

# ABOUT THIS REPORT

We see sustainability reporting as a key element of sustainability management and a driver for internal change. This is the tenth annual sustainability report of Bhilai Steel Plant. It responds to the concerns and information needs of our stakeholders and explains our activities geared toward sustainable development. We strived to help stakeholders in their decision-making process through balanced and transparent reporting. This report covers BSP's activities during the period from April 1, 2011 to March 31, 2012. However the contents of some activities are applicable to the period between April and December 2012.

There are no changes in standards for reported data from previous reports unless otherwise specified. This report contains activities and performances related to sustainability covering product and services of Bhilai Steel Plant and its captive mines. The reporting principle and methodology recommended by Sustainability Reporting Guidelines issued by Global Reporting Initiatives (GRI) G3 have been adopted.

This report provides a platform for measuring & disclosing information related to "sustainability context" of our organisational performance. The content has been made to

meet the requirements of our internal and external stakeholders. The report represents the balanced and reasonable presentation of our positive and negative contributions. The reporting principles of materiality, stakeholder inclusiveness, sustainability context and completeness have been applied in the report.

The standard disclosure of the report includes strategy, profile, governance, and management approach and performance indicators. While applying the reporting principles approach, attempt has been made to address all the core indicators and relevant additional indicators. The appropriate topics and indicators were selected based on its significance on economic, environmental and social performance of the organisation and its substantial influence on the assessment and decision of stakeholders. The wider context of sustainability of our organisation presenting reasonable expectation of the stakeholders; the challenges in balancing these expectations are also discussed. Systematic and generally accepted stakeholder engagement process has been implemented. The outcome of the stakeholder engagement process and our strategies are described in the report. The report takes into account



upstream and downstream processes which have significant influence on our organisation. This report has also considered the reporting guidance for Boundary Setting. While deciding boundary, assessment has been made on those entities over which whether BSP exercises control (power to govern the financial and operating policies, so as to obtain benefits from its activities) or have significant influence (power to participate in the financial and operating policy decisions of the entity).

In order to identify our sustainability management activities and issues, we engaged in processes that included internal surveys, and stakeholder opinion collecting based on external trend surveys and internal indicators on sustainability. The current report for 2011-12 has been self verified against the criteria in the GRI application levels.



Though we have tried to include in this report information that our stakeholders would like to see or know but we are open to any comments to improve our subsequent reports.

## Report Parameters

### Report profile

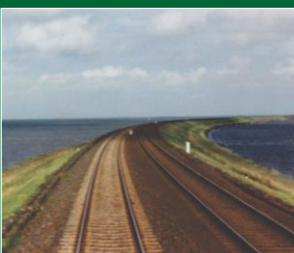
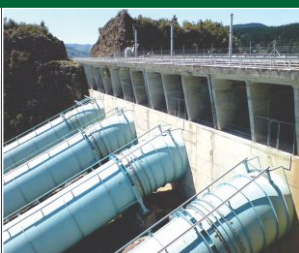
Bhilai Steel Plant's Sustainability Reports are produced annually and this report covers the Company's financial year 1st April 2011 – 31st March 2012. However the contents of some activities are applicable to the period between April and December 2012.

The last Corporate Sustainability Report was published for the year 2010-11.

The report is produced to communicate to stakeholders:

- Bhilai Steel Plant's approach to corporate sustainability
- Its management of sustainability issues
- Performance on Global Reporting Initiative G3 indicators and on reaching Company goals

We hope that this report meets the needs of the majority of our stakeholders. Many of our stakeholders such as employees and local communities receive communication on relevant issues primarily through other sources.







## Report Scope & Boundary

While considering the boundary setting, it has been ascertained that the boundary of the report is limited to activities, product and services of Bhilai Steel Plant (BSP) and its captive mines of Iron Ore at Dalli-Rajhara, Limestone at Nandini Mines and Dolomite Mines at Hirri. The scope limitations have been indicated at the relevant locations. BSP being unit of SAIL, does not enter into Joint Venture on its own, hence reporting on JV is not in the scope of the report. Information related to SAIL shareholders, Board of directors, corporate governance, General Body Meetings, and other supporting has been incorporated at relevant locations to the extent required under the guidelines. There are no significant changes w.r.t. to previous reports with regard to scope, boundary and measurement methods applied in the report.

## Significant Changes in Boundary

As compared to the previous year's Corporate Sustainability Report i.e Financial year 2010-11, there is no change in the boundary or scope of the report.

## Auditing Processes

### Economic Performance

Being a Public sector enterprise, the Quarterly, Half Yearly and Annual books of account are audited by govt auditors as per the procedures/rules of Govt of India

The audit is undertaken in accordance with auditing standards in India

## Environment, Health & Safety performance

The independent third party audits are conducted by M/s. Bureau of Indian Standards (BIS) for Divisions certified to Environmental Management System, ISO 14001 : 2004 and by M/s. DNV for Occupational Health and Safety Management System, O H S A S 18001 : 2007 once a year

## Social performance

BSP is certified to SA8000: 2008.

M/s. Det Norske Veritas conducts the external audits of the system once a year.

## Report Content

This report uses the Global Reporting Initiative (GRI) G3 guidelines. The information has been compiled through a dedicated team with representatives from different departments within Bhilai Steel Plant. As far as possible, all relevant disclosures and performance indicators set out in the GRI G3 guidelines are supplied, with additional reference to Company goals and targets where appropriate.

United Nations Global Compact principles on Environment, Human Rights and Corruption have also been addressed for the first time.

Performance against World Steel Association's sustainability indicators has also been addressed.

## Data measurement techniques

There has been no change in the data measurement techniques from last year's reporting. Financial & Economic data are reported as per the guidelines provided in the Company Law of India and Indian GAAP Standards.

Monitoring, measurement and calibration is carried out as per relevant Indian standards. Documentation and communication are undertaken as per the requirement of ISO 9001 & ISO 14001, OHSAS 18001 & SA8000.

BSP follows the norms and procedures prescribed for workplace Safety and Environment by Ministry of Environment, Ministry of Labour & Welfare (Factories Act). The calculation methodologies are explained in their relevant sections.

## Assurance

A team comprising of internal sustainability assessors has conducted the sustainability assessment of various departments of Bhilai Steel Plant. The major objective of the assessment was to verify the various policies, practices, management systems, processes, statements, performance indicators and other information reported in the sustainability report of Bhilai Steel Plant for the year 2011-12

Assessment has been conducted in such a way that the adequate evidence is verified to support the information given in the report. Robustness of the systems and procedures were also verified. Processes for identifying sustainability issues, risks and opportunities and sustainability impacts of the organization for short term and long-term basis were examined. The criteria for self-declaration application level of GRI have been followed. The main principles viz. Materiality, Completeness and Responsiveness were assessed. Evaluation of Stakeholder views and actions initiated by BSP for ensuring inclusive growth has also been considered during the assessment.

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Plant Office	-	Ispat Bhawan, Bhilai Steel Plant Bhilai, Chhattisgarh - 490 001

Bhilai Steel Plant seeks to develop and improve its reporting process and will be considering all feedback received to ensure that the report meets stakeholder needs.

## Contact Persons

The Company is delighted to hear stakeholders' views on this report.

For any information on the Company's approach towards sustainability and its performance, please contact

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