group not acknowledged as debt:	5274.48	5568.25
(iii) Disputed income tax/service tax/other demand on joint venture Group for which Group may be contingently liable under the joint venture agreement.	48.72	48.86
(iv) Bills drawn on customers and discounted with banks.	212.99	39.84
(v) Price escalation claims by contractors/suppliers and claims by employees.	310.18	309.34

In Respect of SAIL:

- 47.2 a) (i) The Nine Judges Constitutional Bench of Hon'ble Supreme Court, vide its judgment dated 11th November, 2016, upheld the Constitutional validity of Entry Tax Act enacted by various States and laid down principles/tests for consideration for deciding the specific issues related to levy of Entry Tax. As on 31st March, 2023, the matters are pending before Regular Benches of Hon'ble Supreme Court/Jurisdictional High Courts/assigned authorities in this regard. Pending decision by the other Courts, disputed Entry Tax liabilities of ₹1184.81 crores have been treated by the Group as Contingent Liability (As at 31st March, 2022 - ₹1178.51 crores) and included in Note No. 47.1 (i) above.
- (ii) In respect of levy of Entry Tax in Industrial township of Rourkela Steel Plant, Hon'ble Supreme Court, vide its judgment dated 4th November, 2022 had decided that Entry Tax is leviable in areas covered under Rourkela Steel Plant Industrial township. However, by virtue of a judgement dated 01.12.2021 pronounced by Orissa High Court and subsequently upheld by the Supreme Court vide its order dated 13.07.2022, the reassessed demands raised under Section 10 of Orissa Entry Tax Act, 1999 in absence of original assessment are liable to be rejected. Pending such adjudication as on 31st March, 2023, these demands amounting to ₹213 crores (31st March 2022 ₹ 241 crores) have been treated as Contingent Liability and included in Note No. 47.1 (i) above.
- b) Hon'ble Supreme Court dismissed the SLP by the Group (pertaining to Bokaro Steel Plant) in respect of dispute with Damodar Valley Corporation (DVC) related to provisional tariff petition of electricity charges for 2009-14 vide order dated 18th January, 2017, keeping the question of law open. The Order of Central Electricity Regulatory Commission (CERC) dt.7/8/2013 related to Tariff of 2009-14 against Petition No.275/GT/2012 has been challenged before Appellate Tribunal for Electricity (APTEL) (Appeal No.18 of 2014) in which the Group has also intervened

and the order of APTEL is pending. Further, in respect of the civil appeal filed by Damodar Valley Corporation (DVC) pertaining to tariff of Financial Year 2004-05 to 2008-09 against the order of the Appellate Tribunal for Electricity (APTEL), the Hon'ble Supreme Court of India dismissed the appeal vide its Order dated 3rd December, 2018 which can also have effect on future tariff orders in view of consideration of certain parameters for fixation of tariff. Accordingly, State Electricity Regulatory Commission (SERC) will finalise the retail tariff as directed by APTEL, the financial implication of which can only be ascertained after the Tariff fixation by SERC. For the State of Jharkhand where the dispute of ₹587.72 crore arises, DVC filed its Retail Tariff Application in November, 2020 along with application for Annual Revenue Requirement before the Jharkhand State Electricity Regulatory Commission for the period 2006-07 to 2011-12 and also seeking adjustment of Revenue Gap/Surplus in the period of 2012-13 to 2014-15. The Group has also filed their objections on 28.12.2020 to the aforesaid Application of DVC. Pending fixation of such Electricity Tariffs, disputed claims of DVC of ₹587.72 crore upto 31st March, 2023 (upto 31st March, 2022, ₹587.72 crore) has been treated as Contingent Liability and included in Note No. 47.1(i) above. Against the said claims, the entire amount has been paid to DVC and retained as advance. Further from 1st April, 2017 onwards full invoice value is being paid and charged to revenue.

47.3 Under the Jharkhand Mineral Area Development Authority (Amendment) Act, 2015, the State Government of Jharkhand has made a demand of ₹5037.29 crore upto 31st March, 2023 (upto 31st March, 2022 ₹4690.37 crore) towards "Market Fee" on transaction value of coal, iron and steel items. As the matter is sub-judice, the amount has been disclosed as Contingent Liability in Note No. 47.1(i) above.

The Mineral (Mining by Government Company) Rules 2015 (the "MMGC Rules") were notified by GOI on 03.12.2015. Although no provision was made for realization of any money for extension of the leases in the said Rules, demands for payment under the MMGC Rules 2015 in respect of Duargaiburu lease of Gua, Amalgamated leases of Kiriburu-Meghahatuburu and Dhobil lease of Chiria were raised by the District Mining Officer (DMO), Chaibasa, Jharkhand. The collective demand for payment against the notices was about ₹2980 Crore. SAIL challenged the demand notices through the filing of Writ Petitions in Hon'ble High Court of Jharkhand in December 2019. Hon'ble High Court vide order dated 18.12.2019/20.12.2019 stayed the operation of such demand notices. In the meantime, the Government of Jharkhand sought clarification in respect of right/claim to

raising of demand under Rule 5 of Mineral (Mining by Government Company) Rule, 2015(MMGC) from the Ministry of Mines, Govt. of India. The Ministry of Mines, GOI vide letter dated 29.01.2021 clarified MMGC Rule, 2015 do not provide for payment of the additional amount for extension of mining leases granted to a Government Company. Pending disposal of the matter by the Hon'ble High Court of Jharkhand, an amount of ₹5241.88crores (₹4526.00 crore as on 31st March, 2022) has been disclosed as contingent liability in Note No. 47.1(i) above.

47.4 In its judgement, the Central Administrative Tribunal (CAT), Kolkata has directed that Ministry of Steel shall consider the aspect of payment of arrears of revised perks and allowances and take appropriate decision for payment of revised perks and allowances amounting to ₹309.34 crore (previous year: ₹309.34 crore) to the executives for the period from 26.11.2008 to 4.10.2009. Ministry of Steel intimated the matter to the Group on 7.12.2016. A stay petition in the matter has been filed on 22.12.2016 and is pending before the Hon'ble Calcutta High Court. As the matter is sub-judice, the amount has been disclosed as Contingent Liability in Note No. 47.1 above.

47.5 (i) The Ministry of Environment & Forest and Climate Change (MoEF& CC) vide their letter No.-11-599/ 2014-FC dated 1st April 2015 issued revised Guidelines for diversion of Forest Land for non-forest purpose under the Forest (Conservation) Act, 1980 (FC Act). These revised Guidelines stipulated that in case of existing mining leases having Forest Land (partially or fully), where approval for only a part of forest land has been obtained under the FC Act, the Central Government accorded general approval under Section-2(iii) of the FC Act for the remaining area also to be Forest Land, subject to certain conditions, which includes realising Net Present Value (NPV) for the entire forest land falling in the mining lease, in case NPV of such forest land has not already been realised.

In this matter, as per legal opinion obtained by the Group, Section 2 (iii) of FC Act, 1980 will not apply to Government Corporation and NPV is required to be paid only for that limited area, which has been approved by MoEF& CC and in which mining activities are proposed to be done and not for the entire forest area. The matter of applicability of NPV for total forest land has been challenged by the Group in Hon'ble High Court of Jharkhand. The Hon'ble Court, in its order, has directed to place the matter before Division Bench of this Court.

A writ petition has also been filed in the Hon'ble high Court of Chhattisgarh against the demand of ₹96.28 crores received during 2017-18 from

the Office of Principal Chief Conservator of Forest, Chhattisgarh, in which the Hon'ble High Court of Chhattisgarh awarded judgement in favour of Chhattisgarh Government.

The Group has deposited ₹96.28 crores with Principal Chief Conservator of Forest, Chhattisgarh and a Special Leave Petition has been filed in Hon'ble Supreme Court of India against the order of Hon'ble High Court of Chhattisgarh. The disputed amount of ₹96.28 crore (previous year: ₹96.28 crore) has been disclosed under contingent liability in Note no.47.1.(i).

(ii) Chhattisgarh State enacted Chhattisgarh (Adhosanrachna Vikas ewam Paryawaaran) Upkar Adhiniyam, 2005 and levied Cess on the mineral extracted in the State of Chhattisgarh. BSP has filed a writ petition in the High Court of Chhattisgarh challenging the enactment as ultra vires. However, BSP has deposited ₹212.96 crore under protest till March, 2023 and shown as deposit with Government Department. Total disputed amount of ₹212.96 crore (previous year ₹190.80 crore) is disclosed under contingent liability in Note no.47. 1.(i).

47.6 Pursuant to the Hon'ble Supreme Court Judgment dated 2nd August, 2017 in the Common Cause matter regarding illegal mining, demand/Show cause notices have been issued for recovery of the price of minerals produced without and beyond the environmental clearances under Section 21(5) of Mines and Mineral Development Regulation Act, 1957, forest clearance under the Forest Conservation Act 1980, and towards excess production beyond consent to operate. The Group has challenged the purported demand before the High Court of Jharkhand and Odisha and obtained stay on demand.

(a) As the matter is pending for final determination and considering the implication of existing litigation, the Group has provided:

(i) In respect of Iron Ore, by the Government of Odisha and Government of Jharkhand amounting to ₹386.33 crore and ₹2847.52 crore (₹345.03 crore and ₹2573.03 crore as on 31st March, 2022) respectively (including interest). Based on internal assessment, the Group has provided an amount of ₹329.67 crore (₹329.67 crore as on 31st March, 2022) on estimated basis. Balance amount of ₹2904.18 crore (₹2588.39 crore as on 31st March, 2022) (including interest) has been treated as contingent liability in Note No. 47.1(i).

(ii) In respect of Flux, by the Government of Jharkhand & Odisha amounting to ₹59.03 crore (₹52.35 crore as on 31st March 2022) (including interest). Based on internal

assessment, the Group has provided an amount of ₹6.86 crore (₹6.86 crore as on 31st March 2022) on estimated basis. Balance amount of ₹52.17 crore (₹45.49 crore as on 31st March 2022) (including interest) has been treated as contingent liability in Note No. 47.1(i) above.

(iii) In respect of Coal, by the Government of Jharkhand amounting to ₹755.90 crore (₹675.62 crore as on 31st March 2022) (including interest), Revision Application has been filed under Rule 55 (5) of Mineral Concessions Rule, 1960 read with Section 30 of Mines and Minerals (Development and Regulation) Act, 1957 (MMDR). The Revisional Authority, Ministry of Coal, has granted Stay to the Group. Accordingly pending disposal, the amount of ₹755.90 crore (₹675.62 crore as on 31st March 2022) (including interest) has been treated as Contingent Liability in Note No. 47.1(i) above.

47.7 M/s JSC Cryogenmash have filed a case before Arbitral Tribunal in International Chamber of Commerce against SAIL/Bhilai Steel Plant for resolution of dispute arising out of contract. Arbitral Tribunal has awarded a sum of ₹106.92 crores on 20.07.2018 against SAIL / Bhilai Steel plant.

Against the award, the management has filed an appeal before Hon'ble High Court at Delhi which has been admitted. Pending disposal of appeal, the sum of ₹160.37 crore (previous year: ₹133.65 crore) (including interest) has been disclosed under contingent liability in Note no 47.1(ii) above.

47.8 Land measuring 5.545 acres was allotted to DVC for 30 years w.e.f. 12.07.1966 on long term lease basis. The Land was given to DVC for setting up of Electrical sub-station for ensuring supply of power for the benefit of ASP. There was no lease agreement for the subsequent period, i.e., w.e.f. 13/07/1996. In absence of any agreement, the dues receivables for the said period, could not be ascertained with reasonable certainty. The same will be accounted for in the year of settlement.

47.9 Consequent to the order of Hon'ble Odisha High Court, Group's claim towards renewal of lease [total area of 2599.54 acre disclosed under Note No. 4.(ii) (b)], of land at Horomoto stands rejected, except surface area of 222.54 acre for which State Govt has been directed to consider as per provisions of Law.

47.10 An award arising out of the Arbitration between M/S.Goyal Mg Gases Pvt.Ltd.(Claimant) And SAIL/Alloy Steels Plant, Durgapur (Respondent) seeking claim of ₹116.86 crore, has been received on 22.05.2020, vide SCOPE, New Delhi letter dated 18.05.2020.

By the aforesaid award, Tribunal allowed claim no. 1 and 2 of the Claimant w.r.t. differential amount

pertaining to transportation charges of Argon from DSP BOO Plant to ASP based upon market rate claimed by the Claimant and refund of withheld/ deducted amount by ASP from the bills of the Claimant on account of merchant market sale of Oxygen, Nitrogen and Argon respectively along with applicable interest thereon, out of the total claimed amount.

SAIL ASP is in the process of 2nd stage of litigation and filed a petition before the Commercial Court, Asansol,

for setting aside the award under Section 34 of the Arbitration and Conciliation Act 1996 (the Act), as the issues pertain to patent illegality committed by the Tribunal while giving the award.

In view of above and based on the amount quantified by the tribunal, the net disputed liability of ₹6.56 crore as on 31st March, 2023 (previous year: ₹10.92 crore), including interest, has been shown under Contingent Liability in Note No. 47.1(i) above.

In Respect of Group:

48.1 (A) Estimated amount of contracts remaining to be executed and not provided for (net of advances) are: (₹ in crore)

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
Capital commitments	5155.40	6295.48
Other commitments	6419.70	4256.73

In respect of SAIL:

(B) The Title Deeds/Lease Agreements of the following Immovable Properties (included under the line item 'Property Plant and Equipment' and 'Right of use asset') are not held in the name of the Group

As at 31st March, 2023

S. No.	Line Item in Balance Sheet	Nature of Property	Gross Value (₹ Crore)	Title deed held in the name of	Whether title deed holder is a promoter/ Director etc. (Y/N)	Date/Month/ Year since property held	Reason for not being held in name of Group
1	Right of use Assets	Leasehold Land	15.07	CG government	N	01-03-2013	Taken up with the concerned authorities
2	Right of use Assets	Lease Hold Land	16.80	Kolkata Port Trust	N	07-05-2014	Pending Registration
3	Right of use Assets	Lease Hold Land	11.97	Vizag Seaport Pvt Limited	N	27-07-2004	Pending Registration
4	Right of use Assets	Lease Hold Land	0.91	Jammu & Kashmir Govt	N	05-07-1968	Pending Registration
5	Property, Plant & Equipment	Free Hold Land	0.13	Triveni Structural Limited	N	25-02-1970	Pending Registration
6	Right of use Assets	Lease Hold Land	0.67	Kanpur Development Authority	N	1986	Pending Registration
7	Property, Plant & Equipment	Free Hold Land	0.06	Southern Railway	N	31.03.1984	Pending Registration
8	Right of use Assets	Lease Hold Land	23.04	Kolkata Metropolitan Development Authority	N	09.10.2009	Pending Registration
9	Property, Plant & Equipment	Building	0.28	ASHOK SANKAR BHATNAGAR (HUF)	N	01.08.2019	Pending Registration
10	Right of use Assets	Leasehold Land	0.20	Mecon Ltd	N	1979-1980	Held by Mecon Ltd (As per Act No. 16 of 1978)
11	Property, plant and Equipment	Freehold Land	0.01	Asian Refractories	N	05-04-1963	Rehabilitation on behalf of Deptt of Industries, Govt of Bihar
12	Property, plant and Equipment	Freehold Land	0.12	Assam Siliminites & Bharat Refractories Ltd	N	11-02-1976 & 30-04-1978	Rehabilitation on behalf of Deptt of Industries
13	Property, plant and Equipment	Freehold Land	0.13	India Firebricks & Insulation Company Ltd.	N	15-09-1960	Rehabilitation on behalf of Deptt of Industries
14	Property, Plant & Equipment	Freehold Land	0.10	State Govt	N	Sept'1958	Pending receipt of Records of Rights (ROR)
15	Right of use Assets	Leasehold Land	147.81		N	01.02.2009	Litigation with UPSIDC, U.P
16	Right of use Assets	Leasehold Land	3.28	Odisha Govt	N	01.10.1959	Absence of lease agreement with Govt of Odisha
17	Property, Plant & Equipment	Freehold Land	126.24	Jharkhand State Government	N	From 1960	MOU signing formalities awaited between Jharkhand Govt and SAIL/Bokaro Steel Plant
18	Property, Plant & Equipment	Freehold Land	10.29	Various Parties	N	1986 to 2008	Mutation is pending
19	Property, Plant & Equipment	Freehold Land	0.09	Various Parties	N	1954-1974	Mutation is pending
20	Property, Plant & Equipment	Freehold Land	0.96	Govt of W.B.	N	1963	Pending Registration
21	Property, Plant & Equipment	Freehold Land	7.56	Title Deed not execute for land acquired by State Govt	N	1972 TO 1980	Land was Acquired by State Government

As at 31st March, 2022

S. No.	Line Item in Balance Sheet	Nature of Property	Gross Value (₹ Crore)	Title deed held in the name of	Whether title deed holder is a promoter/ Director etc. (Y/N)	Date/Month/ Year since property held	Reason for not being held in name of Group
1	Property, Plant & Equipment	Freehold Land	0.96	Govt of West Bengal	N	1963	Pending Registration
2	Property, Plant & Equipment	Freehold Land	126.24	Jharkhand State Government	N	From 1960	MOU signing formalities awaited between Jharkhand Govt and SAIL/Bokaro Steel Plant
3	Right of use Assets	Lease Hold Land	16.80	Kolkata Port Trust	N	07-05-2014	Pending Registration
4	Right of use Assets	Lease Hold Land	11.97	Vizag Seaport Pvt Limited	N	27-07-2004	Pending Registration
5	Right of use Assets	Lease Hold Land	0.91	Jammu & Kashmir Govt	N	05-07-1968	Pending Registration
6	Property, Plant & Equipment	Free Hold Land	0.13	Triveni Structural Limited	N	25-02-1970	Pending Registration
7	Right of use Assets	Lease Hold Land	0.67	Kanpur Development Authority	N	1986	Pending Registration
8	Property, Plant & Equipment	Free Hold Land	3.85	Chennai Metro Development Authority	N	06.03.1995	Pending Registration
9	Property, Plant & Equipment	Free Hold Land	0.06	Southern Railway	N	31.03.1984	Pending Registration
10	Right of use Assets	Lease Hold Land	23.04	Kolkata Metropolitan Development Authority	N	09.10.2009	Pending Registration
11	Property, Plant & Equipment	Building	0.28	ASHOK SANKAR BHATNAGAR (HUF)	N	01.08.2019	Pending Registration
12	Property, Plant & Equipment	Freehold Land	0.48	State Govt	N	Sept' 1958	Pending receipt of Records of Rights (ROR)
13	Property, Plant & Equipment	Freehold Land	7.56	Title Deed not execute for land acquired by State Govt	N	1972 TO 1980	Land was Acquired by State Government
14	Right of use Assets	Leasehold Land	0.20	Mecon Ltd	N	1979-1980	Held by Mecon Ltd (As per ActNo. 16 of 1978)
15	Right of use Assets	Leasehold Land	15.07	Chhattisgarh government	N	01-03-2013	Taken up with the concerned authorities
16	Property, plant and Equipment	Freehold Land	0.01	Asian Refractories	N	05-04-1963	Rehabilitation on behalf of Deptt of Industries, Govt of Bihar
17	Property, plant and Equipment	Freehold Land	0.12	Assam Siliminites & Bharat Refractories Ltd	N	11-02-1976 & 30-04-1978	Rehabilitation on behalf of Deptt of Industries
18	Property, plant and Equipment	Freehold Land	0.13	India Firebricks & Insulation Company Ltd.	N	15-09-1960	Rehabilitation on behalf of Deptt of Industries
19	Property, Plant & Equipment	Freehold Land	10.29	Various Parties	N	1986 to 2008	Mutation is pending
20	Property, Plant & Equipment	Freehold Land	0.09	Various Parties	N	1954-1974	Mutation is pending
21	Right of use Assets	Leasehold Land	0.49	Govt. of West Bengal	N	01.08.2011	Lease property right is in the name of SAIL for 99 years
22	Right of use Assets	Leasehold Land	147.81	(UPSIDC)	N	01.02.2009	Litigation with UPSIDC, U.P
23	Right of use Assets	Leasehold Land	3.28	Odisha Govt	N	Since 1960s	Absence of lease agreement with Govt of Odisha

In respect of SRCL:

The Title Deeds/Lease Agreements of the following Immovable Properties (included under the line item 'Property Plant and Equipment' and 'Right of use asset') are not held in the name of the company:

S. No.	Nature of property	Total Area (Acres)	Gross Value (₹ Crore)	Title Deed Held in Name of	Whether title deed holder is a promoter, director or their	Period held – indicate range, where appropriate	Reason for not being held in name of the Company
1	Free Hold Land	147.994 (Salem Tamil Nadu)	5.11	Burn Standard Company Ltd. (BSCL)	No	Since 16.12.2011	1)SRCL has applied for waiver of stamp duty to the tune of ₹5.07 crore to the Inspector General of Registration, Chennai based on the fact that the said transfer was between two Departments/ Administrative Ministries of Govt. of India (Dept. of Heavy Industries and Ministry of Steel)



S. No.	Nature of property	Total Area (Acres)	Gross Value (₹ Crore)	Title Deed Held in Name of	Whether title deed holder is a promoter, director or their	Period held – indicate range, where appropriate	Reason for not being held in name of the Company
2.	Free Hold Land	21.81 (Kushal Nagar, Karnataka)	The total Lease Hold Land shown in Asset Register as one Rupee value	BSCL	No	Since 16.12.2011	2) SRCL requested the Sub-Registrar, Kushal Nagar, Madikeri, Karnataka vide letter SRCL/ Mines/2021-22/041 dated 01.10.2021 for change of ownership in the name of SRCL. The Sub-Registrar Office, Kushal Nagar replied vide letter dated 26.10.2021 stating that SRCL have to contact / approach the TahsildarTaluk office, Kushalnagara . Since then we are following up with the Tahsildar Taluk Office, Kushalnagara for transfer of lands in the name of SRCL.
3.	Lease Hold Land	G.O.No.853- Red Hills Magnesite and Dunite Mines 1538.67 acres		BSCL	No	Since 16.12.2011	3) Subsequent to obtaining the EC, the Lease will be granted in the name of SRCL.
4.	Lease Hold Land	G.O.No.51- Jaghir Magnesite Mines 250.44 acres		BSCL	No	Since 16.12.2011	4) The Govt. of Tamil Nadu has taken over the 246.203 acres of Lease Hold Land. The balance land available is only 4.237 acres. The Govt. of Tamil Nadu has not yet corrected the Lease Hold Land area.
5.	Lease Hold Land	G.O.No.679- A. S. Jaghir Magnesite Mines 93.450 acres		BSCL	No	Since 16.12.2011	5) The Govt. of Tamil Nadu has taken over the 37.012 acres of Lease Hold Land. The balance land available is only 56.438 acres. The Govt. of Tamil Nadu has not yet corrected the Lease Hold Land area

As at 31st March, 2022

S. No.	Nature of property	Total Area (Acres)	Gross Value (₹ Crore)	Title Deed Held in Name of	Whether title deed holder is a promoter, director or their	Period held – indicate range, where appropriate	Reason for not being held in name of the Company
1	Free Hold Land	147.994 (Salem Tamil Nadu)	5.11	By the Deed of transfer executed on 16.12.2011, all the assets, liabilities including free hold land and lease hold land stands transferred in the name SAIL Refractory Company Limited, Salem. On 16 th April, 2012. SRCL applied for Registration of Free Hold Land by paying ₹72.30 lakhs towards registration fees and requesting to exempt the stamp duty.	No	Land Acquired by Burn Standard Company Limited till execution of transfer Deed i.e. 16.12.2011	SRCL has applied for waiver of stamp duty to the tune of ₹5.07 crore to the Inspector General of Registration, Chennai based on the fact that the said transfer was between two Departments/ Administrative Ministries of Govt. of India (Dept. of Heavy Industries and Ministry of Steel) SRCL requested The Sub-Registrar, Kushal Nagar, Madikeri, Karnataka vide letter SRCL/ Mines / 2021-22 / 041 dated 01.10.2021 for change of ownership in the name of SRCL The Sub-Registrar Office, Kushal Nagar replied vide letter dated 26.10.2021 stating that SRCL have to contact / approach the TahsildarTaluk office, Kushalnagara . A letter has been written in this connection to TahsildarTaluk Office, Kushalnagara on 7 th December 2021 and the issue is being followed up.
2	Free Hold Land	21.81 (Kushal Nagar, Karnataka)					

In Respect of SAIL:**48.2 (A)****CWIP AGEING SCHEDULE****Amount of CWIP as on 31st March, 2023 from initial recognition in Balance Sheet**

(₹ in crore)

S. No.	CWIP	0-12 months	12-24 months	24-36 months	More than 36 months	Total
1	Projects in progress	1419.38	552.79	450.91	2464.40	4887.48
2	Projects Temporarily suspended	11.00	15.70	26.59	358.06	411.35
	Gross CWIP	1430.38	568.49	477.50	2822.46	5298.83
					Less: Provision	407.47
					TOTAL	4891.36

Note 48.2 (A) (contd...)

Amount of CWIP as on 31st March, 2022 from initial recognition in Balance Sheet

S. No.	CWIP	0-12 months	12-24 months	24-36 months	More than 36 months	Total
1	Projects in progress	1027.03	545.67	387.89	2805.27	4765.86
2	Projects Temporarily suspended	17.15	0.68	2.62	322.88	343.33
	Gross CWIP	1044.18	546.35	390.51	3128.15	5109.19
					Less: Provision	399.24
					TOTAL	4709.95

(B)

CWIP COMPLETION SCHEDULE FOR PROJECTS OVERDUE

As on 31st March, 2023

(₹ in crore)

S. No.	CWIP	To be completed in			
		0-12 months	12-24 months	24-36 months	More than 36 months
	Projects in progress				
1	Replacement of Plate Bending Machine in CEM	1.21	-	-	-
2	Restoration of Structure for SGP of BF-4	3.37	-	-	-
3	Installation of 4 th Stove in Blast Furnace 4	24.85	-	-	-
4	Rebuilding of salt handling in COCC	2.63	-	-	-
5	Procurement of Railway Rolling Stock - GPWIS	1.79	-	-	-
6	Installation of 3 rd BF Gas Flare at DSP	5.79	-	-	-
7	Implementation of Zero liquid discharge at Coke Ov	3.15	-	-	-
8	Recirculation of recovery pit water at SGP of BF	1.63	-	-	-
9	Modification of emergency water Tank	1.76	-	-	-
10	Replacement of 11KV switchboard of sub-station.	5.92	-	-	-
11	Installation of 2 nos addl. pressure PRDU in Power	1.42	-	-	-
12	Replacement of 2 nos Electric loco in coke oven	5.59	-	-	-
13	Installation of land record information system	0.38	-	-	-
14	Installation of ASP Gas Booster in COCC	1.01	-	-	-
15	Stack emission control of NLCP.	2.95	-	-	-
16	Replacement of cooling water pipelines in BOF.	0.02	-	-	-
17	Upgradation of stake emission control system in BOF	2.87	-	-	-
18	Installation of a new Gas booster in Rolling Mills	9.80	-	-	-
19	Automation system of Conveyor control in COCC.	6.80	-	-	-
20	Installation of reverse osmosis plant in power pla	6.21	-	-	-
21	Procure. of 1 no Turbo Blower in power plant.	0.01	-	-	-
22	Digital map of Durgapur Steel Plant & ASP	-	-	-	-
23	Upgradation-PLC for Process Control- SinterPlant 1	0.59	-	-	-
24	Emergency Power Backup - Load Lifting Magnets CCP	0.89	-	-	-
25	Tundish car Weighing System in Billet Caster	0.27	-	-	-
26	Replacement 25 Ton EOT Crane Sinter Fan House SP1	0.15	-	-	-
27	Extn of 3.3KV Switchboard at HT-13 Substation PMD	0.77	-	-	-
28	1 Portable Ultrasound Machine for M&HS	-	-	-	-
29	Electro Slag Remelting Unit	1.57	-	-	-
30	Portable Optical Emission Spectrometer	0.41	-	-	-
31	Enterprise Procurement System	0.47	-	-	-
32	Vacuum ARC Degassing Unit	1.50	-	-	-
33	Hydrogen Atmosphere Annealing Furnace	2.78	-	-	-
34	Electronic Drawing & Document Management System (EDDMS)	0.58	-	-	-
35	Heavy Mould Handling System at SRU RRRP	2.32	-	-	-
36	De-dusting System at SRU Bhilai	1.24	-	-	-

Note 48.2 (B) (contd...)

S. No.	CWIP	To be completed in			
		0-12 months	12-24 months	24-36 months	More than 36 months
37	RM Shed at SRU Bhandaridah	0.62	-	-	-
38	PGP at SRU IFICO	1.93	-	-	-
39	Recycle of waste water - Oxygen Plant (3094)	11.35	-	-	-
40	Construction of Flyover (M250)	29.50	-	-	-
41	Recycle of waste water - BOF/BF (3095)	11.30	-	-	-
42	Elevator (E031)	1.73	-	-	-
43	Hydraulic Laboratory (M043)	1.77	-	-	-
44	DEVELOPMENT OF ROTARY HEARTH FURNACE TECHNOLOGY	1.48	-	-	-
Projects Temporarily suspended					
1	INST.OF SPNO.3-SURVEY WORK	-	-	-	0.01
2	WIP-MODIFICATION 200T TEEMING CRANE-BLOOM CASTER	-	-	-	2.82
3	DEPOSITION OF 2% CODAL FEES TO RAILWAYS	-	-	-	4.99
4	ENABLING JOBS-ROLLING MILLS-3.0MT EXPN.	-	-	-	6.66
5	3 MT EXPANSION OF DSP - SURVEY WORK.	-	-	-	0.10
6	3 MT EXPAN.DSP/GEOTECHN. INVESTIGATION WORK	-	-	-	0.20
7	Construction of Power supply- 3.0mt Expn	-	-	-	5.27
8	Upgradation of Railway / Traffic infrastructure fa	-	-	-	2.25
9	Consultancy Service for Expansion Plan-MECON	-	-	-	24.34
10	New Sinter Plant -III - Dismantling Job	-	-	-	4.05
11	Infrastructural Facilities - Expansion	-	-	-	1.04
12	RECIRC WATER SUPPLY SYSTEM RIM SPRAY QUENCH WAP	-	-	-	0.42
13	Dynamic Balancing Machine for Railway Wheels in	2.45	-	-	-
14	Wheel Handling System for Dynamic Wheel Balancing	0.66	-	-	-
15	Additional drinking Water Supply lines in DSP Town	6.36	-	-	-
16	M139	-	-	-	6.17
17	2009	-	-	-	0.56
18	M024	-	-	-	1.29
19	2848	-	-	-	11.63
20	M104	-	-	-	2.42
21	1367	-	-	-	0.31
22	1368	-	-	-	0.05
23	1318	-	-	-	0.52
24	Others	-	-	-	1.28

CWIP COMPLETION SCHEDULE FOR PROJECTS OVERDUE
As on 31st March, 2022

(₹ in crore)

S. No.	CWIP	To be completed in			
		0-12 months	12-24 months	24-36 months	More than 36 months
	Projects in progress				
1	Installation Addl nitrogen compressor Oxy plant	4.77	-	-	-
2	Renovation of Old GCP Cooling Tower of Blast Furna	5.08	-	-	-
3	Ladle Tilters at Steel Melting Shop	5.07	-	-	-
4	ESP-2 & Pneumatic Conveying System at Sinter Plant	2.78	-	-	-
5	Power supply at 33KV/11KV Punabad Sub-station	8.95	-	-	-
6	Dynamic Balancing Machine for Railway Wheels in	2.45	-	-	-
7	Closed soft water circuit for LF-1 and LF-2 in BOF	5.98	-	-	-
8	Mechanical Shear by Oxy-fuel gas cutting torches	5.10	-	-	-

Note 48.2 (B) (contd...)

(₹ in crore)

S. No.	CWIP	To be completed in			
		0-12 months	12-24 months	24-36 months	More than 36 months
9	Cast House Tap Hole Drilling Machine and Mud Guns	11.70	-	-	-
10	Installation of 4 th Stove in Blast Furnace 4	4.29	-	-	-
11	Dupli line of CO gas from furnace to rest of Plant	19.47	-	-	-
12	Replacement of PLC system in Blast Furnace	2.06	-	-	-
13	Recirculation of clean pit water from WAP to RM	0.50	-	-	-
14	Revamping of Cooling Tower in COCC.	-	0.02	-	-
15	Installation of ASP Gas Booster in COCC	0.16	-	-	-
16	Bucket Wheel Blender in RMHP	17.17	-	-	-
17	Installation of a new coke oven Gas in COCC	-	0.07	-	-
18	Diversion of control cables in BOO oxyzen Plant	-	-	0.68	-
19	Procurement of 2 nos. Water cum Foam Fire Tender	0.01	-	-	-
20	Electro Slag Remelting Unit	3.07	-	-	-
21	Portable Optical Emission Spectrometer	0.37	-	-	-
22	Enterprise Procurement System	0.32	-	-	-
23	Scanning Electron Microscope	4.49	-	-	-
24	Development of Railway Yard	8.34	-	-	-
25	Erection of 25KV AC traction at Hirapur Yard	5.60	-	-	-
26	Construction of Flyover	17.40	-	-	-
27	Interplant By Pass Pipeline to BF#05	4.53	-	-	-
28	Recycle of waste water from Sinter Plant & PBS including TRT	5.99	-	-	-
29	Recycle of waste water from CCP, RHF, WRBM, USM, CCAS & Oxygen plant	5.23	-	-	-
30	Recycle of waste water from BF, BOF & PBS seal pot	4.10	-	-	-
31	Sewerage Treatment Plant	5.24	-	-	-
32	Heavy Mould Handling System at SRU RRRP	1.44	-	-	-

- 48.3** The amount due to Micro and Small Enterprises as defined in the The Micro, Small and Medium Enterprises Development Act, 2006 (MSMED) (as disclosed in Note No. 30 Trade Payables) has been determined to the extent such parties have been identified on the basis of information available with the Group. The disclosures relating to Micro, Small and Medium Enterprises under Section 22 of MSMED Act, 2006 as at 31st March, 2023 are as under:

(₹ in crore)

S. No.	Description	As at 31 st March, 2023	As at 31 st March, 2022
		For the Year ended	
i.	The principal amount remaining unpaid to suppliers as at the end of the Year.	448.62	140.65
ii.	The amount of interest accrued during the Year and remaining unpaid at the end of the Year.	-	-
iii.	The amount of further interest remaining due and payable even in the succeeding Year, until such date when the interest dues as above are actually paid to the small enterprises, for the purpose of disallowance as a deductible expenditure under section 23.	-	-
iv.	The interest due thereon remaining unpaid to supplier as at the end of the Year.	-	-
v.	The amount of interest paid in terms of section 16, along with the amount of the payment made to the supplier beyond the appointed day during the Year.	31 st March, 2023	31 st March, 2022
vi.	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the Year) but without adding the interest specified under this Act.	-	-

48.4 (A)
TRADE PAYABLE AGEING SCHEDULE

(₹ in crore)

Outstanding as on 31/03/2023 from due date of payment								
S. No.	Particulars	Unbilled Dues	Not due	0-12 months	12-24 months	24-36 months	More than 36 months	Total
1	MSME - Disputed	-	10.68	-	-	-	-	10.68
2	MSME - Undisputed	139.27	298.67	-	-	-	-	437.94
	Subtotal - A	139.27	309.35	-	-	-	-	448.62
3	Others - Disputed	3.52	129.18	0.78	0.27	0.29	44.06	178.10
4	Others - Undisputed	1476.11	1645.65	9900.21	330.47	25.88	333.85	13712.16
	Subtotal - B	1479.63	1774.83	9900.99	330.74	26.17	377.91	13890.25
	Grand Total (A+B)	1618.90	2084.18	9900.99	330.74	26.17	377.91	14338.88

(₹ in crore)

Outstanding as on 31 st March, 2022 from due date of payment								
S. No.	Particulars	Unbilled Dues	Not due	0-12 months	12-24 months	24-36 months	More than 36 months	Total
1	MSME - Disputed	-	-	-	-	-	-	-
2	MSME - Undisputed	1.85	108.51	30.29	-	-	-	140.65
	Subtotal - A	1.85	108.51	30.29	-	-	-	140.65
3	Others - Disputed	1.92	92.56	0.27	0.92	41.26	9.25	146.18
4	Others - Undisputed	1326.22	1247.68	13114.25	71.00	185.86	440.70	16385.71
	Subtotal - B	1328.14	1340.24	13114.52	71.92	227.12	449.95	16531.89
	Grand Total (A+B)	1329.99	1448.75	13144.81	71.92	227.12	449.95	16672.54

In Respect of SRCL:

(₹ in crore)

Outstanding as on 31/03/2023 from due date of payment								
S. No.	Particulars	Unbilled Dues	Not due	0-12 months	12-24 months	24-36 months	More than 36 months	Total
1	MSME - Disputed	-	-	-	-	-	-	-
2	MSME - Undisputed	-	-	-	-	-	-	-
	Subtotal - A	-	-	-	-	-	-	-
3	Others - Disputed	-	-	-	-	-	-	-
4	Others - Undisputed	-	-	2.83	0.01	-	3.30	6.14
	Subtotal - B	-	-	2.83	0.01	-	3.30	6.14
	Grand Total (A+B)	-	-	2.83	0.01	-	3.30	6.14

(₹ in crore)

Outstanding as on 31 st March, 2022 from due date of payment								
S. No.	Particulars	Unbilled Dues	Not due	0-12 months	12-24 months	24-36 months	More than 36 months	Total
1	MSME - Disputed	-	-	-	-	-	-	-
2	MSME - Undisputed	-	-	-	-	-	-	-
	Subtotal - A	-	-	-	-	-	-	-
3	Others - Disputed	-	-	-	-	-	-	-
4	Others - Undisputed	-	-	3.82	-	0.19	3.15	7.16
	Subtotal - B	-	-	3.82	-	0.19	3.15	7.16
	Grand Total (A+B)	-	-	3.82	-	0.19	3.15	7.16

Note 48.4 (contd...)

(B) Expected credit losses

Group provides expected credit losses based on the following;

The Group recognizes lifetime expected credit losses on trade receivables using a simplified approach and uses historical information to arrive at loss percentage relevant to each category of trade receivables:

TRADE RECEIVABLE AGEING SCHEDULE

(₹ in crore)

Ageing of Trade Receivables as at 31 st March, 2023									
Particulars	Unbilled	Not Due	0-3 months	3-6 months	6-12 months	12-24 months	24-36 months	more than 36 months	Total
Gross carrying amount									
(A) Current:									
Undisputed - considered good	-	4040.12	702.98	338.26	166.52	51.85	45.06	17.66	5362.44
Disputed - considered	-	-	-	-	-	0.04	-	-	0.04
	-	4040.12	702.98	338.26	166.52	51.89	45.06	17.66	5362.48
Undisputed - credit impaired	-	-	-	-	-	-	-	265.15	265.15
Disputed - credit impaired	-	-	-	-	-	-	-	46.15	46.15
	-	-	-	-	-	-	-	311.29	311.29
Total current	-	4040.12	702.98	338.26	166.52	51.89	45.06	328.95	5673.77
(B) Non - current:									
Undisputed - considered good	-	-	-	-	-	-	-	-	-
Disputed - considered	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-
Undisputed - credit impaired	-	-	-	-	-	-	-	-	-
Disputed - credit impaired	-	-	-	-	-	-	-	7.83	7.83
	-	-	-	-	-	-	-	7.83	7.83
Total Non-current	-	-	-	-	-	-	-	7.83	7.83
Total gross	-	4040.12	702.98	338.26	166.52	51.89	45.06	336.78	5681.60
Expected loss (%)	-	-	-	-	-	-	-	94.76	5.62
Credit loss allowance	-	-	-	-	-	-	-	319.12	319.12
Net carrying value	-	4040.12	702.98	338.26	166.52	51.89	45.06	17.66	5362.48

(₹ in crore)

Ageing of Trade Receivables as at 31 st March, 2022									
Particulars	Unbilled	Not Due	0-3 months	3-6 months	6-12 months	12-24 months	24-36 months	more than 36 months	Total
Gross carrying amount									
Undisputed - considered good	11.41	3371.78	740.22	100.82	117.42	223.00	163.94	7.81	4736.40
Disputed - considered	-	-	-	-	-	-	0.38	-	0.43
	11.41	3371.78	740.22	100.82	117.42	223.00	164.32	7.81	4736.83
Undisputed - credit impaired	-	-	-	-	-	-	-	192.14	192.14
Disputed - credit impaired	-	-	-	-	-	-	-	260.93	68.79
	-	-	-	-	-	-	-	260.93	260.93
Total current	11.41	3371.78	740.22	100.82	117.47	223.00	164.32	268.74	4997.76
(B) Non - current:									
Undisputed - considered good	-	-	-	-	-	-	-	-	-
Disputed - considered	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-
Undisputed - credit impaired	-	-	-	-	-	-	0.04	-	0.04
Disputed - credit impaired	-	-	-	-	-	-	7.83	-	7.83
	-	-	-	-	-	-	7.87	-	7.87
Total Non-current	-	-	-	-	-	-	7.87	-	7.87
Total gross	11.41	3371.78	740.22	100.82	117.47	230.87	164.32	268.74	5005.63
Expected loss (%)	-	-	0.04	-	-	10.60	2.42	89.34	5.37
Credit loss allowance	-	-	0.27	-	-	24.47	3.97	240.09	268.80
Net carrying value	11.41	3371.78	739.95	100.82	117.47	206.40	160.35	28.65	4736.83

Reconciliation of expected credit loss allowance

(₹ in crore)

Note 48.4 (contd...)

S. No.	Particulars	Amount
	As at 31st March, 2021	244.71
	Changes in allowance	23.73
	As at 31st March, 2022	268.44
	Changes in allowance	50.68
	As at 31st March, 2023	319.12

In Respect of SRCL:
TRADE RECEIVABLE AGEING SCHEDULE

(₹ in crore)

Ageing of Trade Receivables as at 31 st March, 2023										
S. No.	Particulars	Unbilled Dues	Not due	0-3 months	3-6 months	6-12 months	12-24 months	24-36 months	More than 36 months	Total
	Gross carrying amount	-	-	-	-	-	-	-	-	-
	(A) Current:	-	-	-	-	-	-	-	-	-
	Undisputed - considered good	-	-	23.47	3.26	0.76	-	-	-	27.49
	Disputed - considered good	-	-	-	-	-	-	-	-	-
	Undisputed - credit impaired	-	-	-	-	-	-	-	-	-
	Disputed - credit impaired	-	-	-	-	-	-	-	-	-
	Total current	-	-	23.47	3.26	0.76	-	-	-	27.49
	(B) Non - current:	-	-	-	-	-	-	-	-	-
	Undisputed - considered good	-	-	-	-	-	-	-	-	-
	Disputed - considered good	-	-	-	-	-	-	-	-	-
	Undisputed - credit impaired	-	-	-	-	-	0.22	0.00	5.46	5.68
	Disputed - credit impaired	-	-	-	-	-	-	-	-	-
	Total Non-current	-	-	-	-	-	0.22	-	5.46	5.68
	Total gross	-	-	23.47	3.26	0.76	0.22	-	5.46	33.17
	Expected loss (%)	-	-	-	-	-	100	100	100	-
	Credit loss allowance	-	-	-	-	-	0.22	-	5.46	5.68
	Net carrying value	-	-	23.47	3.26	0.76	-	-	-	27.49

(₹ in crore)

Ageing of Trade Receivables as at 31 st March, 2022										
S. No.	Particulars	Unbilled Dues	Not due	0-3 months	3-6 months	6-12 months	12-24 months	24-36 months	More than 36 months	Total
	Gross carrying amount	-	-	-	-	-	-	-	-	-
	(A) Current:	-	-	-	-	-	-	-	-	-
	Undisputed - considered good	-	-	31.48	-	2.54	-	-	-	34.02
	Disputed - considered good	-	-	-	-	-	-	-	-	-
	Undisputed - credit impaired	-	-	-	-	-	-	-	-	-
	Disputed - credit impaired	-	-	-	-	-	-	-	-	-
	Total current	-	-	31.48	-	2.54	-	-	-	34.02
	(B) Non - current:	-	-	-	-	-	-	-	-	-
	Undisputed - considered good	-	-	-	-	-	-	-	-	-
	Disputed - considered good	-	-	-	-	-	-	-	-	-
	Undisputed - credit impaired	-	-	-	-	-	1.15	0.10	5.46	6.71
	Disputed - credit impaired	-	-	-	-	-	-	-	-	-
	Total Non-current	-	-	-	-	-	1.15	0.10	5.46	6.71
	Total gross	-	-	-	-	-	-	-	-	-
	Expected loss (%)	-	-	-	-	-	100	100	100	-
	Credit loss allowance	-	-	-	-	-	1.15	0.10	5.46	6.71
	Net carrying value	-	-	31.48	-	2.54	-	-	-	34.02

Reconciliation of expected credit loss allowance

(₹ in crore)

Note 48.4 (contd...)

S. No.	Particulars	Amount
	As at 31st March, 2021	6.76
	Changes in allowance	0.05
	As at 31st March, 2022	6.71
	Changes in allowance	1.03
	As at 31st March, 2023	5.68

In Respect of SAIL:

48.5 Balances of some of the Trade Receivables, Other Assets, Trade and Other Payables are subject to confirmations/reconciliations and consequential adjustment, if any. Reconciliations are carried out on on-going basis. Provisions, wherever considered necessary, have been made. However, Management does not expect to have any material financial impact of such pending confirmations/reconciliations.

48.6 The Joint Ventures of the group have capitalized the assets in their books for the year ended 31st March, 2023 as under:

(₹ in crore)

S. No.	Name of	PPE	Intangible	Total	SAIL Share
1	NTPC-SAIL Power Co. Private Limited	754.10	0.38	754.48	50.00%
2	mjunction services limited	3.78	4.98	8.76	50.00%
3	International Coal Ventures Private Limited	-	98.51	98.51	47.82%
4	SAIL RITES Bengal Wagon Industry Private Limited	0.68	-	0.68	50.00%
5	Bokaro Power Supply Co. Private Limited	6.21	-	6.21	50.00%
		764.77	103.87	868.64	

49.1 In accordance with Ind AS 115- Revenue from Contracts with Customers', GST amount of ₹18071.67 crore (Previous Year: ₹16589.94 crore) is not included in Revenue from Operations.

In Respect of SRCL:

In accordance with Ind AS 115- Revenue from Contracts with Customers', GST amount of ₹29.92 crore (Previous Year: ₹35.64 crore) is not included in Revenue from Operations.

In Respect of SAIL:

49.2 (a) As per the terms of sales with certain Government agencies, the invoicing to these agencies are done at provisional prices, till a final price is subsequently agreed. The revenue recognized on aforementioned provisional prices basis is as under:

(₹ in crore)

Quarter ended 31 st March, 2023	Year ended 31 st March, 2023	Cumulative till 31 st March, 2023	Quarter ended 31 st March, 2022	Year ended 31 st March, 2022	Cumulative till 31 st March, 2022
2305.64	8688.65*	29182.75*	1808.94	6237.41	21163.29

* Includes ₹ 489.32 Crore in respect of sales for the Financial Year ended 31st March, 2022 on account of revision of Provisional rail prices made with effect from 1st April 2021.

(b) Sales for the year ended 31st March, 2023 include ₹198.63 crore towards rail price revision for the Financial Year 2020-21, as per the recommendation of the Office of the Chief Adviser (Cost), Ministry of Finance. However, the same is pending for approval of the Railway Board. As per the assessment of the Company, it is highly probable that significant reversal in the amount of cumulative revenue recognised will not occur. Further, an amount of ₹108.17 Crore has been provided towards revision of rail prices for the Financial Year 2019-20.

49.3 As per the Department of Public Enterprises (DPE) guideline, the Group is required to contribute up to 30% of Salary (Basic Pay plus Dearness Allowance) in respect of executive employees as superannuation benefits, which may include Contributory Provident Fund, Gratuity, Pension and Post-Superannuation Benefits. Accordingly the Group has made provision for pension benefit for executive employees @ 9% of Salary w.e.f. 1st January, 2007 and @3% of Salary w.e.f. 1st April, 2015. Further, pension benefit for non-executive employees has been provided @ 6% of Salary w.e.f. 1st January, 2012 and @2% of Salary w.e.f. 1st April, 2015. Subsequent to wage revision, the pension benefit for non-executive employees has been provided @ 9% of Salary w.e.f. 1st November, 2021.

Pension Scheme was approved in the Meeting of the Board of Directors held on 9th February, 2017 with modification

that from the Financial Year 2015-16 and onwards, the contribution towards Pension shall be measured, as a percentage of Profit Before Tax (PBT) to average Net-worth. If the percentage of PBT to average Net-worth is 8% or above, amount of Pension contribution shall be limited to 9% of Basic Pay plus DA for Executives and 6% of Basic Pay plus DA for Non-executive (@9% w.e.f. 1st November, 2021), else the amount of contribution towards Pension will be reduced proportionately. However, a minimum Pension contribution shall be kept at the rate of 3% and 2 % (@3% w.e.f. 1st November, 2021) of Basic Pay plus DA for Executive and Non-Executive employees respectively even in case of loss during a Financial Year. During the Financial Year ended 31st March, 2023 provision for pension has been made @ 6.84% for all employees.

The cumulative liability towards pension for Executive and Non-executive employees, amounting to ₹825.71 crore (₹462.62 crore during the Year) and ₹57.53 crore (₹2.06 crore during the Year) has been charged to 'Employee Benefits Expense' and 'Expenditure during Construction' respectively. An amount of ₹569.35 crore has been transferred to Pension Fund during the Year. Further, an amount of ₹58.77 crore has been paid to retired employees during the Year and an amount of ₹0.19 crore deposited by the employees for being eligible for pension.

In Respect of SRCL:

As per the Department of Public Enterprises (DPE) guideline, the Company is required to contribute up to 30% of Salary (Basic Pay + Dearness Allowance) in respect of executive employees as superannuation benefits, which may include Contributory Provident Fund, Gratuity, Pension and Post-Superannuation Benefits. Accordingly the Company has made provision for pension benefit for executive employees @ 9% of Salary w.e.f. 1st January, 2012. Further, pension benefit for non-executive employees had been provided @ 6% of Salary w.e.f. 1st January, 2012.

Pension Scheme was approved in the Meeting of the Board of Directors held on 24th September, 2018. In the 44th Board Meeting, it was decided that since there was no mention about Pension Scheme in the Wage Agreement entered into with the Union for non-executive, the provision made towards Pension Scheme for non-executive is to be reversed during 2021-22. Accordingly the amount of provision of ₹2.99 crore made towards Pension Scheme of Non-executive has been reversed during the year 2021-22. The provision for pension of Executives has been made @ 9% during the financial year ended 31st March, 2023.

The cumulative provision/liability towards pension benefit for executive employees, amounting to ₹1.46 crore (₹0.14 crore during the year) has been charged to 'Employee Benefits Expense'.

In Respect of SAIL:

- 49.4** The research and development expenditure charged to Statement of Profit and Loss and allocated to Fixed Assets/Capital work-in-progress (Net), during the Year, amount to ₹397.60 crore (₹742.90 crore during the previous Year) and ₹32.88 crore (₹71.91 crore during the previous Year) respectively. The aggregate amount of revenue expenditure incurred on research and development is shown in the respective head of accounts. The break-up of the amount is as under:

(₹ in crore)

Head of Account	For the Year ended	
	As at 31 st March, 2023	As at 31 st March, 2022
Raw Materials	217.91	418.42
Employees Benefits Expense	88.79	152.07
Stores & Spares Consumed	7.04	23.52
Power & Fuel	16.30	29.53
Repairs & Maintenance	6.56	11.30
Depreciation and Amortisation Expense	11.63	20.05
Other Expenses	45.40	80.62
Finance Cost	3.97	7.39
Total	397.60	742.90

- 49.5** The Group considers the assets of one entire plant as Cash Generating Unit (CGU). The Group internally reviews whether

there are any indicators that the carrying amount of assets of CGUs may be impaired on each balance sheet date. If any such indicators exist, the asset recoverable amount is estimated as higher of the net selling price and the value in use. Value in use is based on present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. An impairment loss is recognised whenever the carrying amounts of assets of a CGU exceed the asset recoverable amount. Further to the internal assessment, the Group also determines net selling price of the assets of CGU, in which any such indication exists, once every three years by an independent expert.

As on the reporting date, based on the internal assessment done by the group at its different CGUs, Property, Plant and Equipment (except leasehold land) of one of the units (Bokaro Steel Plant) is impaired during F/Y 2022-23. The amount of impairment losses recognised in profit & loss during the year is ₹ 9.10 Crs. (₹ NIL crore as on 31.03.2022) and the same is included under the item other expenses (Note no.41).

Disclosure related to Corporate Social Responsibility

- 49.6 (A)** As per Section 135 of the Companies Act, 2013, the Company is required to spent ₹157.95 crore for the year 2022-23 (previous year: ₹ 80.47 crore). The Company has incurred an expenditure of ₹162.46 crore on CSR activities during the year (₹ 94.24 crore during the previous Year) under the following heads:-

(₹ in crore)

Particulars	For the Year ended	
	As at 31 st March, 2023	As at 31 st March, 2022
Education	30.41	8.50
Healthcare	30.31	63.25
Livelihood Generation	12.18	2.22
Women Empowerment	3.56	1.11
Drinking Water	4.50	1.03
Sanitation	5.39	1.54
Sports	15.03	0.80
Art & Culture	11.92	1.33
Rural Development	15.06	11.03
Social Security	6.57	0.66
Environment Sustainability	21.10	1.08
Disaster Relief	0.24	1.38
Project Identification and Monitoring	0.09	0.18
Capacity Building of Personnel	6.11	0.13
Total	162.46	94.24

(B) The Company has spent an amount of ₹6.74 crore on construction/acquisition of asset during the year (₹7.95 crore during the previous year).

(C) Out of ₹162.46 crore, an amount of ₹51.73 crore (previous year- ₹Nil crore) has been transferred to 'Unspent CSR Bank Account'. The liability for the same has been booked under Note No. 31 with expenditure booked under the following heads:

(₹ in crore)

Particulars	For the Year ended As at 31 st March, 2023
Education	3.42
Healthcare	10.89
Livelihood Generation	1.59
Women Empowerment	1.63
Drinking Water	2.18
Sanitation	1.08
Sports	6.39
Art & Culture	0.44
Rural Development	4.76
Social Security	3.03
Environment Sustainability	16.26
Project Identification and Monitoring	0.04
Total	51.73

- 49.7** In compliance to General Financial Rule 238(5) & (6), the details of Grants received from Ministry of Steel and it's utilization

for Research and Development Projects during last three years are as under

(₹ in crore)

Year	Grant Received from Central Government	Grant Utilised (from Opening Balance and Current Year)
2022-23	-	0.39
2021-22	-	0.26
2020-21	-	1.50

49.8 Information on leases as per Indian Accounting Standards (Ind AS) 116 on 'Leases':

- (I) The Group has leases for Land, office building, Plant & Equipment, warehouses & related facilities and vehicles. With the exception of short-term leases and leases of low-value underlying assets, each lease is reflected on the balance sheet as a right-of-use asset and a lease liability. Variable lease payments which do not depend on an index or a rate are excluded from the initial measurement of the lease liability and right of use assets. The Group classifies its right-of-use assets in a consistent manner to its Property, plant and equipment.

Each lease generally imposes a restriction that, unless there is a contractual right for the Group to sublease the asset to another party, the right-of-use asset can only be used by the Group. Some leases contain an option to extend the lease for a further term. The Group is prohibited from selling or pledging the underlying leased assets as security. For leases over office buildings and other premises the Group must keep those properties in a good state of repair and return the properties in their original condition at the end of the lease. Further, the Group is required to pay maintenance fees in accordance with the lease contracts.

Right of Use assets

Set out below are the carrying amounts of right-of-use assets (Refer note 4a) recognised and the movements during the period:

(₹ in crore)

Particulars	Leasehold	Plant and equipment	Vehicles	Buildings	Right of Use assets Total
As at 1 st April, 2022	782.38	3038.83	4.92	7.91	3834.04
Additions/Disposal	5.25	1470.40	1.84	-1.26	1476.23
Depreciation expense	57.03	337.88	3.66	1.46	400.03
As at 31st March, 2023	730.60	4171.35	3.10	5.19	4910.24

Lease liabilities

Set out below are the carrying amounts of lease liabilities (included under interest-bearing loans and borrowings) and the movements during the year:

(₹ in crore)

Particulars	Lease liabilities
As at 1 st April , 2022	3898.44
Additions	735.36
Interest accrued	367.22
Payments	593.84
Adjustments	704.40
As at 31st March, 2023	5111.61
Current	374.50
Non Current	4737.11

a. Lease payments not included in measurement of lease liability

The expenses relating to payments not included in the measurement of the lease liability are as follows:

(₹ in crore)

Particulars	As at 31 st March, 2023
Short-term leases	0.36
Leases of low value assets	0.00
Variable lease payments	18.76
Others	0.00

- b.** Total cash outflow for leases for the Year ended 31st March, 2023 are ₹1550.79 crore (previous year: ₹1196.26 crore).
- c.** The Group has total commitment for short-term leases of ₹0.47 crore as at 31st March, 2023 (previous year: ₹0.08 crore).
- d. Maturity of lease liabilities**

The lease liabilities are secured by the related underlying assets. Future minimum lease payments are as follows:

(₹ in crore)

Particulars	Minimum lease payments due as at 31 st March 2023			
	Within 1 year	1-5 years	More than 5 years	Total
Lease payments	669.62	2369.71	5365.23	8404.56
Interest expense	318.50	1106.53	1867.92	3292.94
Net present values	351.12	1263.18	3497.31	5111.61

(₹ in crore)

Particulars	Minimum lease payments due as at 31 st March 2022			
	Within 1 year	1-5 years	More than 5 years	Total
Lease payments	592.04	2134.00	5036.32	7762.36
Interest expense	329.79	1235.86	2298.27	3863.92
Net present values	262.25	898.14	2738.05	3898.44

- e. Variable lease payments are expensed in the period they are incurred. Expected future cash outflow as at 31st March, 2023 is ₹Nil crore (Previous Year ₹NIL crore).

f. Information about extension and termination options :

Right of use assets	Number of leases	Range of remaining term	Average remaining lease term	Number of leases with extension option	Number of leases With termination option
Leasehold Land	26	1-87	30.64	17	2
Plant and equipment	10	0-19	7.13	10	1
Vehicles	14	0-4.67	1.58	4	8
Buildings	17	0.3-46.80	6.95	15	13

- g. The total future cash outflows as at 31st March, 2023 for leases that had not yet commenced is of ₹Nil crore (previous Year ₹NIL crore) (office premises).

Group as a lessor

Operating lease as a lessor

The Group has entered into lease agreements for spaces such as banks, housing societies, hospitals, mobile towers land plots and employee Quarter/flats spaces, etc.

The period for such leases ranges from 11 months to 50 years depending upon terms and conditions of each lease arrangements.

Future minimum lease payments receivable under the operating lease is as below:

(₹ in crore)

Particulars	As at 31st March, 2023	As at 31st March, 2022
(a) Not Later than one year	26.04	25.01
(b) Later than one year and not later than five years	65.53	64.26
(c) Later than five years	93.92	126.54
Total	185.49	215.81

Total operating lease rental income recognised in the statement of profit and loss during the Year ended 31st March, 2023 is ₹29.71 crore (previous year: ₹27.91 crore).

Finance lease as a lessor

The Group has freehold land which has been leased to various parties under finance lease arrangements.

Future minimum lease payments receivable under the finance lease is as below:

(₹ in crore)

Particulars	As at 31st March, 2023	As at 31st March, 2022
(a) Not Later than one year	0.73	0.29
(b) Later than one year and not later than five years	0.84	1.01
(c) Later than five years	8.79	9.74
Total undiscounted lease payments	10.36	11.04
Unearned finance income	9.27	9.67
Net investment in lease	1.09	1.37

Total finance lease rental income recognised in the statement of profit and loss during the Year ended 31st March, 2023 is ₹0.54 crore (previous year: ₹0.56 crore).

(II) Description of major leasing arrangements

Power Plant

The Group has accounted for certain power plants as finance lease under Appendix C of Ind AS 17 by virtue of the power purchase agreement with the supplier. Under the terms of the power purchase agreement, the Group shall continue to purchase power until the parties decide to terminate the agreement, which has been determined to be an un-economic proposition considering the specialised nature and location of the asset. For any new lease treatment treatment has been done in accordance with Ind AS 116 – Leases.

Oxygen Plant

The Group has accounted for certain oxygen plants as finance lease (or operating lease) under Appendix C of Ind AS 17 by virtue of the oxygen purchase agreement with the supplier. The agreement to purchase oxygen is a 15 year fixed term agreement. There is no change in treatment under Ind AS 116 – Leases.

Mining land

The Group has accounted for leasehold lands for mining as finance leases by virtue of its rights under the lease agreement after considering the right/ economic compulsion for renewal. There is no change in treatment under Ind AS 116 – Leases.

In Respect of SRCL

Right of Use Assets

Set out below are the carrying amounts of Right-of-Use Assets recognised and the movements during the period:

(₹ in crore)

Particulars	Vehicles
As at 1 st April, 2022	0.06
Additions/Disposal	0.00
Depreciation expense	0.02
As at 31st March, 2023	0.04

In Respect of SAIL:

49.9 Contributions made in cash and kind for the period from the Financial Year 2006-07 to 2021-22 to Railway authorities for laying out railway line from Rajhara to Rowghat would be recovered in cash at the rate of 7% per annum for 37 years on total contribution towards redemption of SAIL's contribution after commencement and fulfilment of assured traffic from Rowghat mines. Management is of view that the criteria laid out in Memorandum of Understanding will be met and interest accrues from the date of investment. The refund amount comprises principal and interest elements. Accordingly, the interest element has been computed and recognised as income during the year amounting to ₹51.60 crore (till date ₹249.92 crore). As per the opinion of Expert Advisory Committee of The Institute of Chartered Accountants of India, such treatment of recognition on time proportion basis is in order as in view of the Management, no significant uncertainty exists regarding collectability and measurability of revenue.

During the year, the group has recognised a loss of ₹170.81 crore arising out of modification of financial assets on account of revision of estimated period of completion of Rowghat railway line.

49.10 The inventory of sub-grade iron ore fines generated at the captive mines of the Group were not assigned any value in the books of accounts of the Group till the financial Year ended 31st March 2019, since, the Government of India Notification dated 19 September 2012 prohibited all captive miners from selling such sub-grade fines.

Following the Government of India Order no. F.No.16/30/2019-M.VI dated 16th September 2019 allowing sale of sub-grade iron ore fines, the inventories of sub-grade fines held by the Group gained economic value. In this regard, the Group also obtained opinions from the Additional Solicitor General of India as well as the Expert Advisory Committee (EAC) of Institute of Chartered Accountants of India (ICAI). Based on the aforesaid opinions, the Group recognized these inventories as by-product inventory as at 31st March 2020. Since, these inventories were generated over many years, hence, making it impracticable to ascertain the actual valuation, the Group assigned a valuation to such inventories basis average selling price of similar sub-grade fines over the last 36 months as declared by Indian Bureau of Mines (IBM), a Government of India organisation and as adjusted for royalty and other selling costs.

The Group has obtained all clearances including environmental clearance and clearance from Director General of Mines Safety, Government of India. Further, procedural clearances have been obtained from the State Government of Odisha. With respect to the State of Jharkhand, the delay in the clearances is procedural and the management expects to receive the clearances soon. This is also supported by the legal opinion taken by the Group in this regard.

As a result, the management has been able to sell off such inventories in certain locations. While, on an overall basis during the current and the previous year, there has been insignificant movement (1.43 million tonnes) in the volume of such inventories, there is significant market demand for sub-grade fines and the recent sales price trends are indicative of considerable margins over and above the carrying value of such inventories. The management also has plans to set up beneficiation plant in future that will consume significant volume of sub-grade fines annually. Accordingly, in view of the management, there is no adjustment required in the carrying value of these inventories at this stage.

Considering the substantial volume of inventories, the quantity estimated to be sold / consumed within the next one year has been recognized as current and the balance has been classified as non-current inventory.

As at 31st March 2023, the Company is carrying sub-grade iron-ore fines inventory of 41.55 MT (as at 31st March 2022: 41.94 MT) valuing ₹3995.75 crores (as at 31st March 2022 valuing ₹4034.95 crores) at its various mines.

Likewise, the Company

- at its Barsua and Dalli Mines is carrying inventory of tailings of 10.27 MT (as at 31st March 2022: 7.44 MT) valuing ₹491.98 crores (as at 31st March 2022 valuing ₹382.66 crores).
- at its Bhilai, Bokaro and Rourkela Steel Plants is carrying inventory of extractable iron and steel scrap embedded in BF Slag and LD Slag of 0.47 MT (as at 31st March 2022 : 0.49 Mt) valuing ₹ 460.35 crores (as at 31st March 2022 valuing ₹507.10 crores).
- at its Chandrapur Ferro Alloys Plant is carrying inventory of Granulated high manganese ore (HMnO) slag and slag fines of 0.52 MT (as at 31st March 2022 : 0.52 MT) valuing ₹41.56 crores (as at 31st March 2022 valuing ₹39.29 crores).

The Group is formulating a detailed plan for disposal / consumption of these inventories.

Considering the market volatility, steel market dynamics, possibility of future additions to steel and pellet making capacity in the country which may augment the demand of these materials, the carrying value of the non-current inventories need not be adjusted for any unforeseeable changes in the future prices. Accordingly, in view of the management, the carrying values of the aforementioned inventories are the best estimates basis the information available at this stage.

49.11 The Cabinet Committee on Economic Affairs (CCEA) in its meeting held on 27th October, 2016 had accorded 'in-

principle' approval for Strategic Disinvestment of three units of Steel Authority of India Limited (SAIL) viz. Visvesvaraya Iron & Steel Plant (VISP), Bhadravati, Karnataka, Salem Steel Plant (SSP), Tamil Nadu and Alloy Steel Plant (ASP), West Bengal. Subsequently, in line with the "in-principle" approval of Government of India, SAIL Board in its meeting held on 9th February, 2017, approved the Strategic Disinvestment of ASP, VISP and SSP. The Group appointed various Advisors to carry out the process. The entire process of Strategic Disinvestment is being overseen by an Inter-Ministerial Group (IMG). The IMG is chaired by Secretary, Department of Public Assets Management (DIPAM) and co-chaired by Secretary (Steel).

Preliminary Information Memorandum (PIM) / Expression of Interest (EoI), Requests of ASP, SSP and VISP were issued on 4th July 2019 and EOI bids were opened on 10th September 2019. EOIs were received for Salem Steel Plant(SSP) and Visvesvaraya Iron & Steel Plant (VISP), Bhadravati. The existing Expression of Interest of VISP has been annulled due to lack of interest of the shortlisted bidders in proceeding further with the transaction and Alternative Mechanism has approved.

In view of the current status and the various disinvestment processes which are underway, no adjustment in these financial statements is considered necessary at this stage.

49.12 (a) During the current year, Exceptional items includes:

- (i) Profit on sale of Fixed assets amounting to ₹301.34 crore on account of sale of a portion of land to Dedicated Freight Corridor Corporation of India Limited (DFCCIL).
 - (ii) An amount of ₹ 38.91 crore towards settlement of a long pending demand of electricity duty on Transmission & Transformation loss under One Time Settlement Scheme and an amount of ₹ 4.44 crore towards a dispute arising out of a contract finalized during 2000-01.
- (b) During previous year, In relation to a case pending before the Hon'ble Delhi High Court in respect of an award by Arbitral Tribunal, the company went for out of court settlement and accordingly an amount of ₹353.41 crore has been disclosed as exceptional item

49.13 The net of unreconciled balances in IUCA (Inter-unit current accounts) at the end of the year are transferred to IUCA Reserve under head Other Equity (Note. No. 23). The sum of IUCA Reserve for all units of SAIL is Nil.

49.14 The Group declared interim dividends @ 10% of the paid-up equity share capital (i.e. ₹1.00 per equity share of ₹10/- each) during the Financial Year 2022-23. Further, final dividend @ 5% of the paid-up equity share capital (i.e. ₹ 0.50 per equity share of ₹10/- each) is proposed be declared for the Financial Year 2022-23 subject to approval of the Shareholders in the ensuing Annual General Meeting of the group. Accordingly, the cumulative dividend for the Financial Year 2022-23 will be 15% of paid-up equity share capital.

50.1 DEFINED BENEFIT SCHEMES

50.1.1 General Description of Defined Benefit Schemes:

Gratuity	Payable on separation @15 days pay for each completed year of service to eligible employees who render continuous service of 5 years or more (for service beyond 30 years, one month's salary for every completed year of service beyond 30 years). Maximum amount of ₹20 lakhs for executives & non-executives joined on or after 1 st July, 2014. For non-executive employees joined before 1 st July, 2014, the gratuity accrued on pre revised Basic Pay and DA, as on the date of implementation of wage revision i.e. 18.10.2021 or ₹ 20 lakhs whichever is higher has been considered for actuarial valuation.
Leave Encashment	Payable on superannuation to eligible employees who have accumulated Earned and Half Pay Leave, subject to maximum limit of 300 days combined for earned leave and half pay leave. Encashment of accumulated earned leave also allowed upto 30 days once in the Financial Year from 2022-23.
Provident Fund	12% of Basic Pay Plus Dearness Allowance, contributed to the Provident Fund Trusts by the Group.
Post Retirement Medical Benefits	Available to retired employees at group's hospitals and/or under the health insurance policy.
Post Retirement Settlement Benefits	Payable to retiring employees for settlement at their home town.
Long term service Award	Payable in kind on rendering minimum 25 years of service and also on superannuation.

50.1.2 Other disclosures, as required under Ind AS 19 on 'Employee Benefits', in respect of defined benefit obligations are:

(a) Reconciliation of Present Value of Defined Benefit Obligations :

(₹ in crore)

Sl. No.	Particulars	Gratuity	Leave Encashment	Post Retirement Medical Benefits	Post Retirement Settlement Benefit	Long Term Service Award
i)	Present Value of projected benefit obligations, as at the beginning of the year.	5523.12 (5780.54)	3527.05 (3207.65)	1467.26 (1046.79)	1467.26 (1046.79)	21.18 (17.57)
ii)	Service Cost	277.47 (291.54)	511.25 (506.34)	- (-)	- (-)	0.67 (0.59)
iii)	Interest Cost	364.64 (381.22)	220.55 (197.94)	95.75 (67.89)	9.35 (7.49)	1.40 (1.10)
iv)	Actuarial Gains(-) / Losses(+)	205.34 (-107.68)	347.07 (454.83)	411.55 (228.13)	15.37 (23.39)	-2.29 (5.20)
v)	Past Service Cost	- (-)	- (-)	- (305.75)	- (-)	- (-)
vi)	Benefits Paid	774.74 (822.49)	841.90 (839.72)	237.14 (181.27)	7.78 (5.90)	3.38 (3.28)
vii)	Present Value of projected benefit obligations as at the end of the year. (i+ii+iii+iv+v-vi)	5595.83 (5523.12)	3764.05 (3527.03)	1737.45 (1467.28)	152.80 (135.86)	17.55 (21.18)

(b) Reconciliation of Fair Value of Assets and Obligations

The Company has funded the gratuity liability through a separate Gratuity Fund. The fair value of the plan assets is mainly based on the information given by the insurance companies through whom the investments have been made by the Fund. The reconciliation of fair value of assets of the Gratuity Fund and defined benefit gratuity obligations is as under:

(₹ in crore)

Sl. No.	Particulars	2022-23	2021-22
i)	Fair Value of plan assets as at the beginning of the year	5936.04	6235.29
ii)	Expected return on plan assets	-16.88	12.23
iii)	Actual Group's contribution	242.77	68.38
iv)	Interest Income/Actuarial Gain/Loss(-)	421.45	442.70
v)	Benefits payments	774.74	822.56
vi)	Fair value of plan assets as at the end of the year	5808.77	5936.04
vii)	Present value of defined benefit obligation [50.1.2)(a)(vii)]	5595.84	5523.12
viii)	Net liability recognised in the Balance sheet (vii)-(vi) *	-212.93	-413.04

*The Company does not expect to contribute any amount towards the expenses of Gratuity Fund during the year 2023-24, after considering the return on the investments.

The defined benefit obligations, other than gratuity, are non-funded.

(c) Expenses recognised in the Statement of Profit and Loss for the Year :

(₹ in crore)

Sl. No.	Particulars	Gratuity	Leave Encashment	Post Retirement Medical Benefits	Post Retirement Settlement Benefit	Long Term Service Award
i)	Service Cost	277.47 (291.54)	511.25 (506.34)	- (-)	- (-)	0.67 (0.59)
ii)	Interest Cost	-56.82 (-61.48)	220.55 (197.94)	95.75 (67.89)	9.35 (7.49)	1.40 (1.10)
iii)	Actuarial Gains (-) /Losses	205.34 (-107.68)	347.07 (454.83)	411.55 (228.13)	15.37 (23.39)	-2.29 (5.20)
iv)	Past Service Cost	- (-)	- (-)	- (305.75)	- (-)	- (-)

Sl. No.	Particulars	Gratuity	Leave Encashment	Post Retirement Medical Benefits	Post Retirement Settlement Benefit	Long Term Service Award
v)	Expected Return on Plan Assets	-16.88 (12.33)	- (-)	- (-)	- (-)	- (-)
vi)	Total (i+ii+iii+iv-v)	442.87 (110.15)	1078.87 (1159.10)	507.30 (601.77)	24.72 (30.88)	-0.21 (6.89)
vii)	Employees' Benefits Expenses :					
	a) Charged to Profit & Loss Account (Note 39)	219.66 (230.13)	1075.78 (1157.20)	95.75 (373.63)	8.76 (30.89)	-0.21 (6.89)
	b) Charged to Expenditure During Construction (Note 5.1)	0.99 (-0.07)	3.09 (1.90)	(-)	(-)	(-)
	c) Charged to OCI*	222.22 (-119.90)	(-)	411.55 (228.13)	(-)	(-)
	d) Charged to Profit & Loss Account- Other Expenses	(-)	(-)	(-)	15.96 (30.89)	(-)
viii)	Actual Return on Plan Assets	404.60 (455.05)				

*Remeasurement gains/(losses) on Defined Benefit Plans have been reclassified and shown under Retained Earnings (Note No. 23)

(d) Effect of half percentage point change in the Discount rate on Employees' Benefit schemes (₹ in crore)

Sl. No.	Particulars	0.5 percentage point decrease in discount rate	0.5 percentage point increase in discount rate
i)	Gratuity	-164.06	154.96
ii)	Leave	-135.70	127.21
iii)	Post Retirement benefit	-76.42	71.66
iv)	Long Term Service Award	-0.64	0.30
v)	Retirement Travelling Allowance	-12.46	16.31

(e) Effect of half percentage point change in the salary escalation rate on Employees' Benefit schemes

(₹ in crore)

Sl. No.	Particulars	One percentage point decrease in salary escalation rate	One percentage point increase in salary escalation rate
i)	Gratuity	58.59	-57.87
ii)	Leave	138.49	-151.18

(f) Effect of half percentage point change in the assumed inflation rate in case of valuation of benefits under post-retirement medical benefits scheme.

(₹ in crore)

Sl. No.	Particulars	One percentage point decrease in salary escalation rate	One percentage point increase in salary escalation rate
i)	Post-retirement medical benefits	-53.79	62.24

(g) Investments of Gratuity Trust

Particulars	% of Investment	
	As at 31st March, 2023	As at 31st March, 2022
Insurance Investments	96.95	96.61
Central Government Securities	1.51	1.45
State Government Securities	0.47	0.73
PSU Bonds	0.97	0.94
Cash at Bank	0.10	0.27
Total	100.00	100.00

(h) Actuarial assumptions

Sl. No.	Description	As at 31 st March, 2023	As at 31 st March, 2022
i)	Discount Rate (per annum)	7.35	7.10%
ii)	Mortality rate	IALM (2012-14) Ultimate	IALM (2012-14) Ultimate
iii)	Withdrawal Rates (per annum)	Executives & Non-executives- 0.01% to 0.10% depending upon the age	Executives & Non-executives- 0.01% to 0.10% depending upon the age
iv)	Medical Cost Trend Rates (per annum)	5% for hospital cost and Nil for Mediclaim premium	5% for hospital cost and Nil for Mediclaim premium
v)	Estimated Rate of Return on Plan Assets	7.35%	7.10%
vi)	Salary Escalation	Executives : 6% p.a. Non-Executives : 6% p.a. All employees- 6% step-up after every 10 years of service starting 2017.	Executives : 6% p.a. Non-Executives : 6% p.a. All employees- 6% step-up after every 10 years of service starting 2017.
		The estimate of future salary increases considered in actuarial valuation, takes into account inflation rate, seniority, promotion and other relevant factors	

(i) Maturity profile of Defined Benefit Obligations

(₹ in crore)

Period	As at 31 st March, 2023	As at 31 st March, 2022
Upto 1 year	766.47	733.95
Between 1 to 2 years	689.10	694.12
Between 2 to 3 years	644.82	647.59
Between 3 to 4 years	642.11	623.82
Between 4 to 5 years	690.53	634.35
Between 5 to 10 years	2871.06	3062.02
More than 10 years	2513.48	3269.33
Total Undiscounted Payments related to Past Service	8826.55	9665.16
Less: Discount for Interest	3230.74	4142.04
Projected Benefit Obligation	5595.83	5523.12

In Respect of SRCL:

DEFINED BENEFIT SCHEMES

General Description of Defined Benefit Schemes:

Gratuity	Payable to Executives on separation @15 days pay (Basic plus DA) last drawn for each completed year of service to eligible employees who render continuous service of 5 years or more. For Non-executives, the gratuity is payable on separation @15 days pay (Basic plus DA) last drawn for each completed year of service to eligible employees who render continuous service of 5 years or more. Gratuity shall be calculated @ one month pay (Basic plus DA) last drawn for each completed year of service beyond 30 years for Non-executives. The maximum amount of gratuity of ₹20 lakhs for both executives & non-executives has been considered for actuarial valuation.
Leave Encashment	Payable on superannuation to eligible Executive employees who have accumulated earned leave, subject to maximum limit of 300 days. For Non Executive employees to a maximum limit of 200 days of earned leave. Encashment of accumulated earned leave is also allowed up to 30 days or 50% of leave at credit whichever is less once in a financial year.
Provident Fund	12% of Basic Pay Plus Dearness Allowance, contributed to Employees Provident Fund Organization, Salem by the company.

Disclosures required under Ind AS 19 on 'Employee Benefits', in respect of defined benefit obligations are :
(a) Reconciliation of Present Value of Defined Benefit Obligations :

(₹ in crore)

Sl. No.	Particulars	Gratuity	Leave Encashment
i)	Present Value of projected benefit obligations, as at the beginning of the year.	8.33	1.46
ii)	Service Cost	0.24	0.26
iii)	Interest Cost	0.59	0.10
iv)	Actuarial Gains(-) / Losses(+)	0.57	0.17
v)	Past Service Cost	-	-
vi)	Benefits Paid	2.03	0.36
vii)	Present Value of projected benefit obligations as at the end of the year. (i+ii+iii+iv-v-vi)	7.70	1.63

(b) Reconciliation of Fair Value of Assets and Obligations

The Company has funded the gratuity liability through a separate Gratuity Fund. The fair value of the plan assets is mainly based on the information given by the insurance companies through whom the investments have been made by the Fund.

The reconciliation of fair value of assets of the **Gratuity Fund** and defined benefit gratuity obligations is as under:

(₹ in crore)

Sl. No.	Particulars	2022-23	2021-22
i)	Fair Value of plan assets as at the beginning of the year	7.78	6.27
ii)	Expected return on plan assets	0.55	0.45
iii)	Actual Company's contribution	-	3.00
iv)	Interest Income/Actuarial Gain/Loss	-0.09	0.09
v)	Benefits payments	2.03	2.02
vi)	Fair value of plan assets as at the end of the year	6.21	7.78
vii)	Present value of defined benefit obligation	7.70	8.33
viii)	Net liability recognised in the Balance sheet (vii)-(vi)	-1.49	-0.55

The reconciliation of fair value of assets of the **Leave Encashment Fund** and defined benefit Leave Encashment obligations is as under:

(₹ in crore)

Sl. No.	Particulars	2022-23	2021-22
i)	Fair Value of plan assets as at the beginning of the year	1.23	1.27
ii)	Expected return on plan assets	0.09	0.09
iii)	Actual Company's contribution	-	-
iv)	Interest Income/Actuarial Gain/Loss	-0.01	-0.01
v)	Benefits payments	0.12	0.12
vi)	Fair value of plan assets as at the end of the year	1.19	1.23
vii)	Present value of defined benefit obligation	1.63	1.46
viii)	Net liability recognised in the Balance sheet (vii)-(vi)	-0.44	-0.23

(c) Expenses recognised in the Statement of Profit & Loss for the Year :

(₹ in crore)

Sl. No.	Particulars	Gratuity	Leave Encashment
i)	Service Cost	0.24	0.26
ii)	Interest Cost	0.03	0.02
iii)	Actuarial Gains(-) / Losses(+)	0.57	0.18
iv)	Past Service Cost	-	-
v)	Expected Return on Plan Assets	-	-



Sl. No.	Particulars	Gratuity	Leave Encashment
vi)	Total (i+ii+iii+iv-v)	0.84	0.46
vii)	Employees' Benefits Expenses :		
	a) Charged to Profit & Loss Account	0.27	0.45
	b) Charged to Expenditure During Construction	-	-
	c) Charged to OCI	0.66	-
	d) Charged to Profit & Loss Account- Other Expenses	-	-
viii)	Actual Return on Plan Assets excluding interest income	0.46	0.08

(d) Effect of 0.5 percentage point change in the Discount rate on Employees' Benefit schemes (₹ in crore)

Sl. No.	Particulars	0.5 percentage point decrease in discount rate	0.5 percentage point increase in discount rate
i)	Gratuity	0.13	0.13
ii)	Leave	0.05	0.02

(e) Effect of 0.5 percentage point change in the salary escalation rate on Employees' Benefit schemes

(₹ in crore)

Sl. No.	Particulars	0.5 percentage point decrease in discount rate	0.5 percentage point increase in discount rate
i)	Gratuity	0.11	0.11
ii)	Leave	0.02	0.05

(f) Investments of Gratuity Trust / Leave Encashment Fund

Particulars	% of Investment	
	As at 31 st March, 2023	As at 31 st March, 2022
Gratuity Trust	80.70	93.42
Leave Encashment Trust	72.93	84.14

(g) Actuarial assumptions

Sl. No.	Description	As at 31 st March, 2023	As at 31 st March, 2022
i)	Discount Rate (per annum)	7.35%	7.10%
ii)	Mortality rate	100% of IALM (2012-2014)	IALM (2012-14) Ultimate
iii)	Retirement Age - Executives - Non Executives	58 Year 60 Year	58 Year 60 Year
iv)	Salary Escalation	Executives: 6.25% p.a. Non-Executives: 6.25% p.a.	Executives: 6.25% p.a. Non-Executives: 6.25% p.a.

(h) Maturity profile of Defined Benefit Obligations

(₹ in crore)

Period	As at 31 st March, 2023	
	Gratuity	Leave Encashment
Upto 1 year	1.42	0.19
Between 1 to 2 years	0.75	0.13
Between 2 to 3 years	1.21	0.32
Between 3 to 4 years	1.76	0.43
Between 4 to 5 years	0.44	0.07
Between 5 to 6 years	1.15	0.27
6 Years onwards	3.25	0.77
Total Undiscounted Payments related to Past Service	9.98	2.17
Less: Discount for Interest	2.28	0.53
Projected Benefit Obligation	7.70	1.63

51. GENERAL

In respect of SAIL:

51.1 Segment Reporting

Business Segments: The five Integrated Steel Plants and three Alloy Steel Plants, being manufacturing units, have been considered as primary business segments for reporting under Ind AS 108 'Operating Segments' issued by Ministry of Corporate Affairs.

51.2 RELATION WITH STRUCK OFF COMPANIES

(₹ in crore)

Sl. No.	Name of Struck Off Company	Nature of Transaction	Relationship	As at 31 st March, 2023	As at 31 st March, 2022
1	META INDUSTRIES LIMITED	Job Work Service	Vendor	0.01	0.01
2	HYWELL FORGINGS PRIVATE LIMITED	Receivable	CUSTOMER	-	-
3	VISMAYA METALS PRIVATE LIMITED	Receivable	CUSTOMER	0.40	0.40
4	MADRAS AUTHO COUPLINGS P. LTD	Receivable	CUSTOMER	-	-
5	AUTO FIELD ENGINEERS P. LTD.	Receivable	CUSTOMER	-	-
6	ROYAL TYRES PVT. LTD.	Payable	Vendor	-	-
7	SAIL JAGDISHPUR POWER PLANT LIMITED	Investment	Joint Venture	-	-
8	SAIL SINDRI PROJECTS LIMITED	Investment	Joint Venture	-	-
9	NORTH BENGAL DOLOMITE LIMITED	Investment	Joint Venture	-	-
10	NMDC SAIL LIMITED	Investment	Joint Venture	-	-
11	SAIL MOIL FERRO ALLOYS PVT. LIMITED	Investment	Joint Venture	-	-
12	SAIL BENGAL ALLOY CAST (P) LTD	Investment	Joint Venture	-	-
13	SAIL SCI SHIPPING PVT. LIMITED	Investment	Joint Venture	-	-
14	S & T MINING CO. PVT. LIMITED	Investment	Joint Venture	-	-
15	SPRAYING SYSTEMS (INDIA) PVT. LTD.	Payable	Vendor	-	-
16	DECCAN SMITHS PRIVATE LIMITED	Payable	Customer	0.11	0.11
17	SCHWING STETTER (INDIA) PRIVATE LIMITED	Payable	Customer	0.05	0.05
18	BHARAT WAGON AND ENGINEERING CO. LTD	Payable	Customer	0.01	0.01
19	BURN STANDARD CO. LTD.	Payable	Customer	0.59	0.59
20	HUNTING HAWKS SECURITY & FACILITY SERVICE LTD	Payable	Vendor	0.01	0.01
21	SPRAYING SYSTEMS (INDIA) PVT. LTD.	Payable	Vendor	-	-
22	AKASH ISPAT PVT. LTD.	Payable	Customer	0.11	0.11
23	PRAKASH INDUSTRIES LTD.	Payable	Customer	0.02	0.02

* Figures rounded off to ₹crore

51.3 Disclosures of provisions required by Indian Accounting Standards (Ind AS) 37 'Provisions, Contingent Liabilities and Contingent Assets:

Brief Description of Provisions :

Mines afforestation costs	Payable on renewal (including deemed renewal)/forest clearance of mining leases to Government authorities, towards afforestation cost at mines for use of forest land for mining purposes.
Mines closure costs	Estimated liability towards closure of mines, to be incurred at the time of cessation of mining activities.
Overburden backlog removal costs	To be incurred towards removal of overburden backlog at mines over the future years.

(₹ in crore)

Movement of provisions	Mines afforestation costs	Mines closure costs	Over burden removal Costs	Total
Balance as at 1 st April, 2022	61.38	131.57	115.05	308.00
Additions during the Year	0.28	33.61	18.37	52.26
Amounts utilised during the Year	25.71	3.16	-	28.87
Unused amount reversed during the Year	-	-	-	-
Balance as at 31 st March, 2023	35.95	162.02	133.42	331.39

In respect of SRCL:

(₹ in crore)

Movement of provisions	Mines affore station costs	Mines closure costs	Over burden removal Costs	Total
Balance as at 1 st April, 2022	-	0.03	6.78	6.81
Additions during the Year	-	-	-	-
Amounts utilised during the Year	-	-	-	-
Unused amount reversed during the Year	-	-	-	-
Balance as at 31 st March, 2023	-	0.03	6.78	6.81

In respect of SAIL:

51.4 Reconciliation of Yearly Stock/Receivable statement filed

(₹ in crore)

Year ended	Name of Bank	Particulars of Securities Provided	Amount as reported in the Yearly return	Amount as per books of accounts	Amount of Difference	Reasons for material discrepancies
Jun-22	SBI	Inventory	25105	29400	-4295	Provisional data as on date of filing.
Jun-22	SBI	Trade Receivables	6552	6559	-7	Provisional data as on date of filing.
Sep-22	SBI	Inventory	28601	27839	762	Provisional data as on date of filing.
Sep-22	SBI	Trade Receivables	6423	5961	462	Provisional data as on date of filing.
Dec-22	SBI	Inventory	29096	27183	1913	Provisional data as on date of filing.
Dec-22	SBI	Trade Receivables	6277	6220	57	Provisional data as on date of filing.
Mar-23	SBI	Inventory	28695	27449	1246	Provisional data as on date of filing.
Mar-23	SBI	Trade Receivables	5542	5362	180	Provisional data as on date of filing.

- 51.5**
- (a) No funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Group to or in any person(s) or entity(ies), including foreign entities ('the intermediaries'), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries.
 - (b) No funds have been received by the Group from any person(s) or entity(ies), including foreign entities ('the Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Group shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries. Ratios as per Amended Schedule III.

51.6 During the Financial Year:

- (a) The group does not hold any Benami property under the Benami Transactions (Prohibitions) Act, 1988 (45 of 1988) and the rules made thereunder.
- (b) The group has not been declared wilful defaulter by any bank or financial institution or other lender.
- (c) The group does not have any charges or satisfaction yet to be registered with ROC beyond the statutory period.
- (d) The group has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of layers) Rules, 2017.
- (e) No Scheme of Arrangement has been approved under section 230 to 237 of the Companies Act, 2013.
- (f) The group does not have any undisclosed income in the tax assessments under the Income tax Act, 1961.
- (g) The group has not traded in crypto currency or virtual currency.

In respect of SRCL

- 51.7** SRCL Board had cleared the proposal for wage revision of its Executives in its 15th Board Meeting held on 11.01.2017 as per 2007 DPE Scale and the same was effective for 5 years with effect from 01.01.2017. SAIL Corporate Office has accorded its clearance on 21.09.2017 for implementation of the same. Ministry of Steel had accorded approval for wage revision of Executives on 16.11.2018 as per DPE 2007 pay scale which was communicated by SAIL Corporate Office vide letter Ref.No.PER/EC/1220,Dated28.11.2018. Therefore, the next wage revision of SRCL Executives fall due on 01.01.2022.

The wage revision proposal with effect from 01.01.2022 was put up to the SRCL Board. The Board in its 49th Board Meeting held on 28.09.2022 has approved the proposal for wage revision for Executives w.e.f. 01.01.2022 for a period of 5 years. Accordingly the provision towards wage revision of Executives with effect from 01.01.2022 to 31.03.2023 have been made during the financial year 2022-23. The financial impact of wage revision provision for 15 months is ₹0.98 Crores and the same has been charged to Employees Benefit Expenses.



52. OPERATING SEGMENT INFORMATION

(₹ in crore)

Particulars	BSP	DSP	RSP	BSL	ISP	ASP	SSP	VISL	Others	Inter Segment Sales	Total
REVENUE											
- External sales											
Current Year ended 31 st March 2023	28670.03	12133.21	24090.46	23155.90	13002.13	731.60	1798.55	144.00	41.85	-	103767.73
Previous Year ended 31 st March 2022	26299.91	11146.83	24130.47	25680.67	11495.65	699.32	2632.13	243.21	480.35	-	102808.54
- Inter segment sales											
Current Year ended 31 st March 2023	1693.79	1062.64	1380.61	2938.16	494.31	258.54	76.36	161.36	1356.57	(9422.34)	-
Previous Year ended 31 st March 2022	1499.17	659.19	2591.85	2607.65	687.31	190.43	16.79	128.19	2808.56	(11189.14)	-
- Total Revenue from sale of products											
Current Year ended 31 st March 2023	30363.82	13195.85	25471.07	26094.06	13496.44	990.14	1874.91	305.36	1398.42	(9422.34)	103767.73
Previous Year ended 31 st March 2022	27799.08	11806.02	26722.32	28288.32	12182.96	889.75	2648.92	371.40	3288.91	(11189.14)	102808.54
RESULTS											
- Operating Profit / (Loss) before Interest and exceptional items											
Current Year ended 31 st March 2023	954.33	502.49	1191.23	1218.79	558.03	(121.79)	(203.06)	(50.57)	622.47	-	4671.92
Previous Year ended 31 st March 2022	2853.35	1157.02	6347.65	6386.86	827.14	(71.46)	97.79	(35.88)	780.70	-	18343.17
- Finance costs											
Current Year ended 31 st March 2023	-	-	-	-	-	-	-	-	-	-	2037.47
Previous Year ended 31 st March 2022	-	-	-	-	-	-	-	-	-	-	1697.89
- Exceptional items											
Current Year ended 31 st March 2023	-	-	-	-	-	-	-	-	-	-	(257.99)
Previous Year ended 31 st March 2022	-	-	-	-	-	-	-	-	-	-	353.41
- Tax expenses											
Current Year ended 31 st March 2023	-	-	-	-	-	-	-	-	-	-	715.91
Previous Year ended 31 st March 2022	-	-	-	-	-	-	-	-	-	-	4048.40
- Profit for the year											
Current Year ended 31 st March 2023	-	-	-	-	-	-	-	-	-	-	2176.53
Previous Year ended 31 st March 2022	-	-	-	-	-	-	-	-	-	-	12243.47
OTHER INFORMATION											
- Segment assets											
Current Year ended 31 st March 2023	34203.09	7440.11	28204.33	22190.44	15867.84	619.15	2515.84	238.26	19202.03		130481.09
Previous Year ended 31 st March 2022	(31351.06)	6283.17	25844.95	20785.61	15750.29	565.31	2211.64	271.24	17045.85		120109.12
- Segment Liabilities											
Current Year ended 31 st March 2023	9300.61	3547.08	9203.46	6065.67	1602.70	258.03	501.46	60.45	45194.95		75734.41
Previous Year ended 31 st March 2022	9195.16	3016.83	8367.33	7016.39	1752.99	250.07	534.20	63.54	35700.92		65897.43
- Capital expenditure											
Current Year ended 31 st March 2023	1030.31	865.13	2011.35	1047.64	338.94	1.45	12.58	3.45	58.82		5369.67
Previous Year ended 31 st March 2022	1214.86	270.84	3525.48	848.48	268.09	0.03	2.01	2.76	(404.57)		5727.98
- Depreciation											
Current Year ended 31 st March 2023	1242.26	292.98	1528.47	923.53	810.93	8.56	96.68	6.42	53.71		4963.54
Previous Year ended 31 st March 2022	1177.46	278.72	935.29	888.10	798.07	8.60	99.00	7.32	82.46		4275.02
- Non cash expenses other than Depreciation											
Current Year ended 31 st March 2023	124.97	33.26	31.44	23.78	14.19	17.19	8.34	3.97	98.73		355.87
Previous Year ended 31 st March 2022	75.23	25.73	120.26	33.02	22.83	1.18	0.83	0.29	85.45		364.82

53. The figures of previous periods have been re-grouped, wherever necessary, so as to conform to the current periods classification.

For and on behalf of the Board of Directors

Sd/-
[**M.B. Balakrishnan**]
Company Secretary
M. No. A17770

Sd/-
[**Anil Kumar Tulsiani**]
Director (Finance)
DIN: 08742907

Sd/-
[**Anirban Dasgupta**]
Director Incharge, Bhilai Steel Plant
DIN: 06832261

In terms of our report of even date

For Tej Raj & Pal
Chartered Accountants
Firm Registration No.304124E

Sd/-
[**Dinakar Mohanty**]
Partner
M. No. 059390

For S. Jaykishan
Chartered Accountants
Firm Registration No.309005E

Sd/-
[**Ritesh Agarwal**]
Partner
M. No. 062410

For Walker Chandiok & Co LLP
Chartered Accountants
Firm Registration No.001076N/N500013

Sd/-
[**Nalin Jain**]
Partner
M. No. 503498

For KASG & Co.
Chartered Accountants
Firm Registration No.002228C

Sd/-
[**Raj Kumar Agarwal**]
Partner
M. No. 073063

Place : New Delhi
Dated: May 25, 2023

Annexure-VII to the Board's Report

1. Tej Raj & Pal Chartered Accountants A60, Amarpali Society, Lalpur, Ganga Diagnosis Lane, Raipur – 492001	2. S. Jaykishan Chartered Accountants 12, Ho Chi Minh Sarani, 2 nd Floor, Suite No. 2D, 2E & 2F, Kolkata - 700071	3. Walker Chandiock & Co LLP Chartered Accountants L-41, Connaught Circus, New Delhi – 110001	4. KASG & Co. Chartered Accountants 2 nd Floor, Shree Laxmi Complex, Shastri Nagar, Dhanbad – 826001
--	---	---	--

INDEPENDENT AUDITORS' REPORT

To the Members of Steel Authority of India Limited

Comments	Management's Replies
<p>Report on the audit of the consolidated financial statements</p> <p>Qualified opinion</p> <p>1. We have audited the accompanying consolidated financial statements of Steel Authority of India Limited ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group'), its associate and jointly controlled entities, as listed in Appendix 1, which comprise the Consolidated Balance Sheet as at 31st March 2023, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity for the year then ended and notes to the consolidated financial statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as 'consolidated financial statements').</p> <p>2. In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on separate financial statements and on the other financial information of the subsidiaries and jointly controlled entities and the reports of the branch auditors of the Holding Company's branches listed in Appendix 2, except for the effects / possible effects of the matters described in the Basis for Qualified Opinion section of our report, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards ('Ind AS') specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group, its associate and jointly controlled entities, as at 31st March 2023, and their consolidated profit (including other comprehensive income), consolidated cash flows and the consolidated changes in equity for the year ended on that date.</p>	
<p>Basis for qualified opinion</p> <p>3. As referred in note 47.2 (a) (i) to the accompanying consolidated financial statements, the constitutional validity of the Entry Tax Act has been upheld by the Hon'ble Supreme Court and the matters relating to levy of entry tax are now pending before regular benches of the Supreme Court / Jurisdictional High Courts / assigned authorities. Pending decision by the other Courts, the management is of the view that no adjustment is required in the accompanying consolidated financial statements for the disputed entry tax demand in various states amounting to ₹ 1184.81 crores as on 31st March 2023. However, in the absence of sufficient appropriate evidence to support the management's view, we are of the opinion that a provision for entry tax liability should be recognized in the consolidated financial statements.</p>	The Holding Company's view is that Nine Judge Bench of the Supreme court, vide its order dated 11 th November, 2016, upheld the Constitutional validity of the Entry tax legislations passed by the various States. However, the Bench directed that certain other matters raised by the Petitioner, such as discriminatory rates of entry tax amounting to ₹1,092.28 crore on iron Ore and Coking Coal in Bhilai-Durg area @ 6% as compared to lower rate of 1% on Coking Coal and 3% on Iron ore in rest of the areas of Chhattishgarh, tax amounting to ₹ 92.53 crore on goods entering into the local area of Jharkhand from other State etc. may be determined by regular benches hearing the matters. Accordingly, various matters raised by SAIL are pending with Supreme Court / Jurisdictional High Courts / assigned authorities. Pending decision by the Courts, the disputed Entry Tax liabilities of ₹ 1,184.81 crore have been treated by the Company as Contingent Liability.
<p>4. As referred in note 47.2(b) to the accompanying consolidated financial statements, current assets include advance of ₹ 587.72 crores paid under dispute to Damodar Valley Corporation against the bills raised for supply of power for period upto 31st March 2017. The matter is under litigation with Jharkhand State Electricity Regulatory Commission for finalisation of tariff, pending which, the management is of the view that the amount is fully recoverable and thus no adjustment is required in the accompanying consolidated financial statements. However, in the absence of sufficient appropriate evidence to support the management's contention of recoverability of these balances, we are of the opinion that an allowance for possible non-recoverability of such advance should be created in the consolidated financial statements.</p>	<p>The Holding Company's view is that the cases are sub-judice and pending for adjudication before the various judicial authorities for a long time. Further, the civil appeal filed by DVC pertaining to tariff of 2004-09 against the Order of the Appellate Tribunal for Electricity (APTEL), have been dismissed by the Hon'ble Supreme Court of India vide its Order dated 3rd December, 2018. Accordingly, State Electricity Regulatory Commission (SERC) will finalise the retail tariff as directed by APTEL, the financial implication of which can only be ascertained after the Tariff fixation by SERC. DVC filed its Retail Tariff Application in November, 2020 along with application for Annual Revenue Requirement before the Jharkhand State Electricity Regulatory Commission for the period 2006-07 to 2011-12 and also seeking adjustment of Revenue Gap/Surplus in the period of 2012-13 to 2014-15. The Company has also filed their objections on 28th December, 2020 to the aforesaid Application of DVC.</p> <p>The above disputed demands stated at (3) and (4), contested on valid and bonafide grounds, have been treated as contingent liabilities as it is not probable that present obligations exist as on 31st March, 2023. Therefore, there is no adverse impact on Profit for the year.</p>

Comments		Management's Replies
<p>5. Impact of all the above qualifications on the consolidated financial statements for the year ended 31st March 2023 is as under:</p> <p style="text-align: right;">(Amounts in ₹ crores)</p>		
Particulars	As at 31 st March 2023	
	Reported balances	Balances after impact of all the Qualifications which are quantified
Other equity	50,616.14	49,289.72
Deferred tax liability	5,821.27	5375.16
Other current assets	2961.93	2374.21
Other current liabilities	2680.21	3865.02
The audit report on the consolidated financial statements for the year ended 31 st March 2022 was also modified in respect of above matters.		
<p>6. We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Company, its associate and jointly controlled entities, in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained together with the audit evidence obtained by the other auditors including the branch auditors in terms of their reports referred to in paragraph 19 of the Other Matters section below, is sufficient and appropriate provide a basis for our qualified opinion.</p>		
Emphasis of matters		
<p>7. We draw your attention to the following matters:</p> <ul style="list-style-type: none"> (i) Note 49.2(a) to the accompanying consolidated financial statements ,which describes that the revenue from operations include sales to Government agencies aggregating to ₹ 8,688.65 crores for the year ended 31st March 2023 (cumulative upto 31st March 2023 of ₹ 29,182.75 crores) which is recognised on the basis of provisional prices as per the terms of sales with such Government agencies. <p>Our opinion is not modified in respect of these matters.</p>		
Key audit matters		
<p>8. Key audit matters are those matters that, in our professional judgment and based on the consideration of the reports of the other auditors on separate financial statements and on the other financial information of the subsidiaries and jointly controlled entities and the reports of the branch auditors of the Holding Company's branches, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.</p>		
<p>9. In addition to the matters described in the Basis for Qualified Opinion section, we have determined the matters described below to be the key audit matters to be communicated in our report.</p>		
Key audit matter	How our audit addressed the key audit matter	
Provisions and contingent liabilities relating to ongoing litigations	<p>Our audit procedures included, but were not limited to the following:</p> <ul style="list-style-type: none"> - Obtained understanding of the process of identification and measurement of provisions and contingent liabilities relating to ongoing litigations implemented by the management, through various discussions held with Holding Company's legal and finance personnel. - Tested the design and operating effectiveness of the controls put in place by the management in relation to assessment of the outcome of the pending litigations. - Inspected the summary of litigation matters and discussed key developments during the year with the Holding Company's Legal and Finance personnel. - Inspected and evaluated, where applicable, external legal and/or regulatory advice sought by the Holding Company. Obtained direct confirmations from the dealing lawyers for certain material on going litigations. 	

Comments		Management's Replies
Key audit matter	How our audit addressed the key audit matter	
Since the amounts involved are significant and due to the range of possible outcomes leading to high estimation uncertainty that requires significant management and auditor judgement, this matter is considered to be a key audit matter for the current year audit.	<ul style="list-style-type: none"> - Discussed and challenged the management's assessment of the likelihood, magnitude and accounting of any liability that may arise in certain material cases. Accordingly, we reviewed the amount of provisions recognized and contingent liabilities disclosed in the consolidated financial statements and exercised our professional judgment to assess appropriateness of such conclusions, involving experts as required. - Evaluated the adequacy of disclosures made in the consolidated financial statements in accordance with the applicable accounting standards. 	
Property, plant & equipment and intangible assets (including capital work in progress) As at 31 March 2023, the Group has Property, Plant and Equipment ('PPE'), Intangible Assets ('IA') and Capital Work-in-Progress ('CWIP') with carrying values of Rs. 67,110.71 crores, Rs.1,521.04 crores and Rs. 4,891.36 crores, respectively, as disclosed in note 4, note 7 and note 5 of the accompanying consolidated financial statements. Refer note 3.1 for the accounting policies adopted by the Group for recognition and measurement of such non-current assets. Determination of the carrying values and their respective depreciation and amortisation amounts of PPE, IA and CWIP requires considerable management judgement. These include the decisions to capitalise or expense costs, the annual asset life review, the timeliness of the capitalisation of assets and the use of management's assumptions and estimates for the determination and measurement of assets retired from active use, in accordance with the requirements of Ind AS 16 - Property, Plant and Equipment ('Ind AS 16'), and Ind AS 38-Intangible Assets ('Ind AS 38'). The carrying value of CWIP also includes balances pertaining to long-term projects which requires careful examination of continuity and viability of such projects. Considering the significance of the amounts involved in the context of the balance sheet of the Group and the level of judgements and estimates required, we consider this to be a key audit matter in the current year audit.	<p>Our audit procedures included, but were not limited to the following:</p> <ul style="list-style-type: none"> - Obtained an understanding of the management's process of recording the transactions pertaining to capital expenditure incurred by the Group and evaluated the accounting policies adopted by the Group in accordance with the requirements of Ind AS 16 and Ind AS 38. - Tested the design and operating effectiveness of the controls put in place by the management in relation to the above process. - Tested the amounts capitalised during the year, on a sample basis, by inspecting supporting documents and evaluating whether assets capitalised satisfied the recognition criteria and were recognised accurately in the correct periods and with correct amounts. - Reviewed the judgements made by management in determination of carrying values of the specified non-current assets including the nature of underlying costs capitalised, determination of realisable value of the assets retired from active use, the appropriateness of useful lives applied in the calculation of depreciation as determined by technical assessment by management and external technical experts, where required, and evaluation of appropriateness of long standing CWIP balances pertaining to long-term projects. - Evaluated the appropriateness and adequacy of the related disclosures in the consolidated financial statements in accordance with the applicable accounting standards. 	
By-products inventory Refer to note 3.8 of summary of significant accounting policies and other explanatory information for accounting policy for valuation of by-products amounting to ₹ 4989.64 crores as at 31 st March 2023 and significant accounting judgements, estimates and assumptions related thereto and the note 3.25.4 of the consolidated financial statements. Inventories of by-products mainly consist of sub-grade fines, iron and steel scrap embedded in BF slag and LD slag and slime, and tailings containing iron ore fines, which are accumulated in stockpiles.	<p>Our audit procedures included, but were not limited to the following:</p> <ul style="list-style-type: none"> - Obtained an understanding of the processes and procedures, including controls relating to sub-grade fines, iron and steel scrap embedded in BF slag and LD slag and slime containing iron ore fines ('by-products'). - Evaluated the accounting policy adopted by the Holding Company for valuation of the by-product inventory in accordance with the requirements of Ind AS 2, Inventory in conjunction with the EAC Opinions obtained by the management. 	

Comments		Management's Replies
Key audit matter	How our audit addressed the key audit matter	
<p>Further, as explained in notes 49.10, pursuant to the order of Ministry of Mines, Government of India dated 16th September 2019, certain by-products were allowed to be sold and hence, were valued for the first time in the previous years.</p> <p>The management of the Holding Company also sought the opinion of Expert Advisory Committee of the ICAI ('EAC Opinions') in the previous year and current year on recognition and measurement of by-product inventories.</p> <p>Valuation of such items requires management to exercise significant judgement in respect of use of estimates for determination of the quantity, quality and valuation rate of these items.</p> <p>Further, basis the expected future sales and plan for captive consumption of such by-product inventories, the management has classified inventory expected to be sold after 12 months from the date of balance sheet, being the operating cycle of the Holding Company, as non-current inventory.</p> <p>Owing to the insignificant sales / consumption of such by-products inventory, the significance of the carrying value thereof and the complexities discussed above, we have considered this area as a key audit matter in the current year audit.</p> <p>Further, the management's assessment of classification and valuation of aforesaid inventory as described in note 49.10 is considered fundamental to the understanding of the users of the consolidated financial statements.</p>	<ul style="list-style-type: none"> - In assessing management's assessment of the value of by-products, we discussed in detail with the management to understand the procedures adopted in ascertaining the quantity and quality (including gradation) of the by-products considered for valuation. - Management's estimate of the NRV was verified with reference to the average selling price (ASP) published by the Indian Bureau of Mines. We also obtained technical analysis report from external experts sought by management for determining the quantity of by-products and the chemical analysis report used by the management for arriving at the quality (including gradation) of fines. - Obtained management's working of estimated future sales / consumption used for classification of the by-product inventory between current and non-current, and tested the underlying assumptions basis our understanding of the processing and further approvals required for sale of such inventory in addition to evaluating management's estimates on availability of demand for such by-products. - Evaluated the appropriateness and adequacy of the related disclosures in the consolidated financial statements in accordance with the applicable accounting standards. 	
Information other than the consolidated financial statements and auditors' report thereon		
<p>10. The Holding Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the consolidated financial statements and our auditors' report thereon. The Annual Report is expected to be made available to us after the date of this auditors' report.</p> <p>Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.</p> <p>In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the Audit otherwise appears to be materially misstated.</p> <p>When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.</p>		
Responsibilities of management and those charged with governance for the consolidated financial statements		
<p>11. The accompanying consolidated financial statements have been approved by the Holding Company's Board of Directors. The Holding Company's Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance (including other comprehensive income), consolidated changes in equity and consolidated cash flows of the Group including its associate and jointly controlled entities in accordance with the Ind AS specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group and its associate and jointly controlled entities are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Board of Directors of the Holding Company, as aforesaid.</p>		

Comments	Management's Replies
<p>12. In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and of its associate and jointly controlled entities are responsible for assessing the ability of the Group and of its associate and jointly controlled entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intend to liquidate the Group or to cease operations, or has no realistic alternative but to do so.</p> <p>13. Those respective Board of Directors are also responsible for overseeing the financial reporting process of the companies included in the Group and of its associate and jointly controlled entities.</p> <p>Auditors' responsibilities for the audit of the consolidated financial statements</p> <p>14. Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.</p> <p>15. As part of an audit in accordance with Standards on Auditing specified under section 143(10) of the Act, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:</p> <ul style="list-style-type: none"> • Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control; • Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to consolidated financial statements in place and the operating effectiveness of such controls; • Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management; • Conclude on the appropriateness of Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associate and jointly controlled entities to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group and its associate and jointly controlled entities to cease to continue as a going concern; • Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation; and • Obtain sufficient appropriate audit evidence regarding the financial information / financial statements of the entities within the Group, and its associate and jointly controlled entities, to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of financial statements of such entities included in the consolidated financial statements, of which we are the independent auditors. For the other entities and branches included in the consolidated financial statements, which have been audited by the other auditors and the branch auditors, such other auditors and the branch auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion. <p>16. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.</p> <p>17. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.</p> <p>18. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.</p>	

Comments	Management's Replies
Other matters <p>19. We did not audit the annual financial statements / financial information of one subsidiary included in the consolidated financial statements, and eleven branches included in the separate annual financial statements of the Holding Company, whose financial information / financial statements reflect total assets and net assets of ₹ 61,268.07 crores and ₹ 37,235.36 crores respectively as at 31st March 2023, total revenues of ₹ 39,954.56 crores, total net profit after tax of ₹ 470.73 crores, total comprehensive income of ₹ 298.97 crores and cash outflows (net) of ₹ 17.74 crores for the year ended on that date, as considered in the consolidated financial statements / the audited separate annual financial statements of the Holding Company. The consolidated financial statements also include the Group's share of net profit (including other comprehensive income) of ₹ 560.67 crores for the year ended 31st March 2023, as considered in the consolidated financial statements, in respect two jointly controlled entities, whose annual financial statements / financial information have not been audited by us. These annual financial statements have been audited by other auditors and branch auditors whose audit reports have been furnished to us by the management, and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiary / branches / jointly controlled entities and our report in terms of sub-section (3) of section 143 of the Act in so far as it relates to the aforesaid subsidiary and jointly controlled entities are based solely on the audit reports of such other auditors and branch auditors.</p> <p>Our opinion above on the consolidated financial statements, and our report on other legal and regulatory requirements below, are not modified in respect of the above matters with respect to our reliance on the work done by and the reports of the other auditors and the branch auditors.</p> <p>20. The Statement includes the annual financial information of one subsidiary, which have not been reviewed/audited, whose annual financial information reflect total assets of NIL as at 31st March 2023, total revenues of NIL, total net profit after tax of NIL, total comprehensive income of NIL for the year ended 31st March 2023, and cash flow (net) of NIL for the year then ended, as considered in the Statement. The consolidated financial statements also include the Group's share of profit (including other comprehensive income) of ₹ 212.46 crores for the year ended 31st March 2023, in respect of one associate and nine jointly controlled entities as considered in the consolidated financial statements, whose financial statements have not been audited by us. These financial statements are unaudited and have been furnished to us by the Holding Company's management and our opinion on the consolidated financial statements, in so far it relates to the amounts and disclosures included in respect of aforesaid associate and jointly controlled entities, is based solely on such unaudited financial statements. In our opinion, and according to the information and explanations given to us by the management, these financial statements are not material to the Group.</p> <p>Our opinion above on the consolidated financial statements, and our report on other legal and regulatory requirements below, are not modified in respect of the above matter with respect to our reliance on the financial statements certified by the management.</p> <p>21. The consolidated financial statements also do not include the Group's share of net profit/ (loss) after tax and share of total comprehensive income / (loss) in respect of two jointly controlled entity, since the annual financial statements of these entities are not available as per the management and one of entities was under closure. According to the information and explanations given to us by the management, these financial statements are not material to the Group. Our opinion on the consolidated financial statements, and our report on other legal and regulatory requirements below are not modified in respect of the above matter.</p>	
Report on other legal and regulatory requirements <p>22. Based on our audit and on the consideration of the reports of the other auditors, referred to in paragraph 19, on separate financial statements of the subsidiaries and jointly controlled entities, we report that the provisions of section 197 read with Schedule V to the Act are not applicable to the Holding Company, its one subsidiary and one jointly controlled entity covered under the Act, since these are Government companies as defined under section 2(45) of the Act and one jointly controlled entity is not public company as defined under section 2(71) of the Act. Accordingly, reporting under section 197(16) is not applicable in respect of the Holding Company and the aforesaid subsidiaries and jointly controlled entities.</p> <p>Further, as stated in paragraph 20, financial statements of one associate company and eight joint controlled entities covered under the Act are unaudited and have been furnished to us by the management, and as certified by the management, wherever applicable, such companies have paid remuneration to their respective directors during the year in accordance with the provisions of and limits laid down under section 197 read with Schedule V to the Act. The provisions of section 197 read with Schedule V to the Act are not applicable to one subsidiary and one jointly controlled entity covered under the Act, since these are Government companies as defined under section 2(45) of the Act. Further, two jointly controlled entities, whose financials were not provided to us by the management, out of which one of the entity was under closure.</p>	

Comments	Management's Replies
<p>23. As required by clause (xxi) of paragraph 3 of Companies (Auditor's Report) Order, 2020 ('the Order') issued by the Central Government of India in terms of section 143(11) of the Act based on the consideration of the Order reports issued by us and by the respective other auditors as mentioned in paragraph 19 above, of companies included in the consolidated financial statements for the year ended 31st March, 2023 and covered under the Act, refer Annexure-2 for details of qualifications and/or adverse remarks given by the respective auditors in the order reports of such companies. The annexure also separately contains details of those company included in the consolidated financial statements and covered under the Act for which the respective Order reports as required under Section 143(11) of the Act have not been issued.</p> <p>24. As required by Section 143 (3) of the Act, based on our audit and on the consideration of the reports of the other auditors on separate financial statements and other financial information of the subsidiaries and jointly controlled entities and the reports of the branch auditors of the Holding Company's branches, we report, to the extent applicable, that:</p> <ul style="list-style-type: none"> a) we have sought and except for the matters described in the Basis for Qualified Opinion section, obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated financial statements; b) in our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors and the branch auditors, except for the effects / possible effects of the matters described in paragraph 3 and 4 of the Basis for Qualified Opinion section with respect to the financial statements of the Holding Company; c) the reports on the accounts of the branches of the Holding Company and its subsidiary companies and joint controlled entities, audited under Section 143(8) of the Act by branch auditors / other auditors have been sent to us, as applicable, and have been properly dealt with in preparing this report; d) the consolidated financial statements dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements; e) except for the effects / possible effects of the matters described in the Basis for Qualified Opinion section, in our opinion, the aforesaid consolidated financial statements comply with Ind AS specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015; f) the provisions of section 164(2) of the Act are not applicable to the Holding Company since the Holding Company is a Government company as defined under section 2(45) of the Act. Further, on the consideration of the reports of the other auditors, referred to in paragraph 19, on separate financial statements of the subsidiaries and jointly controlled entities covered under the Act, we report that the provisions of section 164(2) of the Act are not applicable to the one subsidiary and one jointly controlled entity since, these are Government companies as defined under section 2(45) of the Act and in respect of one jointly controlled entity, none of the directors of the jointly controlled entities covered under the Act, are disqualified as on 31st March 2023 from being appointed as a director in terms of Section 164(2) of the Act. In respect of one associate company and eight jointly controlled entities as stated in paragraph 20, whose financial statements are unaudited and have been furnished to us by the management, as certified by the management, wherever applicable, none of the directors of the associate company and the jointly controlled entities covered under the Act, are disqualified as on 31st March 2023 from being appointed as a director in terms of Section 164(2) of the Act. The provisions of section 164(2) of the Act are not applicable to one subsidiary and one jointly controlled entity covered under the Act, since these are Government companies as defined under section 2(45) of the Act. Further, two jointly controlled entities, whose financials were not provided to us by the management, out of which one of the entity was under closure. g) the qualifications relating to the maintenance of accounts and other matters connected therewith are as stated in paragraphs 3 and 4 of the Basis for Qualified Opinion section with respect to the Holding Company; h) with respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company, and its subsidiary companies, associate company and jointly controlled entities covered under the Act, and the operating effectiveness of such controls, refer to our separate report in 'Annexure 1' wherein we have expressed an unmodified opinion; and 	

Comments	Management's Replies
<p>i) with respect to the other matters to be included in the auditors' report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements and also the other financial information of the subsidiaries and jointly controlled entities incorporated in India whose financial statements have been audited under the Act and reports of the branch auditors of the Holding Company's branches:</p> <ul style="list-style-type: none"> i. except for the effects of the matters described in paragraph 3 and paragraph 4 of the Basis for Qualified Opinion section, the consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group, its associate and jointly controlled entities as at 31st March 2023, as detailed in notes 47 to the consolidated financial statements; ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31st March 2023; iii. there has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company, and its subsidiary companies, associate company and jointly controlled entities during the year ended 31st March 2023 except ₹ 1.00 crore pertaining to unclaimed matured deposits which was required to be deposited by the Holding Company in the Investor Education and Protection Fund during the year ended 31st March 2018 and which has not been deposited till 31st March 2023; iv. (a) The respective managements of the Holding Company and its subsidiary company, associate company and joint venture companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries, associate and joint ventures respectively that, to the best of their knowledge and belief, on the date of this audit report as disclosed in note 51.5(a) to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Holding Company or its subsidiary companies, its associate company or its joint venture companies to or in any person(s) or entity(ies), including foreign entities ('the intermediaries'), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company, or any such subsidiary companies, its associate company or its joint venture companies ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries; (b) The respective managements of the Holding Company and its subsidiary company, associate company and joint venture companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries, associate and joint ventures respectively that, to the best of their knowledge and belief, on the date of this audit report as disclosed in the note 51.5(b) to the accompanying consolidated financial statements, no funds have been received by the Holding Company or its subsidiary companies, or its associate company or its joint venture companies from any person(s) or entity(ies), including foreign entities ('the Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Holding Company, or any such subsidiary companies, its associate company or its joint venture companies shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and (c) Based on such audit procedures performed by us and that performed by the auditors of the subsidiaries, associate and joint ventures, as considered reasonable and appropriate in the circumstances, nothing has come to our or other auditors' notice that has caused us or the other auditors to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement. v. The interim/final dividend paid by the Holding Company and its subsidiary companies/ associate companies and joint venture companies during the year ended 31st March 2023 in respect of such dividend declared for the previous year is in accordance with section 123 of the Act to the extent it applies to payment of dividend and as stated in note 49.14 to the accompanying consolidated financial statements, the Board of Directors of the Holding Company/ its subsidiary companies/ associate companies and joint venture companies have proposed final dividend for the year ended 31st March 2023 which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend. 	<p>The matured deposit has already been claimed by the successors/relatives of the individuals but is pending for submission of document of proof of legal heir by the claimants. Appropriate procedure is being followed for refunding the matured deposit to the legal heirs.</p>

Comments	Management's Replies
<p>vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 requires all companies which use accounting software for maintaining their books of account, to use such an accounting software which has a feature of audit trail, with effect from the financial year beginning on 1st April 2023 and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 (as amended) is not applicable for the current financial year.</p>	

For Tej Raj & Pal
Chartered Accountants
Firm Registration No. 304124E

Sd/-
CA. Dinakar Mohanty
Partner
M.No. 059390
UDIN : 23059390BGWJAT8316
Place : New Delhi

For Walker Chandiok & Co LLP
Chartered Accountants
Firm Registration No. 001076N/N500013

Sd/-
CA. Nalin Jain
Partner
M.No. 503498
UDIN: 23503498BGRGBW9934
Place : New Delhi

For S. Jaykishan
Chartered Accountants
Firm Registration No. 309005E

Sd/-
CA. Ritesh Agarwal
Partner
M.No. 062410
UDIN : 23062410BGUPPS4682
Place : New Delhi

For KASG & Co.
Chartered Accountants
Firm Registration No. 002228C

Sd/-
CA. Raj Kumar Agarwal
Partner
M.No. 073063
UDIN: 23073063BGXAON2151
Place : New Delhi

For and on behalf of Board of Directors

Sd/-
(Amarendu Prakash)
Chairman

Date: 25th May 2023

Place: New Delhi

Date: 10th August, 2023

Place: New Delhi

Appendix 1

List of entities included in the consolidated financial statements

Subsidiaries	Jointly controlled entities	VSL SAIL JVC Limited
SAIL Refractory Company Limited	NTPC-SAIL Power Company Limited	Bokaro Power Supply Company Private Limited
Chhattisgarh Mega Steel Limited	International Coal Ventures Private Limited	Bhilai Jaypee Cement Limited
Associate	Bastar Railway Private Limited	SAIL Kobe Iron India Private Limited
Almora Magnesite Limited	SAIL RITES Bengal Wagon Industry Private Limited	SAIL SCL Kerala Limited *
	GEDCOL SAIL Power Corporation Limited	SAIL Bansal Service Centre Limited
	Mjunction Services Limited	PrimeGold –SAIL JVC Limited

*Company under liquidation

Appendix 2

List of branches/units/marketing regions audited by branch auditors

- | | |
|--|--|
| 1. Central Marketing Organisation–Southern Region
2. Central Marketing Organisation–Western Region
3. Central Marketing Organisation–Eastern Region
4. Central Marketing Organisation–Transportation & Shipping
5. R&D Centre ,Ranchi
6. Rourkela Steel Plant | 7. IISCO Steel Plant, Burnpur
8. Salem Steel Plant
9. Vishweswaraya Iron and Steel Plant
10. SAIL Refractories Unit
11. Chandrapur Ferro Alloy Plant |
|--|--|

Annexure-1 to the Independent Auditors' Report on Consolidated Financial Statement of Steel Authority of India Limited for the year ended 31st March 2023

Comments	Management's Replies
<p>Independent auditors' report on the internal financial controls with reference to financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')</p> <p>1. In conjunction with our audit of the consolidated financial statements of Steel Authority of India Limited ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group'), its associate and jointly controlled entities as at and for the year ended 31st March 2023, we have audited the internal financial controls with reference to financial statements of the Holding Company, its subsidiary companies, its associate company and jointly controlled entities, which are companies covered under the Act, as at that date.</p> <p>Responsibilities of management and those charged with governance for internal financial controls</p> <p>2. The respective Board of Directors of the Holding Company, its subsidiary companies, its associate company and jointly controlled entities, which are companies covered under the Act, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting ('the Guidance Note') issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of the Company's business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.</p> <p>Auditors' responsibility for the audit of the internal financial controls with reference to financial statements</p> <p>3. Our responsibility is to express an opinion on the internal financial controls with reference to financial statements of the Holding Company, its subsidiary companies, its associate company and jointly controlled entities, as aforesaid, based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the ICAI prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements, and the Guidance Note issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.</p> <p>4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements includes obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures elected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.</p> <p>5. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors and the branch auditors in terms of their reports referred to in the Other matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to financial statements of the Holding Company, its subsidiary companies, its associate company and jointly controlled entities as aforesaid.</p> <p>Meaning of internal financial controls with reference to consolidated financial statements</p> <p>6. A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.</p>	

Comments	Management's Replies
<p>Inherent limitations of internal financial controls with reference to financial statements</p> <p>7. Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management over ride of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.</p> <p>Opinion</p> <p>8. In our opinion and based on the consideration of the reports of the other auditors and branch auditors on internal financial controls with reference to financial statements of the subsidiary companies, jointly controlled entities and branches of the Holding Company and the financial statements reports certified by the management in respect of the associate company and jointly controlled entities which are unaudited, the Holding Company, its subsidiary companies, its associate company and jointly controlled entities, which are companies covered under the Act, have in all material respects, adequate internal financial controls with reference to consolidated financial statements and such controls were operating effectively as at 31st March 2023, based on the internal control over financial reporting criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting ('the Guidance Note') issued by the Institute of Chartered Accountants of India ('ICAI').</p> <p>Other matters</p> <p>9. We did not audit the internal financial controls with reference to financial statements / financial information in so far as it relates to one subsidiary company, which is a company covered under the Act and eleven branches included in the separate annual financial statements of the Holding Company, whose financial statements / financial information reflect total assets and net assets of ₹ 61,268.07 crores and ₹ 37,235.36 crores respectively as at 31st March 2023, total revenues of ₹ 39,954.56 crores and cash inflows (net) of ₹ 17.74 crores for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net profit (including other comprehensive income) of ₹ 560.67 crores for the year ended 31st March 2023, in respect of two jointly controlled entities, which are companies covered under the Act, whose internal financial controls with reference to financial statements have not been audited by us. The internal financial controls with reference to consolidated financial statements in so far as it relates to such subsidiary company, jointly controlled entities and branches of the Holding Company, have been audited by other auditors whose reports have been furnished to us by the management and our report on the adequacy and operating effectiveness of the internal financial controls with reference to financial statements for the Holding Company, its subsidiary company and jointly controlled entities, as aforesaid, under Section 143(3)(i) of the Act in so far as it relates to such subsidiary company, jointly controlled entities and branches of the Holding Company, is based solely on the reports of the auditors of such companies and branches. Our opinion is not modified in respect of this matter with respect to our reliance on the work done by and on the reports of the other auditors and branch auditors.</p> <p>10. We did not audit the internal financial controls with reference to financial statements / financial information in so far as it relates to one subsidiary company, which is a company covered under the Act but which have not been reviewed/audited by any of the Auditors, whose annual financial information reflect total assets of NIL as at 31st March 2023, total revenues of NIL for the year ended 31st March 2023, and cash flow (net) of NIL for the year then ended on that date and one associate company and nine jointly controlled entities, which are companies covered under the Act, in respect of which, the Group's share of net profit (including other comprehensive income) of ₹ 212.46 crores for the year ended 31st March 2023 has been considered in the consolidated financial statements.</p> <p>The internal financial controls with reference to financial statements of this subsidiary company, associate company and jointly controlled entities, which are companies covered under the Act, are unaudited and our opinion under Section 143(3)(i) of the Act on adequacy and operating effectiveness of the internal financial controls with reference to financial statements in so far as it relates to the aforesaid subsidiary, associate and jointly controlled entities, which are companies covered under the Act, is solely based on the corresponding internal financial controls with reference to financial statements reports certified by the management of such companies. In our opinion and according to the information and explanations given to us by the management, these financial statements/financial informations are not material to the Group. Our opinion is not modified in respect of the above matter with respect to our reliance on the internal financial controls with reference to financial statements reports certified by the management.</p>	

Comments	Management's Replies
<p>Further, We did not audit the internal financial controls with reference to financial statements in so far as it relates to two jointly controlled entities, which are companies covered under the Act, whose financials were not provided to us by the management and one of the entities was under closure, since the annual financial results of these entities are not available as per the management. In our opinion and according to the information and explanations given to us by the management, these financial statements/ financial informations are not material to the Group. Our opinion is not modified in respect of the above matter with respect to our reliance on the internal financial controls with reference to financial statements reports certified by the management.</p>	

For Tej Raj & Pal

Chartered Accountants

Firm Registration No. 304124E

Sd/-

CA. Dinakar Mohanty

Partner

M.No. 059390

UDIN : 23059390BGWJAT8316

Place : New Delhi

For S. Jaykishan

Chartered Accountants

Firm Registration No. 309005E

Sd/-

CA. Ritesh Agarwal

Partner

M.No. 062410

UDIN : 23062410BGUPPS4682

Place : New Delhi

For Walker Chandiok & Co LLP

Chartered Accountants

Firm Registration No. 001076N/N500013

For KASG & Co.

Chartered Accountants

Firm Registration No. 002228C

Sd/-

CA. Nalin Jain

Partner

M.No. 503498

UDIN: 23503498BGRGBW9934

Place : New Delhi

Sd/-

CA. Raj Kumar Agarwal

Partner

M.No. 073063

UDIN: 23073063BGXAON2151

Place : New Delhi

For and on behalf of Board of Directors

Sd/-

(Amarendu Prakash)

Chairman

Date: 25th May 2023

Place: New Delhi

Date: 10th August, 2023

Place: New Delhi

Annexure 2 referred to in Paragraph 23 of even date to the members of Steel Authority of India Limited on the consolidated financial statements for the year ended 31st March 2023

Comments					Management's Replies
S. No.	Name	CIN	Holding Company/ Subsidiary / Associate/ Jointly controlled entity	Clause number of the CARO report which is qualified or adverse	
1	Steel Authority of India Limited	L27109DL1973GOI006454	Holding Company	Clause i(a), i(b) and ii(b)	
B)	Following are the companies included in the consolidated financial statements for the year ended 31 st March 2023 audited by other auditors, for which the reports, under section 143(11) of the Act of such companies, have not yet been issued by the respective other auditors, as per information and explanation given to us by the management in this respect:				
S. No.	Name	CIN	Subsidiary/ Associate/ Jointly Controlled entity		
1	Bastar Railway Pvt. Ltd.	U74900CT2016PTC007251	Jointly Controlled entity		
2	SAIL Bansal Service Centre Limited	U27310WB2000PLC092486	Jointly Controlled entity		
3	Mjunction Services Limited	U00000WB2001PLC115841	Jointly Controlled entity		
4	GEDCOL SAIL Power Corporation Limited	U403000R2018SGC029410	Jointly Controlled entity		
5	SAIL-Kobe Iron India Pvt Limited	U27100DL2012PTC236499	Jointly Controlled entity		
6	Bokaro Power Supply Co. Private Limited	U40300DL2001PTC112074	Jointly Controlled entity		
7	Bhilai Jaypee Cement Limited	U26940CT2007PLC020250	Jointly Controlled entity		
8	International Coal Ventures Private Limited	U10100DL2009PTC190448	Jointly Controlled entity		
9	Prime Gold - SAIL JVC Limited	U28113DL2012PLC245537	Jointly Controlled entity		
10	Almora Magnesite Limited	U26941UR1971PLC003453	Associate		
11	Chhattisgarh Mega Steel Limited	U27100CT2015GOI001627	Subsidiary		

COMMENTS OF C&AG

COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6)(b) READ WITH SECTION 129(4) OF THE COMPANIES ACT, 2013 ON THE CONSOLIDATED FINANCIAL STATEMENTS OF STEEL AUTHORITY OF INDIA LIMITED FOR THE YEAR ENDED 31ST MARCH 2023

Comments
The preparation of Consolidated Financial Statements of Steel Authority of India Limited for the year ended 31 st March 2023 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 is the responsibility of the management of the company. The statutory auditors appointed by the Comptroller and Auditor General of India under Section 139(5) read with Section 129(4) of the Act are responsible for expressing opinion on the financial statements under Section 143 read with Section 129(4) of the Act based on independent audit in accordance with the standards on auditing prescribed under Section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 25 th May, 2023.
I, on the behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the Consolidated Financial Statements of Steel Authority of India Limited for the year ended 31 st March, 2023 under Section 143(6)(a) read with Section 129(4) of the Act.
We conducted a supplementary audit of the Financial Statements of Steel Authority of India Limited: its one ¹ subsidiary company, and one ² joint venture company. Supplementary audit under Section 143(6)(a) of the Act of on ³ subsidiary company, five ⁴ such joint venture companies and one associate company ⁵ was not completed pending finalization of their accounts and/or audit as on date. Under Section 143(6)(a) of the Act, I am not required to conduct supplementary audit of the Financial Statements of the six ⁶ companies not controlled by the government but included in the Consolidated Financial Statement. (Details are enclosed as Annexure-1). This supplementary audit has been carried out independently without access to the working papers of the statutory auditors and is limited primarily to inquiries of the statutory auditors and company personnel and a selective examination of some of the accounting records.
<p>¹ SAIL Refractory Company Limited ² NTPC SAIL Power Company Limited ³ Chhattisgarh Mega Steel Limited ⁴ Bokaro Power Supply Company Private Limited, Bastar Railway Private Limited, International Coal Venture Private Limited, SAIL RITES Bengal Wagon Industry Private Limited and GEDCOL SAIL Power Corporation Limited ⁵ Almora Magnesite Limited ⁶ mijunction Services Limited, Bhilai Jaypee Cement Limited, SAIL Kobe Iron India Private Limited, Prime Gold-SAIL JVC Limited, SAIL Bansal Services Limited and VSL SAIL JVC Limited</p> <p>On the basis of my supplementary audit nothing significant has come to my knowledge which would give rise to any comment upon or supplement to Statutory Auditors' Report under Section 143(6)(b) of the Act.</p>
For and on the behalf of the Comptroller & Auditor General of India Sd/- (U. S. Prasad) Director General of Audit (Steel), Ranchi
Place: Ranchi Date: 4 th August, 2023

Statement showing name of Subsidiary, Joint Venture and Associate Companies of SAIL and status of consolidated accounts (2022-23)

Sl. No.	Name of the related party and nature of relationship	Whether accounts were consolidated	Whether under the jurisdiction of C&AG
	Parent Company		
	Steel Authority of India Limited	Yes	Yes
	Subsidiary Companies		
1	SAIL Refractory Company Limited	Yes	Yes
2	Chhattisgarh Mega Steel Limited	Yes	Yes
	Joint Venture Companies		
3	NTPC SAIL Power Company Limited	Yes	Yes
4	Bokaro Power Supply Company Private Limited	Yes	Yes
5	International Coal Venture Private Limited	Yes	Yes
6	SAIL RITES Bengal Wagon Industry Private Limited	Yes	Yes
7	Bastar Railway Private Limited	Yes	Yes
8	GEDCOL SAIL Power Corporation Limited	Yes	Yes
9	mjunction Services Limited	Yes	No
10	Bhilai Jaypee Cement Limited	Yes	No
11	SAIL Kobe Iron India Private Limited	Yes	No
12	Prime Gold-SAIL JVC Limited	Yes	No
13	SAIL Bansal Services Limited	Yes	No
14	VSL SAIL JVC Limited	Yes	No
	Associate Company		
15	Almora Magnesite Limited	Yes	Yes

Annexure-IX to the Board's Report

Form AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

**Statement containing salient features of the financial statement
of subsidiaries/associate companies/joint ventures**

Part "A": Subsidiaries

Sl. No.	Particulars	Details	
1.	Name of the subsidiary	SAIL Refractory Company Limited	Chhattisgarh Mega Steel Limited
2.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Not applicable	Not applicable
3.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	Not applicable	Not applicable
₹ in crore			
4.	Share capital	0.10	0.05
5.	Reserves & surplus	168.72	(-)0.06
6.	Total assets	253.52	0.00
7.	Total Liabilities	84.70	0.01
8.	Investments	-	-
9.	Turnover	167.13	-
10.	Profit before taxation	24.35	-
11.	Provision for taxation	6.60	-
12.	Profit after taxation	17.75	-
13.	Proposed Dividend	0.08	-
14.	% of shareholding	100	74

Note: The Company holds 30,00,000 equity shares of ₹10/- each in IISCO Ujjain Pipe & Foundry Co. Ltd. The Hon'ble High Court of Calcutta had directed winding-up of the Company with effect from 10th July, 1997 and the official liquidator has taken over the possession of the assets of the Company. The liquidator, after disposing the assets of the Company, is in the process of settling the outstanding dues. The cumulative loss of IISCO Ujjain Pipe & Foundry Co. Ltd. upto 10th July'97 was ₹ 17.05 crore.

For and on behalf of Board of Directors

Sd/-
(M.B. Balakrishnan)
 Company Secretary

Sd/-
(Anirban Dasgupta)
 Director Incharge, Bhilai Steel Plant

Place : New Delhi
Date: 25th May, 2023

Part "B": Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Sl. No.	Name of the Associate /Joint Ventures	Latest Audited Balance Sheet Date	Shares of Associate / Joint Ventures held by the company on the year end	Amount of Investment in Associates / Joint Venture ₹ crore	Extent of Holding (%)	Description of how there is significant influence	Revenue from operations	Net worth attributable to shareholding as per latest audited Balance Sheet ₹ crore	Profit/ Loss (-) for the year ₹ crore	Considered in Consolidation ₹ crore	Not Considered in Consolidation ₹ crore
	Joint Ventures	1	2	3	4	5	6	7	8	9	10
1	NTPC SAIL Power Company Ltd.	31-03-2023	490250050	490.25	50.00%	Note-1		1829.11	470.33	235.17	235.17
2	Bokaro Power Supply Co. Pvt. Ltd.*	31-03-2022	124025000	124.03	50.00%	Note-1		534.84	64.40	32.20	32.20
3	Mjunction Services Limited *	31-03-2022	4000000	4.00	50.00%	Note-1		163.36	74.21	37.11	37.11
4	SAIL Bansal Service Centre Ltd *	31-03-2020	3200000	3.20	40.00%	Note-1		1.22	0.02	0.01	0.01
5	Bhilai Jaypee Cement Limited *	31-03-2021	98718048	52.51	26.00%	Note-1		0.00	-63.92	-13.38	-50.54
6	International Coal Ventures Private Limited*	31-03-2022	698371832	698.37	47.82%	Note-1		1215.55	-126.46	-60.47	-65.99
7	SAIL SCL Kerala Limited #	31-03-2018	13017801	18.75	49.26%	Note-1	Accounts not available	2.87	-5.82	0.00	-5.82
8	SAIL RITES Bengal Wagaon Industry Pvt. Limited	31-03-2023	24000000	24.00	50.00%	Note-1		30.98	0.33	0.17	0.17
9	SAIL Kobe Iron India Pvt. Limited*	31-03-2018	250000	0.25	50.00%	Note-1		0.24	-0.01	-0.01	0.00
10	Prime Gold-SAIL JVC Limited*	31-03-2019	4680000	4.68	26.00%	Note-1		3.72	1.27	0.33	0.94
11	VSL SAIL JVC Limited *	31-03-2018	1297780	1.30	20.58%	Note-1	Accounts not available	0.00	0.00	0.00	0.00
12	Romelt SAIL (India) Ltd @	-	63000	0.06	-	Note-1	-do-	-	-	-	-
13	UEC SAIL Information Technology Limited #	-	-	-	-	Note-1	-do-	-	-	-	-
14	N.E. Steel & Galvanising Pvt. Limited #	-	-	-	49.00%	Note-1	-do-	-	-	-	-
15	Bastar Railway Pvt Limited*	31-03-2022	35232600	35.23	12.00%	Note-1		35.22	-0.93	-0.11	-0.82
16	GEDCOL SAIL Power Corporation Limited*	31-03-2022	2600000	2.60	26.00%	Note-1		2.59	-0.04	-0.01	-0.03
	Associate										
1	Almora magnesite Limited*	31-03-2020	400000	0.40	20.00%	Note-2		1.57	0.94	0.19	0.75

1. Voting power as per Joint Venture Agreement

2. Holds 20% share capital

* Based on the Unaudited Accounts for the Year

@ Operations under suspension

Companies under winding up/liquidation

For and on behalf of Board of Directors

Sd/-

(M.B. Balakrishnan)

Company Secretary

Sd/-

(Anirban Dasgupta)

Director Incharge, Bhilai Steel Plant

Place : New Delhi

Date: 25th May, 2023

**Particulars of Loans, Guarantees or Investments in accordance with
Section 186 of the companies Act, 2013**

i) **Amount Outstanding as at 31st March, 2023**

Particulars	Amount (₹ crore)
Loans Given *	
IISCO Ujjain Pipe & Foundry Co. Ltd.	2.53
NTPC SAIL Power Company Limited	73.67
UEC SAIL Information Technology Limited	1.30
S&T Mining Co. Pvt. Limited	0.02
SAIL SCL Kerala limited	17.14
TOTAL	94.66
Investments Made #	1459.72

*₹ 21.32 crore provided for

#Refer Note no.8 to Standalone accounts

ii) **Investments made during the Year ended 31st March, 2023**

Name of the Entity	Relation	Amount (₹ crore)	Purpose for which Investments are proposed to be utilised
		NIL	

For and on behalf of the Board of Directors

Sd/-

(Amarendu Prakash)

Chairman

Place : New Delhi

Date : 2nd September, 2023

PARTICULARS OF ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS & OUTGO

(Pursuant to Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies(Accounts) Rules, 2014)

(A) Conservation of energy

i) Steps taken or impact on conservation of energy

Improving energy-efficiency is a low-hanging fruit for Greenhouse Gas (GHG) emission reduction. The trend of increasing environmental degradation due to increased GHG emission has necessitated a renewed thrust towards reduction in energy consumption. In order to give the impetus towards improving energy efficiency requiring minimal Capital Expenditure and adopting globally defined best available technologies with established outcomes, Ministry of Steel, Government of India, constituted a Task Force #4 on Energy Efficiency in the National Mission on Green Steel.

SAIL has continually undertaken various measures like optimisation in Plant utilisation, improvement in existing processes, introduction of new technologies and increase in waste heat recovery. At the same time, focus is also on reducing consumption of purchased fuel and power.

Performance of Integrated Steel Plants in terms of energy and power was as follows:

Parameter	Unit	BSP	DSP	RSP	BSL	ISP
Specific Energy Consumption	Gcal/tcs	6.45	6.44	6.03	6.57	6.20
Specific Power Consumption	kWh/tss	491	425	480	468	517

Some of the steps taken in these areas during the Financial Year 2022-23 are listed below:

Bhilai Steel Plant (BSP)

- a) Best ever Crude Steel production from Steel Melting Shop (SMS-3) at 3.058 Mt, surpassing previous best of 2.726 Mt achieved in previous year.
- b) Best ever Waste Heat recovery from hot coke in Coke Dry Cooling Plant (CDCP) facility resulting in generation of 29.2 GWh power from Back Pressure Turbine Generator (BPTG) in Coke Oven Battery (COB) - 11.
- c) Increase in conversion of high top-gas discharge pressure to electrical energy in Blast Furnace (BF)-8 resulting in highest ever generation of 91.5 GWh of power through Top-pressure Recovery Turbine (TRT).
- d) Best ever average Coal Dust Injection (CDI) of 120 kg/thm at BFs 1-8 resulting in decreased coke requirement and consequent coke making energy.
- e) Best ever average power generation in Power & Blowing Station-2 (PBS-2) of 24.15 MW resulting in increased generation of captive power of 381.8 GWh from Captive Power Plants (PBS-1& PBS-2 together) compared to 313.8 GWh generated in 2021-22.
- f) Commissioning of new Basic Oxygen Furnace (BOF) gas holder of SMS-3 with annual recovery of 46 Nm³/tcs of BOF gas from SMS-3 leading to achieving best ever annual LD gas recovery of 2.33 x 10⁸ Nm³ from SMS-2 and SMS-3 together.
- g) Installation of Variable Voltage Variable Frequency Drives (VVVFDS) in 6 nos. of cooling water pumps of SMS-2 and

2 nos. of mixed gas boosters of Plate Mill booster station has resulted in annual energy saving of 4.4 GWh.

- h) Through judicious utilization of co-product gases, Boiler Coal and Furnace Oil consumption could be reduced by 76% and 21% over last year, respectively.

Durgapur Steel Plant (DSP)

- a) Optimisation of steelmaking operation resulted in lowest ever overall Total Metallic Input (TMI) of 1,113 kg/tcs in SMS.
- b) Successful completion of Category-III Capital Repair of BF-3 & 4 resulted in:
 - Best ever average BF productivity of 1.86 t/m³/day
 - Lowest ever average BF coke rate of 457 kg/thm and
 - Best ever CDI rate of 58 kg/thm.
- c) Installation of 1 MW Roof Top Solar Plant and connected to power grid.
- d) Replacement of conventional light fittings with Light-Emitting Diode (LED) fittings in street lights & high mast towers, etc. leading to saving of around 370 MWh power.

Rourkela Steel Plant (RSP)

- a) Increase in power generation through Back Pressure Turbine Generator (BPTG) by 0.37 MW over last year, to 3.87 MW, using waste heat recovery system in COB-6.
- b) Increase in average power generation through TRT by 0.6 MW over last year, to 14.0 MW, by increased conversion of high top-gas discharge pressure in BF to electrical energy.
- c) Reduction in average Coke Rate in BFs by 9 kg/thm to 415 kg/thm as compared to previous year.
- d) Achieving significant reduction in Boiler Coal consumption by 85% over last year, to 17.2×10^3 t, through optimised utilisation of co-product gases in Power Plants.
- e) Reduction in specific process steam consumption by 25 kg/tcs w.r.t. previous year to 329.3 kg/tcs.
- f) Reduction in specific oxygen consumption by 5.7 Nm³/tcs to 139.1 Nm³/tcs, over last year.

Bokaro Steel Plant (BSL)

- a) Significant increase in BOF gas yield from SMS-II by 39 Nm³/tcs over last year, to 65 Nm³/tcs.
- b) Rebuilding of COB-8, leading to an increase in average Coke Oven (CO) gas yield by 1 Nm³/tdc over last year, to 329.2 Nm³/tdc.
- c) Installation of 10 nos. of Variable Frequency Drive (VFD) at Sinter and Coke vibrators of BF-4.
- d) Replacement of about 78,000 nos. of conventional lights by LED light in Plant premises.
- e) Liquidation of 200 nos. of steam leakages, insulation of 300 m long steam line and replacement of 200 nos. of steam traps.

IISCO Steel Plant (ISP)

- a) Adoption of Hot Charging in Bar Mill, resulting in reduction of Specific Heat consumption by 0.122 Gcal/t charge weight over last year, to 0.273 Gcal/t charge weight.
- b) Utilization of excess available CO gas from old plant to reheating furnace of Mills, by laying a dedicated pipe line, has led to reduction in consumption of purchased Coal Bed Methane (CBM) gas by 20.7×10^6 scm.
- c) Enhanced utilization of excess available CO gas from new plant, by installation of a new CO gas booster, has led to saving of about 7.3×10^6 scm of purchased CBM gas.

ii) Capital Investment on Energy Conservation Equipment

A Capital Expenditure of about ₹74 crore has been incurred on energy conservation equipment/measures during the Financial Year 2022-23.

(B) Technology absorption

i) Efforts made towards technology absorption

Research and Development Centre for Iron & Steel (RDCIS) is the Corporate R&D Unit of SAIL. Over the years, RDCIS has earned credentials of being an R&D Centre of international repute in the field of ferrous metallurgy. The major thrust of RDCIS is to plan, demonstrate and implement multi-disciplinary R&D programmes in SAIL Plants to improve their key performance indices related to quality, productivity and yield. RDCIS works with Steel Plants and Central Marketing Organisation of the Company to reduce product cost, develop value added market centric products and demonstrate the application of SAIL products amongst the customers. Specific areas in which R&D activities were carried out by the Company in 2022-23 are as under:

a) Process Developments

Coke Making

- Addition of Waste Plastic Granules for Coke Making at BSP.
- Improvement in hot strength property of Coke with respect to CSR at BSP.
- Improvement in coal preparation and charging practice at DSP.
- Integrated health monitoring system at COB-2, DSP.
- Increase in service life of bed plates of Coke Ovens Quenching Car at RSP by use of abrasion resistant steel.
- Enhancement of Coal Charge in COB-6, RSP.
- Optimization of Coke Oven Battery parameters by flue gas analysis at BSL.
- Improvement in coke quality by rationalization of coal preparation scheme at BSL.
- Investigative study on solubility of Naphthalene deposit of CO Gas pipeline to RMP in Wash Oil and Benzol at BSL.

Energy Conservation and Environment

- Introduction of heating facility for ladle on steel transfer car in SMS of DSP.
- Design of modified scheme for BF gas and BOF gas mixing at mixing station of reheating furnaces (RHF) of ISP.

- Optimisation of RHF operating parameters at Bar Mill of ISP, during production hold-up.
- Effluent treatment performance improvement in Aeration Tank #2 of new Coke Oven at ISP.

Agglomeration

- Utilization of lean grade Iron ore (45 to 55%Fe) to produce concentrate and other by-products.
- Optimization of Screening Efficiency to control undersize in Lump product of Bolani Ore Mines.
- Intensification of sintering process at SP-2 at BSP.
- Investigation on the utilization of RMP arising waste in sintering process, BSL.

Blast Furnaces

- Enhancement of PCI rate in BF-5 at RSP.
- Productivity enhancement in BF-3 at DSP.

Steel Making & Casting

- Process Utilisation of Al-killed Ladle Furnace slag as a slag modifier in Si-killed steels.
- Introduction of foamy slag practice to reduce power consumption at SMS-3 at BSP.
- Control of UT Defect in LHB Axles at DSP.
- Increase in usage of iron ore as BOF coolant at BSL.
- Optimization of Ferroalloy Consumption at SMS-I at RSP.

Refractory

- A good quality self flow castable developed with 75% Al_2O_3 & Stabilised ZrO_2 for high temperature application and its performance in tuyer stock of BF-1 of BSL.
- Average lining life of steel ladle of SMS-II, BSL increased from 75 heats to 92 heats by developing Mag-Carbon bricks with special carbonaceous binder through SRU, Ranchi Road.
- Modification of lining pattern of reheating furnace (Old-A) hearth at Wheel & Axel Plant at DSP.

Rolling Mills

- Performance improvement of side guide liners in the coiler section of HSM at BSL.
- Development of heat shield on slab transfer car at Plate Mill at RSP.
- Improvement in surface flatness of defence grade heat treated plates by process optimization at RSP.
- Stabilisation of Selective Cooling Line for the process approval of 1175HT rails at Universal Rail Mill, BSP.
- Development of 18mm wire rod rolling capabilities at Wire Rod Mill, ISP.
- Development of superior roll cooling system for finishing stands of MSM at DSP.

Automation

- Introduction of improved heating control system for C1 & C4 furnaces of Wheel & Axle Plant at DSP.
- Design and implementation of Coil Yard Management System for Wire Rod Mill at BSP.
- Health Monitoring of DC motors of Plate Mill, BSP to predict undesirable load conditions on the motor and to prevent the motor failure.

b) Laboratory based work

Coke Making

- Study on use of steel plant carbonaceous waste, in the form of briquettes, in coke making, by optimising briquette composition and briquetting process parameters, and studying their effect on coke quality through carbonisation in 20 kg mini pilot oven.
- Development of a prediction method for CRI-CSR of coke based on microstructural studies using petrography.
- Pilot coke oven carbonisation carried out with addition of waste plastic in agglomerate form in coal blend, at different concentration and bulk density of coal charge to study its effect on the coke quality and oven behaviour.
- Investigation into reasons for inconsistent washed coal quality at Chasnala washery.
- Study and determination of factors affecting stamp charging parameters.

Blast Furnaces

- Laboratory study for briquetting of BOF Sludge and compatible steel plant wastes
- Waste utilization initiatives-Installation of a pilot plant for Utilization of solid waste like BOF slag & fly ash for brick / paver & hollow block making.

Steel Making & Casting

- Role of Cerium on processing & properties of steel.
- Laboratory studies for briquetting and pelletization of Al Killed LF slag.

Refractory

- MgO-C bricks with high slag corrosion & spalling

resistance developed by addition of reactive alumina to form spinel to be used for enhancement of ladle lining.

Rolling Mills

- Study on nano-lubrication in hot rolling of steel.
- Evaluation of residual stress, fatigue strength, fracture toughness and FCGR of different rails.

Automation

- Implementation of cloud infrastructure at RDCIS to deploy online applications e.g. HRMS, e-Notesheet, etc. and associated database.
- Online Quarter Management System for Ranchi based units of SAIL and Online Complaint Management System for IT assets at RDCIS, were implemented as part of working towards paperless office.
- 3D Scanning Lab Setup at RDCIS for Additive manufacturing through Reverse Engineering of critical components of Steel Plant.

c) Product Development & Application

RDCIS, through continuous technological inputs, has been assisting the Company in producing value added steel products at a competitive price. Several new products, particularly special steels, having superior product quality attributes have been developed and commercialized by RDCIS and SAIL Plants for meeting stringent requirement of various market segments. Principle of cost effective alloy design and optimization of process parameters were the prime considerations for development of the new market oriented products. During the year 2022-23, the following 12 nos. of products have been developed.

S.No.	Product	Plant/ Unit	Application
1	Free Cutting Grade Wire Rod	ISP	Engineering
2	Fire Resistant Structural	ISP	Steel Structure
3	IS 2062 E410C Structural	DSP	Steel Structure
4	Ultra Low Nb Structural (E350 BR)	DSP	Steel Structure
5	EWNR Wire Rods 5.5/6/7mm	BSP	Electrode Wire Rod
6	1175 HT Grade Heat Treated Rail	BSP	Rail Track
7	IS 7887 CAQ Gr.I Wire Rod	BSP	Cable Armour
8	Thick Web Asymmetric Rail with 60E1A1 profile	BSP	Rail Track
9	HSFQ 450 HR Coil	RSP	Automotive Component
10	IS 2062 E350 BR/ E350 C/ E410 BR HR Coil	RSP	Construction
11	IS 11587 WR-Fe480A/ WR-Fe490H HR Coil	RSP	Container Manufacturing
12	EN 10025-5/ IS 11587 HR Coil	BSL	Weather Resistant Structural

(ii) Benefits derived from key projects in 2022-23:

Process Area:

Project Title	Plant	Benefit derived
Addition of Waste Plastic Granules for Coke Making at BSP	BSP	Industrial scale proof of concept for utilizing waste plastic, in coke-making, established.
Improvement in hot strength property of Coke with respect to CSR at BSP	BSP	CSR improved by 0.1 mass%, even with inferior quality coal.
Enhancement of Coal Charge of COB#6, RSP	RSP	Dry coal charge per oven increased by 900 kg, to 31.5 t, compared to last year.

Project Title	Plant	Benefit derived
Optimization of Coke Oven Battery parameters by flue gas analysis at BSL.	BSL	<ul style="list-style-type: none"> Reduction in specific heat consumption by about 70 kcal/kg of dry coal charge.
Improvement in coke quality by rationalization of coal preparation scheme at BSL.	BSL	<ul style="list-style-type: none"> Coke strength in terms of M10 has improved by 0.5 mass%.
Investigative study on solubility of Naphthalene deposit of CO Gas pipeline to RMP in Wash Oil and Benzol at BSL	BSL	<ul style="list-style-type: none"> Using a prototype, the study proved the technical viability of in-situ cleaning of CO gas pipeline using hot wash oil to dissolve 80 mass% of the deposits.
Optimisation of RHF operating parameters at Bar Mill of ISP, during production hold-up	ISP	<ul style="list-style-type: none"> Temperature deviations between head and tail ends of first few billets discharged after 40-45 minutes' hold-up, reduced to 8-25 °C from 39-75 °C earlier.
Effluent treatment performance improvement in Aeration Tank #2 of new Coke Oven at ISP	ISP	<ul style="list-style-type: none"> Mixed Liquor Suspended Solids in the Aeration Tank #2 increased from < 50 mg/L to about 1,800 mg/L.
Development of suitable quality refractory for tuyere stocks of BF to facilitate increase in HBT	BSL	<ul style="list-style-type: none"> Hot Blast Temperature of more than 1050°C achieved with material of SAIL Refractory Unit.
Improving flatness of heat treated plates	RSP	<ul style="list-style-type: none"> Waviness of heat treated plates (4-6 mm) decreased to less than 2.5 mm from the earlier value of more than 15 mm.
Performance improvement of side guide liners in the coiler section of HSM	BSL	<ul style="list-style-type: none"> Life of modified liners increased by 2.5 times compared to existing ones.
Introduction of improved heating control system for C1 & C4 furnaces of Wheel & Axle Plant	DSP	<ul style="list-style-type: none"> System has resulted in Reduction in wheel rejections due to hardness variation from 8% to 6%.
Design and implementation of Coil Yard Management System for Wire Rod Mill, Bhilai Steel Plant	BSP	<ul style="list-style-type: none"> Systematic storage in yard, inventory management and easy retrieval of coils for dispatch. Reduction in manual paper work and multiple entries in independent systems.
Implementation of cloud infrastructure at RDCIS to deploy online applications e.g. HRMS, e-Notesheet etc. and associated database	RDCIS	<ul style="list-style-type: none"> Scalable and Secured infrastructure with high availability of data (>99%) provided by MeitY, Government of India empanelled Cloud Service Provider. Immune to H/W & OS up-gradation requirement.
Health Monitoring of DC motors of Plate Mill, BSP	BSP	<ul style="list-style-type: none"> Identification of the undesirable load condition and prevention of Motor failure in 4 cases so far.
50 KWP rooftop on-grid solar PV system at RDCIS complex, at Ranchi	RDCIS	<ul style="list-style-type: none"> The annual generation from the system will be an average 69000 unit (kWh). The system will mitigate carbon dioxide emissions of around 56 tonnes per year.

Other Technology Absorption, Adaption & Innovation measures

Technology development, absorption, adaption and further improvement are continuously taking place in the Company in different areas of Steel Plant operation through a definitive technology strategy. A number of new technologies are installed/being installed as a part of modernization/continuous improvement. These area-wise include:

S.No.	Description	Year	Status
COKE MAKING			
1.	Rebuilding of Coke Oven Battery No-8 at BSL	2023	Likely to be commissioned
2.	Up-gradation of Effluent treatment plant of CO&CCD area at RSP	2023	Likely to be commissioned
IRON MAKING			
1.	Blast Furnace (BF) with modern facilities such as :- <ul style="list-style-type: none"> Conveyor charging system Closed Loop Cooling System with soft water as an efficient cooling system Modern refractory design Flat Cast House design with ramp for use of mobile equipment for maintenance, etc. 		
i)	BF#4 at BSL	2023	Likely to be commissioned
2.	INBA Cast House Slag Granulation Technology at BSL		
i)	BF #1, Cast House 1	2023	Likely to be commissioned
ii)	BF #1, Cast House 2	2022	Commissioned
3.	High Hot Blast technology in stoves with waste heat recovery system for achieving HBT of >1200°C		
i)	4 th Stove in BF#4, DSP	2023	Likely to be commissioned

S.No.	Description	Year	Status
STEEL MAKING			
1.	1x130t BOF at SMS-I, BSL	2022	Commissioned
2.	Replacement of Converter shells with Bottom stirring system and installation of secondary emission control system in all the three converter at DSP	2022	Commissioned
3.	Installation of 4 th Slab Caster and a new Ladle Furnace in SMS-2 at RSP	2024	Likely to be commissioned
ROLLING & FINISHING			
1.	Medium Structural Mill, DSP		
i)	Walking-beam (WB) type re-heating furnaces	2023	Production ramp-up in progress.
ii)	Universal stands with quick roll cassette changing facility for easy switch-over of campaigns and production of universal sections which have inherent advantages of simplicity in fabrication, higher section modulus to weight ratio, higher buckling strength, etc.	2023	Production ramp-up in Progress. Likely to be commissioned
iii)	On-line profile gauges for stock to stock monitoring of important geometric values for minimizing rejections and taking timely corrective actions	2023	UCS code has been created on 5 th July, 2023. Procurement action has been initiated for revival.
2.	New Hot Strip Mill, RSP		
i)	Walking-beam (WB) type re-heating furnaces with modern features including energy efficient digital furnace, crop optimization, heat retention panels.	2022	Commissioned
ii)	A new 3.0 MT capacity Hot Strip Mill to meet the market requirements of higher coil weight, wider strip, higher strength grades for auto body grades and API grades and excellent product qualities. Features include pair cross rolling, microstructure controlled cooling, online surface inspection, pallet conveyors etc. it is equipped with high level of automation including process control, MES & yard management.		

Expenditure on Research & Development (₹ crore)

(a) Capital	:	32.88
(b) Revenue	:	397.60
Total	:	430.48
Total R&D Expenditure as a % of Total Turnover	:	0.41

Foreign Exchange Earnings and Outgo (₹ crore)

i) Foreign Exchange earned from exports and other activities	:	2,638.89
ii) Foreign Exchange used:		
a) CIF Value of imports	:	51,936.90
b) Other expenditure in foreign currency	:	17.86

For and on behalf of Board of Directors

Sd/-

(Amarendu Prakash)

Chairman

Place : New Delhi

Date : 2nd September, 2023

Annexure -XII to the Board's Report

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY ACTIVITIES

{Pursuant to Section 135 of the Companies Act, 2013 and
the Companies (Corporate Social Responsibility Policy) Rules, 2014}

1. Brief outline on CSR Policy of the Company

The CSR Policy of SAIL is a statement containing the approach and direction given by the Board, taking into account the recommendations of the CSR Committee of the Board. It includes guiding principles for selection, implementation and monitoring of activities as well as formulation of the annual action plan. The Objectives of the CSR Policy are as follows:

- To create value for the stakeholders and society that are fundamentally linked to SAIL's core business strategies and operations through its services.
- Enhance value creation and foster goodwill for the community in which it operates by enhancing the quality of life of people in the direct impact zone.
- Support the community by assisting the underprivileged people and communities
- Carry out developmental initiatives in order to meet the calls of the present without compromising the ability of future.
- Support local populace by building the image of SAIL as patron of Arts and Sports and Culture.
- To operate in a socially, environmentally and economically responsible manner to succeed by seeking social license.

2. Composition of CSR Committee as on 31st March, 2023 is as under:

Sl. No.	Name of Director	Designation /Nature of Directorship	No. of meetings of CSR Committee during FY 2022-23	
			Held during tenure	Attended
1.	Shri N. Shankarappa, Independent Director (upto 12 th November, 2022)	Independent Director & Chairman	3	3
2.	Prof.(Dr.) K. Jayaprasad (Chairman from 10 th February, 2023)	Independent Director & Chairman	2	2
3.	Smt. Soma Mondal, (upto 24 th August, 2022);	Chairman with Additional Charge of Director (Personnel)	1	1
4.	Dr. Gopal Singh Bhati	Independent Director	3	3
5.	Shri Kanhaiya Sarda	Independent Director	3	3
6.	Shri A.K. Tulsiani (from 20 th June, 2022)	Director (Finance)	2	2
7.	Shri K.K. Singh (from 25 th August, 2022)	Director (Personnel)	2	2
8.	Shri Sagi Kasi Vishwanatha Raju	Independent Director (Invitee)	0	1

3.	Provide the web-link where Composition of CSR committee, CSR Policy and CSR Projects approved by the board are disclosed on the website of the company. The respective web links are as under:	
	Composition of CSR Committee: www.sail.co.in	
	CSR Policy: www.sail.co.in	
	CSR Projects approved by the Board: www.sail.co.in	
4.	Provide the details of Impact assessment of CSR Projects carried out in pursuance of Rule 8(3) of the Cos (CSR Policy) Rules, 2014, if applicable (attach the report).	Not Applicable
5(a)	Average net profit of the Company as per Section 135(5)	₹ 8,586.01 crore
5(b)	2% of average net profit of the Company as per Section 135(5)	₹ 171.72 crore
5(c)	Surplus arising out of the CSR Projects or programmes or activities of the previous financial years	NIL
5(d)	Amount required to be set-off for the financial year, if any	₹ 13.77 crore
5(e)	Total CSR obligation for the Financial Year [5(b)+(c)-(d)]	₹ 157.95 crore
6(a)	Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project)	₹ 156.35 crore (including ₹ 51.73 crore transferred to Unspent CSR Bank A/c)
6(b)	Amount spent in Administrative Overheads:	₹ 6.11 crore
6(c)	Amount spent on Impact Assessment, if applicable:	Not Applicable
6(d)	Total amount spent for the Financial Year [6(a)+(b)+(c)]:	₹ 162.46 crore (including ₹ 51.73 crore transferred to Unspent CSR Bank A/c)

6. (e) CSR amount spent or unspent for the financial year

Total Amount Spent for FY 2022-23	Amount Unspent (₹ in crore)				
	Total Amount transferred to Unspent CSR Account [Sec135(6)]		Amount transferred to any fund specified under Sch.-VII as per 2 nd proviso to Sec. 135(5)		
(₹ in crore)	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
162.46	51.73	29 th April, 2023	-	-	-

6.(f) Excess amount for set-off, if any:

Sl. No.	Particular	Amount (₹ in Crore)
(1)	(2)	(3)
(i)	2% of average net profit of the Company as per Section 135(5)	157.95 (after Set-off of excess-expenditure of ₹ 13.77 crore over the Mandatory CSR expenditure of FY 2021-22)
(ii)	Total amount spent for the Financial year	162.46 (including ₹ 51.73 crore transferred to Unspent CSR Bank A/c)
(iii)	Excess amount spent for the Financial year	4.51
(iv)	Surplus arising out of the CSR Projects or programmes or activities of the previous Financial years, if any	0
(v)	Amount available for set-off in succeeding Financial Year [(iii)-(iv)]	4.51

7. Details of Unspent CSR amount for the preceding three financial years: NA

1	2	3	4	5	6	7	8
Sl. No.	Preceding Financial Year (s)	Amount transferred to Unspent CSR Account [Sec135(6)]	Balance Amount in Unspent CSR Account [Sec135(6)]	Amount Spent in the Financial Year	Amount transferred to a fund specified under Sch-VII as per 2 nd proviso to Sec. 135(5), if any		Amount remaining to be spent in the succeeding Financial Year
					Amount (₹ in crore)	Date of transfer	
Not Applicable							

8. Whether any capital assets have been created or acquired through CSR amount spent in the financial year : Yes

If Yes, enter the number of Capital assets created/acquired:

2

Furnish the details relating to such assets so created or acquired through CSR amount spent in the financial year:

Sl. No.	Short Particulars of the property/ asset(s) [incl. complete address & location of the property]	Pincode of the property or asset(s)	Date of creation	Amount of CSR spent (Rs. in crore)	Details of Entity/Authority/ Beneficiary of the registered owner		
					CSR Regn. No.	Name	Registered Address
1	2	3	4	5	6		
1.	New astroturf at Biju Patnaik Hockey Stadium, Sector-6, Rourkela, Odisha for promotion of sports as per Schedule.	769002	2022-23	6.50	Created by SAIL/Rourkela Steel Plant, Rourkela and being operated by the Company itself for the benefit of the community at large.		
2.	Entrance Canopy of Vedvyas Heritage site, Rourkela, Odisha towards conservation of national Heritage as per Schedule VII.	769004	2022-23	0.24	Created by SAIL/Rourkela Steel Plant for community on request of District Administration and has been handed over to them.		

9. Specify the reason(s), if the company has failed to spend 2% of the average net profit as per Section 135(5):

Not applicable as the Company has incurred an expenditure of Rs.162.46 crore.

Sd/-
(K.K. Singh)
Director (Personnel)

Sd/-
(Prof.(Dr.) K. Jayaprasad)
Independent Director & Chairman, CSR Committee

PRINCIPAL EXECUTIVES AS ON 1ST SEPTEMBER, 2023

CORPORATE OFFICE	STEEL PLANTS / UNITS	IISCO Steel Plant
NEW DELHI	Bhilai Steel Plant	Director –I/c. ISP & DSP
Chairman	Director –I/c. BSP	B. P. Singh
Amarendu Prakash	Anirban Dasgupta	Executive Directors
Directors	Executive Directors	M&HS
Commercial	Works	Dr. S. Chowdhury
V.S. Chakravarthy	Anjan Kumar	Materials Management
Finance	Projects	Abhik De
A. K. Tulsiani	S. Mukhopadhyay	Projects
Personnel	Materials Management	Surajit Mishra
K.K. Singh	A. K. Chakraborty	Works
Technical, Projects & Raw Materials	Finance & Accounts	M.R. Gupta
A.K. Singh	Dr. A.K. Panda	Alloy Steels Plant
Executive Directors	Rowghat Mines	Executive Director
Vigilance	S. Swarup	S. Subbaraj
Sanjay Sharma	Personnel & Administration	Salem Steel Plant
Projects	Pawan Kumar	Executive Director
D.V. Jagannath	Mines	V. K. Pandey
C&IT	B.K. Giri	Visvesvaraya Iron & Steel Plant
Puneet Sharma	Durgapur Steel Plant	Executive Director
Internal Audit	Director –I/c. ISP & DSP	B. L. Chandwani
Manas Bose	B. P. Singh	UNITS
Operations	Executive Directors	Research & Development Centre
Varinder Dhawan	Projects	for Iron & Steel
CMMG	P. Murugesan	Executive Director
S.J. Ahmed	Materials Management	Nirvik Banerjee, I/c.
Finance & Accounts	K. Bhattacharjee	S.K. Kar
Praveen Nigam	Works	SAIL Digital Transformation Division
Personnel & Administration	Diptendu Ghosh	Executive Director
B.S. Popli	Rourkela Steel Plant	Ved Prakash
Chairman Sectt.	Director –I/c. RSP	Centre for Engineering & Technology
Arindam Dasgupta	Atanu Bhowmick	Executive Director
ED(F&A) and Company Secretary	Executive Directors	Jagdish Arora, I/c.
M. B. Balakrishnan	Works	S.K. Verma
Chief of Corporate Affairs	S.R. Suryawanshi	Central Marketing Organisation
Dr. Chinmoy Samajdar, CGM	Personnel & Administration	Executive Directors
Management Training Institute	P.K. Satapathy	Commercial
Executive Director	Projects	Vinod Gupta
A. Chakraborty (Additional Charge)	P.K. Sahoo	Marketing
Growth Division	Materials Management	Sanjay Agarwal
Executive Director	S. Tripathy	Marketing Services
Tarun Mishra	M&HS	Mohan Raja Suresh
Environment Management Division	Dr. Biranchi Kumar Hota	Finance & Accounts
Executive Director	Mines	S.K. Sharma
Debabrata Dutta	Alok Verma	Sales & ITD
SAIL Safety Organisation	Finance & Accounts	Atul Mathur
Executive Director	A.K. Behuria	Logistics & Infrastructure
A. Chakraborty	Bokaro Steel Plant	Executive Director
Law & PLO	Director –I/c. BSL	S.K. Das
S.B. Mathur, CGM	Atanu Bhowmick (Additional Charge)	SAIL Refractory Unit
	Executive Directors	Executive Director
	Works	P.K. Rath
	B.K. Tiwari	Chandrapur Ferro Alloy Plant
	Projects	Executive Director
	C.R. Mohapatra	K. Ramakrishna
	Finance & Accounts	
	Suresh Rangani	
	Materials Management	
	Amitabh Srivastava	
	Personnel & Administration	
	R. Prasad	
	Mines	
	J. Dasgupta	
	Collieries	
	Anup Kumar	

STEEL AUTHORITY OF INDIA LIMITED

REGISTERED OFFICE: ISPAT BHAWAN, LODI ROAD, NEW DELHI-110003

CIN: L27109DL1973GOI006454

NOTICE

NOTICE IS HEREBY GIVEN THAT the 51st Annual General Meeting of the Members of Steel Authority of India Limited will be held at 1030 hours on Wednesday, the 27th September, 2023, through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") to transact the following business:

ORDINARY BUSINESS

Item No.1- Adoption of Audited Standalone and Consolidated Financial Statements

To receive, consider and adopt:

- (i) the Audited Standalone Financial Statements of the Company for the Financial Year ended 31st March, 2023, together with the Reports of the Board of Directors and Auditors thereon.
- (ii) the Audited Consolidated Financial Statements of the Company for the Financial Year ended 31st March, 2023 with the Report of the Auditors thereon.

Item No.2-Re-appointment of Director

To appoint a director in place of Shri Anirban Dasgupta (DIN:06832261), who retires by rotation at this Annual General Meeting and is eligible for re-appointment.

Item No.3-Re-appointment of Director

To appoint a director in place of Shri Vejendra Srinivasa Chakravarthy (DIN:09370715), who retires by rotation at this Annual General Meeting and is eligible for re-appointment.

Item No.4-Fixation of Remuneration of Auditors

To authorise the Board of Directors of the Company to fix the remuneration of the Auditors of the Company appointed by the Comptroller & Auditor General of India for the Financial Year 2023-24.

Item No.5-Dividend

To confirm payment of Interim Dividend @ ₹1.00 per Equity Share of face value of ₹10/- each for the Financial Year 2022-23 and to declare Final Dividend for the Financial Year 2022-23 @ ₹0.50 per Equity Share of the face value of ₹10/- each.

SPECIAL BUSINESS

Item No.6- To obtain consent to borrow by issue of Secured Non-convertible Bonds/Debentures and consent to create charge on the assets of the Company, and in this regard to consider, and if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:

RESOLVED THAT in accordance with the provisions of Section 42 and other applicable provisions of the Companies

Act, 2013, and other applicable Laws/Guidelines/Regulations, including the SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021, and the provisions of the Memorandum and Articles of Association of the Company; subject to the approval of the Shareholders by way of a Special Resolution and subject to the receipt of such other approvals, permissions and sanctions, as may be necessary, including the approval of long-term lenders and trustees of debenture holders, wherever applicable, and subject to such conditions and modifications, as may be prescribed or imposed by any of them, while granting such approvals, permissions and sanctions, subject to the same being agreed to by the Board of Directors of the Company (the 'Board') or any duly constituted Committee of the Board or such other authority as may be approved by the Board, inter-alia, be and is hereby accorded, to raise funds through Private Placement of Non-convertible Secured Bonds/Debentures of up to ₹ 2,500 crore during one year from the date of Annual General Meeting (AGM), to be held on 27th September, 2023, in tranches, from such person or persons, including eligible investors (whether residents and/or non-residents and/or institutions/incorporated bodies and/or individuals and/or trustees and/or banks or otherwise, in domestic and/or one or more international markets), Non-resident Indians, Foreign Institutional Investors (FIIs), Venture Capital Funds, Foreign Venture Capital Investors, State Industrial Development Corporations, Insurance Companies, Provident Funds, Pension Funds, Development Financial Institutions, Bodies Corporate, Companies, private or public, or other entities, authorities and such other persons, who may or may not be the bond/debenture holders of the Company, in one or more combinations thereof, including the exercise of green-shoe option (within the overall limit of ₹ 2,500 crore, as stated above), as the Board may, at its sole discretion decide, on such terms and conditions as may be finalized by the Board or duly constituted Committee of the Board or such other authority as may be approved by the Board.

RESOLVED FURTHER THAT consent of the Company be and is hereby accorded in terms of Section 180 (1)(a) and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force) and any other applicable laws and provisions of Articles of Association of the Company, and subject to approval by the shareholders to the Chairman or any two Directors as approved by Chairman, or any Committee thereof, to create charge, hypothecate, mortgage, pledge in addition to existing charges, mortgages and hypothecations created by the Company on any movable and/or immovable properties of the Company wheresoever

situated, both present and future and on the whole or substantially the whole of the undertaking or undertakings of the Company in favour of any banks, financial institutions, hire purchase/lease companies, body corporates, trustees for the holders of Debentures/ Bonds/Other Instruments/ Securities or any other persons on such terms and conditions and covenants as the Board or any Committee thereof or such other authority as may be approved by the Board, thereof, may think fit for securing borrowings of funds, availed or to be availed, from time to time, by way of issue of Debentures/Bonds, etc. not exceeding the limit approved by the Shareholders in terms of Section 180(1)(c) of the Companies Act, 2013.

RESOLVED FURTHER THAT for the purpose of giving effect to any Private Placement of Non-convertible Secured Bonds/ Debentures, the Chairman/Director (Finance), be and is hereby severally authorized, to determine the terms of the Issue, including the class of investors to whom the bonds/ debentures are to be allotted, the numbers of bonds/ debentures to be allotted in each tranche, issue price, tenor, interest rate, premium/discount to the then prevailing market price, amount of issue, discount to issue price to a class of bond/debenture holders, listing, issuing any declaration/ undertaking, etc. required to be included in the Private Placement Offer Letter and any other regulatory requirement for the time being in force.

RESOLVED FURTHER THAT the Board of Directors of the Company and /or a Committee thereof as may be approved and authorized by the Board, if any, be and are hereby authorized to do all necessary acts, deeds, actions, and other things and to take all such steps as may be required or considered necessary or incidental thereto for giving effect to this resolution.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to delegate all or any of the powers herein conferred to any Committee of Directors or any one or more Directors of the Company.

Item No.7- Material Related Party Transaction(s) with NTPC-SAIL Power Company Limited.

To consider and, if thought fit, to pass the following Resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to Regulation 23(4) and other applicable Regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, ('SEBI Listing Regulations'), the applicable provisions of the Companies Act, 2013 ('Act'), if any, read with related rules, if any, each as amended from time to time and the Company's Policy on Related Party Transaction(s), the approval of the Members be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the 'Board', which term shall be deemed to include any Committee constituted/empowered/ to be constituted by the Board from time to time to exercise its powers conferred by this resolution) to enter into, contract(s)/ arrangement(s)/

transaction(s) (whether by way of an individual transaction or transactions taken together or series of transactions or otherwise) as mentioned in the explanatory statement with NTPC-SAIL Power Company Limited ('NSPCL'), a Joint venture company of Steel Authority of India Limited and accordingly a related party of Steel Authority of India Limited under Regulation 2(1)(zb) of the SEBI Listing Regulations, on such terms and conditions as may be agreed between the Company and NSPCL, for an aggregate value of up to ₹ 6,000 crore to be entered during FY 2023-24, subject to such contract(s)/arrangement(s)/transaction(s) being carried out at arm's length and in the ordinary course of business of the Company.

RESOLVED FURTHER THAT the Board, be and is hereby authorised, to do and perform all such acts, deeds, matters and things, as may be necessary, including finalising the terms and conditions, methods and modes in respect thereof and finalising and executing necessary documents, including contract(s), scheme(s), agreement(s) and such other documents, file applications and make representations in respect thereof and seek approval from relevant authorities, including Governmental/regulatory authorities, as applicable, in this regard and deal with any matters, take necessary steps as the Board may, in its absolute discretion deem necessary, desirable or expedient, to give effect to this resolution and to settle any question that may arise in this regard and incidental thereto, without being required to seek any further consent or approval of the Members or otherwise to the end and intent that the Members shall be deemed to have given their approval thereto expressly by the authority of this resolution.

RESOLVED FURTHER THAT the Board, be and is hereby authorised to delegate all or any of the powers herein conferred, to any Director(s) or Company Secretary or any other Officer(s)/Authorised Representative(s) of the Company, to do all such acts and take such steps, as may be considered necessary or expedient, to give effect to the aforesaid resolution(s).

RESOLVED FURTHER THAT all actions taken by the Board or any person so authorized by the Board, in connection with any matter referred to or contemplated in any of the foregoing resolution(s), be and are hereby approved, ratified and confirmed in all respects."

Item No.8-Material Related Party Transaction(s) with Bokaro Power Supply Company Private Limited.

To consider and, if thought fit, to pass the following Resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to Regulation 23(4) and other applicable Regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, ('SEBI Listing Regulations'), the applicable provisions of the Companies Act, 2013 ('Act'), if any, read with related rules, if any, each as amended from time to time and the Company's Policy on Related Party Transaction(s),

the approval of the Members be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the 'Board', which term shall be deemed to include any Committee constituted/empowered/ to be constituted by the Board from time to time to exercise its powers conferred by this resolution) to enter into, contract(s)/ arrangement(s)/ transaction(s) (whether by way of an individual transaction or transactions taken together or series of transactions or otherwise) as mentioned in the explanatory statement with Bokaro power Supply Company Private Limited (BPSCL), a Joint venture company of Steel Authority of India Limited and accordingly a related party of Steel Authority of India Limited under Regulation 2(1)(zb) of the SEBI Listing Regulations, on such terms and conditions as may be agreed between the Company and BPSCL, for an aggregate value of up to ₹ 3,000 crore to be entered during FY 2023-24, subject to such contract(s)/arrangement(s)/transaction(s) being carried out at arm's length and in the ordinary course of business of the Company.

RESOLVED FURTHER THAT the Board, be and is hereby authorised, to do and perform all such acts, deeds, matters and things, as may be necessary, including finalising the terms and conditions, methods and modes in respect thereof and finalising and executing necessary documents, including contract(s), scheme(s), agreement(s) and such other documents, file applications and make representations in respect thereof and seek approval from relevant authorities, including Governmental/regulatory authorities, as applicable, in this regard and deal with any matters, take necessary steps as the Board may, in its absolute discretion deem necessary, desirable or expedient, to give effect to this resolution and to settle any question that may arise in this regard and incidental thereto, without being required to seek any further consent or approval of the Members or otherwise to the end and intent that the Members shall be deemed to have given their approval thereto expressly by the authority of this resolution.

RESOLVED FURTHER THAT the Board, be and is hereby authorised to delegate all or any of the powers herein conferred, to any Director(s) or Company Secretary or any other Officer(s)/Authorised Representative(s) of the Company, to do all such acts and take such steps, as may be considered necessary or expedient, to give effect to the aforesaid resolution(s).

RESOLVED FURTHER THAT all actions taken by the Board or any person so authorized by the Board, in connection with any matter referred to or contemplated in any of the foregoing resolution(s), be and are hereby approved, ratified and confirmed in all respects."

Item No.9- Material Related Party Transaction(s) with Minas De Banga Limitada (Mozambique).

To consider and, if thought fit, to pass the following Resolution as an **Ordinary Resolution**:

"**RESOLVED THAT** pursuant to Regulation 23(4) and other

applicable Regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, ('SEBI Listing Regulations'), the applicable provisions of the Companies Act, 2013 ('Act'), if any, read with related rules, if any, each as amended from time to time and the Company's Policy on Related Party Transaction(s), the approval of the Members be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the 'Board', which term shall be deemed to include any Committee constituted/empowered/ to be constituted by the Board from time to time to exercise its powers conferred by this resolution) to enter into, contract(s)/ arrangement(s)/ transaction(s) (whether by way of an individual transaction or transactions taken together or series of transactions or otherwise) as mentioned in the explanatory statement with Minas De Banga Limitada (Mozambique), a Related party of International Coal Ventures Private Limited (ICVL) and accordingly a related party of Steel Authority of India Limited under Regulation 2(1)(zb) of the SEBI Listing Regulations, on such terms and conditions as may be agreed between the Company and Minas De Banga Limitada (Mozambique), for an aggregate value of up to ₹ 4,000 crore to be entered during FY 2023-24, subject to such contract(s)/arrangement(s)/transaction(s) being carried out at arm's length and in the ordinary course of business of the Company.

RESOLVED FURTHER THAT the Board, be and is hereby authorised, to do and perform all such acts, deeds, matters and things, as may be necessary, including finalising the terms and conditions, methods and modes in respect thereof and finalising and executing necessary documents, including contract(s), scheme(s), agreement(s) and such other documents, file applications and make representations in respect thereof and seek approval from relevant authorities, including Governmental/regulatory authorities, as applicable, in this regard and deal with any matters, take necessary steps as the Board may, in its absolute discretion deem necessary, desirable or expedient, to give effect to this resolution and to settle any question that may arise in this regard and incidental thereto, without being required to seek any further consent or approval of the Members or otherwise to the end and intent that the Members shall be deemed to have given their approval thereto expressly by the authority of this resolution.

RESOLVED FURTHER THAT the Board, be and is hereby authorised to delegate all or any of the powers herein conferred, to any Director(s) or Company Secretary or any other Officer(s)/Authorised Representative(s) of the Company, to do all such acts and take such steps, as may be considered necessary or expedient, to give effect to the aforesaid resolution(s).

RESOLVED FURTHER THAT all actions taken by the Board or any person so authorized by the Board, in connection with any matter referred to or contemplated in any of the foregoing resolution(s), be and are hereby approved, ratified and confirmed in all respects."

Item No.10- Ratification of Remuneration to Cost Auditors

To ratify the remuneration of the Cost Auditors of the Company and in this regard to consider, and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**.

"RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Cost Records and Audit) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the remuneration of ₹11,70,000/- plus taxes as applicable and ₹30,000/- and ₹12,000/- plus taxes as applicable for consolidation & filing respectively and reimbursement of Daily Allowance, Travelling Expenses and out of pocket expenses to be paid to the Cost Auditors viz. M/s. R.M. Bansal & Co., Kanpur (for Bhilai Steel Plant, Durgapur Steel Plant and IISCO Steel Plant), M/s. Chandra Wadhwa & Co., New Delhi (for Rourkela Steel Plant and Bokaro Steel Plant) and M/s. ABK & Associates, Mumbai (for Alloy Steels Plant, Salem Steel Plant and Visvesvaraya Iron and Steel Plant) for the Financial Year 2022-23, as approved by the Board of Directors, be and is hereby ratified."

"RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

By order of the Board of Directors



(M.B. Balakrishnan)

ED (F&A) & Company Secretary

Place: New Delhi

Dated: 2nd September, 2023

Registered Office:

Ispat Bhawan, Lodi Road, New Delhi-110003.

CIN: L27109DL1973GOI006454

NOTES:

1. In view of the outbreak of Covid-19 pandemic, the Ministry of Corporate Affairs (MCA) and Securities Exchange Board of India (SEBI) vide their various circulars (collectively referred to as 'Applicable Circulars') have permitted the holding of the Annual General Meeting (AGM) through Video Conferencing(VC) / Other Audio Visual Means(OAVM), without the physical presence of the Members at a common venue. Accordingly, in compliance with the provisions of the Companies Act, 2013, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Applicable Circulars, the AGM of the Company is being held through VC / OAVM at the registered Office of the Company.
2. PURSUANT TO APPLICABLE CIRCULARS, THE AGM IS BEING HELD THROUGH VC/OAVM, THE REQUIREMENT OF PHYSICAL ATTENDANCE OF MEMBERS HAS BEEN DISPENSED WITH. ACCORDINGLY, IN TERMS OF THE APPLICABLE CIRCULARS, THE FACILITY FOR APPOINTMENT OF PROXIES WILL NOT BE AVAILABLE FOR THE AGM. HENCE, THE PROXY FORM, ATTENDANCE SLIP AND ROUTE MAP ARE NOT ANNEXED TO THE NOTICE. MEMBERS ARE REQUESTED TO PARTICIPATE IN THE AGM IN PERSON THROUGH VC/OAVM.
3. The Members can join the AGM in the VC/OAVM mode 30 minutes before and 15 minutes after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. Pursuant to the Applicable Circulars, the facility of participation in the AGM through VC/OAVM will be made available to at least 1,000 Members on a first come first served basis.
4. Members attending the AGM through VC/OAVM shall be counted for the purpose of the quorum under Section 103 of the Companies Act, 2013.
5. The relevant Explanatory Statement, pursuant to Section 102(1) of the Companies Act, 2013, in respect of the special business Item Nos.6 to 10 above is annexed hereto. The relevant details under Item Nos.2 & 3 of the Notice of the person(s) seeking appointment/re-appointment as Director required vide Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are annexed to the Notice.
6. Institutional / Corporate Shareholders (i.e. other than individuals / HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG format) of Resolution/ Authorization, etc. by its Board or Governing Body authorizing its representative to attend the Annual General meeting through VC / OAVM and vote on its behalf. The said Resolution/Authorization should be sent to the Scrutinizer by email through its registered email address sachinag1981@gmail.com with a copy marked to evoting@nsdl.co.in.
7. The Company has fixed Wednesday 20th September, 2023 (end of business hours) as the Cut-Off date for determining eligibility of members to vote in respect of items of business listed to be transacted at the 51st AGM. The Register of Members of the Company shall remain closed from Thursday, 21st September, 2023 (from end of business hours on 20th September, 2023) to Wednesday, 27th September, 2023 for the purpose of AGM for the financial year 2022-23.
8. The Company had fixed Wednesday, 20th September, 2023 (end of business hours) as the 'Record Date' for determining entitlement of members to Final Dividend for the Financial Year 2022-23, subject to approval by the Members at the AGM. The Register of Members of the Company will remain closed from Thursday, 21st September, 2023 (from end of business hours on 20th September, 2023) to 27th September, 2023 for the purpose of payment of Final Dividend and AGM for the Financial Year 2022-23. The payment of final dividend, if approved by the Members at the AGM, will be paid subject to deduction of Income Tax at source (TDS) within 30 days from the date of the approval, as under:
 - **Equity Shares held in Physical Form:** To all the Members after giving effect to valid transmission and transposition in respect of valid requests lodged with the Company as on close of business hours of 20th September, 2023.
 - **Equity Shares held in Electronic Form:** To all the eligible beneficial owners of the shares, as on the close of business hours of 20th September, 2023, as per the details furnished by the Depositories for this purpose.
- Pursuant to Finance Act, 2020, dividend income is taxable in the hands of shareholders w.e.f. 1st April, 2020 and the Company is required to deduct tax at source from dividend paid to the Members at the prescribed rates. In this regard, for the prescribed rates for various categories, the shareholders are requested to refer to the Income Tax Act, 1961 and the amendments thereof. In general, to enable compliance with TDS requirements, Members were requested through e-mail to complete and / or update their Residential status, PAN, Category with their depository participants ('DPs') or in case shares are held in physical form, with the Company/ Registrars and Transfer Agents ('RTA') by sending documents through e-mail and further, members were requested vide the aforesaid e-mail to submit required/prescribed documents for deduction of Tax at Nil/Lower rate as prescribed under the Income Tax Act, 1961, on or before 30th August, 2023.
- M/s. MCS Share Transfer Agents Limited (MCSTAL) are functioning as the Registrar and Transfer Agent (R&TA) for carrying out the Company's entire share related activities viz. Transfer/ Transmission/

Transposition/ Dematerialisation/ Rematerialisation/ Split/ Consolidation of shares, Change of address, Bank mandate, Filing of nomination, Dividend payment and allied activities. Shareholders are requested to make all future correspondence related to share transfer and allied activities with this agency only, at the following address:

M/s. MCS Share Transfer Agents Limited,
F-65, 1st Floor, Okhla Industrial Area, Phase-I,
New Delhi-110020,
Phone No.011-41406149,
E-mail: admin@mcsregistrars.com

9. Dematerialisation

- i) Securities and Exchange Board of India (SEBI) Regulations provide that equity shares of SAIL are to be compulsorily delivered in the dematerialized form, for the purpose of trading. **Further, SEBI vide Notification No. SEBI/LAD-NRO/GN/2018/24 dated 8th June, 2018 (subsequently amended), has mandated that w.e.f. 1st April, 2019, (SEBI/MIRSD/DTAMB/CIR/P/2020/166 dated September 7, 2020) transfer of shares in a Listed Company shall only be in Dematerialised Form. Though most of the shareholders have converted their holdings into Demat Form, it is seen that some shareholders still hold their shares in paper form (Physical). In this connection, shareholders are advised, to open a Demat Account with any Depository Participant authorized by either National Securities Depository Ltd. or Central Depository Services Ltd. and dematerialize their shares.**
- ii) Members holding shares in the physical form should notify change in their addresses including their email address, if any, to the R&TA specifying full address in block letters with PIN CODE of their post offices, which is mandatory. Members holding shares in the Electronic Form (Demat), should inform the change of address including their email address to their Depository Participant.
- iii) Members who have not registered their email-id with the Company or with the Depository Participants (DP) and wish to receive communications/information/documents including notice for the AGM, are required to record their email address with the R&TA (email id- admin@mcsregistrars.com) or alternatively send their request to investor.relation@sail.in where shares are held in physical form or else to their respective DP.
Members holding shares in the physical form shall mention the folio-no. along with a self-attested copy of the Pan Card/Aadhaar Card and copy of the front and back side of the Share certificate;
Members holding shares in Demat mode shall tender their request to the DP.
- iv) Members who have not made nomination with respect to their holdings are requested to do so. For making nomination, Members holding shares in physical form are advised to collect the Nomination Form from the Company's RTA and Members holding

shares in Electronic Form, may obtain the Nomination Form from their respective Depository Participant(s).

- v) Securities and Exchange Board of India (SEBI) vide its Circular Number SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/37 dated 16th March, 2023 in supersession of earlier SEBI Circular no. SEBI/HO/MIRSD/MIRSD_RTAMB/ P/ CIR/ 2021/655 dated 3rd November, 2021 and SEBI Circular no. SEBI/HO/MIRSD/ MIRSD_RTAMB/P/CIR/2021/687 dated 14th December, 2021 has mandated to shareholders holding securities in physical mode for furnishing their KYC documents to the Registrar and Share Transfer Agent (RTA) of the Company. The details of documents can be obtained by referring the aforesaid Circular no. SEBI/HO/MIRSD/ MIRSD-PoD-1/P/CIR/2023/37 dated 16th March, 2023.

In case the aforesaid details are not furnished, then the member's folio will be frozen by the Registrars on and after 1st October, 2023. Such frozen securities shall be referred by the RTA or the Company to the administering authority under the Benami Transactions (Prohibitions) Act, 1988 and or Prevention of Money Laundering Act, 2002, if it continues to remain frozen as on December 31, 2025. The concerned shareholders have been informed of the same via e-mail dated 30th May, 2023 (in cases where shareholders have registered their e-mail ids with the Company/DP) or letter dated 31st May, 2023 (in other cases).

EFT MANDATE

Shareholders holding shares, whether in Physical or Demat form are advised to opt for Electronic Fund Transfer (EFT)/ National Electronic Clearing System (NECS), for any future payouts from the Company. Securities and Exchange Board of India (SEBI) vide Circular No. SEBI/HO/MIRSD/DOP1/CIR/2018/73 dated 20th April, 2018 has directed to make payment of dividend only through approved electronic mode and Bank Details and Permanent Account Number(PAN) of the shareholders be obtained, updated against their folio, if not already available with the Company. Under the EFT, the payment instruction is issued by the banker (Payer's banker) electronically to the clearing authority (RBI or SBI). The clearing authority provides credit reports to the payee's Bank, who credits the amount to their respective accounts. It becomes inevitable that the shareholders opting for EFT should provide details of their Bank Name, IFSC Code, A/c No., A/c Type, Branch Name, 9 digit MICR No. along with their Name and Folio Number (DP-ID/Client ID) to the Company if their holding is in Physical Form and to the Depository participant, if their holding is in Demat Form. Accordingly, Shareholders holding shares in Physical form and receiving dividend by Dividend Warrant/Demand Draft, etc. are requested to fill the attached Form and submit

it along with a copy of the Self-attested PAN CARD, an Original Cancelled Cheque Leaflet/Attested Bank Passbook Copy showing Name of the Account Holder to M/s.MCS Share Transfer Agents Limited, R&TA of SAIL, to update the records for payment of any dividend in future.

10. The Securities Exchange Board of India(SEBI) has mandated submission of Permanent Account Number (PAN) by every participant in the securities market. Therefore, Members holding shares in Electronic Form are requested to submit their PAN details to their Depository Participant (DP) with whom they maintain their DEMAT Account. Members holding shares in Physical Form can submit their PAN to the Company or M/s. MCS Share Transfer Agents Limited (R&TA).
11. Members holding shares in identical order of names in more than one folio are requested to write to the Company/R&TA enclosing their Share Certificates to enable the Company to consolidate their holdings in a single folio.
12. The Company has transferred to Investor Education and Protection Fund, unclaimed dividends till Financial Year 2014-15 (Final). The Company has, thereafter, paid the following dividends:

Year	Interim Dividend (%)	Interim Dividend (2) (%)	Final Dividend (%)
2015-2016	-	-	-
2016-2017	-	-	-
2017-2018	-	-	-
2018-2019	-	-	5.00
2019-2020	-	-	-
2020-2021	10.00	-	18.00
2021-2022	40.00	25.00	22.50
2022-2023	10.00	-	-

Shareholders who have not claimed/encashed their dividend warrants as above are requested to make their claims to the Company.

Section 124(5) of the Companies Act, 2013 read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, ("Rules") provide that, any money transferred to the Unpaid Dividend Account of a company in pursuance of this section which remains unpaid or unclaimed for a period of seven years from the date of such transfer, shall be transferred by the company along with interest accrued, if any, thereon to the Investor Education and Protection Fund (IEPF).

Section 124(6) of the Companies Act, 2013 read with Rules provide that all shares in respect of which dividend has not been paid or claimed for seven consecutive years or more shall be transferred by the company in the name of IEPF. The Company has complied with the provisions and transferred the Shares, which had become eligible for transfer to IEPF till Financial Year 2014-15 (Final), after following the due process. Details of such Shareholders and Shares due for transfer to IEPF has been uploaded on the Company's

website. Claimants of the dividend /shares transferred to IEPF are entitled to claim refund by applying to IEPF.

Further, Dividend accruing against shares already transferred to IEPF has also been transferred to the IEPF A/c.

Company Secretary is the Nodal Officer of the Company for IEPF Authority.

13. Members seeking further information on the Accounts or any other matter contained in the Notice, are requested to write to the Company at least 10 days before the meeting through email at sail51agm.2023@sail.in. The same shall be replied suitably.
14. **Green Initiative in Corporate Governance of Ministry of Corporate Affairs**

The Ministry of Corporate Affairs ("Ministry") has taken a "Green Initiative in Corporate Governance" by allowing paper less compliances by companies through electronic mode. In accordance with the circulars issued by the Ministry of Corporate Affairs, companies can now send various notices/documents (including notice(s) calling General Meeting(s), Audited Financial Statements, Board's Report, Auditors' Report, etc.) to their shareholders through electronic mode, to the registered email addresses of the shareholders.

Members are requested to opt for receipt of the above notices/documents through electronic mode. They are requested to register their e-mail ID for this purpose with their respective depository participant or with the Company's R&TA i.e. M/s. MCS Share Transfer Agents Limited at the address given above or e-mail at admin@mcsregistrars.com.

Please note that these documents will also be available on the Company's website www.sail.co.in.

15. The documents referred to in this Notice and the Registers referred to in Section 170 and Section 189 of the Companies Act, 2013, will be available electronically for inspection by the Members during the AGM. All such documents referred to in the Notice will also be available electronically for inspection without any fee by the Members from the date of circulation of this Notice up to the date of the AGM. Members seeking inspection or any information with regard to the Accounts or any matter to be placed at the AGM, are requested to write to the Company **on or before 16th September, 2023** through email at sail51agm.2023@sail.in. The same will be replied by the Company suitably.

16. In compliance with the Applicable Circulars, Notice of the AGM along with the Annual Report of FY 2022-23 and other Reports is being sent only through electronic mode to those Members whose email addresses are available with the Company/Depositories. Members may note that the Notice and Annual Report 2022-23 will also be available on the Company's website www.sail.co.in, websites of the

- Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively, and on the website of NSDL <https://www.evoting.nsdl.com>.
17. In order to prevent fraudulent transactions, Members are hereby advised to exercise due diligence and inform the Company of any change in address or demise of any Member as soon as possible. It is also advised that Members should avoid their Demat Account(s) becoming dormant. The statement of holdings in the Demat Accounts(s) should be obtained regularly from the concerned Depository Participants (DP) and holdings be verified periodically.
- 18. General Information and Instructions for Remote E-voting prior to AGM and E-voting in the AGM:**
- I. In compliance with the provisions of Section 108 of the Companies Act, 2013, and the Companies (Management and Administration) Rules, 2014 as amended, and other applicable provisions, if any, of the Companies Act, 2013 and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, the Company is pleased to provide its Members the facility to exercise their right to vote on resolutions proposed to be considered at the Annual General Meeting (AGM) by electronic means. The Members may cast their votes using an electronic voting system through remote e-voting and in the AGM through e-voting.
 - II. The Members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
 - III. The Company has engaged the services of M/s. National Securities Depository Limited (NSDL) as the Agency to provide remote e-voting and e-voting facility.
 - IV. The Board of Directors of the Company has appointed Shri Sachin Agarwal, a Company Secretary in Practice of the Company Secretary Firm-M/s. Agarwal S. & Associates (and in his absence Ms. Garima Grover of M/s. Agarwal S. & Associates) as Scrutiniser to scrutinize the remote e-voting and e-voting at the AGM in a fair and transparent manner and he/she has communicated his/her willingness to be appointed and available for the same purpose.
 - V. The **CUT-OFF** date for recognising the eligibility of members to attend and vote on resolutions at the AGM shall be **20th September, 2023**. A person whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the depositaries as on the cut-off date i.e. **20th September, 2023 'End of Business Hours'** only shall be entitled to avail the facility of remote e-voting or e-voting during the AGM.
 - VI. A person who becomes a Member of the Company after circulation of the Notice of the AGM and holding shares as on cut-off date i.e. **20th September, 2023** can **follow the process for generating the Login ID and Password as provided in this Notice of the AGM.**
 - VII. The remote e-voting period commences on **23rd September, 2023 (9:00 am) and ends on 26th September, 2023 (5:00 pm)**. During this period Members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of **20th September, 2023**, may cast their vote by remote e-voting. The remote e-voting module will be disabled by NSDL for voting upon the expiry of the above period. **Once the vote on a resolution is cast by a Member, the Member shall not be allowed to change it subsequently or cast the vote again.**
 - VIII. The Scrutinizer, after scrutinizing the votes cast at AGM by e-voting and through remote e-voting, will make a consolidated scrutiniser's report and submit the same to the Chairman or a person authorized by him in writing. The results declared along with the consolidated scrutiniser's report shall be placed on the website of the Company-www.sail.co.in and on the website of NSDL. The results shall be simultaneously communicated to the Stock Exchanges within two working days from the conclusion of the AGM.
 - IX. Subject to receipt of requisite number of votes, the Resolutions shall be deemed to be passed on the date of the AGM i.e. **27th September, 2023**.
 - X. **The process and manner for remote e-voting are as under:**
 - A. The process to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:
- Step 1: Access to NSDL e-Voting system**
- (I) **Login Method for E-Voting and Joining Virtual Meeting for Individual Shareholders Holding Securities in Demat Mode.**
- In terms of SEBI Circular No.SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on e-voting facility provided by listed companies and to increase the efficiency of the voting process, e-voting facility is being provided to all the Individual Members holding securities in demat mode to vote through their demat accounts/websites of Depositories/ Depository Participants. Members are advised to update their mobile number and email Id in their demat accounts in order to access e-voting facility.
- Login method for Individual shareholders holding securities in demat mode is given below:

Type of Members	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<p>1. NSDL IDeAS facility</p> <p>If the user is registered for the NSDL IDeAS facility:</p> <ul style="list-style-type: none"> (a) Please visit the e-Services website of NSDL viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. (b) Once the homepage is launched, click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section. (c) A new screen will open. You will have to enter User ID and Password. After successful authentication, you will be able to see e-Voting services. (d) Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. (e) Click on options available against company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. <p>If the user is not registered for IDeAS facility:</p> <ul style="list-style-type: none"> (a) The option to register is available at https://eservices.nsdl.com. (b) Select “Register Online for IDeAS Portal” or click at https://eservices.nsdl.com/SecureWeb/ideasDirectReg.jsp. (c) Upon successful registration, please follow steps as given in points 1(a) to 1(e) above. <p>2. Visit the e-Voting website of NSDL.</p> <ul style="list-style-type: none"> (a) Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. (b) Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. (c) A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. (d) After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on options available against company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting and evoting during the meeting. <p>3. Mobile App:</p> <p>Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience.</p> <p style="text-align: center;">NSDL Mobile App is available on</p> <div style="display: flex; justify-content: space-around; align-items: center;">   <div style="text-align: center;">  </div> <div style="text-align: center;">  </div> </div>
	<p>Type of Members</p> <p>Individual Shareholders holding securities in demat mode with Central Depository Services (India) Limited (CDSL)</p> <p>1. Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest is www.cdsindia.com and click on New System Myeasi.</p> <p>2. After successful login of Easi/Easiest, click on the E-Voting option available against company name or the link of E-Voting Service provider and you will be directed to cast the vote during remote E-Voting period or join virtual meeting & vote during the meeting.</p> <p>3. If the user is not registered for Easi/Easiest, option to register is available at cdsindia.com. Click on Login & New System Myeasi and then click on Registration.</p> <p>4. Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in www.cdsindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will see the E-Voting option of companies and also provided links of all the E-Voting Service Providers.</p> <p>Individual Shareholders (holding securities in demat mode) logging through their depository participants</p> <p>1. You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/ CDSL for e-Voting facility.</p> <p>2. On logging in, you will be able to see e-Voting option. On clicking e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature.</p> <p>3. Click on options available against company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting and voting during the meeting.</p>

Type of Members	Login Method
Individual Shareholders holding securities in demat mode with Central Depository Services (India) Limited (CDSL)	<p>1. Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest is www.cdsindia.com and click on New System Myeasi.</p> <p>2. After successful login of Easi/Easiest, click on the E-Voting option available against company name or the link of E-Voting Service provider and you will be directed to cast the vote during remote E-Voting period or join virtual meeting & vote during the meeting.</p> <p>3. If the user is not registered for Easi/Easiest, option to register is available at cdsindia.com. Click on Login & New System Myeasi and then click on Registration.</p> <p>4. Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in www.cdsindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will see the E-Voting option of companies and also provided links of all the E-Voting Service Providers.</p> <p>Individual Shareholders (holding securities in demat mode) logging through their depository participants</p> <p>1. You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/ CDSL for e-Voting facility.</p> <p>2. On logging in, you will be able to see e-Voting option. On clicking e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature.</p> <p>3. Click on options available against company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting and voting during the meeting.</p>

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at above mentioned website.

Helpdesk for Individual Shareholders Holding Securities in Demat Mode for any Technical Issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Individual Members holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at 022-48867000 and 022-24997000.
Individual Members holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdsindia.com or contact at toll free no. 1800225533.

(II) Login Method for e-Voting and joining virtual meeting for Members other than Individual Members holding securities in demat mode and Members holding securities in Physical Mode.

How to Log-in to NSDL e-Voting website?

- Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.

2. Once the home page of e-Voting system is launched, click on the icon "Login" available under 'Shareholder/ Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.
Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.
4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the Company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

1. Password details for Members other than Individual Members are given below:
 - a) If you are already registered for e-Voting, then you can use your existing pass-word to login and cast your vote.
 - b) If you are using NSDL e-Voting system for the first time, you will need to re-trive the 'initial password' which was communicated to you. Once you re-trive your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
 - c) How to retrieve your 'initial password'?
 - (i) If your email ID is registered in your demat account or with the Company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of beneficiary ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**
1. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
 - a) Click on "**Forgot User Details/Password?**" (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.

- b) Click on "**Physical User Reset Password?**" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
- c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
- d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

2. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
3. Now, you will have to click on "Login" button.
4. After you click on the "Login" button, Home page of e-Voting will open.

Step 2: Cast Your Vote Electronically and Join General Meeting on NSDL e-Voting system.

How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in **active status**.
2. Select "EVEN" of Steel Authority of India Limited (SAIL) for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "**VC/OAVM**" link placed under "**Join Meeting**".
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "**Submit**" and also "**Confirm**" buttons when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

III. Process for procuring user ID and password for e-voting for those Members whose email id is not registered with the Depositories/Company:

Members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting:

1. In case shares are held in physical mode, please provide Folio No., Name of the Member, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card).

2. In case shares are held in demat mode, please provide DPID-Client ID (16 digit DPID + Client ID (for NSDL) or 16 digit beneficiary ID (for CDSL)), Name of the member, client master or copy of consolidated account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card).
 3. If you are an Individual Member holding securities in demat mode, you are requested to refer to the login method explained at **Step 1 (A) i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.**
 4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.
 - B. In case of any queries/grievance, you may refer to the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on 022-48867000 or 022-24997000 or send a request at evoting@nsdl.co.in or contact Ms. Snehal Bhame, Assistant Manager, National Securities Depository Limited, at the designated email id – SnehalB@nsdl.com who will also address the grievances connected with the voting by electronic means.
- XI. INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC / OAVM ARE AS UNDER:**
1. Members will be able to attend the AGM through VC / OAVM through the NSDL e-Voting system (<https://www.evoting.nsdl.com>). Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, Member(s) can click on “VC/OAVM link” placed under “Join meeting” menu against Company name. The link for VC/OAVM will be available in Shareholder/ Member login where the EVEN of Company will be displayed.

Members who do not have the User ID and Password for e-voting or have forgotten the User ID and Password may retrieve the same by following the remote e-voting instructions mentioned in this Notice.

 2. Facility of joining the AGM through VC / OAVM shall open 30 minutes before the scheduled time of the AGM and will be available for Members on first come first served basis. The facility to join the meeting will close after 15 minutes, of the commencement of the meeting.
3. **Members who need assistance before or during the AGM, can contact NSDL on evoting@nsdl.co.in or contact Ms. Snehal Bhame, Assistant Manager, National Securities Depository Limited, at the designated email id – SnehalB@nsdl.com or call on 022-48867000 or 022-24997000.**
 4. Members who would like to express their views or ask questions during the AGM may register themselves as a speaker by sending their request from their registered email address mentioning their name, DP ID and Client ID/Folio Number, PAN, Mobile Number at sail51agm.2023@sail.in from 20th September, 2023 (9:00 a.m. IST) to 22nd September, 2023 (5:00 p.m. IST). Only those Members who have registered themselves as a speaker on the aforesaid e-mail id will be allowed to express their views/ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.
- Further, Members who wish to have their queries/questions responded to during at the AGM are requested to send the queries/questions as mentioned above.
- Only those Members who are attending the AGM and have not cast their vote through remote e-voting (prior to AGM) and otherwise are not barred from doing so, shall be eligible to vote through electronic voting system during the AGM.
- XII. Institutional shareholders (i.e. other than individuals, HUF, NRI, etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter, etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to sachinag1981@gmail.com with a copy marked to NSDL's email ID- evoting@nsdl.co.in. Institutional shareholders (i.e. other than individuals, HUF, NRI, etc.) can also upload their Board Resolution/Authority Letter, etc. by clicking on “Upload Board Resolution/Authority Letter” displayed under “e-Voting” tab in their login.
- XIII. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “Forgot User Details/Password?” or “Physical User Reset Password?” option available on www.evoting.nsdl.com to reset the password.
- XIV. Those who became Members of the Company after dispatch of the Notice but on or before **cut-off date (20th September, 2023)** may e-mail to **NSDL at evoting@nsdl.co.in**, requesting for user ID and password. On receipt of user ID and password, the details in step 2 in A above should be followed for casting vote.

ANNEXURE TO THE NOTICE EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013

Item No.6

In accordance with the SAIL Vision 2030, the Company is working on enhancement of its Crude Steel Production Capacity from existing 19.10 MTPA to 35.24 MTPA by the year 2031. The capital expenditure is being planned to be funded through a mix of debt and equity. In addition to this, there will be requirement of funds for repayment of existing Long Term Loans.

In accordance with the SEBI's Circular No. SEBI/HO/DDHS/P/CIR/2021/613 dated 10th August, 2021, Large Corporate shall raise not less than 25% of its incremental borrowings, during the financial year subsequent to the financial year in which it is identified as a Large Corporate, by way of issuance of debt securities. Therefore, among the various options that may be available to access the long term loans, the Company plans to avail the option to borrow through Secured Non-convertible Debentures / Bonds during the period of one year from the date of this Annual General Meeting or such other period as may be permitted under the Companies Act, 2013 and other applicable laws. It is therefore, proposed to raise funds through Private Placement of Non-convertible Secured Bonds/Debentures up to ₹ 2,500 crore during the period as aforesaid.

The provisions of Section 42 of the Companies Act, 2013, read with Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014, mandate the Company to seek approval of shareholders by means of a Special Resolution for raising funds through private placement of non-convertible debentures/bonds. Accordingly, approval of Shareholders for the resolution as set out in Item No.6 of the Notice is being sought to borrow funds by offer or invitation to subscribe to Secured Non-convertible Debentures / Bonds for an amount up to ₹ 2,500 crore. This resolution would be valid for the period of one year from the date of this AGM. The terms and conditions of Secured Non-convertible Debentures / Bonds shall be decided by the Board of Directors / Committee thereof or any one or more Directors, as may be required.

The borrowings of the Company are in general required to be secured by mortgages / charges / hypothecations or encumbrances on all or any of the movable or immovable properties of the Company. Consent of the members is being sought in terms of Section 180 (1) (a) of the Companies Act, 2013 to enable the Company to create charge, hypothecate, mortgage, pledge in addition to existing charges, mortgages and hypothecations created by the Company on any movable and/or immovable properties of the Company wheresoever situated, both present and future and on the whole or substantially the whole of the undertaking or undertakings of the Company and wherever situated and to authorize the Board to take necessary action in this regard.

The Board recommends the Resolution for your approval as Special Resolution.

None of the Directors and /or Key Managerial Personnel of the Company or their relative(s) is / are concerned or interested in the Resolution set out at Item No.6 of the Notice.

Context for Item Nos. 7 to 9:

Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, ('SEBI Listing Regulations'), as amended vide SEBI (Listing Obligations and Disclosure Requirements) (Sixth Amendment) Regulations, 2021, effective April 1, 2022, states that all Material Related Party Transactions ('RPT') with an aggregate value exceeding ₹ 1,000 crore or 10% of annual consolidated turnover of the Company as per the last audited financial statements of the Company, whichever is lower, shall require approval of shareholders by means of an ordinary resolution. The said limits are applicable, even if the transactions are in the ordinary course of business of the concerned company and at an arm's length basis. The amended Regulation 2(1) (zc) of the SEBI Listing Regulations has also enhanced the definition of related party transaction which now includes a transaction involving a transfer of resources, services or obligations between a listed entity or any of its subsidiaries on one hand and a related party of the listed entity or any of its subsidiaries on the other hand, regardless of whether a price is charged or not.

It is in the above context that Resolutions No.7 to 9 are placed for the approval of the Shareholders of the Company.

Item No.7:

Background, Details and Benefits of the Transaction

NTPC-SAIL Power Supply Company Ltd. (NSPCL) is a 50:50 Joint Venture of SAIL and NTPC Limited.

NSPCL owns 1064 MW capacity coal based thermal power plants at Rourkela, Bhilai and Durgapur and supplies power to SAIL plants and also sells power to outside parties. SAIL has provided land to NSPCL on lease basis. SAIL also supplies water to NSPCL under the terms of Shared Facilities Agreement. At Durgapur, SAIL also supplies thermal coal to NSPCL plant.

SAIL purchases power from NSPCL under the terms of the Power Purchase Agreement entered into between SAIL and NSPCL.

The aggregate value of the above transactions for Financial Year 2023-24 is estimated up to ₹ 6,000 crore. These transactions will not only help SAIL to manage manufacturing operations smoothly but also ensure consistent supply of power for uninterrupted operations and increased productivity.

The Management has provided the Audit Committee with the relevant details, as required under law, of the proposed RPTs including material terms and basis of pricing. The Audit Committee, after reviewing all necessary information, has granted approval for entering into the above-mentioned RPTs with SAIL. The Committee has noted that the said transactions will be on an arms' length basis and in the ordinary course of business of the Company.

Accordingly, on the basis of the approval of the Audit Committee, the Board of Directors recommends the resolution contained in Item No.7 of the Notice for approval of the shareholders.

Details of the proposed transactions with NTPC-SAIL Power Company Limited, being a related party of the Company, are as follows:

Information pursuant SEBI circular no. SEBI/HO/CFD/CMD1/CIR/P/2021/662 dated November 22, 2021

Sl. No.	Particulars	Details
1	Name of the related party and its relationship with the listed entity or its subsidiary, including nature of its concern or interest (financial or otherwise).	NTPC-SAIL Power Company Limited- A Joint Venture Company in which SAIL holds 50% share
2	Type, material terms and particulars of the proposed transaction.	As detailed above. All transactions to be entered are at arm's length.
3	Tenure of the proposed transaction.	Recurring nature and approval is for FY 2023-24
4	Value of the proposed transaction.	As detailed above
5	Percentage of annual consolidated turnover considering FY 2022-23 as the immediately preceding financial year.	5.78%
6	Justification as to why RPT is in the interest of SAIL.	Arrangement is commercially beneficial to the Company.
7	<p>Details of transaction relating to any loans, inter-corporate deposits, advances or investments made or given by the listed entity or its subsidiary:</p> <ul style="list-style-type: none"> (i) Details of the source of funds in connection with the proposed transaction. (ii) where any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances or investments <ul style="list-style-type: none"> - nature of indebtedness; - cost of funds; and - tenure (iii) applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security. (iv) the purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the RPT. 	Not Applicable
8	Statement that the valuation or other external report, if any, relied upon by the listed entity in relation to the proposed transaction will be made available through registered email address of the shareholder.	Not Applicable

Sl. No.	Particulars	Details
9	Any other information that may be relevant	All important information forms part of the statement setting out material facts, pursuant to Section 102(1) of the Companies Act, 2013 forming part of this Notice.

Arm's Length Pricing

The related party transaction(s)/contract(s)/arrangement(s) mentioned in this proposal meet the arm's length testing criteria. The related party transaction(s)/contract(s) / arrangement(s) also qualifies as contract under ordinary course of business.

The RPTs will be entered based on the Power Purchase Agreement not exceeding ₹ 6,000 crore in aggregate.

None of the Directors and/ or Key Managerial Personnel of the Company and/or their respective relatives are concerned or interested either directly or indirectly, in the Resolution mentioned at Item No.7 of the Notice to the extent of their shareholding in the Company, if any, except as given below:

Shri M.B. Balakrishnan, ED (F&A) and Company Secretary, SAIL is Non-executive Nominee Director on the Board of NTPC-SAIL Power Company Limited.

The Board recommends the relevant ordinary resolution set forth at Item No.7 in the Notice for approval of the Members.

Item No.8:

Background, Details and Benefits of the Transaction

Bokaro Power Supply Company Pvt. Ltd. (BPSCL) is a 50:50 Joint Venture of SAIL and Damodar Valley Corporation. BPSCL owns a 338 MW capacity coal based thermal power plant at Bokaro, Jharkhand and supplies power and steam to SAIL's Bokaro Steel Plant. BPSCL also caters to emergency power requirements of Bokaro Steel Plant. SAIL supplies surplus by-product gases from its Bokaro Steel Plant to BPSCL. SAIL also supplies water to BPSCL under the terms of Shared Facilities Agreement. SAIL has provided land to BPSCL on lease basis. SAIL purchases power and steam from BPSCL under the terms of Power Purchase Agreement entered into between SAIL and BPSCL.

The aggregate value of the above transactions for Financial Year 2023-24 is estimated up to ₹ 3,000 crore. These transactions will not only help SAIL to manage manufacturing operations smoothly but also ensure consistent supply of power and steam for uninterrupted operations and increased productivity.

The Management has provided the Audit Committee with the relevant details, as required under law, of the proposed RPTs including material terms and basis of pricing. The Audit Committee, after reviewing all necessary information, has granted approval for entering into the above-mentioned RPTs with SAIL. The Committee has noted that the said transactions will be on an arms' length basis and in the ordinary course of business of the Company.

Accordingly, on the basis of approval of the Audit Committee, the Board of Directors recommends the resolution contained in Item No.8 of the Notice for approval of the shareholders.

Details of the proposed transactions with Bokaro Power Supply Company Private Limited, being a related party of the Company, are as follows:

Information pursuant SEBI circular no. SEBI/HO/CFD/CMD1/CIR/P/2021/662 dated November 22, 2021

Sl. No.	Particulars	Details
1	Name of the related party and its relationship with the listed entity or its subsidiary, including nature of its concern or interest (financial or otherwise);	Bokaro Power Supply Company Private Limited- A Joint Venture Company in which SAIL holds 50% share
2	Type, material terms and particulars of the proposed transaction	As detailed above. All transactions to be entered are at arm's length.
3	Tenure of the proposed transaction	Recurring nature and approval is for FY2023-24
4	Value of the proposed transaction	As detailed above
5	Percentage of annual consolidated turnover considering FY 2022-23 as the immediately preceding financial year	2.89%
6	Justification as to why RPT is in the interest of SAIL	Arrangement is commercially beneficial to the Company.
7	Details of transaction relating to any loans, inter-corporate deposits, advances or investments made or given by the listed entity or its subsidiary: (i) Details of the source of funds in connection with the proposed transaction (ii) where any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances or investments - nature of indebtedness; - cost of funds; and - tenure (iii) applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security. (iv) the purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the RPT.	Not Applicable
8	Statement that the valuation or other external report, if any, relied upon by the listed entity in relation to the proposed transaction will be made available through registered email address of the shareholder.	Not Applicable
9	Any other information that may be relevant	All important information forms part of the statement setting out material facts, pursuant to Section 102(1) of the Companies Act, 2013 forming part of this Notice.

Arm's Length Pricing

The related party transaction(s)/contract(s)/arrangement(s) mentioned in this proposal meet the arm's length testing criteria. The related party transaction(s)/contract(s) / arrangement(s) also qualifies as contract under ordinary course of business.

The RPTs will be entered based on the Power Purchase Agreement not exceeding ₹ 3,000 crore in aggregate.

None of the Directors and/ or Key Managerial Personnel of the Company and/or their respective relatives are concerned or interested either directly or indirectly, in the Resolution mentioned at Item No.8 of the Notice to the extent of their shareholding in the Company, if any.

The Board recommends the relevant ordinary resolution set forth at Item No.8 in the Notice for approval of the Members.

Item No.9:

Background, Details and Benefits of the Transaction

Minas de Benga Limitada (Mozambique) (MBL) is a foreign joint venture company of International Coal Ventures Pvt. Ltd. (ICVL) (a joint venture of SAIL, RINL, NMDC, CIL and NTPC) and consequently a related party of Steel Authority of India Limited (SAIL). MBL is based in Mozambique and is engaged in the business of mining and supplying coking coal in India. SAIL has a shareholding of 47.82% in ICVL.

SAIL requires coking coal for its blast furnace as part of steel production process. MBL produces and supplies coking coal for captive consumption of its steel producing promoter companies. SAIL has entered into a long term supply contract with MBL for supply of coking coal quantity on annual basis. ICVL and MBL being part of SAIL Group Companies, not only help in smooth business operations for both the Companies, but also ensure consistent flow of desired quality and quantity of coking coal without interruptions and generation of revenue and business for both the companies to cater to their business requirement.

The aggregate value of the above transactions for Financial Year 2023-24 is estimated up to ₹ 4,000 crore. These transactions will not only help SAIL to manage manufacturing operations smoothly but also ensure consistent flow of desired quality and quantity of Prime Quality Washed Benga Premium Hard Coking Coal (Size : 0-50mm) for uninterrupted operations and increased productivity.

The Management has provided the Audit Committee with the relevant details, as required under law, of the proposed RPTs including material terms and basis of pricing. The Audit Committee, after reviewing all necessary information, has granted approval for entering into the above-mentioned RPTs with SAIL. The Committee has noted that the said transactions will be on an arms' length basis and in the ordinary course of business of the Company.

Accordingly, on the basis of approval of the Audit Committee, the Board of Directors recommends the resolution contained in Item No.9 of the Notice for approval of the shareholders.

Details of the proposed transactions with Minas De Banga Limitada (Mozambique), (a related party of ICVL) a related party of the Company, are as follows:

Information pursuant SEBI circular no. SEBI/HO/CFD/CMD1/CIR/P/2021/662 dated November 22, 2021

Sl. No.	Particulars	Details
1	Name of the related party and its relationship with the listed entity or its subsidiary, including nature of its concern or interest (financial or otherwise);	Minas de Benga Limitada (MBL) is a foreign joint venture company of ICVL (a joint venture of SAIL, RINL, NMDC, CIL and NTPC) and consequently a related party of Steel Authority of India Limited (SAIL). SAIL has a shareholding of 47.82% in ICVL.
2	Type, material terms and particulars of the proposed transaction	As detailed above. All transactions to be entered are at arm's length.
3	Tenure of the proposed transaction	Recurring nature and approval is for FY2023-24
4	Value of the proposed transaction	As detailed above
5	Percentage of annual consolidated turnover considering FY 2022-23 as the immediately preceding financial year	3.85%
6	Justification as to why RPT is in the interest of SAIL	Arrangement is commercially beneficial.
7	Details of transaction relating to any loans, inter-corporate deposits, advances or investments made or given by the listed entity or its subsidiary: (i) Details of the source of funds in connection with the proposed transaction (ii) where any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances or investments - nature of indebtedness; - cost of funds; and - tenure (iii) applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security. (iv) the purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the RPT.	Not Applicable
8	Statement that the valuation or other external report, if any, relied upon by the listed entity in relation to the proposed transaction will be made available through registered email address of the shareholder.	Not Applicable

Sl. No.	Particulars	Details
9	Any other information that may be relevant	All important information forms part of the statement setting out material facts, pursuant to Section 102(1) of the Companies Act, 2013 forming part of this Notice.

Arm's Length Pricing

The related party transaction(s)/contract(s)/arrangement(s) mentioned in this proposal meet the arm's length testing criteria. The related party transaction(s)/contract(s) / arrangement(s) also qualifies as contract under ordinary course of business.

The RPTs will be entered based on the market price of the relevant material and service not exceeding ₹ 4,000 crore in aggregate. Where market price is not available, alternative method including reimbursement of actual cost incurred or cost plus mark-up as applicable at the sole discretion of the independent consulting firm has been considered as per arm's length pricing criteria.

None of the Directors and/ or Key Managerial Personnel of the Company and/or their respective relatives are concerned or interested either directly or indirectly, in the Resolution mentioned at Item No.9 of the Notice to the extent of their shareholding in the Company, if any, except as given below:

Shri Amarendu Prakash, Chairman, is Non-Executive Chairman of ICVL and Shri Anil Kumar Tulsiani, Director (Finance) and Shri Anirban Dasgupta, Director (In-charge-Bhilai Steel Plant) are Non-Executive Nominee Directors on the Board of ICVL.

The Board recommends the relevant ordinary resolution set forth at Item No.9 in the Notice for approval of the Members.

Item No.10

The Board of Directors of the Company, on the recommendation of the Audit Committee has considered and approved the appointment of M/s. R.M. Bansal & Co., Kanpur (for Bhilai Steel Plant, Durgapur Steel Plant and IISCO Steel Plant), M/s. Chandra Wadhwa & Co., New Delhi (for Rourkela Steel Plant and Bokaro Steel Plant) and M/s. ABK & Associates, Mumbai for Alloy Steels Plant, Salem Steel Plant and Visvesvaraya Iron and Steel Plant) as the Cost Auditors of the Company for the Financial Year 2022-23 at a remuneration of ₹ 11,70,000/- plus taxes as applicable and reimbursement of daily allowance, travelling expenses and out of pocket expenses. In addition, ₹ 30,000/- and ₹ 12,000/-, plus taxes as applicable, for consolidation & filing respectively is to be paid to the Lead Cost Auditor for XBRL conversion and filing of Consolidated Cost Audit Report of the Company.

Pursuant to Section 148(3) of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the remuneration, as approved by the Board of Directors of the Company on the recommendation of the Audit Committee, is required to be subsequently ratified by

the Members of the Company. Accordingly, the Resolution for ratification of the fee of the Cost Auditors as set out at Item No.10 of the Notice is submitted for approval of the Shareholders.

The Board recommends the ordinary resolution for your approval.

None of the Directors and/or Key Managerial Personnel of the Company and / or their relatives is concerned or interested in the resolution.

By order of the Board of Directors



(M.B. Balakrishnan)

ED (F&A) & Company Secretary

Place: New Delhi

Dated: 2nd September, 2023

Registered Office:

Ispat Bhawan, Lodi Road, New Delhi-110003.

CIN: L27109DL1973GOI006454

Details of Directors seeking re-appointment/appointment in Annual General Meeting furnished in terms of SEBI Regulations:

Name of the Director	Shri Anirban Dasgupta	Shri Vejendla Srinivasa Chakravarthy
DIN	06832261	09370715
Date of Birth	29 th April, 1965	16 th June, 1965
Date of Appointment	1 st February, 2020	24 th December, 2021
Expertise in Specific functional areas	Technology, Operations, Project Management and Corporate Planning	Marketing
Qualifications	B.Tech.(Metallurgy)	B.Tech.
List of Companies in which outside Directorship is held.	TRL Krosaki Refractories Ltd. SAIL Refractory Co. Ltd. International Coal Ventures Pvt. Ltd.	NIL
Chairman/ Member of the Committees of the Board of the Companies on which he is a Director.	Member: Audit Committee; Strategic Issues & Joint Ventures Committee; Health, Safety & Environment Committee.	Member: Operational Issues Committee
No. of Shares held in SAIL	100	NIL

FORMAT FOR FURNISHING THE BANK DETAILS, PAN, EMAIL ID, ETC.

To,
 MCS Share Transfer Agent Limited
Unit : Steel Authority of India Limited
 F-65, Okhla Industrial Area, phase-I,
New Delhi – 110020

Dear Sir,

I/We, give my/our consent to update the following details in your records to effect payments of dividend or sending other communications by electronic means in compliance with the circular(s) issued by SEBI for equity shares of Steel Authority of India Limited.

FOLIO NO.:

NAME OF THE FIRST / SOLE HOLDER :

BANK'S NAME :

BRANCH'S NAME & ADDRESS :

.....
ACCOUNT NO. :

ACCOUNT TYPE (SB / CURRENT) :

IFSC CODE :

MICR CODE :

EMAIL ID :

PHONE NO. :

PARTICULARS	NAME OF SHAREHOLDER(S)	PAN
FIRST / SOLE SHAREHOLDER		
1 ST JOINT SHAREHOLDER		
2 ND JOINT SHAREHOLDER		

Signature of 1st Shareholder

Signature of 1st Joint Shareholder

Signature of 2nd Joint Shareholder

Date : _____

Place: _____

Encl : Original cancelled cheque leaflet or attested copy of bank pass book showing name of account holder and self-attested copy of PAN Card(s).

NOTES

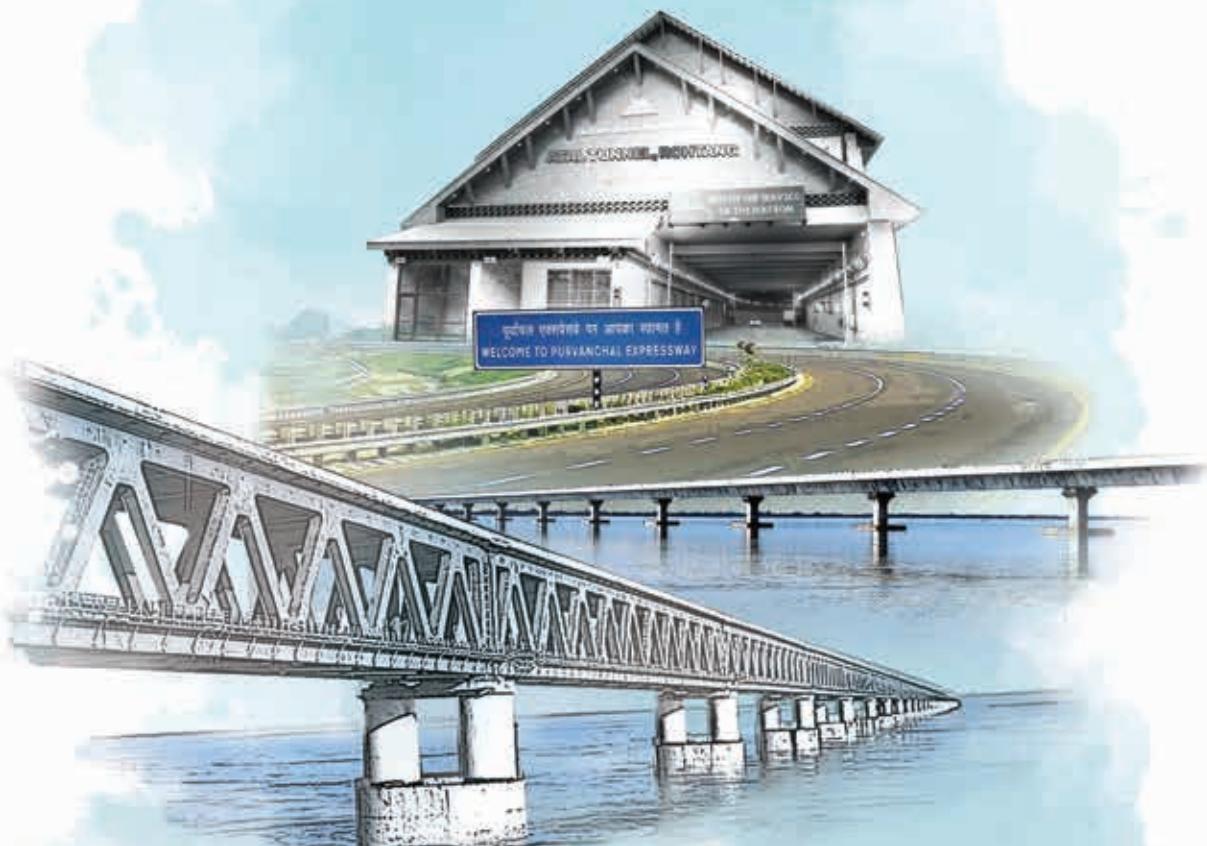


NOTES



Strengthening Infrastructure. Steering Progress.

SAIL, a Maharatna Public Sector Undertaking, is the steel backbone of India for decades.
SAIL steel remains the most preferred choice of the nation.



SAIL THE STEELMAKER OF ATMANIRBHAR BHARAT



स्टील अथॉरिटी ऑफ इण्डिया लिमिटेड
STEEL AUTHORITY OF INDIA LIMITED

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



India's first AI based steel chatbot - SAIL SARATHI, your assistant to SAIL steel.
For more details, visit www.sail.co.in or scan the QR code





VISION

Our aspiration to be a leader in our chosen areas is borne out of the collective will of all stakeholders, including the employees.



SUCCESS

With per capita steel production and consumption growing, the Indian steel industry is poised for growth envisaged in the National Steel Policy. SAIL is planning to add capacity accordingly.



PLAN

- Process improvements
- Product development
- Product commercialization
- Energy conservation
- Automation



IDEA

Continue improving value-added products in the portfolio



स्टील अथॉरिटी ऑफ इण्डिया लिमिटेड
STEEL AUTHORITY OF INDIA LIMITED
www.sail.co.in

हर किसी की ज़िन्दगी से जुड़ा हुआ है सोल