



BHILAI STEEL PLANT

SUSTAINABILITY REPORT

2012-2013



Green.....nth



Striving



For a Sustainable Future

Greennth

Right since inception, BSP recognised the importance of a clean environment and it was BSP's constant endeavour to go beyond regulatory compliance to contribute to it. This consciousness underpins BSP's strategy and business model, which are focused not just on mitigating the environmental after-effects of business, but on containing them from the very start, instead of adopting an 'end of pipe' solution approach.

BSP is presently going through a massive modernization expansion program, where-in state of the art energy efficient & environment friendly production facilities will be set-up. Up-gradation/phasing-out of the existing facilities is also part of the overall expansion program. The environmental performance of the plant is expected to improve considerably after commissioning of these projects. The efforts to pursue these green initiatives and take them to a new level in next phase of expansion & modernization have been reflected in our vision document for 2025.

Our commitment in protection of the environment over the years has resulted in implementing number of projects which have yielded significant results in widening our green footprint. Our approach for future has always been to build & consolidate these benefits and sustain them through concerted efforts. The theme selected for this year's sustainability report, Greennth, reflects the BSP's concern for greening its operations inline with global initiatives for finding sustainable solutions for generations to come.

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CEO's Message



Dear Friends,

I am pleased to present the Sustainability Report of Bhilai Steel Plant for the year 2012-13, elaborating on our triple bottom line performance. We believe that, in the fast changing business environment, adhering to sustainable development, thus creating value for our stakeholders, is the right thing to do. Our commitment towards sustainable development & continued efforts over the years have been recognised in winning the coveted Prime Minister's Trophy for the best integrated steel plant for the year 2011-12. Winning the trophy 11 times since its inception is a grand tribute to the unrelenting efforts of my people, who have always put the organization first & have shown remarkable spirit in overcoming adverse circumstances.

Five years after the outbreak of the global financial crisis, the world economy continues to remain fragile. The recurring dips in growth and employment are a cause for concern despite all-out attempts to contain the Eurozone crisis and strengthen recovery in the United States. The cascading effects of the economic slowdown in the richer nations have left deep scars across the globe. Though developing countries managed to drive more than half of the global growth in 2012, their growth rate also plunged to new lows.

In 2012-13, excess capacity remained the most significant issue in the global steel sector. Global steelmakers continue to witness supply growth outpacing demand, with capacity utilization rates remaining stubbornly below 80%. Slowdown in demand growth from China and subdued steel prices will continue to weigh on the global steel sector in 2013. Unprecedented foreign exchange fluctuations and increased cost of inputs in recent years have played a role in adversely impacting the financial performance.

The Indian steel companies are facing the dual challenge of high cost of production on one hand and lower sales realization on the other. The cost of production is being driven up by the volatility in the prices of coal, higher railway freight, power tariff, royalty on minerals, depreciation of the rupee, etc. while prices are flat due to prevailing market conditions leading to severe pressure on margins.

On the positive front, although China is the dominant market

in the steel sector, India is increasing its presence in the global steel market as a result of domestic steel consumption. India has seen a rapid rise in production over the past few years, which has resulted in India becoming the fourth largest producer of crude steel and the largest producer of sponge iron in the world. As the largest and most dominant market in the steel sector, China continues to surprise, both in its size and dynamism. But as China heads toward its peak, India is picking up the pace and increasing its presence in the global sector. This silent achiever is becoming the market to watch. During the 12th, 5-year plan period, GOI has a target of doubling of the investment in infrastructure to \$ 1 trillion which should boost steel demand considerably. The opportunities are galore but the competition is going to be very intense. The resilience of our organization will be tested in the next four to five years, which are very crucial to retain & improve our market share and also establish economic viability. We have come out of the crisis of much severe magnitude, in early years of last decade with flying colors, and I am confident of coming out of these difficult times with renewed vigour.

Bhilai Steel Plant started the financial year in good pace in spite of the tough times and challenges on various fronts. The Plant achieved the annual production of 5.21 Million Tonnes of Hot Metal, 5.01 Million Tonnes of Crude Steel and 4.36 Million Tonnes of Saleable Steel and successfully achieved the ABP target in Crude Steel and Saleable steel thereby registering a growth in volume of production at 1.6%, 2.2% and 1.6% respectively as compared to last year. The Plant continued to operate well above the rated capacity in all major areas of production and achieved a capacity utilization of 114.6 % in Hot Metal, 127.7 % in Crude Steel and 138.4 % in Saleable Steel. In total Saleable Steel, the plant operated above the rated capacity for the Twentieth year in succession. The Plant continued its efforts in development of new products and as many as 15 new and differentiated products were developed as per the customer / market requirement. On the safety front, the number of reportable accidents (Regular) reduced to 4 Nos as compared to 7 Nos in the last financial year.

The failing health of some Coke Oven Batteries was a major concern which was affecting the Coke production and gas availability. However efforts were put in, to use alternative fuels & also optimize the gas distribution and Maximize utilization of available resources. These measures have yielded results in stabilizing the performance of coke ovens.

The plant continued its efforts under the expansion drive and made substantial progress on all the major schemes planned under 7 MT expansion programme. During the year about Rs.3700 Crores have been spent against Capital expenditure on the schemes. A total of 19 Nos of Turn key projects and 30 Nos of Non turn key projects worth Rs. 545.72 Crs. and Rs.207.76 Crs. were awarded for execution.

In 2012-13, BSP has reduced its specific water consumption to the level of 2.924 m³/tcs, achieved solid waste utilization of 90.9%, CO₂ emission rate of 2.742 T/TCS and energy consumption of 6.62 Gcal/TCS which are better than last year. The specific water consumption achieved by BSP is one of the best in steel industry. To achieve global best standards in environmental performance, BSP has set ambitious targets for 4 key environmental parameters namely water consumption, particulate emission load, CO₂ emissions & energy consumption. Action plans for achieving the same have been prepared & aligned with MODEX programs.

To gain a broader perspective on the environmental impact of operations, we have carried out carbon footprint & water footprint studies, using the state of the art software & analyzing tools in the financial year 2012-13, in partnership with IIT-Bombay. The learnings from these studies will be converted to actionable programs for reducing our ecological footprint.

Taking forward our commitment to a clean environment, BSP has embarked on ambitious national level project for phasing-out PCB based transformer oils, which is India's commitment under Article 3 of Stockholm convention for reduction or elimination Persistent Organic Pollutants (POPs). The Convention promotes the environmentally sound management and disposal of Polychlorinated Biphenyls (PCBs). The project, which is being implemented at BSP, under the aegis of UNIDO & MoEF, will remove and dispose-of 7,700 tons of pure, concentrated PCBs, PCB-contaminated decommissioned equipment, PCB-containing oil and wastes, thus eliminate the risks to human health and environment from PCBs exposure. BSP is a proud partner in this noble initiative. BSP is also actively advancing the National Solar Mission, where-in, Government of India has set a target to accomplish 20,000 MW solar power by 2022. In 2012-13, BSP has commissioned a 2x100 KW solar power station at its guest house, Bhilai Niwas. More such schemes are in the offing to cover its office buildings in plant & township.

BSP is making conscious efforts to create larger social value through its CSR activities rather than just being a philanthropic organization doling out financial support alone. These activities are in line with the ethos of the company, for creating a meaningful difference in the people's lives. The initiatives of BSP in the last few years, like establishing "Bhilai Ispat Vikas Vidyalaya", a school for the under privileged children, Bhilai Ispat Kalyan Chikistalaya, a free primary health center for disadvantaged patients, MOU with Akshay Patra Foundation, renowned voluntary

Organization, for feeding the hungry children through its Mid day meal program, Swayam siddha a scheme for Women Empowerment & self employment, vocational training courses to the youth under the scheme Ispat kaushal Kuteer, Bhilai Ispat Siyan Sadan, a Old age home for elderly etc. These are in addition to the extensive CSR activities covering medical & health, empowerment, education, sports etc in mines area. In the year 2012-13, a special camp for physically challenged persons was organized, where in 235 persons were given appliances for overcoming their disability. A new fishery project with an aim of self-development of the beneficiaries was started in one of our Model Steel villages.

For understanding the impacts of our activities in the field of medical, health and education, BSP has awarded a project to National Bank for Rural Development (NABARD). A Base line survey of 21 MSVs was also awarded to Society for Rural Industrialization, Ranchi (SRI). They will submit a report giving recommendations for necessary CSR interventions to meet the needs of Villagers.

Project implementation, development of Raughat Mines without any further time and cost over-run, remain focus areas in the immediate future. Simultaneously cost reduction activities across all our operations, rationalization & redeployment of manpower needs to be given thrust to fulfil our goals & targets.

The need of the hour is Cost optimization. This can be achieved through improving the operational efficiency by optimally utilising the available assets, Quick stabilization of the newly commissioned units, Reducing overhead costs and enhancing employee productivity. We need to think out of the box and walk the extra mile to enhance competitiveness of the company.

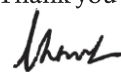
SAIL has established Centres of Excellence (COE) at the unit level as part of its ambitious R&D master plan. To derive the sustained benefits envisaged under R&D master plan, in product development and improvements, in collaboration with key customers and technology suppliers, we should take lead and play an active role in fulfilling the objectives. We need to understand that, the success of R&D master plan will go a long way in fulfilling SAIL's vision of becoming a world class corporation and leader in Indian Steel business in quality, productivity, profitability and customer satisfaction.

To achieve transformational growth, we need to focus on embedding the tenets of sustainability all across our operations. It is time we take the giant stride towards becoming an organization where sustainability is driven by a passionate, values-based commitment to improving the well-being of the company, society, and the environment to help build a better world.

This report is intended to communicate our sustainability activities and achievements. It was prepared based on the Sustainability Reporting Guidelines of Global Reporting Initiative, as well as our internal reporting procedures.

Your views and suggestions will be an important asset as we set our future action plans. We look forward to your valuable opinion.

Thank you


(S. Chandrasekaran)



ABOUT THIS REPORT



About This Report:

We see sustainability reporting as a key element of sustainability management and a driver for internal change. This is the eleventh 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, 2012 to March 31, 2013.

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 products and services of Bhilai Steel Plant and its captive mines. This report has been drafted in accordance with the Global Reporting Initiative's G3 guidelines and conforms to "A" application level check.



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 of 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 2012-13 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 2012 to 31st March 2013. The last Corporate Sustainability Report was published for the year 2011-12. 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. For the same reason, information related to SAIL shareholders, Board of directors, corporate governance, General Body Meetings, and other supporting guidelines have been incorporated at relevant locations. There are no significant changes w.r.t. to previous reports with regard to scope, boundary and measurement methods applied in the report.





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 (UNGC) principles on Human Rights, Environment & Corruption:

The scope of the report has evolved since we started reporting in FY 2002-03.

Since last year, we presented the report with linkages to UNGC principles & presenting detailed performance on these principles and their relevance to our activities. We have endeavoured to ensure that our report coverage is sufficient to report on our communication on progress keeping with UNGC principles, which seek to achieve the highest standards for return on investments to shareholders along with performance in sustainability. SAIL being a signatory to the UN Global Compact, we are committed to advance the ten principles in areas of human rights, labour & and environment. The commitment towards ethics and transparency, set forth in the values that guide our company, provides assurance to stakeholders and guidance in their decisions according to UNGC principles.

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 2012-13.

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.

Auditing Processes

Economic Performance Assurance

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 India

The audit is undertaken in accordance with auditing standards in India

Environment, Health & Safety Performance Assurance

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, OHSAS 18001:1999 once a year.

Social Performance Assurance

BSP is certified to SA8000 : 2004.
M/s. Det Norske Veritas conducts the external audits of the system once a year.

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 Address :

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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Forward-looking Statements

This report contains forward-looking statements, which may be identified by their use of words like 'plans', 'expects', 'will', 'anticipates', 'believes', 'intends', projects', 'estimates' or other words of similar meaning. All statements that address expectations or projections about the future, including, but not limited to statements about the company's strategy for growth, product development, market position, expenditures, and financial results, are forward-looking statements. Forward-looking statements are based on certain assumptions and expectations of future events. The Company cannot guarantee that these assumptions and expectations are accurate or will be realised. The Company's actual results, performance or achievements could thus differ materially from those projected in any such forward-looking statements. The Company assumes no responsibility to publicly amend, modify or revise any forward looking statements, on the basis of any subsequent developments, information or events.



COMPANY PROFILE

In Pursuit of Excellence

BHILAI STEEL PLANT
FLAGSHIP COMPANY
OF
MAHARATNA SAIL



BHILAI STEEL PLANT



Overview

Bhilai Steel Plant (BSP) has been the proud winner of Prime Minister's Trophy for the best Integrated Steel Plant in the country for a record 11 times. BSP, the flagship unit of Maharatna Company, SAIL, derives significant competitive advantage through the synergetic organizational relationship with key SAIL divisions viz. Central Marketing Organization (CMO)-the largest industrial marketing network in the country, Research and Development Centre for Iron and Steel (RDCIS), Centre for Engineering and Technology (CET), Management Training Institute (MTI), Raw Materials Division, Environment Management Division, Growth Division and Safety Organization. BSP has its own captive mines for key input raw materials i.e. iron ore and dolomite which is of strategic importance in this era of volatility on the raw material side in the steel industry. BSP products are marketed through extensive network of Central Marketing Organization which has 37 Branch Offices, 25 Warehouses, 27 Customer Contact Offices and a network of 2900 SAIL dealers located all over the country including rural areas. The dealer network has ensured presence of Company in every district of the country and "Apna SAIL" shops across the country have emerged as the preferred destination for small consumers of quality steel. Export of BSP products are managed by International Trade Division to a wide spread international market. Plates, wire rods and rails are the main products sold in export market.

The product portfolio of BSP is mainly targeted towards infrastructure segment and includes Rails, Heavy Structurals, Light Structurals (Angles, Channels, Rounds and TMT bars), Wire Rods (TMT, Plain & Ribbed), Plates (up to 3600 mm wide) and Semis. BSP is the sole supplier of rails to Indian Railways and is currently supplying up to 260 meters long rails, the longest rails in the world dispatched from works, to meet the objectives of improving passenger comfort and reducing track maintenance activities. The newly developed UTS-100 high strength Vanadium micro-alloyed Rails will meet the future requirement of high density, heavy haulage routes including proposed freight corridor. BSP produces a wide range of value added plates to meet customized requirements viz. high pressure and boiler quality plates, high tensile plates, API grade plates and ship building quality plates. BSP's TMT rods and structural have a strong brand value in the market and command high premium. The product portfolio is further being enriched through the ongoing Modernization and Expansion Plan. BSP has been continuously improving its existing products and developing new products which have resulted in manufacture of value added and differentiated products. BSP products have found applications in a number of prestigious infrastructure projects of the country in the areas of rail lines, bridges, dams, air / sea ports, refineries, pipelines, etc.

M A I N P R O D U C T S	Rails	45 Kg, 52 Kg & 60 Kg UTS 90 Rail Thick web Asymmetrical Rail, Crane Rails Ni-Cu-Cr / Vanadium Rail / Cu-Mo Rail
	Heavy, Medium & Light Structural	Beams, Channels & Angles of different sizes & grades
	Rounds & Bars	Plain Rounds TMT Bars (25 mm to 45 mm) in Earth Quake resistant, High Corrosion resistant and Rock Bolt Grades
	Wire Rods	6 mm to 12 mm (Plain and TMT)
	Plates	8 mm to 120 mm thick including Boiler Quality, High Tensile & Ship Building quality etc.

Products envisaged after modernization

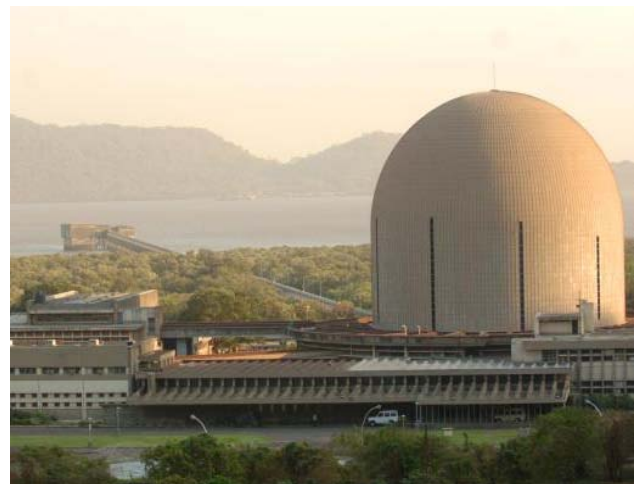
- ▶ Asymmetric Switch Point Rails, Grooved & Tongue Rails, Flat bottom Rails
- ▶ Climate Resistant And Low alloy Heavy Structural Steel
- ▶ Special Steel & Normalized Plates
- ▶ Wire rods – Bright bar, Cold heading, Spring Steel, Free Cutting Steel
- ▶ TMT Bars in straight length
- ▶ Climate Resistant Quality Angles and Channels





Products in Mega Infrastructure Projects

- ▶ Bandra Worli Sea Link
- ▶ 340 km J&K Rail link having 64 bridges
- ▶ Tsunami Rehabilitation Social Infrastructure Project
- ▶ Windmills by Suzlon
- ▶ Lower Subansiri Power Project, Assam by NHPC
- ▶ Mumbai and Delhi Airports
- ▶ Bansagar Canal Project on Sone river
- ▶ Delhi Metro
- ▶ Korba Power Plant
- ▶ Rail Vikas Nigam





Special Technical Accreditation for BSP Products

1. Approval from Central Boiler Board, Govt. of India, for Boiler Quality Plates with IBR Certification
 - Central Boiler Board, Govt. of India evaluated BSP and renewed the IBR Certification as “Well Known Steel Maker”
2. Approval from M/s TUV, Germany for Pressure Vessel Quality Plates with ADW / PED Certification and Structural Quality Plates with “U” sign & CE marking for Export.
3. Approval from M/s. DNV, Germany, M/s ABS, USA and M/s LRS, UK for Normal and High strength Hull Structural steel quality Plates with ‘Z’ Ductility for Export.
4. Approval from M/s RDSO, Indian Railways, for 110UTS Rails.



Products of National Importance

Thick Web Asymmetric Rail
“Zu 1-60” switch points applications -
Developed in-house



Human Resources

In BSP, the total number of executives and non-executives is 3722 and 24764 respectively as on 31.03.2013. The qualifications required for different functions and disciplines are well defined. The executives' qualifications include BE/B.Tech, MBA, CA, ICWA, MBBS/super specialty, LLB etc. The non-executive work force is highly educated and includes 5455 employees with higher secondary education, 6864 ITI certificate holders, 1690 diploma holders, 297 graduate engineers, 2168 other graduates and 2378 post graduates. BSP is an equal opportunity employer that has employed both women and men of caliber. BSP employs about 1458 women employees in both technical and non-technical areas, which is around 4.74 % of the total employees.

Bipartite Forums operate on matters of employee welfare and other issues where the nominated employees i.e. Social Accountability Welfare Representatives (SAWRs)* under SA 8000 attend the meeting on welfare issues. The Bipartite Forums cover production, productivity, safety and welfare of non-executive employees. Recognized Officers Association is working within the umbrella of Steel Executive Federation of India (SEFI) to take care of the needs and welfare of executive employees.

BSP's unblemished record of four decades of industrial peace with no industrial unrest / loss of production even for a single day is a testimony to Bhilai's culture of Industrial harmony.

BSP is an equal opportunity employer that has employed both women and men of caliber.



Area	No. of Employees
Works	20334
Administration	2781
Township and Medical	2532
Mines	2411
Projects	428
Total	28486

Flow-Chart



Coke Oven



Sinter Plant



Raw Material Yard



Iron Ore Mines



Twin Hearth



Blast Furnace



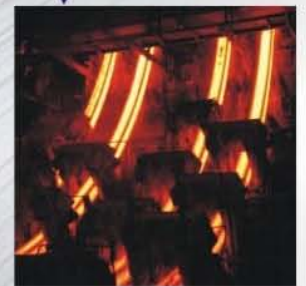
Convertor



Blooming & Billet Mill



Continuous Casting



Merchant Mill



Structurals & Rods

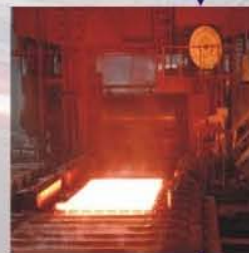


Plate Mill



Rail Mill



Wire Rod Mill



Wire Rods



Plates



Rails

Seven Blast Furnaces dot the skyline of BSP

Major Technologies and Facilities:

BSP is an integrated steel plant having all the basic facilities including captive mines, sinter plants, coke ovens, blast furnaces, steel melting shops, rolling mills and related service departments. BSP has acquired state of the art technologies across the Plant in a planned manner with the engagement/involvement of expert bodies viz. RDCIS, CET and MECON. The modern technologies include 7.0 m tall Coke Oven Battery, Sintering Machine of 320 m² area with circular cooler, Blast Furnace with Paul-Wurth Bell Less Top charging, Hoogoven's stove design, INBA slag granulation, SMS with VAD, RH Degasser, Ladle Furnace, Desulphurization unit, etc. The ongoing MODEX Plan envisages installation of cutting edge technologies for improvement in productivity, yield, quality, cost competitiveness, energy efficiency and environmental protection.

Steel for manufacturing rails is produced exclusively through modern BOF Converter Ladle Furnace RH Degasser - Continuous Casting route for complete control on properties. A world-class long rail manufacturing complex has been set up at BSP where rails are produced

of rolled lengths of 80 meter and welded panels up to 260 meter. The mill has sophisticated technologies viz. Online Eddy Current & Ultrasonic Testing Machines for Rails, Laser Straightness Measurement, Laser Controlled Presses for Rails, etc. The Plate Mill also has advanced facilities for ensuring high product quality such as - On-line Ultra-Sonic Testing Machine, Hydraulic Automatic Gauge Control (HAGC), Plan View Rolling (PVR), Normalizing Furnaces, etc.

BSP has deployed IT in layered architecture with shop-floor automation through Manufacturing Execution System (MES) and supervisory systems at layer-1 which are monitored by operation management and functional application at layer-2. All the IT solutions have been integrated through implementation of SAP-ERP Business Suite. IT footprints can be seen all across the value chain from automation at shop-floor level to serving the society by supporting schools, government interfaces and employees through custom made applications.

Regulatory environment:

BSP complies with all legal and regulatory acts applicable to its business through dedicated departments/earmarked sections viz. Safety Engineering Department, Environment Management Department etc. Systems and Standards have been deployed in the areas of Quality, Environment, Occupational Health & Safety and Social Accountability. Planned audits in these areas ensure compliance to statutory norms and regulatory acts. System Standards i.e. ISO: 9001 QMS, ISO:14001 EMS, OHSAS: 18001 and Social Accountability:8000 have been deployed across the organization.

Regulatory Environment for BSP

- ✦ The Factories Act
- ✦ The Air & Water (Prevention and Control of Pollution) Act & Rules
- ✦ The Environmental (Protection) Act
- ✦ Noise Pollution Act
- ✦ The Hazardous Waste (Management and Handling) Rules
- ✦ Environment Impact Assessment Notification
- ✦ SEBI guidelines
- ✦ Financial acts

Key Customers and Market Segment:

BSP has a unique product portfolio of having both the long and flat products and it has the capability to offer customized products to its customer. Systematic relationship building over the years has resulted in long term relationships with key customers. The key customer requirements are Quality, delivery and service. The Customer Service Index for measuring customer satisfaction incorporates capturing of customer perception on the basis of all three.

Key Suppliers:

BSP has MOU / Long term contract / Annual contract arrangements with some of the leading PSU organizations viz. major oil PSUs, BHEL, NALCO, BEML, HEC and others to meet the key requirements associated with the respective items for procurement.

Type	Key Product / Services	Key Suppliers	Key requirement	Relationship
Raw Material	Lime stone Manganese Ore Sea Water Magnesia	RSM&ML, Jaisalmer MOIL Premier Periclase Ltd., Ireland	Quality, on time delivery, Competitive price Quality, on time delivery, Competitive price Un-interrupted supply, Quality, Competitive price	LT Contract LT Contract LT Contract
Consumable	Casting powder for Slab / Bloom Aluminum Ingot Copper	S&B Minerals, Germany NALCO HINDALCO / HCL	Un-interrupted supply, Quality, Competitive price Un-interrupted supply, Quality, Competitive price Un-interrupted supply, Quality, Competitive price	LT Contract LT Contract LT Contract
Services	Total Tundish Management Total Ladle Management	IFGL/OAL/Vesuvius TRL / OCL	Timely availability Timely availability	Annual Rate Contract Annual Rate Contract

Partnership:

Partnership relationships with different organizations across the value chain have been forged based on mutual benefits and long term goals. In the area of procurement BSP has MOU arrangements with some of the leading PSU organizations i.e. IPCL, HPCL, BPCL, NALCO, BEML, BHEL and HEC. BSP's partnership with Manganese Ore India Limited (MOIL) for sourcing Manganese Ore has been converted into JV partnership for producing Ferro Manganese at Bhilai. BSP has nurtured the local ancillary industry by providing continuous support to them which has resulted in a mutually beneficial relationship which is getting stronger with time. The partnership with NTPC for jointly installing power plant has resulted in the installation of a 500 MW power plant at Bhilai.

Being the sole supplier of Rails to the Indian Railways, BSP has been upgrading the rail making facilities on a continuous basis through partnership and collaboration to meet the demand of rail transport. A number of partnership arrangements have been created in diverse areas like operations, technology, mines, human resource management, logistics, marketing etc.

Key Customers & Market Share:

BSP has a competitive advantage in its ability of product-mix flexibility and capability of supplying wide range and grades of differentiated products. BSP products cater to various segments and have strong presence in key sectors of Construction, electrical goods, Oil/gas transportation and yellow goods. RINL, Tata Steel and JSPL are main competitors in Long products whereas in the area of heavy and wide plates BSP is facing the competition from M/s Essar Steel. Emergence of new players in the steel arena, capacity addition by existing ones and regulatory environment becoming more stringent are some of the key changes that may affect the competitive situation.

Main Products	Market Share
Railway Materials	86.1 %
Plates	15.5 %
Bars, Rods	3.9 %
Structurals	6.4 %

Market Segments	Products	Applications	Customers
Long Products	Rail Bars, Rods and Structural	Railway Track Wire Rods, Electrode Quality Wire Drawers, Construction, TMT Bars & Structurals	Indian Railways L&T Ltd, Gammon India Ltd., KEC International Ltd., NTPC, BHEL
Flat Products	Plates	Heavy machines, Boiler & PV, Pipelines - Crude & Gas, Water etc. Construction / Fabrication, Export	Thermax Ltd., Indian Oil Corporation Ltd., Essar Ltd., Ispat Ind. Bharat Earth Movers Ltd. Nagarjuna Construction Co., BPCL, L&T

Memberships in Associations

The Company is a Member of, Confederation of Indian Industry (CII), Federation of Indian Chambers of Commerce and Industry (FICCI), The Associated Chambers of Commerce and Industry of India (ASSOCHAM), World Steel Association (WSA) ect



Key Strategic Challenges:

Some of key strategic challenges for BSP are depleting iron-ore mines reserves, aging equipment, incorporation of new technologies in steel making, continual increase in the prices of other raw materials like coking coal, fuel etc. Development of Rowghat iron-ore Mines in the shortest possible time is critical to BSP's growth strategy. BSP is also exploring availability of iron-ore in other regions. As a part of MODEX, BSP is replacing its aging equipment and energy intensive process by state of art equipment, which will help in enhancing its productivity. A dedicated group HRPE (Human Resource Planning for expansion) addresses the issues of up gradation of skill and competence of people in view of incorporation of newer technologies. Coal sourcing is another serious concern for BSP. Coking coal prices in the world has witnessed unprecedented fluctuations and constraints on supply side. For securing raw material supplies, SAIL has co-promoted International Coal Ventures Private Limited (ICVL) with CIL, RINL, NMDC and NTPC for the purpose of acquisition of coal assets in overseas territories. SAIL is working towards acquiring coking coal sources in India and abroad through its joint venture ICVL.

Strategic Goals

- ◆ To continue in the business of steel and steel related activities
- ◆ To enhance market share in growth segments
- ◆ To improve profits by cost reduction and high value added products
- ◆ To achieve excellence in quality across the value chain
- ◆ To secure availability of key raw materials, and alleviate infrastructure bottleneck which may constrain long term growth

Strategies Adopted in 2012-13

- Enhancement of special steel and value added products
- Rebuilding and renewal of assets
- Procurement of coke from alternative sources
- Using Furnace oil in Mill furnaces as alternate fuel
- Optimizing gas distribution
- Strengthening systems and standards
- Increasing the auxiliary fuel rate through CDI in blast furnaces





SUSTAINABILITY & BSP

Ethos Built Over The Years

Sustainability Policy

Bhilai Steel Plant(BSP) is flagship integrated steel plant of Steel Authority of India Limited specializing in production of rails, structural's , plates, wire rods and merchant products. BSP is committed to its performance in accordance with the three pillars of sustainability viz economic, environment and social in the areas of operation and undertakes to

- ❖ *Operates business in an efficient and financially sustainable way in order to satisfy its customer and add value to stock holders.*
- ❖ *Optimize the eco efficiency of its manufacturing process through conservation of natural resources and increase energy efficiency.*
- ❖ *Foster health and safety of employees and provide healthy , safe and environmentally sound operations and products.*
- ❖ *Demonstrate social responsibility by promoting values and initiatives that show respect for people and communities associated with its business.*
- ❖ *Conduct business with high ethical standards.*
- ❖ *Engage stockholders in constructive dialogue to help sustainable development.*
- ❖ *Achieve performance improvement through continuous monitoring and review of sustainability performance indicators.*

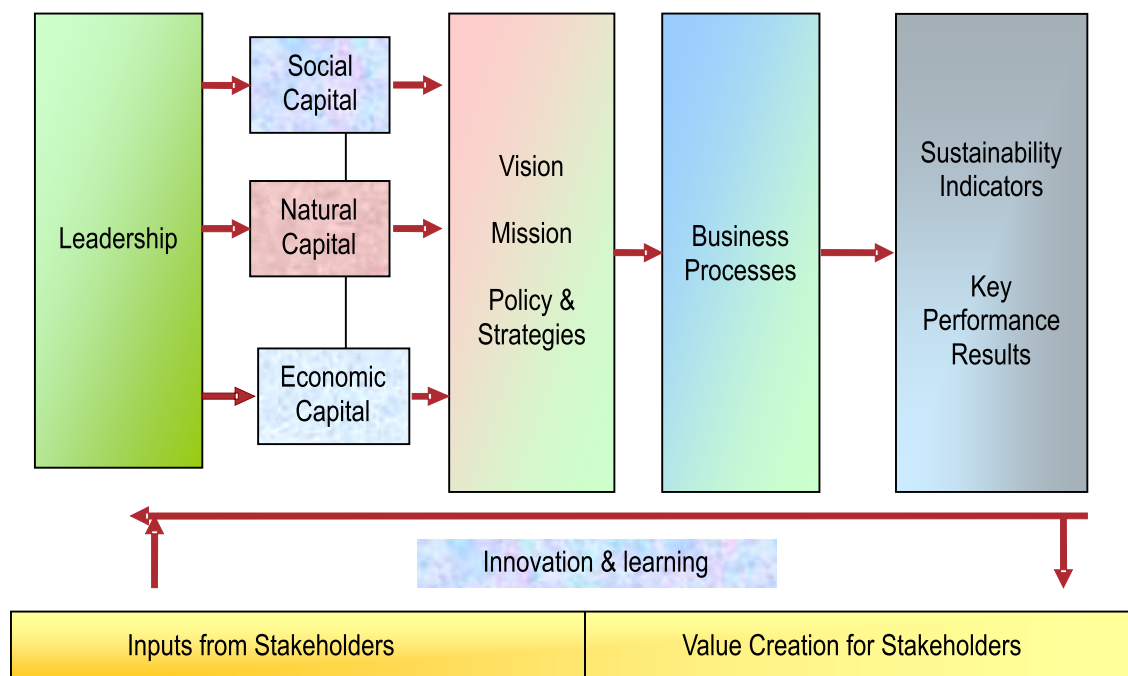
Our Approach to Sustainability:

At BSP, sustainability is a multi-dimensional aspiration. It drives us to optimize our business performance while fulfilling our responsibilities to society, our employees and the environment. In a rapidly changing world where we are faced with new challenges on the economic, climate, and Social fronts, our commitment to sustainability requires us to be smarter, more focused and more effective than ever before. Sustainability must be our ultimate destination, and not merely a stop on the way. It is both the driving force and the reward of our organizational journey.

Integrating Sustainability with our Business Strategy:

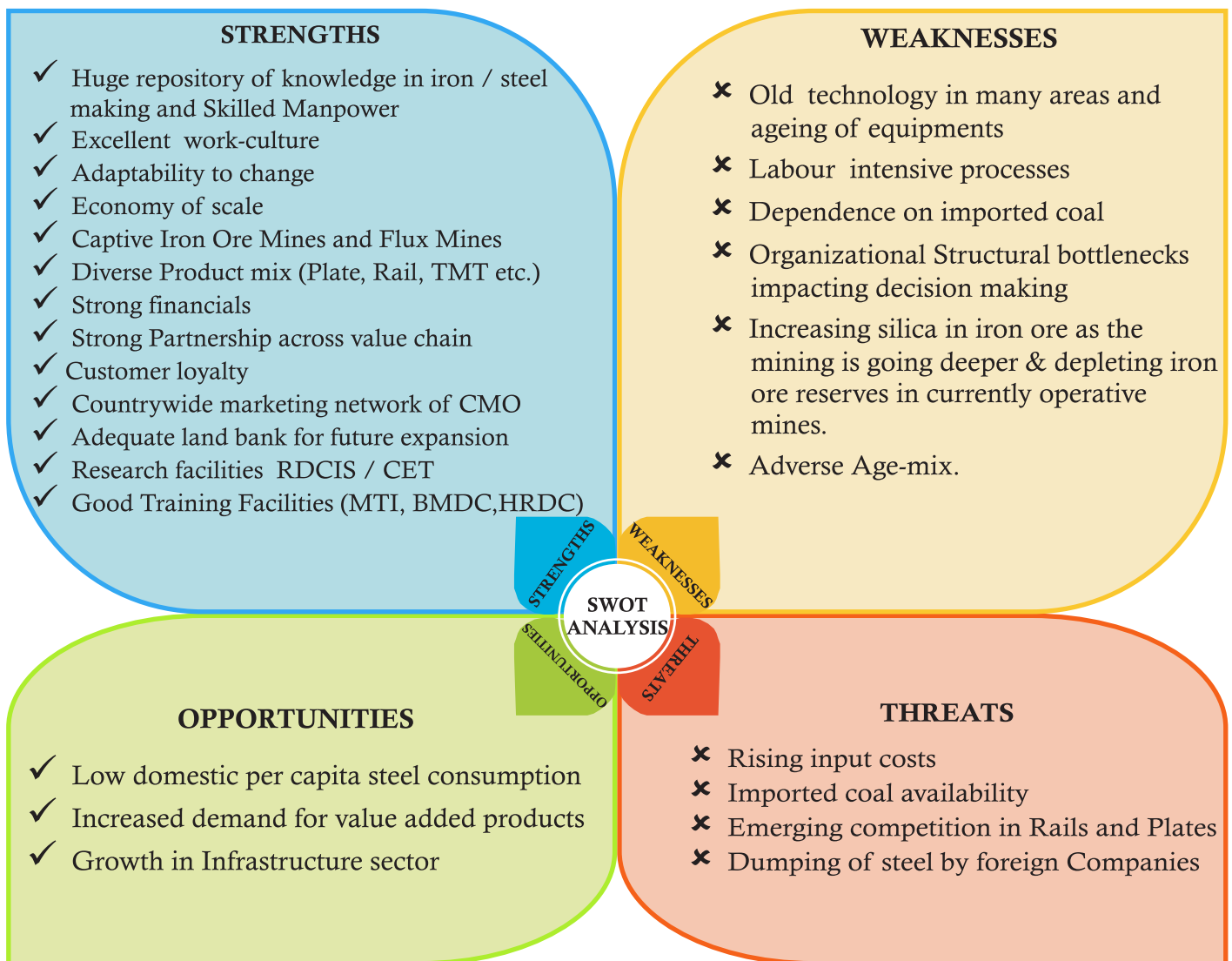
Leadership of the organization at various level gives emphasis on balanced approach towards economic, natural and social capital. The utilization of these resources has been done in such a manner that the impacts of the operations are minimized and the value creation is maximized. Assessment of impacts on these capitals provides direction towards formulation of company's vision, goal, policies and strategies. These strategies are subsequently implemented across the various business processes of the organization. Key performance results are monitored by the management at various level through systematic identification of sustainability performance indicators.

Indicators provide fuel to the employees for innovation and learning, which is again used as feedback for re-envisioning and updation of strategies. Stakeholders of the company play a predominant role in identification of key sustainability issues. Inputs of the stakeholders are used for preparation of sustainability objectives and targets. After implementation of objectives and targets, the value creation is evaluated and communicated to the stakeholders. The diagrammatical representation of BSP's sustainability model is given below:



Key Opportunities and Risks:

The strategy planning process for identification of Sustainability opportunities & risks starts with analysis of various internal and external factors such as present and future needs of the stakeholders, SWOT Analysis, industry analysis, etc.



BUSINESS STRATEGIES

- ☑ Profitability with sustained growth
- ☑ Retain/Enhance market share and deliver world class products
- ☑ Enhancing shareholders value and adherence to financial discipline
- ☑ Sustainable growth through investment in state of art technologies
- ☑ Reducing cost of production
- ☑ Increasing the operational efficiencies and process yield
- ☑ Quality improvement and ISO 9001 implementation
- ☑ Flexibility to suit market dynamics and customer needs
- ☑ Customer & Supplier Partnership
- ☑ New product development to meet market/societal needs

NEW INITIATIVES IN RECENT YEARS

- ☑ Implementation of ERP/MES in Plant as well as in CMO
- ☑ Revision in Segmentation of customers to capture consumption
- ☑ E-commerce



Sustainability Strategies derived through SWOT Analysis to address expectations of the stakeholders:

Environmental Strategies	New Initiatives In Recent Years
<ul style="list-style-type: none"> ❖ Implementation of EMS-ISO 14001 standard ❖ Reducing Particulate emission, effluent discharges ❖ Enhancing solid waste recycling and toxicity reduction ❖ Resource Conservation ❖ Improving energy efficiency and reducing CO2 emissions ❖ Biodiversity Afforestation ❖ Water conservation and recycling to achieve zero discharge ❖ Life Cycle Assessment and Benchmarking ❖ Rainwater harvesting ❖ Opting for renewable ❖ Development of CDM projects ❖ Creating Environment Awareness and skill development 	<ul style="list-style-type: none"> ❖ Identification & Bench marking of key environmental indicators and drawing road map for achievement for attaining global standards. ❖ Holistic approach for energy & water conservation through Carbon & water footprint studies ❖ Source apportionment studies for drawing action plans for Ambient Air Quality improvement ❖ Renewed thrust towards utilization of solar energy for peripheral power needs through implementation of solar power plant at Bhilai Niwas & drawing road map for future installations. ❖ Implementation of ambitious water recycling schemes to achieve Zero discharge. A 30 MLD sewage recycling system commissioned in Township in 2012-13 & action plans under implementation for recycling of effluents from plant outlets. ❖ Introduction of novel training & awareness modules on environmental issues for capturing the imagination of the participants.

Social Strategies	New Initiatives In Recent Years
<ul style="list-style-type: none"> ❖ Health and Safety of employees Implementation of OHSAS - 18001 ❖ Attract and secure human resource skills and propagating the culture of Learning ❖ Compliance to SA 8000:2001, ILO conventions and GRI ❖ Structured stakeholder engagement & Providing services to the community ❖ Conduct business with high ethical standards. ❖ Sports and Cultural activities ❖ Ancillary development ❖ Community Initiatives <ul style="list-style-type: none"> ❖ Employment Generation and sustainable livelihood ❖ Medical & Health Care ❖ Education ❖ Infrastructure Development ❖ AIDS Control ❖ Water and Sanitation ❖ Women Empowerment 	<ul style="list-style-type: none"> ❖ Incorporating “Quality of life” perspective in HR Policy Adoption of SA 8000. ❖ Surveys & feedback for capturing employee & societal expectations. ❖ Implementation of integrity pact. ❖ Online payment & transaction with vendors and suppliers. ❖ New Systems & programs for welfare of woman employees like sexual harassment redressal, empowerment, equal opportunities, special awareness programs etc. ❖ Renewed thrust towards welfare of Contract employees through introduction of slew of measures like a separate cell for project contract workers, canteens, compulsory bank payment, payment of Additional Welfare Amenity etc. ❖ CSR interventions for ensuring wider societal benefits like education for BPL families, mid day meal program, creation of woman self help groups, vocational trainings, home for senior citizens, sports in tribal areas, support for differently abled, road side tree plantation etc. ❖ Introduction of ethics club to inculcate ethics in young children

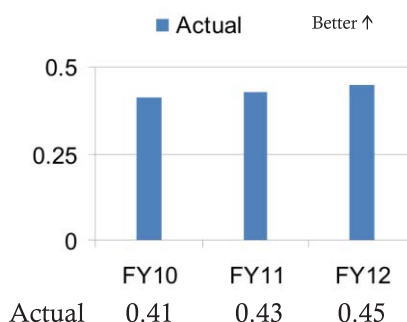
Research & Development And Innovations :

Research & Development Centre for Iron and Steel (RDCIS) have provided innovative technological inputs to different units of SAIL, with special emphasis on cost reduction, quality improvement, product development, energy conservation and automation. In the financial year 2012-13, RDCIS completed 55 projects at BSP.

New R & D Projects (FY13)

- ⊙ Usage of magnetized water to improve the bulk density and wettability of coal blend.
- ⊙ Investigative study on characterization of water seal cap effluent at BSP.
- ⊙ Enhancing the life of Vibro-Feeder lines at SP#3.
- ⊙ Improvement in performance of reheating furnaces by enhancing life of discharge end slots and skid pipe in Plate Mill.
- ⊙ Investigation & characterization of steel defects in concast slabs.
- ⊙ Evaluation of qualifying criteria test as per IRS T/12:2009 specification.
- ⊙ Development of high toughness corrosion resistance rail at Rail and Structural Mill.
- ⊙ Development of High performance (HIC resistant, normalized earthquake resistant) plates.
- ⊙ To study the effect of higher use of imported coals in BSP blend on the properties of coal charge and coke.
- ⊙ To develop roll pass design capability for existing and future rails at BSP.

Expenditure on R&D
Expenses as a % of
turnover



In the year FY12, a new approach has been adopted by SAIL in this direction. To maintain SAIL's market leadership position and to take its R&D efforts to newer heights, an R&D master plan of SAIL has been prepared. This plan was finalized after extensive deliberations at various levels involving Plants, RDCIS, RMD, CET, CMO, and Corporate Office.

A Center of Excellence has been established at BSP as part of SAIL's R&D Master Plan, the areas identified being Rail Mill and Plate Mill with the theme of Volume enhancement / De-bottlenecking, Value addition/Quality improvement, New/ Customized product development.

COE Projects(Rail Mill and Plate Mill)

- ⊙ To improve the thermal efficiency and quality of heating of blooms in the RH Furnace through controlled pushing rate of furnaces as per mill demand.
- ⊙ To reduce the defects in the Rail generated due to cutting of Metal during transfer by 0.2%.
- ⊙ New / Customised Product Development projects in Plate Mill.
 - ⊙ Soft Iron Plates successfully developed for BARC.
 - ⊙ Successful trials conducted for ASTM A537 C12 Quenched & Tempered plates through BSP-RSP route.
 - ⊙ HIC resistance plates for sour gas application - Trial heat made & rolled.

Optimal utilization of raw material is given major attention. Under High Impact Projects (HIP) as part of R&D Master Plan, new technologies and practices are being adopted to optimize the specific material consumption per ton of steel. Alternative uses of slags & other wastes generated in the steel making processes are also being explored

Innovative jobs are applied for copyrights/patents through the nodal agency of RDCIS.

BSP has also implemented the second wave of Six Sigma completing 22 projects in different pain areas.



Patents/Copyrights	Filed	Granted
No. of Patents filed since 2003	28	5
No. of Copyrights filed since 2003	39	33

Patents and Copyrights



People, Planet and Profit While Balancing Conflicting Imperatives:

Being a signatory to UN Global Compact, SAIL-BSP is committed to advance the ten principles in the areas of human rights, labour and environment. BSP has invested heavily in environment friendly technologies as part of upcoming MODEX to reduce the CO₂ footprints across its operations. It will also help BSP in reducing the energy consumption. In addition to this BSP has taken a lot of initiatives in increasing resource efficiency, reducing water/energy consumption, reducing CO₂ emissions and effluent discharge, thereby minimizing environmental impact. BSP has formulated guidelines for disposal of e-waste in April 2011. Wildlife Celebration Week was celebrated in October 2012 to create awareness among people on wildlife preservation.



CORPORATE GOVERNANCE

Our Philosophy



Sustainability cannot be achieved without good governance. The governance framework at BSP integrates the environmental, social and economic dimensions of our performance. The guidance on our approach to sustainability is received from the corporate, which covers a diverse range of issues. The Board supports our investments in environmental protection, provides guidance to initiate progressive employee practices and regularly reviews regulatory compliance, all of which add value to our sustainability efforts. The Board of Directors help set the strategic direction for the Company. It ensures timely disclosures and transparent accounting policies. It reviews broad corporate policies, overall performance, corporate social responsibility measures and other areas of significance to the organization.

Governance Structure at SAIL

The philosophy of the company in relation to corporate governance is to ensure transparency, disclosures and reporting that conforms fully to laws, regulations and guidelines, and to promote ethical conduct throughout the organization, with the primary objective of enhancing shareholders value while being a responsible corporate citizen. The company is committed to conforming to the standards of excellence in 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 to protecting and furthering the interest of the company



As on 31st March, 2013, the Board of Directors comprised a full time Chairman, 6 whole time Directors (WTD) and 9 non-executive Directors (Non-ED) (including 7 independent directors). During the year, 11 Board meetings were held on 25.04.2012, 29.05.2012, 05.07.2012, 24.07.2012, 06.08.2012, 10.09.2012, 21.09.2012, 08.11.2012, 18.12.2012, 12.02.2013 and 27.02.2013.

Being a Government Company, the directors on the Board are appointed based on nomination by the Government of India. The percentage of the Board of Directors that are independent, non-executive Directors is 67% (9/16). Corporate governance has been carried in accordance with the clause 49 of Listing Agreement. The Directors are selected through the well established procedure of Public Selection Enterprises Board.

The minutes are prepared for proceedings of Annual General Meeting. These minutes include the suggestions, comments and feedback from the shareholders. The concern of shareholders are discussed in the Board Meeting and after prioritisation of these concerns, management integrates the same in business decision.

The SAIL Board committees are SAIL Audit Committee, Shareholders Investors Grievance Committee of SAIL, and Committee of the Board (COB).

There was no complaint pending for redressal as on 31.03.2013.

Number of shareholders complaints received during the period from 01.04.2012 to 31.03.2013 were 50. During the year, all the complaints were resolved and no complaint was pending for redressal as on 31.03.2013.

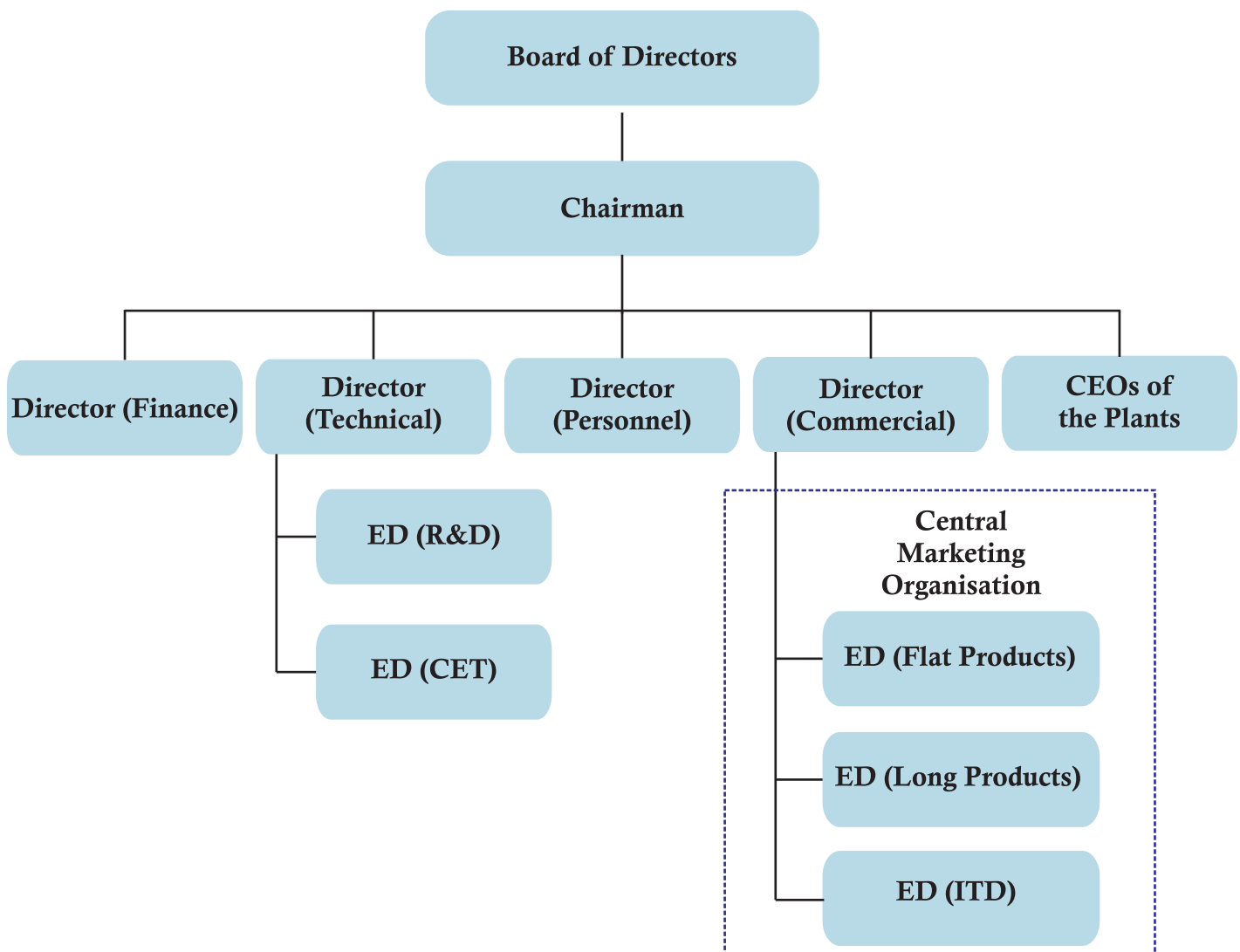
The company has in place a Code of Conduct applicable to the Board Members as well as the senior management and the same has been hosted on the company's website. All the Board members and the senior management personnel have affirmed compliance with the Code of Conduct as on 31st March 2013. There were no instances of non-compliance by the Company, penalties, strictures imposed on the company by Stock Exchange or SEBI or any statutory authority, on any matter related to capital, during the last three years.

BSP is following the vision and credo statement (values) of SAIL, which are formulated and reviewed by top management based on the internal and external environment.

The Board of Directors is guided by organization's vision & credo. Being a Government Company, the nomination and fixation of terms and conditions for appointment as Director is made by Government of India. As such, the Nomination and Compensation Committee has not been constituted. However, the Board has constituted a Remuneration Committee comprising of three independent Directors for the purpose of finalization of 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.

The board members regularly review the performance of the organization on economic, environmental & social issues. During the year 10 board meetings were held. SAIL being a public sector enterprise, the compensation to the board of directors, executives and other employees is provided as per the negotiated agreements at different time intervals as decided by the govt of India. Performance of individual unit is also taken into consideration in disbursing incentives & rewards to the employees.

The vision essentially includes the perspective of long term growth, need of stakeholders and present and future challenges to the steel industry in terms of quality of products, return to various stakeholders and continual growth through customer satisfaction and profitability.



SAIL Board Committees

Audit Committee

The primary function of the Audit Committee is to assist the Board of Directors in fulfilling its oversight responsibilities by reviewing the financial reports; the Company's systems of internal controls regarding finance, accounting and legal compliance that management and the Board have established, and the Company's auditing, accounting and financial reporting process generally. The Audit Committee reviews reports of the Internal Auditors, meets Statutory Auditors and discusses their findings, suggestions and other related matters and reviews major accounting policies followed by the Company. The Audit Committee reviews with management, the quarterly and annual financial statements before their submission to the Board. The minutes of the audit committee meetings are circulated to the Board, discussed and taken note of.

Shareholders Investors Grievance Committee of SAIL

A Shareholders/Investors Grievance Committee under the Chairmanship of a non-executive director comprising of two whole time Directors as members is functioning to look into the redressal of shareholders and investors complaints like non-transfer of shares, non receipt of balance sheet, non receipt of declared dividend etc. Number of shareholders complaints received during the year was 50. All, 50 complaints were resolved during the year

Committee of Board

The terms of reference of the Committee of the Board (COB) are to approve capital expenditure schemes within the stipulated limits and also to periodically review the Company's business plans and future strategies. Being a Government company the nomination and fixation of terms and conditions for appointment as Director is made by Government of India.

The Non-Executive Directors are paid only sitting fees for each Board/Board Sub-committee Meetings attended by them. The salary of the whole time directors is fixed and does not include performance linked incentive except amount payable as per the Productivity Linked Incentive Scheme of the Company.

There were no transactions of material nature by the Company with promoters, the directors or the management, their subsidiaries or relatives etc that may have potential conflict with the interests of company at large. The non-executive Directors had no pecuniary relationships or transactions vis-à-vis the company during the year except receipt of sitting fee for attending the meetings of the Board/Board Sub-Committee. There were no instances of non-compliance by the Company, penalties, strictures imposed on the company by Stock Exchange or SEBI or any statutory authority, on any matter related to capital, during the last three years.

Quarterly results are published in prominent daily newspapers as per requirements. The quarterly/Annual results are made available at the website of the Company. The Management's Discussion & Analysis Report forms part of the annual report. Any shareholder including small scale investors are communicated about annual general meeting.

The company has in place a Code of Conduct applicable to the Board Members as well as the senior management and the same has been hosted on the company's website. All the Board members and the senior management personnel have affirmed compliance with the Code of Conduct as on 31st March 2013.



The vision statement of SAIL, adopted by BSP is:

Vision

To be a respected world class Corporation and the leader in Indian steel business in quality, productivity, profitability and customer satisfaction.

Mission

To be a key driving player for SAIL to retain its leadership position in the steel business:

Customer Centric and Cost Competitive approach

Culture of Innovation, Transparency and Empowerment

Sustainable business performance and Corporate Social Responsibility

The vision & mission are reinforced by values in the form of credo.

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 life.

In conducting our business, we value:

- ◎ **Initiative** - Having the courage, creativity and discipline to lead change and shape the future.
- ◎ **High Performance** - Achieving superior business results, stretching our capabilities and valuing the contributions of every employee.
- ◎ **Win-Win Relationships** - Having relationships which focus on the creation of value for all stakeholders.
- ◎ **Stewardship** - A commitment to health, safety, environmental responsibility and our communities.
- ◎ **Safety** - A relentless commitment to working safely and looking out for the safety of our contractual labours and others with whom we do business.
- ◎ **Integrity** - Ethically and honestly doing what we say we will do.
- ◎ **Respect for the Individual** - Embracing diversity and inclusion, enhanced by openness, sharing, trust, teamwork and involvement.

The Corporate Vision and CREDO guide the formulation of organizational objectives at BSP as well as the plant level policies, which reflect the organization's intent in its journey towards excellence. Major current and future challenges of BSP have been studied through SWOT analysis.

Vision, Sustainability Principles, Values, Challenges and Relationships are the overall umbrella under which the strategy evolution takes place. Directors' Workshops are held from time to time wherein the top management analyses business results and sets strategic direction keeping in view the anticipated market/customer requirements. Strategy for future growth also takes into account necessary HR interventions and process/ technology improvements that are required to sustain growth.

The overall strategy evolution process is a multilevel process in line with company's vision and corporate guidelines. The long term strategies with a time horizon of five years have been worked out and a planning exercise is going on to finalise a road map for 2025. These strategies are focused on volume growth, operational efficiency and value-added product-mix aimed at making Bhilai Steel Plant a leading integrated steel producer with a low-cost positioning.

Our Approach To Sustainability:

“Corporate sustainability is a business approach that creates long-term shareholder value by embracing opportunities and managing risks deriving from economic, environmental and social developments.” BSP has identified key sustainability issues for its activities, products and services.

Citizen Charter

SAIL's Citizen Charter has outlined commitment of SAIL towards its stakeholders thereby empowering them to demand better products and services. The Citizen's Charter of SAIL may be summarized in four objectives as given 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 web site.
- ❖ Working towards delight of citizens by fail-safe processes and in case of exigencies leveraging its service recovery processes, like Grievance Redressal, Handling Complaints, etc.

The Management of 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.

Organization Structure at BSP :

BSP is headed by a CEO who reports to the Chairman, SAIL, who in turn reports to the Board of Directors. Two major functions which help BSP in developing new processes / products and delivering them to the customers are Research and Development Center for Iron and Steel (RDCIS) headed by Director (Technical) and Central Marketing Organization (CMO) headed by Director (Commercial) who also report to Chairman (SAIL).

At the unit level, the top management comprises CEO and his Direct Reporting Officers (DROs) at ED / GM level who are functional heads. The senior level is made up of the Zonal Heads/HODs who report to their respective functional heads. The middle level comprises of sectional heads at DGM / AGM level, and the frontline executives consist of Senior Managers down to Junior Managers.

Various groups working in BSP for collecting and analyzing information - both internal and external - and making specific recommendations in each area for reviewing and updating policies and strategies. The external environment is scanned with the help of market research group of CMO, Business Planning Group in Corporate Office, Cross-functional teams and Consultants.

Various Groups in BSP for collecting & analyzing information for making domain specific recommendations:

- | | |
|--|---|
| <ul style="list-style-type: none">❖ Expert committees<ul style="list-style-type: none">◆ Maximum capacity utilization◆ Iron Making◆ Steel Making◆ Utilities◆ Rolling◆ Traffic❖ Product Development Group❖ Environment & Energy Management group❖ Training & Development❖ Joint Venture Task Forces❖ Business Excellence Group❖ Cost Control Group | <ul style="list-style-type: none">❖ Taxation Cell (Impact of Tax & Excise Changes)❖ Import Cell (Exim Policy)❖ Total Quality Management Group❖ Knowledge Management Task Force❖ Task Force for Six Sigma Deployment❖ Financial Management❖ Project Management Group❖ ERP Task Force❖ MES Core Group❖ Task force for logistics for sustaining growth plan❖ Task force for e-procurement and e-payment❖ ERM committees |
|--|---|

At BSP, the policies and strategies are deployed through a framework of identified processes.

Flow of core processes, their interactions with support processes and Management Processes.



Management tools and concepts adopted by BSP

Quality Management Systems (ISO 9001:2000)	ERP/MES	Clean Technology/ Pollution Prevention
Quality Circles	Environment Management Systems as per IS/ISO 14001	Environment consideration at design stage
Knowledge Management	Environment Performance Evaluation	Sustainability Reporting
Six Sigma	Life Cycle Assessment	Occupational health & Safety (OHSAS 18001)
Benchmarking	Clean Development Mechanism	Social Accountability (SA 8000)

Integrated Management System

Objective: To integrate various management systems and bring them under one umbrella

- QMS (Works & Non Works)
- Occupational Health & Safety Management System
- Environment Management System (Works & Non Works)
- Social Accountability Management System (SAMS)

■ **Status of IMS:**

- IMS Policy formulated, Configuration done, Central documents are under preparation.
- IMS auditors will be developed shortly to conduct integrated internal audits

■ **Benefits:**

- Reduce cost of certification and auditman-days
- Easy to maintain system
- Simplified suystem for aduditee departments

Code of Conduct & Business Ethics

BSP does not tolerate corrupt or fraudulent practices and expects honesty, integrity and transparency in all aspects of its business, from employees, contractors and other business counterparts.

BSP as a part of public sector organisation is committed to follow the Central & State Govt guidelines for prevention of bribery and corruption in the organisation. Central Vigilance Commission Guidelines are strictly followed through the

procedures formulated and implemented by Vigilance Deptt.

SAIL-level committees are in place to facilitate the Board to take effective measures on issues related to business ethics. The company has in place a Code of Conduct applicable to the Board Members as well as the senior management and the same has been hosted on the company's website.

Transparency And Accountability To Stakeholders:

BSP ensures transparency of reporting to all its stakeholders including the Governing Board. The Board periodically reviews the company's financial, operational, project, environment and safety performances. Audit committee of the Board reviews the ethical issues. All the stakeholders have access to the company's performance available on the company website and the annual report published by the company. BSP also prepares Sustainability Reports based on the GRI, guidelines, which are

available on SAIL-BSP website. SAIL is also committed to make the ten principles of UN Global Compact, part of its business strategies and day-to-day operations and has issued an annual Communication on Progress (CoP), a public disclosure to stakeholders on progress made in implementing the ten principles of the UN Global Compact, and in supporting broader UN development goals.

Right to Information:

An exclusive RTI Portal for SAIL has been developed and made available on SAIL Website. The RTI manual containing 17 modules, details of Transparency Officer, Appellate Authority/Public Information Officer, Assistant Public Information officers and the name of SAIL Plants/Units are being updated regularly and hosted on the SAIL website www.sail.co.in.

citizen by providing access to information with a view to maintain accountability & transparency. The manual of 17 items, details of Appellate Authority, Public Information Officer, and Assistant Public Information Officer have been updated and hosted at various public places and also on SAIL website. BSP's top leadership demonstrated its deep-rooted commitment to business ethics and the awareness created in a timely manner has resulted in a very healthy RTI utilization.

BSP has implemented Right to Information Act 2005 in letter and spirit, which empowers the common

Year	No. of Queries Received Under RTI	No. of Queries Replied
FY11	993	993
FY12	945	945
FY13	1036	1036

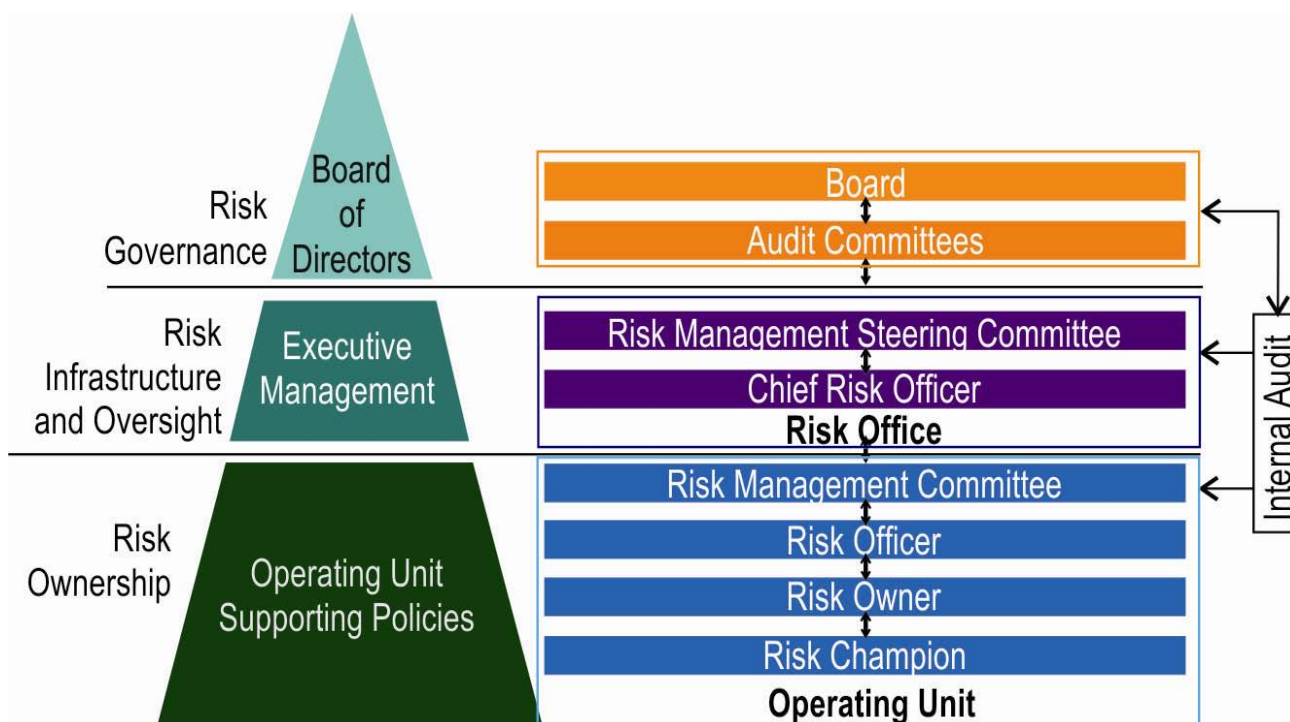


The transparency on financial and economic, environment & social performance w.r.t to internal and external environment is maintained and demonstrated through the following activities:

Understand Future Scenario And Effectively Manage Risks

The Enterprise Risk Management framework (ERM) has been implemented in BSP with the help of consultancy services of M/s Deloitte in 2009. To review the risks identified earlier, a Risk Control and Self Assessment (RCSA) Workshop was conducted at Bhilai in Dec'12 where the entire top management team of BSP was present. Various Risks in different areas of the plant were identified, categorised and evaluated. Risk Mitigation plans were made for the high impact/RED risks, the status of which is reviewed every quarter by the Risk Management Committee headed by CEO.

Risk reporting is done on a quarterly basis to the Chief Risk Officer, SAIL and after compiling the Risk management Reports of all the SAIL Plants/Units, the same is presented to the Board of Directors. Mitigation plans are drawn and audited by inter-plant and internal auditors for effectiveness of the system. Based on the audit findings, suitable corrective actions are taken.



Risk Governance Structure at SAIL-BSP

Commitments To External Initiatives

The international agreements/regulations to which BSP has been complying voluntarily to improve its sustainability performance are listed

Environmental Conventions

SN	International Agreement / Regulation Identified as Relevant to Business	Steps Taken by the Organisation to Meet the Requirements	Involvement of Employees, Top Management & External Stakeholders	Business Results of Meeting the Requirements
1	Kyoto Protocol	24 CDM projects have been identified for implementation for reduction of more than 1million tons of GHG emissions.	All the employees from the concerned departments have been trained by M/s.DNV. The employees have actively participating in the preparation of PDDs and other technical details.	Till 12-13, three projects of BSP have been Certified by M/s.RINA earning 16,00,000 VERS. Other projects are under various stages of CDM cycle.
2	Montreal Protocol	BSP has eliminated use of CFC-11 by replacing it with Li- Br based chiller unit, way before the target date of 1.1.2010. 100 % of Halon based fire extinguishers has been replaced by FM 200 based units. Replacement of all industrial package air conditioners using CFC-12 in phased manner using CFC free refrigerant.	Under UNDP Aid, a project for the safe application of Trichloroethylene has been commissioned in 10-11	BSP has successfully phased out use of several ODS substances well before the target dates. The ODS potential is also consistently decreasing over the years. In 2012-13 the ODS potential was 0.167 Tons, amongst best in the industry.
3	Basel Convention	BSP adheres to the requirement of the Hazardous waste amendment rules 2008. Some of the initiatives of BSP in this regard are <ul style="list-style-type: none"> ● Non-ferrous metal waste recycled in Steel Melting Shop for replacement of copper. ● Tar sludge is mixed with coal and charged to coke ovens ● Other Hazardous wastes are handled as Per HW rules-2008 ● Electronic wastes are handled as per Rules. 	BSP in collaboration with M/s. ACC-Jamul has started the use of Acid Tar Sludge in its cement kilns. Gradual phasing out of Asbestos material. Employees, contractors & contractual workers have been trained on the methods of handling of Hazardous wastes under ISO-14001.	BSP in association with M/s.ACC Cements has successfully established technology for co-processing for eco-friendly disposal of Acid tarsludge, first of its kind in steel industry.
4	Stockholm Convention	Setting-up of PCB treatment plant for treating more than 2000 T of Transformer oil at BSP (Under implementation)	In collaboration with UNIDO & MoEF Employees and stake holders have been educated on the dangers of use of these chemicals	A major initiative for treatment of PCB containing transformer oil from all over the country. First of its kind in India.
5	Convention of Biological Diversity	Massive afforestation has been done in and around the plant. More than Five million trees have been planted in BSP's Plant, township and mines. Plantation of medicinal plants is also encouraged. 48 eco-clubs are functioning in BSP's schools spreading the message of clean environment & aforestation amongst school children.	Plantation is being carried out with the help of state forest department. Employees, citizens of the township & school children actively participate in the plantation drive.	5.468 million trees are planted in BSP's plant, township and mines in collaboration with CG-vanvikas ltd .The trees are selected based on the climatic condition to achieve maximum survival rate & maximise cleansing potential. BSP also carried out road side plantation along more than 150KM of state highways in the last 5 years. More than 3 lac trees planted in this venture

SN	International Agreement / Regulation Identified as Relevant to Business	Steps Taken by the Organisation to Meet the Requirements	Involvement of Employees, Top Management & External Stakeholders	Business Results of Meeting the Requirements
6	EU Directives	Scrap generated inside the plant is recycled. Handling & use of hazardous substances and chemicals are being done as per Hazardous Chemicals amendment Rules. Material safety Data sheets of chemicals/substances are studied and communicated to respective users	Employees are trained and active involvement is ensured for the safe handling of materials used in the plant.	BSP's products are eco-friendly and also contribute to GHG reductions during its manufacture & use

Social Conventions

SN	International Agreement / Conventions # Identified as Relevant to Business	Steps Taken by the Organisation to Meet the Requirements	Involvement of Employees, Top Management & External Stakeholders	Business Results of Meeting the Requirements
1	Non Discrimination (ILO Conv. 100,111,110)	SA 8000 Company rules	Internal and external stakeholder communication	No case
2	Freedom of association & collective bargaining (ILO 87, 98)	SA 8000 Company rules	Internal and external stakeholder communication	No case
3	Child labour, Minimum age (ILO Conv. 138, 182)	SA 8000 Company rules	Internal and external stakeholder communication	No case
4	Forced and compulsory labour(ILO Conv 29, 105)	SA 8000 Company rules	Internal and external stakeholder communication	No case
5	Normal working hours, max. overtime and fair wage structure (ILO conv. 1,30,47)	SA 8000 Company rules	Internal and external stakeholder communication	Employee morale
6	Occupational health services (ILO conv 161)	Establishment & functioning of National occupational Health centre	Internal communication	Employee health & morale
7	Policy on labour standards adopted by suppliers & contractors (ILO conv . 144)	SA 8000 Company rules	Internal and external stakeholder communication	Employee morale
8	MDG Goals	CSR activities, Environment activities	Internal and external stakeholder communication	Peaceful& empowered society

SN	International Agreement / Conventions # Identified as Relevant to Business	Steps Taken by the Organisation to Meet the Requirements	Involvement of Employees, Top Management & External Stakeholders	Business Results of Meeting the Requirements
9	UN Global compact	ISO 14001, SA 8000, OSHAS 18001, Sustainability reporting, Implementation of Integrity pact	Internal and external stakeholder communication	Enhanced image, Transparency

Precautionary Approach:

Company policies, including the Environmental Policy and Corporate Social Responsibility Policy, reflect the ethos of prioritizing quality of life and the protection of the environment. The precautionary approach is the underlying spirit of every policy or guideline formulated at Bhilai Steel Plant. The Company assess whether its policies and actions might cause severe or irreversible harm to the public or to the environment and adopts a cautious approach and take steps to protect from harm where scientific evidence suggests there may be a risk, even where this is not certain. The merit of every proposed activity, project or process is evaluated for financial performance, environmental and social performance before adoption. Environmental impact assessments are carried out for all projects to be implemented and necessary environmental management plans are integrated in the project to internalise the cost. Life Cycle Assessment has been carried out for the integrated iron and steel making route. The outputs on emissions, discharges, resource usage and global warming are analysed; targets are taken for continual improvement under the various management systems implemented by the plant. Only those proposals which ensure compliance with these policies are pursued.

Participation in Associations, and Partnership Commitments:

BSP considers it vital to work together with other organisations to learn, share and work collaboratively towards common goals. The Company is an active member of many reputed professional bodies such as the World Steel Association (previously known as the International Iron and Steel Institute (IISI)), Confederation of Indian Industry (CII), Indian Institute of Metal, etc., with Number of companies (SAIL's) executives occupying significant positions in the Technical and Executive committees. SAIL has been keen to participate in initiatives which seek to address climate change and has been a participant in the Steel Task Force initiatives of Asia Pacific Partnership on Clean Development and Climate under the aegis of the Government of India, Ministry of Steel.

The Company has increasingly been undertaking partnership projects in collaboration with NGOs, Industry Associations and National / International advocacy organisations. Social organizations established by BSP are working with a variety of partners on health, social and cultural activities. The details of such activities are covered in social performance chapter.



Support to Professional Bodies - Seminars and Workshops

Professional Bodies at Bhilai:

- ▲ Indian Institute of Metals
- ▲ Indian Society for Training and Development
- ▲ National Institute of Personal Management
- ▲ Institution of Engineers
- ▲ All India Management Association
- ▲ Computer Society of India
- ▲ Indian Institute of Plant Engineers
- ▲ Institution of Cost & Works Accountants
- ▲ Indian Institute of Welding
- ▲ Indian Institute of Refractory Engineers
- ▲ Indian Institute of Industrial Engineering



Diversity and Equal Opportunity

Being a public sector Govt organization, equal opportunities are provided to all without regard to gender, caste, religion and marital status. During career progression promotions are strictly based on merit. Female candidates are also given ample opportunity in the new recruitments.

BSP is an equal opportunity employer that has employed both women and men of calibre. Since its inception, women have held positions of responsibility. BSP's compensation philosophy does not differentiate between male and female employees. The remuneration is linked to responsibility levels and performance. For the same work or work of similar nature male and female employees are paid equal remuneration.

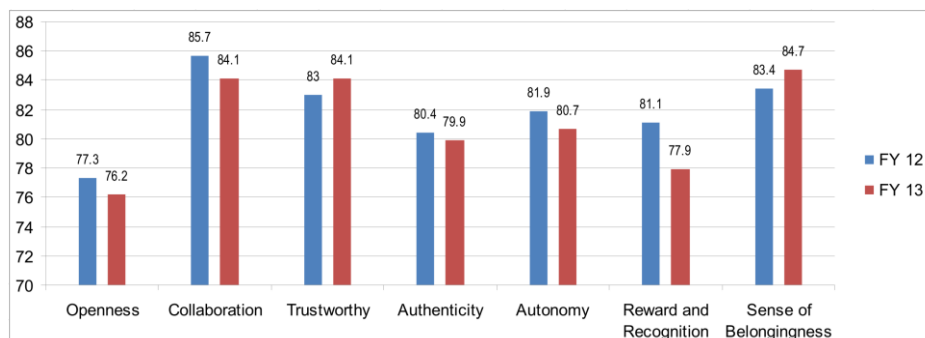
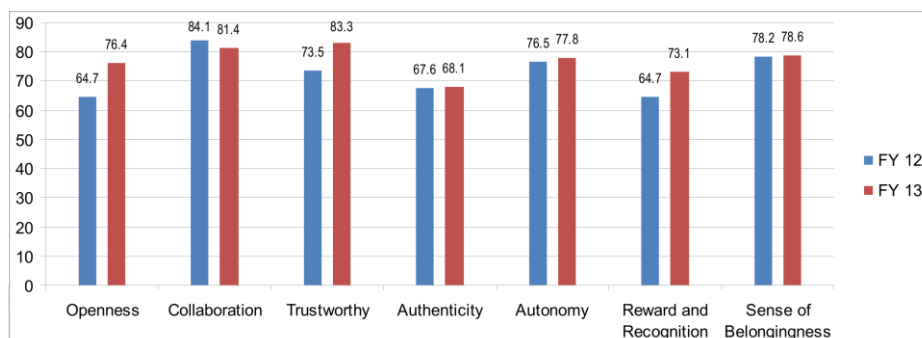
The organization is committed to equal employment opportunities for attracting best available talent, ensure cosmopolitan workforce, the quality of life of its employees, developing their talent and maximizing their productivity. It ensures openness, transparency, fairness and equity in all its dealings with the employees is another component of the organization's HR Policy. BSP Personnel Deptt monitors and prevents any discrimination in its activities and services. BSP code of conduct gives due importance to Freedom of Association.

The aspects covered in the Exit Survey Questionnaire are career development, communication, empowerment, opportunity to learn and achieve, recognition, equal opportunities, pay and benefits, motivation, satisfaction and various other employment conditions.



BSP values long association and experience of its superannuating employees and takes their feedback in a structured manner on seven factors. The trend over the last 2 years (started in FY12) reveals that 75% of our executives and non-executives feel positive about these factors.

Exit Survey : Executives



Exit Survey : Non - Executives

Human Rights:

SAIL does not have a stated Human Rights Policy. However, most of the aspects are covered in the Company's Code of Business Conduct and Ethics as well in various human resource practices. (Please refer ww.sail.co.in & SAIL annual report for further information)

BSP Personnel Deptt monitors and prevents any discrimination in its activities and services. BSP code of conduct gives due importance to Freedom of Association. Freedom of Association is enshrined under constitution of India and in the Trade Union Act. BSP ensures that this law of land is complied with regard to human rights. We do not have agreements that specifically include human rights clauses, or agreements that have undergone human rights screening. There are no violations of human rights in BSP.

BSP does not rely heavily on outsourcing and global networks. No screening of significant contractors and suppliers based on human rights is

being undertaken by BSP.

There are no known cases of discrimination on any grounds whatsoever in BSP.

There are no such operations in BSP where right to exercise freedom of association and collective bargaining are at significant risk. BSP encourages its Employees to exercise their freedom of association and collective bargaining. There are no incidents in BSP of violations involving rights of indigenous people.

BSP strongly believes in the protection of fundamental rights described in the Constitution of India. Our constitution enshrines all relevant principles and guidelines prescribed by the International Labour Organisation(ILO) on Human rights. There was no recorded case during the reporting year, on any violation of human rights.

The various issues related to human rights impacts are addressed and are enlisted below:

- No use of Child & Forced Labour.
- Training of each and every contractual employee on safety, health and environment.
- Follow the Operational Control Procedures under ISO-14001 and Occupational Health Management System.
- Ensuring non- violation related to minimum wages.
- Deduction of Provident Fund and Gratuity as per rules prevailing in the country/region.

The various segments of Personnel Deptt in association with deptts concerned conduct training programmes for understanding the health, safety, environment requirements needed for improvement in quality of life through, interaction with workers, inculcation team building , work culture and code of conduct

The contractors working in the premises of the organization are required to adhere to the employees benefit schemes of BSP including payment of minimum wages, deduction of provident fund and prohibition of child labour as explained above. The departments concerned along with safety deptt monitor the contractor's performance and wages are paid under supervision of HR. All longterm contractors are required to pay wages through cheques/bank . The tender notices and enquiries issued to the contractors during reporting period include clauses on human rights, safety and health which the bidders are required to conform.

Bhilai Steel Plant emphasizes on equal opportunities and non-discrimination. There is no forced or compulsory labour in Bhilai Steel Plant. Legally it is prohibited in India. Standing Orders & Personnel Manual of Company addresses the

various issues of disciplinary practices/code of conduct, which are strictly implemented and followed. These orders are in line with Standing Orders Act of India. Suppliers and contractors are finalized as per the guidelines of Government and company rules.

Factory act and various Standing Orders of BSP, forbid the use of child labour. The minimum age required for the employment is 18 years. It is also ensured that no contractual labours having age below 18 years are engaged in the activities, product and services of the organization. The recruitment process requires furnishing of appropriate proof of age. BSP does not employ child labour.

There is an established three tier Grievance Management System in BSP and it is ensured that no vindictiveness takes place in the process after the resolution of the grievance. The process is so effective that there had been no industrial unrest/strike till date. ED (P&A)'s open forum held every week is an example of 'Open Door Policy' of top management that facilitates direct feedback as well as Grievance redressal.



For the contract labour deployed in BSP, regular awareness programs are conducted along with their safety training modules. During these awareness programs, valuable inputs are given to them about their statutory minimum wages, PF benefits, ESI benefits and other statutory benefits due to them, thus empowering them through Knowledge. These programs also serve as effective feedback channels for the management w.r.t the contract labour.

BSP has full-fledged support and services of Central Industrial Security Force (CISF) for ensuring security in and around the plant. A battalion of CISF has been posted with a special training centre, dedicated to the training of security personnel on issues like security practices and human rights at Bhilai. Trained personnels & employees of CISF and Fire Brigade Service assist the District Administration as and when required and fully associate in the off-site emergency planning in the region.

Fire Service Department caters to the needs of Steel Works, the people of the industrial Township with a population of more than 0.2 million approximately, and all the local industries. Awareness training by Fire Brigade Deptt for the employees and students is organized. Fire Brigade Deptt received praise from Chhattisgarh Govt. for providing help in this region. A Govt. organization on Civil Defence is also working in tandem, for providing help during on site and off site emergency situations.

SA8000:2001 addresses the fair practices implementation in the supply chain. The information related to compliance of SA 8000:2001 pertaining to child labour, forced labour, non-discrimination, freedom of association, health and safety of employees are sought through a structured questionnaire from suppliers. The practices of SA8000:2001 are promoted amongst suppliers.

Policies/programmes on HIV & AIDS National Aids Control Organisation (NACO)

The NACO has recognized JLN Hospital Bhilai as Zonal Centre for AIDS Control .The most important rationale for workplace interventions for Prevention of HIV/AIDS emanates from the fact that the population category worst affected by the disease is the 15 45 age group, which constitutes the Economically Active Population and thus apart from the emotional and psychological trauma, the spread of infection if not arrested, will give rise to economic upheavals and problems in the workplace.

Programme:

In line with the company's policy on HIV-AIDS the organization conducts regularly the awareness programmes, through Occupational Health Department and Medical Deptt. of the Company. During the Year various AIDS awareness programmes were conducted. BSP also organizes AIDS prevention programme for high risk sections of the society such as truck drivers and contractor workers on regular basis. An automatic condom vending machine has been installed for AIDS control at Sector - 9



Corruption, Public Policy, Anticompetitive Behaviour and Compliance

Prevention of Corruption:

SAIL Vigilance lays emphasis on preventive and proactive vigilance activities to facilitate an environment enabling people to work with integrity, efficiency and in a transparent manner, upholding highest ethical standards for the organization. BSP is committed to follow the Central & State Govt guidelines for prevention of bribery and corruption in the organisation. Central Vigilance Guidelines are strictly followed through the procedures formulated and implemented by Vigilance Deptt. System improvement and close examination of high value contracts and purchases continued to be the thrust area for the Vigilance Administration during the year.

Following activities were undertaken during the Financial Year 2012-13:

- ♦ To increase vigilance awareness amongst employees, vigilance awareness sessions and workshops were regularly held. Workshops were organized for enhancing Vigilance Awareness on Purchase/Contract procedures, RTI Act, Conduct & Discipline Rules, System and Procedures followed in SAIL, etc.
- ♦ Periodic surprise checks including joint checks were conducted regularly in vulnerable areas of the Company.
- ♦ Vigilance provides vital inputs to the operating authorities for improving the prevailing systems for bringing about more transparency. Accordingly, eight major System Improvement Projects (SIPs) were undertaken at different Plants/Units of SAIL.
- ♦ Cases were taken up for Intensive Examination. During Intensive Examination, high value procurement / contracts are scrutinized comprehensively and necessary recommendations are forwarded to the concerned departments for implementing suggestions for improvement.

Adherence to CVC guidelines overseen by Vigilance function ensures compliance. Integrity Pact has been made mandatory for all tenders, contracts, long term agreements valuing Rs. 20 Crores and above. Extensive IT deployment in e-commerce areas has enhanced the transparency level.

Bhilai Steel plant does not encourage any kind of political lobbying and political influence in its working pattern. However, BSP gives respect to all National and State level political representatives. Bhilai Steel Plant has not paid any money to any political party during the reporting year.

There is no case pertaining to violation of anti-trust and monopoly regulations.

100% business units are analyzed for risk related to corruption.

Whenever any incident of corruption is noticed, necessary action is taken for improvement in system & procedures to strengthen them. If necessary, new procedures are also formed. When ever it is proved that the intention of the individual in the incident of corruption is malafied, punitive action is also taken.

There was no fines and non-monetary sanctions for non-compliance with laws and regulations during the year.



Nurturing Young Champions of Ethics

- ❁ A unique initiative jointly by education and vigilance Deptt.
- ❁ Steering Committee headed by GM (TAD) and assisted by school Principals and teachers.
- ❁ 468 children in the 11-16 years age-group are its members, known as "Young Champions of Ethics (YCEs)".
- ❁ 35 Employees joined the YCEs as Buddies.
- ❁ Ethics club magazine titled "The Chirrup", which is the first of its kind in SAIL was released.

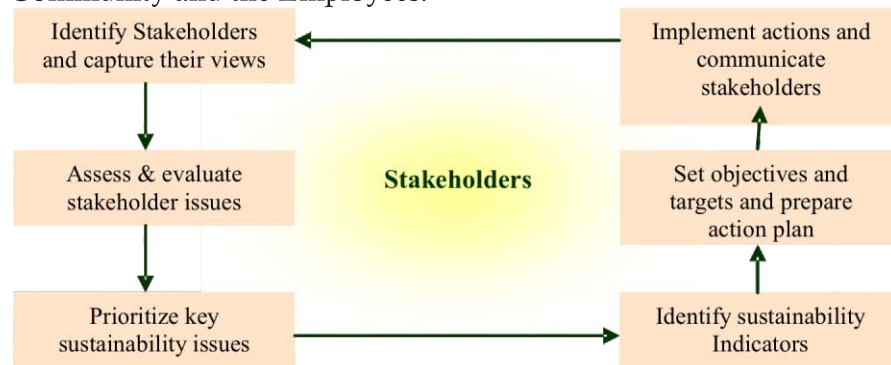


STAKE HOLDER ENGAGEMENT

Bridging Win-Win Relations



The identification of stakeholders originates from the vision of the company. The vision indicates that all efforts shall be directed towards profitability, customer satisfaction, employee satisfaction, establishing value partnership with suppliers and social development through contributing to nation. Thus the stakeholder base of the company encompasses Government, Shareholders, Customers, Suppliers, Community and the Employees.



As a part of implementation of strategies for addressing critical success factor, based on the feedback from various levels of the organization and stakeholder's perceptions, their concerns are identified and prioritized

Stakeholder Engagement Process at BSP

Stakeholder	Prioritised Stakeholder Concerns/perceptions	Responsibility (Process Owners)	Benefits*
Shareholder	Profitability of the company, Creation of wealth, Stock price, Grievances & complaints	Marketing, Finance	Wealth creation for shareholders
Employees	Safe and healthy working condition, Good remuneration packages & professional growth, Quality of life & welfare measures, Training & career development	Personnel, Town Services, HRD, Safety & Health	Motivated, satisfied and enthused workforce
Suppliers	Partnership with value creation, Transparency, Timely payment, % of local suppliers, Supplier satisfaction	Materials management, Finance, Ancillary Development & Vendor Development Dept.	Satisfied suppliers
Customers	Partnership with value creation, Product Quality, delivery compliance & customer satisfaction, Complaints	Marketing, RCL, Concerned shops	Lasting relationship, satisfied customers
Community	Quality of life, Job opportunities, Education, Welfare measures, Medical facilities	Personnel, CSR, Town Services, M&HS	Socio-economic development of the region, Partnership in progress
Government	Revenue and tax distribution, Profitability, Employment & contribution to GDP, Safe working & environment compliance	Core , support & mgmt processes, EHS	Contribution to exchequer to Govt, employment opportunities, import independence
Banks & Insurers	Financial risk, Debts and borrowings, Potential liabilities, Compliance to statutory requirements	Finance, Law, Projects	Safe investment, contribution to economy
NGOs	Environment quality, Human rights issues, Freedom of association, Compliance to Child & forced labour	Personnel & Admn, EHS, PRO	Safe and healthy workforce, environment friendly operations, ethical operation, compliance to standards
Regulators	Environmental compliance, Human rights issues, Number of accidents, Compliance to ILO conventions	EHS, Personnel & Admn, Law	Legal Compliance, beyond compliance
Professional bodies	Partnership with value creation, Employment & contribution to GDP, Training & development, Ethics violations	HRD, CSR, EHS, Personnel & Admn	Knowledge building, value creation, collaboration
Competitors	Knowledge sharing, Partnership with value creation, Anti competitive behaviour, Consumer privacy	Core, support & mgmt Processes, marketing, PRO, R&D	Knowledge sharing, best practices, ethical business

Various Communication Mechanisms For Stakeholder Engagement:

Stakeholder	Forum for Assessing Requirements, Communicating Directions & Receiving Feedback	Frequency	Benefits
Shareholders*	Annual General Meetings; Quarterly and half-yearly reports to shareholders; Shareholder Relations; Meets, Investors Survey	Annual As per plan As per Plan	Address share holder concerns (Addressed at corporate level)
Customer	Customer meet; CEO's conferences with customer groups, Sales Visits to Customer & Customer Visit Report, Customer Satisfaction Survey, Prime Minister Trophy survey and feedback	Annual / As per plan	Improvement in customer results
Suppliers	Vendor meeting, Meeting with Suppliers	As per plan	Reduction in lead time
External Public/ Govt./regulators	Meetings with Central & State Govt./Steel Ministry/ Trade Bodies, Industry Association, NGOs, Visit of Parliamentary committee, PM's Trophy team, Visit of central and state govt officials, Ministry of Environment & Forests etc.	Regularly through meeting / publications	No penal actions
Community	Community meeting, Mahila Samaj Meeting, Interaction of Doctors on health issues, Involvement of senior Officials as a chief guest in local society functions (education, health, sports, culture etc)	As per plan	Peaceful social surroundings
Employees	Production committee meeting, Safety and welfare committee meeting. Direct to CEO, Shop communication forums, Workshops	As per plan	Not a single day lost due to industrial unrest
NGOs/ Professional bodies	Visit to plant, seminars, conference	As per plan	Drive the organizational goals

* BSP as such does not directly communicate with shareholders. Communication is being done at SAIL level.



The following information is generated by stakeholder consultation/ engagement;

- **Shareholders** essentially provide a feedback on the overall performance of the SAIL and its implications as regards market capitalization and creation of shareholder value. The process primarily aims to serve as a platform for the shareholders to express their opinion, views, suggestions, etc., to understand the influencing factors in their investment decision making process, to gauge the communication gap, if any, and to build and strengthen the relationship between the Company and its shareholders.
- **Employees:** The communication channel with employees at different levels and the issues discussed are given above. The information on civic amenities in the town like hospital services, water supply and electric supply, education, etc. is received from the employees during the discussions and is used in business decision-making process. Direct to CEO is a powerful IT tool, wherein an employee can directly interact with CEO on any issue related with welfare & well being.
- **Supplier** engagement aims to create win-win collaboration between BSP and the suppliers, who are increasingly being seen as business partners rather than suppliers.
- **Customer** engagement provides information essentially on the user needs; need satisfaction and product quality and functionality.
- **Society:** Top Management reviews the status of the efforts undertaken by BSP for community and rural development. The ED (P&A) carries out the regular reviews of jobs undertaken by Town Services Department for peripheral development and the activities for the welfare of women.
- **Government and External Public:** The meetings with Government departments like Steel Ministry, Environment Ministry, Trade Bodies etc. are aimed at understanding the requirement under statutes related to steel and allied business. The new legislations/ordinances are analysed and incorporated with business decision during strategic planning. This also includes the meetings with Factory Inspector, Labour Commissioner, Police, District Administration, State Pollution Control Board, State Electricity Boards, Electrical Inspector, and Boiler Inspector etc.

In addition to above, at unit level, different specific committees are also functioning, e.g Committees for Township, Finance, Health, Canteen, and Grievance and so on.

Use of information from stakeholder engagements

The feedback received from shareholders at SAIL level is often manifested in the market capitalization and share price performance of the company. This feedback forms one of the significant inputs to the strategic plan development and the consequent strategic objective setting. The inputs received from customers form the basis for product improvement and products & services development initiatives, necessary for customer retention, market penetration and development. The information generated during supplier engagement essentially focuses on identifying areas with conflicting goals such as payments, material rejection information etc. This has a bearing on Working Capital Management and inventory management primarily. The feedback is also used to finetune the vendor rating and evaluation procedure. The feedback from these stakeholders is inherent in the performance indicators like, Customer Satisfaction Index & Employee Satisfaction through survey. The expectations of human resources are also systematically captured and actions are initiated to align the goal of company and that of the individual for ensuring professional growth, retainment and motivation. The feedback received from the villagers, local people is used to plan for their development in the areas of road, health & hygiene, sanitation, drinking water, irrigation, etc. The feedback from Government officials is used to implement the guidelines and directives for central and local authorities.

The effectiveness of the engagement process is measured in terms of meeting the aspirations/expectations of the stakeholders which is ensured by a strong monitoring and review mechanism. Surveys through internal & external agencies, feedbacks from the stakeholders etc form the basis of measurement and initiating improvement measures.

Needs and expectations of all stakeholders and scanning of external factors together provide the foundation for the annual development exercise and review of our strategies and supporting policies. Continuous engagement with stakeholders enables the organization to sense changes and modify its strategy in time.

Stakeholders	Source of Information	Scope of Information	Change in methodology/new initiatives
Customers	Market Analyst Group (Central Marketing Organization -CMO)	<ul style="list-style-type: none"> ♦ Assessment of consumption patterns, demand for steel product ♦ Long-term demand-supply perspective, Market conditions, competitors' activities 	<ul style="list-style-type: none"> ♦ Implementation of ERP/ MES in Plant as well as in CMO ♦ Segmentation of customers has been revised to capture consumption
	Dedicated groups of CMO for different segments : <ul style="list-style-type: none"> ♦ Long Product (LP)Group ♦ Flat Product (FP)Group ♦ Pipes, Electrical Sheets and Tinplates (PET)Group ♦ Railway Co-ordination Group ♦ Application Engineering Group(AEG) ♦ Projects Group ♦ Retail Marketing Group, etc 	<ul style="list-style-type: none"> ♦ Needs & expectations of customers of different segment like Long, Flat & PET. ♦ Needs & expectation of Indian Railways ♦ AEG responsible for advising customers about selection of best suited materials and feedback for development of new products required by market ♦ Needs and expectations of customers requiring steel for big projects. ♦ Needs & expectations of Retail customers. 	
	International Trade Division (CMO)	<ul style="list-style-type: none"> ♦ Customized requirements of International customers. 	
	Marketing and Business Planning Group (BSP) with the help of M/s mjunction services limited	<ul style="list-style-type: none"> ♦ Customer of by-products (i.e. Coal Chemicals, Ammonium Sulphate, Slags, Iron/Steel scrap etc) 	<ul style="list-style-type: none"> ♦ License for sale of Ammonium Sulphate in new areas/states. ♦ MoU for sale of BF Slag
Employees	Internal Customer Satisfaction Process (QMS Personnel)	<ul style="list-style-type: none"> ♦ Job satisfaction,, Career development, Motivation, Quality of Life 	Incorporating “Quality of life” perspective in HR Policy
	Employee Satisfaction Survey	<ul style="list-style-type: none"> ♦ Needs of non-executive employees 	Communication Need survey Planned in FY14
	Theme based workshops for Executives like “SYNERGY” etc	<ul style="list-style-type: none"> ♦ Commitment & expectations 	New Initiative in FY13 to capture issues/concerns
	Theme based workshops for Front Line employees like “SAMEEKSHA” and “Forum for Attitudinal Change towards Environment” (FACE)	<ul style="list-style-type: none"> ♦ Commitment & expectations 	For rejuvenating and aligning thought process with the changing scenario, started in FY13
	Social Issue Survey (SA 8000)	<ul style="list-style-type: none"> ♦ Needs & expectations of employees 	Adoption of SA 8000
Society	Interaction with local representatives & NGOs, Meetings with State Govt. agencies	<ul style="list-style-type: none"> ♦ Mutual expectations 	NABARD Consultancy Services to understand impact of CSR initiatives
	Public hearings	<ul style="list-style-type: none"> ♦ Community affected by company decision to have their views heard before final decisions are made 	Favorable Acceptance in view of acquisition of mines (Rowghat etc.)
	Input from media	<ul style="list-style-type: none"> ♦ Perception of local society 	Corrective Measures

Stakeholders	Source of Information	Scope of Information	Change in methodology/new initiatives
Suppliers and Partners	Vendor meets, Supply Agreements, Interaction with local industry, Seminars by Vendors etc.	♦ Supplier expectations, Supplier capability & performance, Price Movements	Vendor meet organized for Ferro-Alloys
	Dedicated groups of Material Management for different segments like 1) Refractory & Raw materials 2) Electrical items 3) Mechanical item 4) Consumables 5) Imported items 6) Vendor Development Cell etc.	♦ Issues and concerns of Vendors & Suppliers	Implementation of SAP-SRM (Supplier Relationship Management)
Shareholders	MoU with Ministry of Steel	♦ Performance Assessment Targets ♦ Sustainability Development Projects	Revised MoU format
	Annual General Meeting	♦ Reviewing fiscal information for the year	Setting future directions

SAIL is also revising its Stakeholder Engagement process to aim for completeness, materiality and responsiveness. With an objective of excellence in public service delivery, SAIL has drawn a Citizen's Charter based on “Sevottam” model (developed by the Department of Administrative Reforms and public Grievances, GoI) that outlines commitment of SAIL towards its stakeholders, thereby empowering them to demand better products and services.



ECONOMIC PERFORMANCE

Raising the Bar



WSA Sustainability Indicators - Economic Performance:

Indicator	Unit	2011-12		2012-13	
		BSP Value	WSA Value	BSP Value	WSA Value
Investment in new processes and products	% of revenue	16.62	8.3	22.60	10.4
Economic value distributed	Rs.Crores	16340.82	Billion US\$ 617.9	16595.66	Billion US\$ 642.8

Management Approach:

Bhilai Steel Plant achieved annual production of 5.21 Million Tonnes of Hot Metal, 5.01 Million Tonnes of Crude Steel and 4.36 Million Tonnes of Saleable Steel and successfully achieved the ABP target in Crude Steel and Saleable steel thereby registering a growth in volume of production at 1.6%, 2.2% and 1.6% respectively as compared to last year. The Plant continued to operate well above the rated capacity in all major areas of production and achieved a capacity utilization of 114.6 % in Hot Metal, 127.7 % in Crude Steel and 138.4 % in Saleable Steel. In total Saleable Steel, the plant operated above the rated capacity for the Twentieth year in succession.

External Environment, Market Presence & Strategies For Growth:

World Economic Environment:

According to IMF, World economic output declined to 3.2% in 2012 from 4% in 2011. In its latest World Economic Outlook update, IMF projects a 3.3% growth for 2013. The mild recovery in 2013 would be supported mainly by emerging markets and developing economies, while growth in advanced economies would remain flat. Growth in the advanced economies shrunk from 1.6% in 2011 to 1.2% in 2012, mainly on account of the Euro area which is in the midst of an economic crisis. Economic output growth in the Euro area was (-) 0.6% in 2012 and is projected to remain subdued at (-) 0.3% in 2013. USA showed signs of recovery with 2.2% growth in 2012 from 1.8% in 2011. Overall, growth in the advanced economies in 2013 will remain flat at 1.2% as projected by IMF. The emerging and developing economies also experienced lower growth of 5.1% in 2012 as against 6.4% in 2011. China which had grown at 9.3% in 2011 slowed down to 7.8% in 2012, but is expected to recover to 8% in 2013. Brazil is expected to bounce back to 3% growth in 2013, from 0.9% in 2012. Russia recorded 3.4% growth in 2012 as compared to 4.3% in 2011. For 2013, IMF projects 5.3% growth for the developing and emerging economies.

Indian Economic Environment:

The Indian economy is going through a rough phase with GDP growth moderating to 5% in the financial year 2012-13 as per CSO provisional estimates. Of primary concern are the Fiscal Deficit, which although contained at 5.1% for the financial year 2012-13, is still on the higher side, and the Current Account Deficit (CAD) & Inflation also remained on the higher side. Industrial activity has been sluggish, growth in manufacturing has declined further to 1% in the financial year 2012-13 while construction remained moderated at 4.3%. In the Union Budget 2013, the Finance Minister has laid emphasis on the need for 'sustainable growth' backed by increase in domestic and foreign investments. Measures such as investment allowance of 15% on investment of Rs.100 crore or more on plant and machinery, plan for seven new cities on Mumbai-Delhi industrial corridor and two new industrial corridors from Chennai to Bengaluru and from Bengaluru to Mumbai, and the plan to develop two new ports in West Bengal and Andhra Pradesh will have ripple effects for heightened industrial activity, and consequently boost steel demand. The measures envisaged in the Union Budget particularly for infrastructure sector augur well for the steel industry.

Indian Steel Scenario:

India maintained its ranking as the 4th largest steel producer in the World (after China, Japan and USA) with a production of 77.6 million tonnes (estimated figures) of crude steel in 2012, registering a growth rate of 5.6% over 2011 (source: WSA). The country has also been the largest sponge iron producer in the world since 2002. Finished steel demand in India, as per JPC estimates, softened as reflected in a 3.3% growth in real consumption of finished steel during the financial year 2012-13 to 73.3 million tonnes. The moderation in demand was mainly due to deteriorating global and domestic growth conditions. Finished steel production for the financial year 2012-13 at 77.6 million tonnes (JPC provisional figures), shows a growth of 2.5% over the previous year. The future outlook for the Indian steel industry is optimistic. The World Steel Association has forecast a steel demand growth of 5.9% and 7% for 2013 and 2014 respectively, which is higher than the growth projected for developed countries and China.

The Corporate Planning group of SAIL continuously monitors the external environment including the domestic and international steel business scenario, growth trends, technological developments and structural changes in steel industry. In addition, future prospects of the steel business, the production, consumption, capacity trends etc. are also captured and analyzed by this group. All these form a part of input for formulating / re-aligning company's short term as well as long term strategies.

These corporate guidelines are then communicated to BSP for preparation/review of plant level strategies and supporting policies at regular interval to align the strategies with ever changing external environment.

BSP's core competency of flexibility in product mix has enabled BSP to cater to demands of a wide cross section of customers and has also helped build the nation's infrastructure. BSP has addressed the demands of growing markets, both in terms of quality and quantity, and has generated profits consistently which has enabled BSP to contribute to other stakeholders like people, society and shareholders. BSP develops 12 new products every year in line with the growing needs of customers. BSP's products are used in several infrastructure projects of national importance like 340 km J & K Rail link having 64 bridges, Windmills by Suzlon, Mumbai and Delhi Airports, Commonwealth Games, etc. Rail, the one of the most celebrated product of BSP, has earned BSP the rare compliment of "Nation moves on Bhilai Rails".

Considering the future economic climate in India, the per capita consumption of steel in the next decade is expected to increase significantly from the current levels. As part of its strategy to retain its pre-eminent position in the Indian markets, the Company has drawn elaborate plans to significantly enhance its presence in India in the near future. The Company is currently expanding its crude steel making capacity from 4 million tonnes to 7 million tonnes, which will be completed in next two years.

New Strategies/business Tools Implemented In 2012-13:

To drill down the strategic goals, BSP has implemented Balanced Score Card (BSC) in FY12 with the help of CII Institute of Quality and Center of Excellence in Organization Pvt.Ltd. The Unit Score Card (USC) of BSP is drawn from the Enterprise Score Card (ESC) of SAIL which incorporates the strategic themes for the year. The objectives in USC of BSP are cascaded down to Individual BSC of General Managers which is percolated down to KPAs (Key Performance Areas) of their team members.



Individual goals/targets for KPAs emerge from both Shop ABP/Departmental Action Plan and the Balanced Score Card of HOD and are finalized through Goal Alignment Cascade Workshops.

Modernisation & Expansion Programme:

BSP is currently implementing a Modernisation & Expansion Programme. The Modernisation & Expansion Programme, apart from increasing the production capacity addresses the vital issues of elimination of technological obsolescence, installation of energy efficient & environment friendly technologies, value addition/ product-mix improvement/ sustenance of existing assets of the plants and introduction of customercentric processes such as Enterprise Resource Planning (ERP) and Manufacturing Execution System (MES). the expansion programmes are at advanced stage of implementation. The new facilities & envisaged under ongoing expansion program are

- ◆ **New Coke Oven Battery No. 11 and rebuilding of CO battery-9**
- ◆ **2nd sinter machine in Sinter Plant (SP) -3 and augmentation of SP-2**
- ◆ **New Blast Furnace (BF) No. 8 and modernisation of BF No. 6**
- ◆ **Augmentation of Steel Melting Shop (SMS) - 2 & replacement of the combi-caster by a new bloom-cum-beam blank caster**
- ◆ **SMS-3 with complete secondary refining and casting facilities**
- ◆ **Universal Rail Mill and**
- ◆ **Augmentation of Plate Mill capacity and a new Normalising Furnace.**



Progress of Expansion Projects in 2012-13

At Bhilai Steel Plant (BSP), 700 TPD Air Separation Unit-4 in Oxygen Plant-II has been completed in May'12 and inaugurated by Hon'ble Steel Minister Shri Beni Prasad Verma in Jun'12. In OHP, equipment erection has been completed and integrated trial of system is under progress. In other areas viz. Blast Furnace-8, COB-11, MSDS-7, Universal Rail Mill and Second Sinter Machine in SP-III the work is at advanced stage of implementation.

Investment in Modernization/Expansion(MODEX) Projects	2010 - 2011	2011 -2012	2012 -2013
	1774 Cr	3020 Cr	3078 Cr

Vision 2025:

To maintain its current dominance in the domestic market and to meet the future challenges, SAIL is working on a long term strategic plan 'Vision 2025', which will steer the Company towards a target of 50 million tonnes of hot metal production, thereby meeting the strategic objectives of achieving leadership in Indian steel sector and a position amongst the top steel companies globally.

Under the plan BSP's hot metal production capacity is to be enhanced to 10.5 MT, with addition of BF 9 of 1x4500 m3, 2 new CO batteries, Sintering Plant-4 & SMS-4.

Economic Impacts :

Financial Highlights 2012-13 :

YEAR	PBT to Turnover Ratio in %
2010-11	22.30
2011-12	16.67
2012-13	13.19

Turnover from Major Products:

Product	Production (MT)			Turnover Rs Crores			Share of Turn Over (%)		
	2010-11	2011-12	2012-13	2010-11	2011-12	2012-13	2010-11	2011-12	2012-13
Rails	0.875	0.874	0.855	4327.9	4524.4	4485.5	25.1	25.3	26.57
Plates	1.289	1.194	1.173	4859.7	4957.7	4445.8	28.2	27.7	26.34
Heavy Structural	0.038	0.035	0.057	376.0	323.0	325.9	2.2	1.8	1.93
Wire Rods	0.659	0.584	0.629	3625.9	3565.8	2653.3	21.0	19.9	15.72
Merchant Products	0.720	0.586	0.660	2180.2	2506.3	3601.8	12.6	14.0	21.34

Economic value generated & distributed (Rs in Crores)

Economic value	2011-12	2012-13
Annual Revenue (net revenue or sales)	16459.68	15724.15
Operating Costs (payment to suppliers, contractors, etc.)	11986.13	3508.44
Employee Wages and Benefits (incl. Employee tax paid)	2152.22	2364.97
Dividends Paid to Shareholders	NA	NA
Interest Payments Made to Providers of Loans	262.04	190.60
Payments to Government (gross taxes and royalties, not incl. Employee tax paid)	1925.26	2367.88
Community Investments	15.17	12.16
Economic value distributed	16340.82	16595.66

Export Performance

Year	Export (Rs. in Crores)
2010-11	585.04
2011-12	912.97
2012-13	640.09

Net Working Capital (NWC)

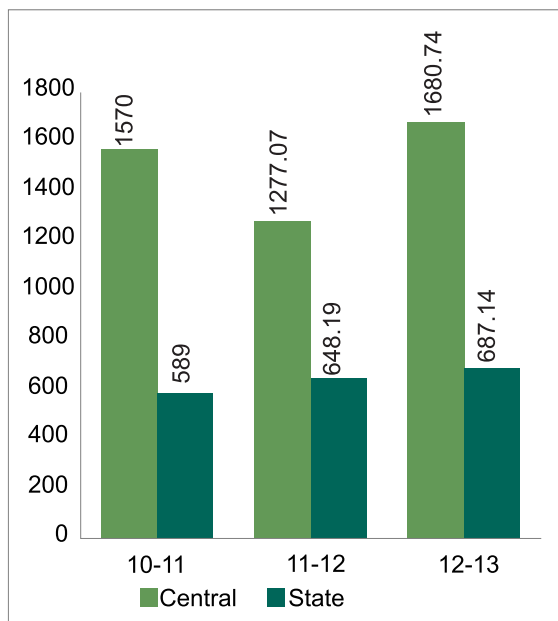
Year	Working Capital (Rs. in Crores)
2010-11	3644.15
2011-12	3197.46
2012-13	2806.67

Income Details

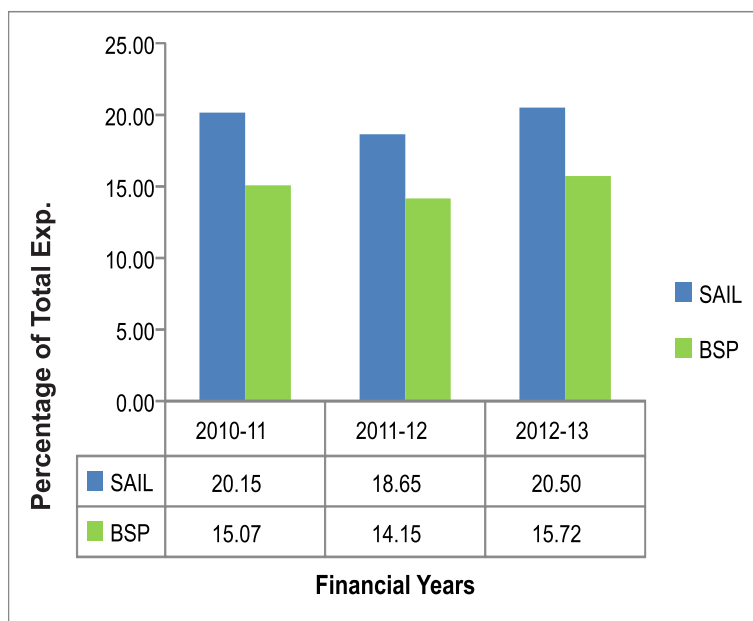
Income Details 2012-13	Rs. Crores	%
Turnover (Net of ED)	15330.65	90.02
Int Earned	66.59	0.39
IPT	1335.33	7.74
Prov Writeback	2.69	0.02
Other Revenues	222.18	1.29
Accretion in Stock of finished goods	95.11	0.55

Expenditure Details (Rs. in Crores)

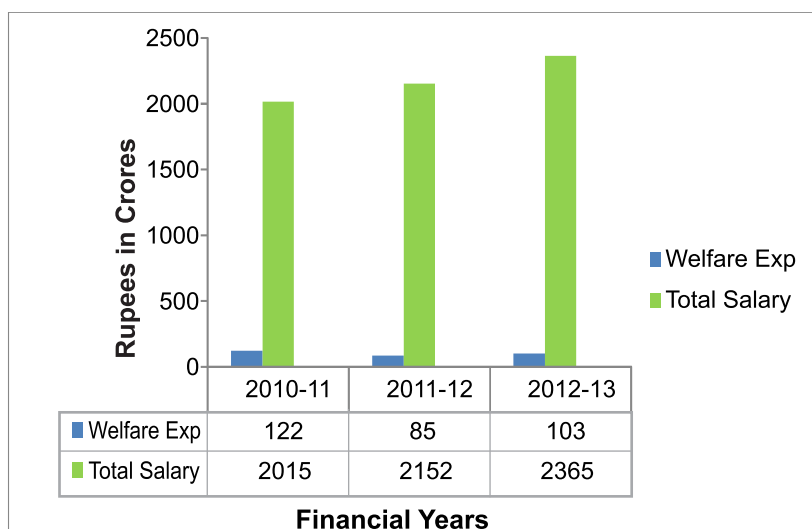
Expenditure Details	2011-12	%	2012-13	%
Raw materials	8314.86	53.87	7775.37	51.14
Salaries & Wages	2152.22	1.93	2364.97	15.55
Power & Fuel	1417.11	1.27	1526.90	10.04
Repairs & Maintenance	261.18	0.23	302.75	1.99
Misc Expenses	1661.29	1.49	2410.42	15.85
Freight Outward	276.77	1.79	362.31	2.38
Depreciation	321.33	2.07	271.01	1.78
Interest incl. FE Variation treated as Interest	262.04	1.69	190.60	1.25



Contribution to National Exchequer (in Rs. Crores)



BSP : Salary Expenses as % of Total Expenses



Staff Welfare Expenses (Cr)

Expenditure on CSR

Year	Budget (Rs. Cr)	Expenditure (Rs. Cr)
2010-11	26.0	16.8
2011-12	15.3	15.17
2012-13	13.36	12.16

Expenditure on Society and Other Social Activities

Sl. No.	Non-core Infrastructure Area	2010-11 (Rs Crs)	2011-12 (Rs Crs)	2012-13 (Rs Crs)
1	Township	131.11	147.86	175.97
2	Education	48.41	43.90	50.17
3	Medical	90.92	94.15	117.08
4	Transport & Socio-cultural	8.2	9.85	14.40
	Total	278.6	295.76	357.62

Expenses on Fuel & Maintenance

Year	Turnover (in Lacs)	Power & Fuel (in lacs)	Power & Fuel as % of Turnover	Repair & Maintenance (in lacs)	Repair & Maint. as % of Turnover
2010-2011	1565547	108508	7%	21599	1%
2011-2012	1628090	141711	8.70%	26118	1.60%
2012-2013	1553065	152690	9.83%	30275	1.95%

Year	R&D Expenses as % of Net Profit Before Tax
2010-11	2.16%
2011-12	3.05%
2012-13	4.48%

Payments and Provisions to Employees

At the end of March 2013, BSP employed 28486 people as permanent employees. The Company also provides indirect economic benefits to many thousands more through contractors and suppliers. BSP pays pay fairly and entry level positions at both executive and non-executive level receive wages which are amongst the best in steel industry category. The wages for employees are decided after negotiations with employee associations as per the rules & norms of Central Public sector enterprises (CPSE).

Standard entry level wages at BSP :

(Basic + DA) = Rs 11633/-

BSP also ensure that the contractors it engages, pay living wages as per SA 8000 to their labourers, which is beyond the minimum wages norm as laid out in government legislations.

Range Of Ratios Of Standard Entry Level Wage Compared To Local Minimum Wage At Significant Locations Of Operation

Minimum Wages :

Sl.No.	Category	Min. Wages (as notified by State Govt.)	Special Allow.	Addl. Welfare Amenity	Total Wages being paid in BSP
1.	Unskilled	180.19 + 10	10	38.46	238.65
2.	Semi-Skilled	188.19 + 10	10	38.46	246.65
3.	Skilled	199.19 + 10	10	38.46	257.65

At present the ratio of standard entry level wage to minimum wages of skilled labour = 1.2

Benefits to its employees, beyond that legally mandated

- | | |
|--|--|
| <ul style="list-style-type: none"> ➤ Free Medical services to employees and their dependant Family Members ➤ Free water, subsidized electricity ➤ Housing ➤ Monetary incentives ➤ Night shift allowance ➤ Washing allowance ➤ Subsidised education ➤ Fuel subsidy ➤ Festival advance ➤ Advances for purchase of vehicles ➤ Scholarships to wards of employees | <ul style="list-style-type: none"> ➤ School uniforms upto Primary level ➤ Leave for Child Care/Development ➤ Accident compensation beyond legal limits ➤ Long Service Award ➤ Well stocked Public Library ➤ Recreation centers / Sports facilities ➤ Community Halls ➤ Free Medical facilities for self and spouse after retirement ➤ SEWA ➤ Employee Family Benefit Scheme ➤ Life Cover Scheme |
|--|--|

Defined Benefit:

The Company has the following defined benefit plans:

- ❖ Post retirement gratuity
- ❖ Post retirement medical benefits
- ❖ Pensions to directors
- ❖ Farewell Gifts
- ❖ Packing and transportation costs on retirement



ITEM	2010 - 2011	2011-2012	2012-13
Value of employee benefits Statutory (Rs. cr.)	198.08	207.4	275.75
Non-Statutory (Rs. cr.)	1816.64	1944.8	2089.22
Total (Rs. cr.)	2014.72	2152.2	2364.97

Return on Invested Capital (ROIC) & Dividend:

The ROIC is calculated for SAIL and the dividend is paid by SAIL to its share holders hence not reported.

Local Hiring & Local Material Procurement:

BSP is mindful about ensuring that local people are able to benefit from the economic opportunities that its activities offer. The local candidates for employment are largely considered for many contractual jobs through M/s.HSCL.

BSP being a unit of SAIL, the central public sector under taking, the reservations for scheduled castes, scheduled tribes and other backward castes are provided as per the Central govt rules & policies.

One of the important business drivers is procurement of supplies and services from local vendors. The proportion of spending on ancillaries is given below.

Numbers ancillaries registered & No. of orders			Expenditure (Rs. lakhs)		
2010-11	2011-12	2012-13	2010-11	2011-12	2012-13
199 /1942	207/1544	207/1441	10327	8000	7385

Preferential Treatment/benefits to ancillaries:

- ❖ Purchase indents valuing upto Rs. 3 lacs reserved for ancillaries.
- ❖ Purchase preference is given to ancillary units provided their quoted price is not more than 20% over the L1 price of non ancillary unit. 50% of the tendered qty is ordered on ancillary unit subject to matching L1 rate.
- ❖ Certain items/ group of items are reserved exclusively for ancillary units.(327 items + 6 categories of items are reserved).
- ❖ Payment is made normally within 15 days as against 30 days for others.

Indirect Economic Impacts :

Impact Of Community Infrastructure Development And Services:

The prospering community around the Company's operations is a testament to BSP's corporate sustainability initiatives. The Company's contribution to local community infrastructure development and services over a period of time are covered under social sustainability.

Research & Development: Technology And Innovation:

Research and Development is a vital element of the Company's plans for creating value for all stakeholders through its innovative approach. The R&D activities in SAIL units are carried out through RDCIS,Ranchi and local sub centers. In 2012-13 BSP continued to invest in R&D, focusing on major projects designed to improve efficiency and enhance product quality.

**Benefit Obtained Through Implementation Of RDCIS Projects
At BSP During 2012-2013**

(Rs. In Lakhs)

PROJECT TITLE	Cost of Project	Benefit of Project
Improvement in roll temperature profile at Plate Mill.	82	245.28
Improvement in quality of iron ore fines by optimizing operation of classifiers and beneficiation of entire slime at Dalli mines.	80	213.54
Improvement in performance of primary and secondary screens of SP#3.	25	57.18
Investigation & characterisation of steel defects in concast slabs at BSP.	5	151.63
Evaluation of qualifying criteria test as per IRS T/12 2009 specification.	4	37.92
Development of high strength abrasion resistance plates with through thickness ductility.	3	37.57
Development of improved quality nozzle filling compound at RMP#2 for steel ladles.	5	49.9
Improvement in the roll passes life in Merchant Mill.	80	373.82
Motor current signature analysis.	0	51.09



ENVIRONMENTAL PERFORMANCE

DEFINING GREEN



WSA Sustainability Performance Indicators - Environmental Performance :

Indicator	Unit	2011-12		2012-13	
		BSP Value	WSA Avg Value	BSP Value	WSA Avg Value
Greenhouse gas emissions	Tonnes CO ₂ /tonne crude steel cast	2.83	1.7	2.742	1.7
Energy Intensity	GJ/tonne crude steel cast	28.7	19.6	27.65	19.6
Material efficiency	% of by-products re-used	96.57	94.4	94.51	96.4

BSPs approach to environmental management has been guided by company's environmental & sustainability policies and also UN Global Compact Principles. The Company is absolutely committed to providing a healthy working environment and to complying with all relevant environmental regulations in its operations; seeking to improve environmental performance well beyond norms and statutory duties wherever possible.

To ensure that policy is put into practice, key performance parameters have been identified, bench marked and are monitored and reported to various stakeholders in a transparent manner, addressing the requirements of GRI BSP has adopted an ISO 14001 based Environmental Management System to achieve excellence in environmental performance and ensure continual improvement.



The divisional /departmental heads are responsible for implementation of the Environmental Management System in their respective areas. Top Management reviews the performance periodically and provides necessary guidance and resources for the implementation of improvement initiatives. Training and awareness is an integral part of the system and covers all the employees, contractors and others concerned. BSP is certified to ISO 14001:2004 by M/s. BIS Surveillance audits are conducted by BIS annually to ensure compliance to the prescribed standard. BSP recognises that climate change is one of the most important issues facing the world today. Recognising that the steel industry, as a sector, contributes 4-5% of all man-made CO₂ emissions (as estimated by the World Steel Association). The Company challenges it to reduce CO₂ emission from operations drastically to less than 2.4 tonnes of CO₂ per tonnes of liquid steel, post modernization, reflecting the Company's commitment to play its part in responding to the global concern for climate change. BSP is also working on the opportunities for the future in energy conservation and carbon trading and is actively exploring these options.

Projects under International Agreements relevant to steel industry such as Phasing out of Ozone Depleting Substances (ODS) under the Montreal Protocol and environmentally sound management and disposal of Polychlorinated Biphenyls (PCBs) under the Stockholm Convention have also been taken up by BSP. The Company has taken project for eco restoration of mined out area at its Dalli-Rajhara Iron ore mines.

BSP has selected two Sustainable Development



(SD) projects under the MOU with GOI for the year. These SD projects include carbon footprint studies for interventions in the existing processes for identification of energy hotspots & implement energy efficiency measures for CO₂ reduction and water foot printing studies at BSP and 3 sister units namely DSP,BSL & RSP to improve water efficiency in processes, in light of increased demands on water resources through adopting water conservation measures based on water stress index of the region. BSP also imparted Sustainability training to more than 200 officers from different departments to inculcate the importance of sustainability thought process in decision making. Details of BSP's SD projects are also available on SAIL website.

Optimal utilization of raw material is given major attention. Under High Impact Projects (HIP) as part of R&D Master Plan, new technologies and practices are being adopted to optimize the specific material consumption per ton of steel produced. Increasing the recycling of wastes to reduce the consumption of coal, iron ore and flux materials like dolomite and limestone have resulted in lesser raw material consumption. The scrap generated within the units is completely recycled, and some of the waste is reused in the sinter plants, blast furnace and steel melting shop.

BSP is also actively advancing the National Solar Mission, where-in, Government of India has set a target to accomplish 20,000 MW solar power by 2022. In 2012-13, BSP has commissioned a 2x100KW solar power station at its guest house, Bhilai Niwas. More such schemes are in the offing to cover its office buildings in plant & township.



Environmental Strategies:

Inline with the Company's vision to become "World Class Organization" in all areas of its operation, BSP has framed a Sustainability Policy taking into account the Sustainability Goals & Objectives of World Steel Association (WSA). The prioritized sustainability issues are being addressed through series of action plans, considering the national and international benchmarks. These action plans are integrated into the MODEX plan of Bhilai Steel Plant. The issues identified by BSP and the strategies & action plans to address these issues are given below:

Environment Performance Indicators	Achieved in 11-12	Achieved in 12-13	Target Post Modernization	International Benchmark Parameters
Particulate Emission Load (kg/TCS)	0.72	0.72	0.4	0.13 (POSCO)
Specific Effluent Discharge (kg/TCS)	0.12	0.12	Zero Discharge	Zero Discharge
Water Consumption (m ³ /TCS)	2.994	2.924	2.35	2.35 (RINL)
Solid Waste Utilization (%)	90.5	90.9	98.2%	99.9 (CORUS)
GHG emission (T/TCS)	2.83	2.742	2.4	1.8 (Rautraukki)
Energy Consumption (Gcal/TCS)	6.84	6.615	5.92	4.5 (POSCO)

S.N.	Environmental Improvement Areas	Action Plans (Many plans are integrated into MODEX Plan of BSP)
1	Reduction in Particulate emission Load	Phasing out of Ingot steel making route (SMS-I & BBM) and its replacement by continuous casting SMS-III Process gas fired boilers in proposed new boilers under Power plant Design of pollution control units for process stacks coming under expansion for < 50 mg/Nm ³ .
2	Water Conservation and reduction of effluent discharge	Treatment & recycling of Plant & township effluents to achieve Zero Discharge
3	Enhancing Solid Waste Utilisation & Resource Conservation	2 MT cement plant in JV to achieve 100% BF slag usage.(Already commissioned) Promote usage of LD slag in railway ballast and cement making 1.0 MT/yr Pellet Plant at Tailings pond of Dalli Mines- Enrichment 49% Fe-Slime to 69% Fe rich pellets. Centralized sludge processing/recycling unit Up gradation of Blast Furnaces
4	Reduction of specific energy consumption and CO ₂ emissions	Enhancement of Coal Dust injection in Blast furnaces. 4 MW Waste heat recovery turbine at Coke Dry Quenching system of new Battery#11. 14 MW Top Pressure Recovery Turbine at new BF-8. Walking beam furnaces at Rolling Mills. Phasing out of SMS-I and its replacement by SMS-III. Utilization of total process gases for generating steam/power
5	Opting for renewable energy sources	Implementation of solar lighting systems for Office Buildings
6	Awareness Building on Sustainability Issues.	Partnership with leading professional & educational institutions for imparting training & workshops covering issues pertaining to Environmental Sustainability

BSP has no cases of Environmental non compliance registered by any legal authority till date. No fines/penalties were imposed during the year.

Partnerships In Environment Management:

BSP over the years entered into partnerships for successful management of environmental issues with aim of win-win situation for both BSP & partner agency. The partnerships in the area of environment management are given in table below:

Agency	Environmental Areas	Benefits
ACC	Waste management	Safe disposal of Acid tar sludge(Presently land filled) generated at CCD. Help ACC in bringing down its fuel costs as the sludge has some fuel value.
NEERI	Air Pollution management	Partnership with NEERI for carrying out Source apportionment studies. Help BSP in formulating a comprehensive air pollution management plan for minimizing air pollution in Plant & township Helped NEERI in generating enormous Air quality data , which can be utilized in advanced modeling studies , air pollution mapping, & helping in strengthening existing environmental clearance laws based on Comprehensive environmental pollution index (FY 13)
CII	Sustainability	Awareness program for management on Sustainability
Chhattisgarh Rajya Van Vikas Nigam	Tree plantation	BSP has contributed to more than 150 Km roadside plantation (about 3 lakh trees) & also planning for river side plantation in future under its CSR initiatives.
IIT-Bombay	Carbon & Water Footprint studies	Interventions in the existing processes for identification of energy hotspots & implement energy efficiency measures for CO2 reduction Improve water efficiency in processes, in light of increased demands on water resources through adopting water conservation measures based on water stress index of the region for achieving sustainable benefits.
UNIDO & MoEF	Management of PCBs as per Stockholm convention	Implementation of a project for safe disposal of PCBs in partnership with UNIDO & MoEF at Bhilai started in FY13. This project is first of its kind in India for PCB destruction, which will help not only SAIL but Indian industry in complying with Stockholm convention for prevention of POPs.

Materials :

The single most important indicator for material consumption is specific raw material consumption in producing one tonne of crude steel. This is calculated by adding all kinds of rawmaterials used in iron and steel making divided by crude steel production. Special attention is being given to optimally utilise the raw materials. Internal scrap is recycled. Associated process materials (i.e., materials that are needed for the manufacturing process but are not part of the final product) are Refractories, Oxygen, Nitrogen, Argon, Acetylene, Compressed air, Propane, Sodium Hydroxide, Sulfuric Acid, Petroleum Coke, Aluminum, Bentonite, Fire clay, Kyanite, Casting powder, electrodes, molasses, synthetic slag, Graphite powder, Lubricants, Petro-fuels, Materials for packaging, wooden sleepers, metal strips, wire ropes etc.

Major Raw Material Consumption:

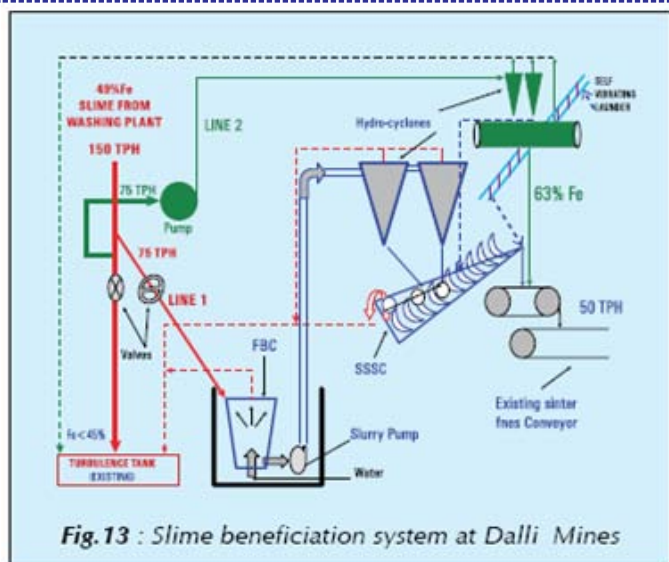
Raw Materials Consumed (Tonnes)	2010-11	2011-12	2012-13
IronOre	8805591	8163045	8124327
Boiler Coal	229558	299464	251359
Coking coal	4955295	4040191	3604815
Other Coal	207170	207610	235580
Limestone	1153499	1188528	1345895
Dolomite	1067089	962325	928968
MnOre	25656	34924	15582
Ferro Manganese	48554	42964	43855
Ferro Silicon	6740	5945	6039
Silico Manganese	50985	47480	48974
LSHS	13463	28932	35525
Sulphur	12531	10796	9757
Quartz/Si-Sand	31206	24936	24409
Others	1772	1639	2228
Total	16609109	15058779	14677314
Crude Steel Production (MT)	5.329	4.901	5.011
Sp. Raw Mat. Consumption(t/tcs)	3.12	3.07	2.93



Materials used that are recycled input materials

Steel is a recyclable material and iron/steel scraps are used in Steel Melting Shops as an input material. No scrap was purchased from external sources. In addition to iron/steel scrap, other wastes such as slag, sludge, fines, flux dust, etc. amounting to 18.51% of the total input material are reused in the Steel Works.

Scrap	2010-11	2011-12	2012-13
Total scrap recycled (t)	606329	664617	758452
Material used (t) (Ore)	8495096	8163044	8137327
% of recycled materials used	7.13	8.14	9.32
Savings (Lacs)	75791	81535	132600



Mineral Conservation efforts in Mines:

- Mineral Conservation
- Augmentation of Fluidised Bed Classifier (FBC) with Magnetic separator
- Blending of lean grade with high grade effectively
- Contribution of Run Of Mines from Rajhara Mechanized Mines increased from 12.5 % to 20% and further increase to the extent of 35% is envisaged
- Mixing blendable grade slime & GF with fines

WATER:

Water Quality :

The water quality through the plant outlets has been maintained well within the statutory norms. The thrust was on conservation of water through implementation of recycling schemes at various stages of water use. The implementation of various water conservation & recycling schemes has resulted in bringing down the specific water consumption to 2.924 m³/TCS in 12-13, from more than 12 m³/TCS, 10 years ago. The level achieved by BSP in water consumption is amongst the best in the world steel industry.

Water Conservation & Water Pollution Prevention Schemes During Last 5 Years

- ◆ State of the art Sewage Water recycling system for recycling of 30 MLD sewage water of township has been completed. This has substantially reduced BSP's raw water requirement. This is largest sewage water recycling plant installed in Central India.
- ◆ The effluent from plant outlet-A is being recycled at the rate of 100 m³/hr. Schemes are being formulated for recycling of effluents from other two plant outlets.
- ◆ Oxidation pond has been built at Hirri, one of the BSP's captive dolomite mines.
- ◆ Construction of water recycling system in Merchant Mill has resulted in saving of fresh industrial water @ 660 NM³ per hour.
- ◆ 5 nos. of Tube Type Oil Skimmer were installed in BRP-1, BRP-2, PETP & PSTP to improve the quality of phenol water and recycling of the separated wash oil there by saving Rs. 6 lakhs per annum approx.

Rain Water Harvesting Schemes:

- ◆ Roof rainwater harvesting implemented at Plate Mill & Machine shops conserving about 35,000 M³ rain water. In Township the system implemented at 3 schools & 3 office buildings.
- ◆ A tank of 120000 m³ capacity has been completed in the township for rainwater harvesting for the year 2008-09.
- ◆ Study to harvest rain water & improve the recharging capacity at different location of Township has been completed based on the study Rainwater harvesting pits (5 nos) of more than 5000 m³ each installed in Township. This has resulted increasing the ground water level in the Township & adjoining villages.

30 Million Liter/day Municipal Sewage Water Recycling Project :

A 30 million litre/day (MLD) State-of-the-art Sewage water recycling plant has been commissioned during the year with following benefits:

1. Water conservation: The treated sewage water will be used as industrial make-up water in Maroda-I reservoir of Bhilai Steel Plant.
2. This will be a step towards achieving the concept of "Zero Discharge" which is a BSP's commitment towards cleaner environment.
3. Treated water recycled from 30 MLD plant to Maroda-I will be able to reduce BSP's dependence on the state Water Resource Department for makeup water.



Water Consumption at Bhilai Steel Plant

Source	2010-11	2011-12	2012-13
Make-up water from canal/River to plant (Mm ³)	25.14	23.11	22.67
Drinking water Supply to Plant	16.03	15.05	15.75
Drinking water Supply to Township	35.2	35.68	36.28
Total water drawn from Canal	96.47	81.67	85.78
Rain water collected (Mm ³)	10.56	10.60	11.18

Total water drawn from canal for plant was 85.78 Mm³ during the year 2012-13. No water source is affected by the withdrawals by the company.

Category wise consumption of water during the year

- (i) Water used for industrial cooling, spraying, boiler feed etc=16.066 Million Cubic Metre
- (ii) Water used for process operations whereby water gets polluted and the pollutants are easily biodegradable =7.954 Million Cubic Metre
- (iii) Water used for process operations whereby water gets polluted and the pollutants are not easily biodegradable are toxic =1.119 Million Cubic Metre
- (iv) Water consumption at Power Plant (s) = 8.918 Million Cubic Metre

Percentage and total volume of water recycled and reused

Year	Maroda-I to Plant for industrial make up	Industrial Water Recycled to Maroda-I	Total Industrial Makeup water (2+3)	Makeup water % of total (2/4)*100	Recycled water % of total (3/4)*100
2010-11	25.14	39.42	64.56	38.94	61.06
2011-12	23.11	39.48	62.59	36.93	63.07
2012-13	22.67	39.12	61.79	36.69	63.30



Water consumption (industrial & domestic) at Mines (m³)

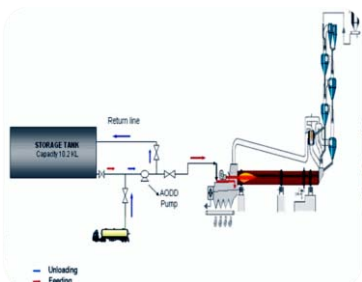
Mines	Description	2010-11	2011-12	2012-13
IOC	Domestic	2535658	2700022	2697733
	Industrial Use (Cooling/Dust Suppression)	1863268	1968565	1962817
	Industrial Use (Processing/washing)	2258537	2069830	1984651
	Total	6657463	6738417	6645201
NANDINI	Domestic	647457	635136	670068
	Industrial Use (Cooling/Dust Suppression)	284535	270004	76638
	Industrial Use (Processing/washing)	0	67491	298286
	Total	931992	972631	1044992
HIRRI	Domestic	131400	137160	128845
	Industrial Use (Cooling/Dust Suppression)	7300	13335	14600
	Industrial Use (Processing/washing)/ Mine Discharge	320500	330800	331680
	Total	459200	481295	475125

Water conservation efforts in Mines:

- ◆ *Recycling of 70% water used in washing at Dalli Mechanized Mines*
- ◆ *Water Harvesting has been adopted to conserve rain water in office buildings*



Sustainable Waste Disposal – Co processing of Hazardous Waste



BSP in partnership with M/s. ACC has successfully carried out Co-processing of Acid Tar sludge in Cement Kilns.

BSP is the first unit in SAIL to undertake this green initiative.



Environmentally Sound Management and Final Disposal of PCBs in India

- ❖ This is a Project of National importance, for destruction of PCBs which are categorized as persistent Organic Pollutants (POPs) under Stockholm
- ❖ The Project is being implemented in Partnership with MoEF & United Nations Industrial Development Organization (UNIDO)



Clear Sky- A case study of innovation by Steel Melting Shop-1 Team

The Steel Melting Shop no -1 is one of old and primary shops of Bhilai Steel Plant and produces steel through Twin Hearth Furnaces (THFs). The Gases produced during operation are treated in Gas Cleaning Plant (GCP) and sent to atmosphere through Stack. The revised norms of C.G Environmental control Board has led to many technical innovations in GCPs to bring TPM(Total Particulate Matter) from existing 70-80 mg/Nm³ to below 50 mg/Nm³.

In the event of necessity, many inventions and modification were carried-out to improve performance of existing GCPs

- ♦ Major structural repair of GCP duct,venturies, Cyclone etc.
- ♦ Introduction of Spray Nozzles in the out let duct and base area of Stack
- ♦ Replacement of old pipelines
- ♦ Introduction of on line Water Filters to check foreign materials
- ♦ Creation of New Cleaning Zone
- ♦ Major Repairs of Structures and ducts to arrest air ingress
- ♦ Online Cleaning of ID Fan

Result: TPM in stack emission has come down to <50 mg/Nm³ along with financial benefit of 7.7Cr.

Sustainable Development Projects

Product carbon footprint studies:

- ❖ The Intended study will help in developing GHG model, which will allow the identification of hot spots concerning the energy consumption of the whole steel works.
- ❖ The energy efficiency of the steel plant can be analyzed effectively. In addition, the model shall enable simulations of existing and future scenarios for energy and mass flows.



Water footprint studies :

- ❖ The intended study will take views on all water issues holistically following a broad philosophy of sustainability approach i.e. 3R (Reduce, Reuse & Recycle).
- ❖ Develop water recycling /reduction strategy road map and prepare short term, medium term and long term plan with potential emission reduction targets.



The above two projects are implemented in partnership with IIT-Bombay using state of the art models/software.

EMISSIONS , EFFLUENTS & WASTES :

Air Quality

Over the years BSP has been systematically maintaining and ensuring effective functioning of pollution control systems for improving its environmental performance and for complying with statutory norms. The pollution control systems comprises of Electrostatic precipitators, Gas cleaning plants, Bag filters, effluent treatment facilities and noise control systems.

Consequently the environmental performance of Bhilai Steel Plant remains one of the best in Indian steel Industry. Impact of air pollution control measures and green belt developed in and around the plant has helped in maintaining the ambient air quality of Bhilai.

Earlier, process stacks were designed to 100 mg/Nm³. However, to achieve the international benchmark in stack emission load , BSP has decided to design process stacks for 50 mg/Nm³ for both existing as well as the future projects.



Air Pollution Control Measures

Fugitive Emission Control

- ✦ Water Sprinklers and Dust Suppression Systems at Raw Material Handling Plant (OHP).
- ✦ Water Sprinkler in Coal Yards of Coke Ovens.
- ✦ On main charging in coke oven batteries
- ✦ Door & door frame cleaning systems in coke oven batteries
- ✦ Dust Extraction Systems (bag filters, scrubbers & cyclones) at material handling points of Blast Furnace, Coke Ovens, Sinter Plants, Steel Melting Shop, Power Plants
- ✦ Electrostatic Precipitators at Sinter Plant-2 & 3.
- ✦ Mobile Industrial Vacuum Cleaners

Flue Gas Cleaning systems (Stack Emission Control)

- ✦ Wet scrubbers for Gas Cleaning Plants at Blast Furnace, Steel Melting Shop, Refractory Material Plant,
- ✦ Multi-Cyclones for flue gas cleaning at Sinter Plant-1 & 2.
- ✦ Electrostatic Precipitators (ESPs) for flue gas cleaning at Power Plants and Sinter Plant-III.
- ✦ Ceramic Welding machines for Coke Ovens.
- ✦ Mist arrester at DCDA Sulphuric Acid Plant.

The Nitrogen Oxide and Sulphur di Oxide emissions from stacks & their presence in ambient air is measured regularly. In the year 2012-13 these emissions are found to be well within the norms.

BSP has three outlets Outlet-A consist effluent from BF, Foundry, OP-I, RMP-I, & storm water, Outlet-B consists effluents from MSDS-I, RTS, Diesel shed R&SM & storm water and Outlet-C consists effluent from COBPP, SP-I, SP-II & storm water etc. Only treated water is discharged through these outlets and effluent quality is meeting the norms.



The water is discharged to the rivers Sheonath & Kharun through the 3 outlets namely A, B & C. There is no impact on water sources and related ecosystems/habitats by discharges of water and runoff. No significant spills were observed during the year.

Water Quality:

Effluent Discharges

Year	Outlet-A (m ³ /hr)	Outlet-B (m ³ /hr)	Outlet-C (m ³ /hr)	Sp. Effluent load (kg/tcs)
2010-11	40	88	880	0.127
2011-12	46	75	813	0.12
2012-13	40	76	827	0.121

Solid Waste

(d) Waste Generation, Utilization and Disposal.

(i) Non-Hazardous Waste/Soild Wastes:

Table C.5.2: Solid Waste generation & Utilization in 2012-13 (Figures in tonnes)

Solid Wastes	Generation	Recycling	Sold	% Utilisation
BF Slag Total	2165897	49000	1852640	87.8
BF Flue Dust	66392	-	43708	65.8
LD Slag	301042	305508	-	101.5
LD Sludge	26176	1186	-	4.5
Other Sludges (SP, BF & THF)	87089	-	-	0
Lime Fines	153544	153544	-	100
Mill Scale	147699	147136	563	100
Cinder	3583	-	3279	91.5
Used/Rejected Refractory Bricks	39372	10324	21483	80.8
Lime Sludge	144490	-	-	0
THF Slag	145943	-	-	181.6
Total Ash	57623	-	-	89
Total	3194505	982960	1921673	90.9

Wastes from Pollution Control Equipment in 2012-13

Unit: Tonnes

Solid By-Product	Generation	Recycled	Sold	Dumped
SP Sludge / Dust	19962	1733	-	19962
BF Flue Dust	52008	-	34730.7	17277.3
BF Sludge	51370	-	-	51370
OHF / THF Dust	26166	-	-	26166
LD Sludge / Dust	27117	17450	400	26717
RMP Sludge / dust (from PC Equip.)	73947	73947	-	73947
Acetylene Sludge	221.03	-	195	26.03
Fly Ash	51733	41103	-	51733
Any other wastes (Specify namewise)	-	-	-	-
TOTAL	302524.03	134233	35325.7	267198.3

Hazardous Waste generation & Utilization in 2012-13 (Figures in tonnes)

S.N.	Hazardous Waste & Category	Quantity/Annum	Transportation and any other information sought by Pollution Control Board
1	Cat. 13.4 Tarry Waste	2678.2 T	Sold
2	Cat. 13.5 Tar storage tank residue	273.696 T	Sold
3	Cat. 13.3 Acid Tar sludge	1384.5 T	Neutralization and solidification & Incineration in Cement kilns
4	Cat. 34.4 ETP sludge Skimmed oil	1500T ---	Recycled / Sold
5	Cat. 20.2 Spent solvent oil Type-I, II	35.328T	Sold
6	Cat. 17.1 Filter cake	356.88T	Recycled
7	Cat. 33.3 Discarded containers of hazardous chemical	185 NOS	Recycled (Used as flower pot)
8	Cat. B-21 Asbestos waste	1.683 T	Stored
9	Cat A -6 Mercury arc Rectifier Tanks	Nil	-
10	Non Ferrous Waste	172.53 T	Recycled/ sold
11	Cat 5.1 used Oil & waste oil	247.38KL	Recycled/ used as fuel

Generation and mode of disposal of Bio-medical Wastes in 2012-13

Type of waste	Generation (Ton/annum)	No. of beds in the hospital	Present mode of treatment and ultimate disposal
Cat-1,3,5 & 6	53235	896	Outsourced to M/s Etech Pvt. Ltd.
Cat: 4,7	5980		



Management of Municipal Solid Wastes at Township

Generation (tonnes/annum) : 12775 T

Method of collection & transportation: Door to door collection of Garbage is done in all Sectors.

Mode of disposal: land filling as per MSW Rules-2000



Noise Environment

To reduce the impact of noise, measures taken at BSP are given below:

- Bellow-type tuyers at all Blast Furnaces and Snort Valve Silencers at Blast Furnaces
- Sound-proof Acoustic Cabins at Power Plants, Oxygen Plants, and Pump Houses, etc.
- Blast by-pass silencers at Power Plant-I & Acoustic Silencers of Exhausters / ID Fans
- Replacement of conventional GCP at BF 7 with low noise GCP
- State of the art acoustic enclosure in pulpit of Wire Rod Mill & 6 nos of blow off silencers in compressor plant III have been commissioned
- State of the art air compressors were installed in new Compressed air station-4. They are designed for noise level of 85 dB(A), which is much below the industrial norm of 90 dB(A)



Noise Levels - Plant Area

S.No.	Work Area	dB(A) Day Time As per Factory's act	Actual
1	Coke ovens	90 dB(A)	82-84
2	Blast Furnace	90 dB(A)	81-84
3	Steel melting Shop	90 dB(A)	79 -81
4	Plate Mill	90 dB(A)	79 -83
5	Wire rod Mill	90 dB(A)	80-84
6	Rail Mill	90 dB(A)	80-85

S.No.	Industrial Area	dB(A)			
		Day Time		Night Time	
		Approved by CPCB / SPCB	Actual	Approved by CPCB / SPCB	Actual
1	Welfare Buildings in works area	75	66-68	70	65-68
2	Canteens in Works area	75	68--72	70	63-69
3	Road side in side the factory	75	69-73	70	62-68

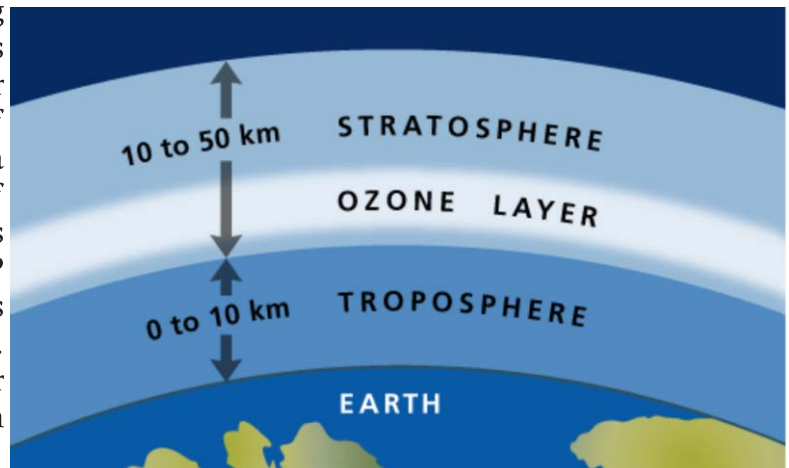


Noise Level in the Township

S. No.	Location	Leq levels		
		Max.	Min.	Avg.
1	Civic Centre	76.5	70.1	74.1
2	Near Sec.-7& 8 Sqr.	79.5	73.2	77.0
3	JLN Hospital	55.0	50.5	51.7

Ozone Depleting Substance

Under Montreal Protocol, as a part of phasing out ozone depleting substances, BSP has eliminated use of CFC-11 by replacing it Li- Br based chiller unit, way before the target date of 1.1.2010. Procurement of Carbon Tetra Chloride (CTC) has been stopped and use of Trichloroethylene has been started. This project is being implemented under the UNDP aid. 100 % of Halon based fire extinguishers have been replaced by FM 200 based units. Replacement of all industrial package air conditioners using CFC-12 by year 2010 in phased manner using CFC free refrigerant.



Considerable reduction in the Ozone Depleting Substance has been achieved due to various efforts made during the year, as depicted in Table-6 .

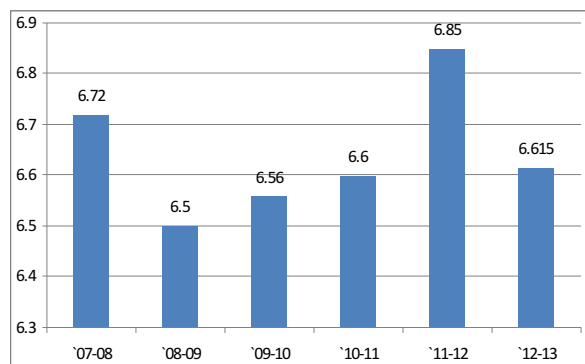
Consumption of Ozone Depleting Substance in tonnes

ODS Substances	Ozone Depleting Potential (ODP)	Year wise consumption in Tons		
		2010	2011	2012
CFC 11	1	0	0	0
CFC 12	1	0	0	0
Halon-1211	3	0	0	0
CTC	1.1	0	0	0
HCFC-21	0.04	0	0	0
HCFC 22	0.055	5.307	4.432	3.050
HCFC 142	0.06	0	0	0
HCFC 124	0.0125	0	1	0
Total ODS consumed		5.307	5.432	3.050
	Total ODP in Tons	0.292	0.303	0.168

ENERGY

Energy conservation has been given prime importance in the organization. BSP has declared its energy policy and standard operating procedures are being followed to minimize the energy consumption. BSP is the only steel plant that produces 48.5% of its steel through energy intensive route of ingot casting followed by Blooming & Billet Mill. In 2012-13, Sp. Energy consumption of BSP was 6.615 Gcal/TCS. A reduction of about 3.43% over previous year in energy rate over previous year.

Specific Energy Consumption (GCal/tcs)



Energy Purchased	Quantity (T)			Heat Content (TJ)		
	2010-11	2011-12	2012-13	2010-11	2011-12	2012-13
Boiler Coal (Ton)dry	202303	274452	227913	3234	4621	4120.3
Coking coal(Ton)dry	4511453	3690082	3289236	132320	109372	97477
BF injection Coal/CDI Coal	188881	189941	212789	5539.86	5630	6306.1
LSHS/FO (KL)	13463	28932	35525	508.6	1097	1342.2
Diesel (KL)	7437	7323	7209	293	289	284
Power Purchased(mwh)	2174350	2146790	2241942	21834	21639	22512.7
Purchased BF Coke (T) (dry)			758344			20554
Total purchased				163729.5	142648	152596
Energy Sold						
Coke	9674	15110	0	263	731	0
Tar products (t)	30150	5068	16742	1109	186	613
Benzol Products (t)	17803	26876	16302	731	620	595
Total energy sold				2103	1537	1208
Net Energy Consumption				161626.5	141111	151388

Percentage contribution (in terms of energy) of different resources towards the total energy consumption of the plant

Coking Coal	=	79.7 %
Electricity (Including purchased)	=	15.5 %
Steam	=	3.7 %
Furnace oil & Petro-fuel (Excluding power plants)	=	0.85 %
Others	=	0.23 %

Energy Conservation

Some of the Energy conservation projects commissioned during 2012-13 is mentioned below:

S.N.	Project	Achievements of energy saving per year			Investment incurred in Rs. Lakhs
		Power (MWH)	Heat (Gcal)	Total Savings in Rs. Lakhs	
1	VVVF drives for Desulphurization unit of converter	864		60	15
2	At Merchant Mill, replacing 2 nos. MG sets with 74 nos. VVVF drives for Roller Table sections 85-88	630		33	390
3	Installation of 5 nos. VVVF drives for Roll Table in R&S Mill	432		23	20
4	Installation of 1 no. VVVF drive in LD Gas Export Booster no. 4	39.6	30600	296	5.6
5	Voltage reduction in lighting circuit from 250V to 230 V in CCS	576		30.5	Nil (In-house)
6	Power Factor of 0.98 maintained by regular monitoring	12000		28	Nil (In-house)
7	Optimum operation of assets : 1) At SMS-2, automatic switching off facility in steam exhausters of Casters 1, 2 & 3 ; 2) Installation of 5 nos. small ventilation systems in place of centralised ventilation system for Plate Mill shear motors	19733.78		1045	Nil (In-house)
8	Stopping of ATC-2 at OP-I and keeping ATC-1, ASU-2 and OTC-3 in reserve, as a result of commissioning of ASU-4	26280		373	22000
9	CDI started in BF 4		71085	683	100
10	Commissioning of COB # 1 & 8		295982	2844	7420
11	Installation of 4 nos. of burners at strategic new locations inside EGB-3, in place of 8 nos. of old burners at outer edge of EGB-3 flare stack, leading to saving in CO gas		18746	180	Nil (In-house)
12	Replacement of air preheater blocks in Boiler 1 & 3 of PP-I		56160	694	222.82
13	Development & replacement of BF gas burners of Boiler#3 of PP-I with fuel		28080	347	12

Modernisation for Energy Efficiency

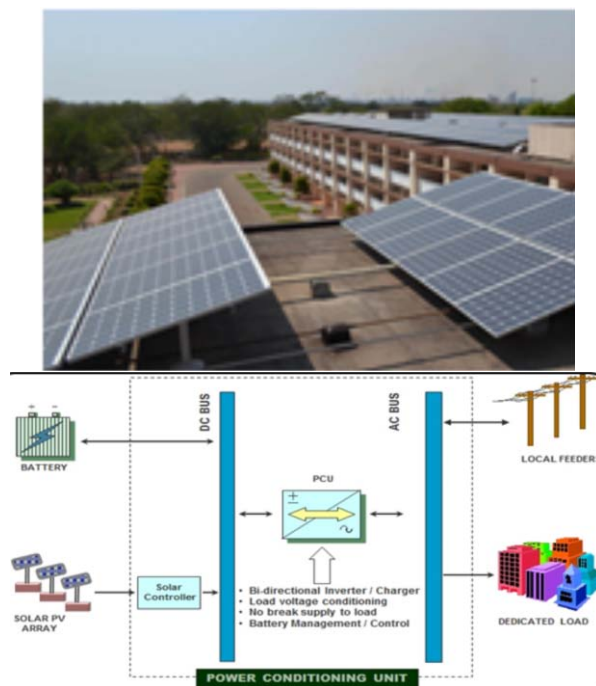
Modernization of BSP is already on the anvil, where all energy efficient technologies will be adopted.

It is anticipated that after modernization, the present gap with international level will be eliminated and BSP will be one of the front-runner for energy conservation in steel industry. The projects conceived are expected to achieve target Energy Rate of 5.9 Gcal/TCS post modernization.

2X100 kWp Roof - Top Off Grid Solar Photo Voltaic Power Plant at Bhilai Niwas

Salient Features / Benefits:

- Cost: Rs. 3.47 Crores, MNRE Subsidy: 1.04 Crores
- Intelligent SCADA system for data monitoring & logging
- Annual Saving at Peak Working: Rs. 8.7 lakhs
- Reduction of CO₂ at Peak Working: 94T/Yr
- Saving of Natural Resources (Water 0.18m³/Kw and Coal 0.7 Kg/Kw in comparison with coal based thermal power plant)
- First of its kind in SAIL



Green House Gas Emissions & CDM Projects :

Bhilai Steel Plants estimates the Green House gas emissions mainly CO₂ emissions from its operations using tool, developed by WSA. The emissions are reported in the form of Scope-1, Scope-2 & Scope-3 emissions, i.e direct emissions, Energy-related upstream emissions and Other upstream emissions and credits. The data is also verified & accepted by WSA every year. The details of CO₂ emissions from BSP are given below:

Year	CO ₂ Emissions (Tons)		
	Scope-1 (Direct Emissions)	Scope-2 (Energy-related Upstream Emissions)	Scope-3 (Other Upstream Emissions and Credits)
2010-11	1,44,72,427	12,27,819	-11,67,649
2011-12	1,34,81,644	12,24,170	-8,57,363
2012-13	1,34,27,573	11,87,417	-8,75,306

CDM Projects: Continuing its efforts to bring down CO₂ emissions from its present & future operations after modernization, BSP has identified 24 CDM projects. These projects after implementation has the potential to bring-down 1 Million ton of CO₂ emissions. So far 3 projects have already been certified under Voluntary emission reduction, with a total certified reduction of 12, 88,990 Tons of CO₂.

Environmental Expenditure

Total Environment protection expenditures and investments by type in 2012-13

Area	Revenue Expenditure in Crores	Capital Expenditure in Crores
Pollution prevention	93.79	
Global Environment Protection		146.37
Resource Circulation	43.71	
Environment management activities	0.102	
Research & development	12.18	
Social activities	7.39	
Others	0.54	
Total	157.73	146.37

BIODIVERSITY :

Land Use Pattern at Bhilai Steel Plant

Units	Revenue area in Hectares	Forest area in lease in Hectares	Total area in Hectares
Bhilai Steel Plant (Works)	3248.9	Nil	3248.9
Bhilai Township	2939.9	Nil	2939.9

Out of the land under Steel Plant 1100 hectares is used for water reservoirs Maroda-1 & II

Land Use Pattern At Mines

Name of the Mine	Leased Area in Hectares	Forest Land in Hectares	Revenue Land in Hectares	Total Area in Hectares
Rajhara Mechanized Iron ore Mines	220.42	100.76	119.66	440.84
Dalli Mechanized Iron ore Mines	719.6	283.6	436	1439.2
Dalli Forest range Manual Iron ore mines	100	100	Nil	200
Mahamaya dulki Iron Ore Mines	1522.67	1522.67	Nil	3045.34
Kalwar Nagur iron ore Mines	938.06	938.06	Nil	1876.12
Nandini Mechanised Lime stone Mines	526.34	Nil	526.34	1052.68
Hirri Dolomite Mines	128.77	Nil	128.77	257.54

Habitat Changes due to Operations Amount of Habitat Protected or Restored

Bhilai Steel Plant does not fall in protected or sensitive area. Areas of operation of the company do not have any World Heritage sites or Biosphere Reserves/ Protected areas. Environmental Impact Assessment study indicates that no reportable changes to natural habitats have occurred from the company's products, services and activities.

Objectives, Programmes and Targets for Protecting & Restoring Native Ecosystems and Species

In Bhilai Steel plant as well in the Township, various types of species are planted. Most of them have economical importance and medicinal value.

Bhilai Steel plant has made major efforts in improving green belt areas inside the plant premises as well as in the township. For developing green belt area, condition of soil has been kept in view. Another most important criterion, which, BSP has kept in view, while implementing the scheme, includes the selection of the species. The plant species have been selected according to local climate, soil type, environmental requirement, survival of the species, longevity of the particular species, oxygen bearing capacity, aesthetics etc. In order to extend the greening efforts, road side plantation along 100 kms of state highways is also done.

Impacts on Protected Areas

The complete owned area is well managed by the management of Bhilai Steel Plant with sustainable development. There is no waste land in Township as well as in Plant premises. There is proper provisions for the green belt area development in both the areas and the activity is on going process. There was no forest cover in the project site. However, a variety of plants and trees are found near village settlements. The important among them are mango (*Mangifera indica*), Imli (*Tamarindus indica*), Pipal (*Ficus religiosa*) and neem (*Melia azadirac*). There is no adverse effect in the existing land use pattern in the area and also in surrounding on account of the present project. The greening efforts have improved the soil condition in the area.

Scientific Measures Adopted in Plantation to obtain Maximum Benefits:

- Systematic plantation of suitable species in the identified locations
- Study relative exposure vs. dust capturing capacity of various identified plant species through natural and controlled exposure.
- Evaluation of rate of dust deposition/capture capacity of different plants species (Herbs, Shrubs & Trees)
- Identification of the Plant species with high potential for Control of Dust/ Suspended Particulate Matter in Ambient Air.
- Preparation of checklist of Plant species for Phyto-remediation of particulate matter from ambient environment.
- Perform Mixed type of plantation upto 90% of survival rate.
- Promotion of plantation for bio-diesel (60,000 *Jatropha* planation has been done in the plant & township).



Flourishing Bio-Diversity In BSP Township & Mines

BSP's continuous efforts in improving the environmental indicators & tree plantation has resulted in flourishing bio-diversity of this region.

The presence of diverse species in this region, which is an indicator bio-diversity is reflected in presence of -

- Butterflies - more than 40 species
- Birds - more than 80 species in which some of them are resident migratory birds
- Leaf eating beetles - more than 98 species
- Trees - more than 112 species Poly species / poly plantation
- Abundance of variety of snakes and frogs sightings specially during the rainy season.

Some of the above species are found only in pristine environment of Western Ghats.

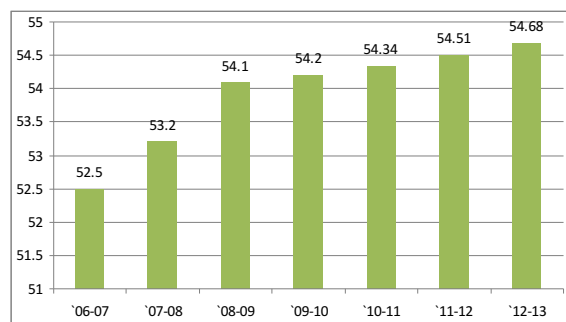
The above findings were published in many journals of International repute.

Green Belt Development

Bhilai Steel Plant is committed to its environmental policy in which afforestation finds a pre-dominant place. BSP has put in a major effort to promote greenery in and around Bhilai. This includes organized tree plantation on large scale; development of gardens and parks in Mines, Works area and Township; rehabilitation of slag dumps; seed broadcasting and encouraging employees/citizens / students to take up green belt development.

Today Bhilai and its mines has an estimated population of 54.68 lakh trees. This comprises of 30.5 lakh trees inside the plant, and township and 23.5 lakh trees in the mines

Cumulative Plantation in plant, Township & Mines (in lakhs)



Greenery efforts during the year:

Plantation done in Township:	=	13834 (Nos.)
Road side plantation & length of road covered	=	3 lakhs & 150 Kms
Total area covered w.r.t. Land Holding area (%)	=	33 %
Cost incurred during the year (Rs.) (for plantation and maintenance)	=	3.75 Crores

Development of Gardens Inside & Outside The Plant

The plant and township are replete with gardens and trees. Some of the gardens developed inside the plant & township are:

Inside Plant 15 gardens over 30 acres inside the plant

3 nurseries with 25000 plants of 125 flora varieties.

BSP Township 6 major gardens including 'Maitri Bagh' the best garden in Chhattisgarh in 125 acres with zoo & Musical fountain.



Forestation Done In Bhilai Steel Plant Mines In The Last 8 Years:



	Area (Ha.)	Trees (Nos.)
Rajhara Mech. Mine	242.50	604250
Dalli Mech. Mine	204.00	517761
Jharandalli Mine	46.50	115000
Dalli Manual Mine	83.32	199525
Mahamaya Mine	18.20	39349
Total IOC	594.52	1475885
Nandini Mine	418.50	871477
Hirri Mine	126.43	328525

	Plantation (nos.)	Area (hectare)
2010-11	7500	3.00
2011-12	7105	2.84
2012-13	13834	5.53



BSP has accorded top priority for environmental awareness amongst its employees, School children & general public. Several environmental improvement schemes have been taken up under quality circles by the employees, which has resulted overall environment improvement, energy & resource conservation. A Six sigma project for fugitive emission control was also implemented in coke ovens.

43 eco-clubs registered with MoEF are functioning in BSP schools under the National Green Corps (NGC) programme of Ministry of Environment & Forests (MoEF). The students participate in the various environmental activities and awareness programmes in the township and commercial areas as listed below:

- ▲ **World Environment Day - 5th Jun.**
- ▲ **International ozone layer protection day - 16th Sept**
- ▲ **National Environment Day 25th Nov.**
- ▲ **National Pollution Prevention Day 2nd Dec.**
- ▲ **Mass tree Plantation**
- ▲ **Essays, Slogans & Poem competitions**
- ▲ **Field Trips to Observe surrounding industries (ACC)**
- ▲ **Organizing Lectures & Demonstration of Scientific Experiments**
- ▲ **Working Models**
- ▲ **Rallies**
- ▲ **Development of Vermi-composting practices**

These awareness programmes were attended by more than 20000 school children of various BSP & private schools.





PEOPLE PERFORMANCE

SAIL Is All About Its People



People Performance

WSA Sustainability Performance Indicators - Social Performance :

No.	Indicator	Units	2011-2012		2012-2013	
			BSP's Value	Indicator Value (World Avg.)	BSP's Value	Indicator Value (World Avg.)
1	Employee Training	Training days/ employees	12.04	7.7	12.103	8.1
2	Lost time injury frequency rate	Frequency/ million hours worked	0.39	1.9	0.23	1.6

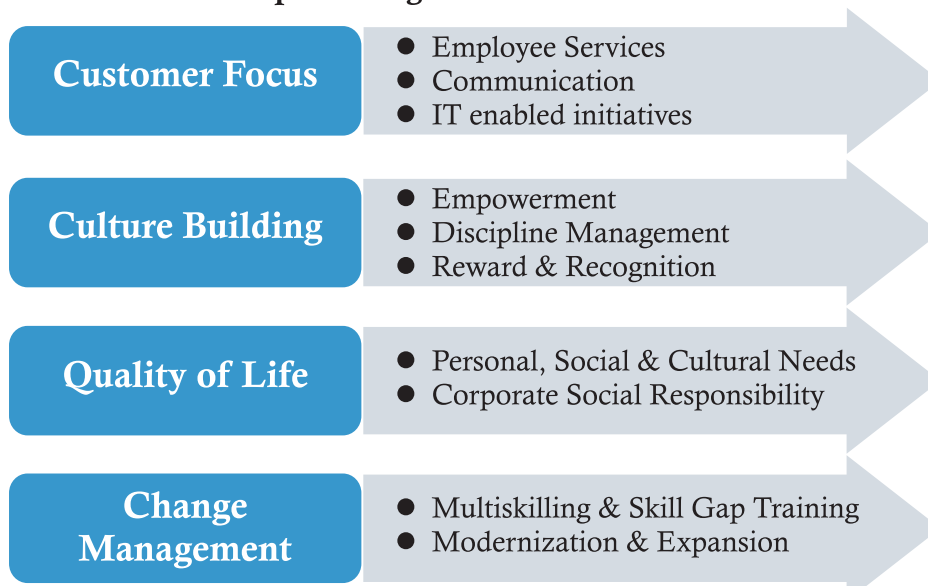
Labour Practices & Decent Work:

Bhilai Steel Plant has always held the view that people are its greatest asset. It has therefore voluntarily adopted the best international standards for employees welfare, strongly promoting workers rights to a decent workplace. BSP has adopted SA 8000 as a tool to improve workplace standards. Employees at Bhilai Steel Plant are treated with dignity and respect. Human Resource policies promote diversity and equity in the workplace, as well as comply with all labour laws, UN Global Compact Principals and international best practices. BSP being a public sector enterprise provides equal opportunities to all its employees, as per the Central govt rules, without regard to their race, caste, Religion, color, ancestry, marital status, sex, age and nationality. Employee policies and practices are administered in a manner that ensures that in all matters equal opportunity is provided to those eligible and the decisions are merit-based. The Company does not differentiate between male and female employees in terms of remuneration; for the same work or work of similar nature, male and female employees are paid equally. Remuneration is linked to responsibility levels and performance. The Company thus encourages its female employees to advance their careers with dedicated initiatives to promote the personal development.

BSP being a public sector enterprise provides equal opportunities to all its employees, as per the Central govt rules, without regard to their race, caste, Religion, color, ancestry, marital status, sex, age and nationality.

BSP aims at ensuring transparency, fairness and equity in all its interactions with its employees to create an enthused and happy workforce. BSP's Human Resource policy recognizes its people as the primary source of its competitiveness. It focuses on constantly updating and challenging intellectual capabilities to enable them to excel in performance.

People Management Processes



Human Resource Management:

BSP recognizes contribution of its Human Resources (HR) in providing the competitive advantage. BSP has achieved its present level of excellence through investing in its human resource, whose skill and knowledge constitute the basis of every initiative - be it technology or innovation. BSP provides an environment conducive for learning, encourages adoption of best practices in every area and nurtures creativity and innovativeness among employees. HR initiatives in BSP are focused on developing team spirit, employee empowerment and their involvement in various improvement activities. Strategic alignment of Human Resource Management to business priorities and objectives has facilitated smooth transition to state-of-the-art technology in the modernization and expansion projects.

Developing skills and capabilities of employees to improve manpower utilization and Labour Productivity is the key thrust area of Human Resource Management (HRM) in BSP.

Developing Employee Capabilities & Competencies

In order to develop its human resources for harnessing their potential to the fullest and for according ample opportunity for realizing individual as well as organizational goals, BSP has been making sustained efforts through various training and development activities with focus on preservation of skills, transfer of skills and knowledge, training in specialized/advanced skills and technology in collaboration with reputed organizations and development of effective managerial competencies through association with premier institutes. Preparing employees for tomorrow, for effectively taking up challenges and discharging new roles and responsibilities was given a major thrust. Overall, 54810 employees were trained against target of 44958 employees during the year on various contemporary technical and managerial modules.



BSP achieved the highest ever Labour Productivity (LP) of 327.8 TCS/Man/Year in the Financial Year 2012-13. The enhanced productivity with rationalized manpower could be achieved as a result of judicious recruitments, redeployment strategies, building competencies and infusing a sense of commitment and passion among employees to go beyond and excel.

Employment

In tune with the initial objective of the public sector to provide employment opportunities, Bhilai Steel Plant has offered considerable employment. Considering the social goals of the government and its own obligations, BSP has consistently endeavored to be a model employer. It has striven to distribute social benefits to its employees in good measure. In addition to this, BSP also contracts out jobs. The strength of the contract workers has been on the raise owing to expansion/modernization activities of the plant. Presently more than 25,000 contract workers are engaged in side the plant. All the employees of BSP are Indian Nationals. BSP inducts persons on its rolls, depending upon the needs.

BSP is committed to implement the SAIL CREDO, which clearly states for “Creating meaningful difference in the quality of life”. Being a public sector organization, equal opportunities are provided to all without regard to gender, caste, religion and marital status. During career progression promotions are strictly based on merit. Female candidates are also given ample opportunity in the new recruitments. Women are represented in good measure in executive cadre. Over the years, more and more women are entering this non-traditional sector.

Equal Opportunity:

BSP promotes equal opportunities through organization wide implementation of BSP HR Policy which emphasizes on creation of equal opportunity work culture. The company employs women in both technical and non-technical areas, the extent being 4.74 % of the total employees as on 31st March , 2013. In order to showcase achievements of our women employees, on International Women's Day, BSP organized “Shakti 2013” to celebrate the enduring spirit and strength of women while also organizing a programme on its shopfloor to honor women contract labour. To ensure fair treatment of women at the workplace, a committee headed by a senior woman officer of General Manager level is in place to address issues regarding prevention of sexual harassment. BSP employs about 4562 people from Scheduled Castes and 3992 from Scheduled Tribes thus enabling disadvantaged people to join the mainstream. BSP has been conducting special recruitment drive for specially disabled people (persons with disability) in which 15 nos. of persons are employed every year including executive cadre. As on 31.03.2013 BSP has given employment to 215 disabled persons.

Break-Up of Employees

As on Date	Works	Admn.	Township & Medical	Construction	Mines	Trainees	Total
1.4.2011	21971	2775	2929	424	2715	433	31247
1.4.2012	21124	2558	2710	436	2551	377	29789
1.4.2013	20333	2513	2513	128	2411	270	28486

Number of Employees by Gender and Age Group

Age	Male			Female			Total		
	10-11	11-12	12-13	10-11	11-12	12-13	10-11	11-12	12-13
<30	388	290	492	52	33	54	440	323	546
30-50	19520	16255	15658	849	758	738	20369	17013	16396
>50	9777	11780	10987	661	667	557	10438	12447	11544
TOTAL	29685	28325	27137	1562	1458	1349	31247	29783	28486

Employee Turnover

Age	Male			Female			Total		
	10-11	11-12	12-13	10-11	11-12	12-13	10-11	11-12	12-13
<30	18	17	26	4	1	2	22	18	28
30-50	17	21	7	3	1	1	20	22	8
>50	3	2	3	1	1	1	4	3	4
TOTAL	38	40	36	8	3	4	46	43	40

Location-Wise Breakup Of Employees :

Location	Executives			Non Executives			Total		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Bhilai	3245	226	3471	21310	1041	22351	24555	1267	25822
Mines (Dalli, Rajhara, Nandini, Hirri)	228	8	236	2329	64	2393	2557	72	2629
Regional Offices at Mumbai, Delhi etc.	12	3	15	13	7	20	25	10	35
Total	3485	237	3722	23652	1112	24764	27137	1349	28486

BSP does not maintain region-wise statistics. The turnover figures given above indicate only resignation cases.

Absenteeism

Year	Total man-days available	Unauthorised absentee Man-days
2010-11	8377356	146950
2011-12	8222891	128825
2012-13	7728496	127429

Contractual Employees:

Year	2010-11	2011-12	2012-13
Nos	11298	22299	25603

Labour /Management Relations

BSP has a system of single bargaining agent i.e. a recognized Trade Union elected by non-executives employees through the democratic process. BSP has structured forums for discussing various issues pertaining to Production, Welfare and Safety with Union. All major changes in operations involving work processes and other productivity-linked issues are carried out after discussion and consultation with the employees and the recognized trade unions of plant and mines. Local agreements are signed periodically with trade unions. Bhilai has a tradition of joint consultation and workers participation, through a wide network of bipartite forums, covering a wide range of organizational activities. The consultative approach has resulted in an atmosphere of mutual respect, trust and understanding between the management and workers. The area of activity cover work technology, employee's welfare, social amenities, environment and collective bargaining. Positive steps have been taken by the management to educate the people so as to have a clear concept of obligations of both parties.

The various policies, rules and systems, which affect employees like Performance Appraisal System, Promotion Policy, Grant of various Advances and Allowances, Disciplinary procedure, Motivation Schemes etc. are clearly defined and well circulated. There is total transparency in Management's functioning.

Further, extensive communication is maintained with employees through wide spectrum of platforms.

The basket consists of one way, two way and one-to-many forums; in different media, from print to web based.

Means of communication	Frequency	With	Issues/Remarks	Top Down/ Bottom Up
COMEX	Bi-annual	All executives	Company information; performance, financial results, business scenario, challenges.	↓↑
Shop Communication Forums	Monthly	Departmental employees	Company/Plant /Departmental issues	↓↑
Bi-partite forums e.g. Departmental Welfare Committees, Departmental Production Committees, Departmental Safety Committees	At Agreed frequency	Union Representatives / NMR	Policy issues. Feedback	↓↑
APP	Weekly	HODs	Performance related	↓↑
QIC	Monthly	Quality coordinators	Quality issues, improvement projects, Chaired by GM(Q)	↓↑
ICS Interactions	Annually	Officials of Internal customer-suppliers	Agreements on internal customer requirements	↔
Publications: Parikrama, Ripples E-publications: e-Spotlight	Monthly Fortnightly	All employees All employees	In-house magazines In-house magazines	↔
Wall Paper - Ispat Sandesh	Monthly	All locations	Company info	↓
CableTV/intranet news bulletin : Bhilai Reflections	Bi-weekly	Employees and their families	Important events. Relevant messages are covered	→
Intranet based departmental web sites	Continuous	All employees	All issues	↓↑↔
Information sharing forums at various shops	Weekly	Employees of Various shops	Departmental issues like challenges/ innovations are discussed	↓↑
Workshops on Labour Laws	Quarterly	Factory Managers & Contract Operating Authorities	Useful inputs on better appreciation and compliance of Labour Laws	↓↑
'Paraspar' - Info-sharing by topmost executives	Need-based	Executives of all levels	Experience sharing for professional development	↓↑
Mass Awareness programmes for combating recession by top management	Need-based	Cross-sections of employees	'Open and focused theme-based discussions	↓↑
Service with a smile (QOL)		All employees	Behavioural issues with customer focus	↓↑
ED (P&A)'s open forum	Weekly	All employees	'Open Door Policy' of top management'. Facilitates direct feedback as well as Grievance redress	↓↑↔
Open forums of Personnel Executives	Weekly	All employees	Sharing Ideas, Work, Learnings	↔

In-house Publications

Ispat Sandesh



E-Spark



SA8000: 2001 has been implemented across the organization. As per the requirement of standard, Non-Management Representatives (NMR), essentially non-executives, have been nominated from various departments. Fair representation of female employees for NMR has been ensured. These NMRs are primarily responsible for establishing communication between workers and management and implementing various procedures, practices and action plans.

BSP has a unique system for harnessing the creative potential, gathering and dissemination of information through involvement of employees at various levels and forums. BSP has many schemes like the suggestion scheme, quality circles etc. Selected QC projects are documented and published in the form of Booklet annually for the purpose of dissemination of knowledge and information, so that people can learn from the experience of others. Selected QC project teams are sponsored for national and international competitions, who have brought laurels to BSP from these competitions.



Recruitment & Career Development:

SAIL, the holding Company has its recruitment policy and BSP is implementing the policy at unit level. BSP has also formulated its HR policy. Further, the system approach of recruitment in BSP aims to fulfill manpower requirements as per the approved Human Resources plan in terms of age, qualification, skill, experience, physical standards with a view to fulfilling company's productivity objectives. There are well laid-out promotion policies for both Non-executives and Executives to ensure appropriate career development. The rigorous and objective system of

recruitment ensures fairness in all types of employment, including providing equal opportunities irrespective of religion, region or sex. Written test (objective type multiple choice questions) is used in all selection tests including those at lowest cadre. Subjective evaluations like interview are given only 20% weightage in the overall selection system. In view of manual contents of the plant jobs at the lower levels the aspirants are required to undergo elaborate physical ability tests.

Professional/ Employee Ethics

As clearly laid down in the service rules for all categories of employees, an employee shall at no time work against the interest of the company. He shall at all times conduct himself soberly on and beyond the organizational premises, and show proper respect and civility to all concerned.

Organisation has also framed its own rules and procedures covering service matters. At present, there are four sets of service rules that are force in Bhilai Steel Plant:

SAIL conduct, discipline & appeal rules 1977

Standing Orders (Plant)

Standing Orders (Mines)

HSL Discipline and appeal rule + HSL conduct rule

All the employees of BSP are covered by the Collective bargaining agreements; some agreements, which are department specific, cover the employees of those departments only. The notice period required, as per the provisions of the CGIR act, is 14 days.

Employee Benefits:

BSP provides the following Benefits to its employees, beyond those Legally Mandated: -

- ☑ Free Medical services to employees and their dependant Family Members
- ☑ Free water, subsidized electricity
- ☑ Housing
- ☑ Monetary incentives
- ☑ Night shift allowance
- ☑ Washing allowance
- ☑ Subsidised education
- ☑ Fuel subsidy
- ☑ Festival advance
- ☑ Advances for purchase of vehicles
- ☑ Scholarships to wards of employees
- ☑ School uniforms upto Primary level
- ☑ Leave for Child Care/Development
- ☑ Accident compensation beyond legal limits
- ☑ Long Service Award
- ☑ Well stocked Public Library
- ☑ Recreation centers / Sports facilities
- ☑ Community Halls
- ☑ Free Medical facilities for self and spouse after retirement
- ☑ SEWA
- ☑ Employee Family Benefit Scheme
- ☑ Life Cover Scheme

Novel Employee Welfare Initiatives

- ▲ Development of Integrated Payment Module to expedite the task thereby enabling employees to receive the payments in shortest possible time.
- ▲ Implementation of Separate Electricity Billing based on CSERC guidelines for BSP Employees and Third Parties in Township.
- ▲ Implementation of Uniform attendance format for all employees for better transparency and as a stepping stone for payment process for all employees on 1st of the month.
- ▲ Hospital Management System module upgraded with introduction of various new functions like Unique Patient ID, comprehensive indoor Patient Diet module, Duplicate receipts printing, etc.
- ▲ Implementation of CISF one time gate pass system which helped in providing better security.
- ▲ 3 additional Medical posts have been started inside plant.
- ▲ Mitan3-Global Personnel Office was set up.
- ▲ Rest Room cum Information Center for ladies was started.
- ▲ Sankalan- A consolidation of commonly used forms.
- ▲ Introduction & on-line feeding of "Perks"

All these benefits are provided to the permanent employees of BSP. BSP does not have part-time employees.

100% employees receive regular performance and career development reviews. BSP does not maintain statistics of minority group memberships. The overall male: female ratio in BSP is 20: 1. There is no difference in basic salary of employees of men and women. This depends purely on the scale of pay that they are in, and number of years of service etc.



Employee Services Mitaan - A Global Personnel Office

- ♣ A personnel office beyond working hours, runs in shifts
- ♣ 2 in works and 1 in T/ship
- ♣ Boundary less working
- ♣ Services & assistance to employee related matters



27403 employees received services in 2012 -13

Grievance Redressal Mechanism

Effective internal grievances redressal machinery exists in BSP separately for executives and non-executives. The grievance procedure in BSP has been evolved after sustained deliberations and consent of employees, trade unions and associations.

The grievances are dealt in 3 stages and employees are given an opportunity at every stage to raise grievances relating to wage irregularities, working conditions, transfers, leave, work assignments and welfare amenities, etc. Such issues are effectively settled through the time-tested system of grievance management. However, majority of grievances are redressed informally in view of the participative nature of environment existing in the Plant. As a result the grievances at higher level is almost nil. The system is comprehensive, simple and flexible and has proved effective in promoting harmonious relationship between employees and management.

"A total of 990 Employee Grievances were received during the Financial Year 2012-13 & All grievances are Settled"

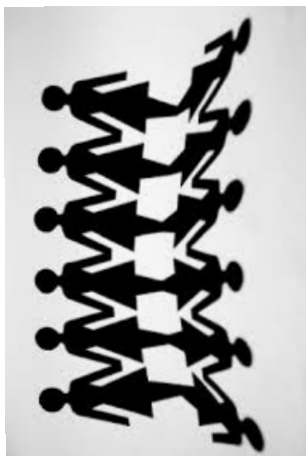
Harmonious Employee Relations:

BSP has a glorious tradition of conducive employee relations scenario. There has been a healthy tradition of settling the issues through discussions with trade unions/workers' representatives and this has helped in establishing a peaceful IR climate. The Company has an established system of workers' participation at different levels right from National level upto shop-floor level. Some of these forums are functioning since early seventies and are sufficiently empowered to address different issues related to wage, safety, and welfare of workers, arising from time to time thus helping in 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 a periodic basis and jointly evolve recommendations/ action plans for ensuring a safe & harmonious work culture which gets substantiated from the harmonious industrial relations enjoyed over the years by SAIL Plant/Units, marked with diverse work culture at multi-locations.



In addition, Quality Circles, Suggestion Schemes, Shop Improvement Workshops 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.



Aap Bhi Jaaniye

- ❖ An initiative to create appreciation among spouses of employees to the working environment
- ❖ Visit to Plant in General and employees actual work place
- ❖ Lunch at Base Kitchen
- ❖ Interaction with HOD

In 2012 - 13	
27 Visits	961 Spouses



6 National & 14 State Level Tournaments Organised in 2012-13



- ❖ Infrastructure & coaching in 29 disciplines
- ❖ National Handball Academy
- ❖ SAIL Athletics Academy
- ❖ Day boarding scheme in 11 disciplines
- ❖ Inter-departmental competition in sports for employees
- ❖ Upcoming Projects - Tennis Complex, Aquatics complex

Nurturing Sports Talents

Initiatives For Socio - Economic Development of SCs /STs & Other Weaker Sections Of Society

SAIL follows Presidential Directives on Reservation for Scheduled Castes and Scheduled Tribes in the matter of recruitments & promotions. As on 31st March 2013, BSP is located in economically backward regions of the country with predominant SC/ST population. BSP employs about 4562 people from Scheduled Castes, 3992 from Scheduled Tribes and 215 Disabled people thus enabling disadvantaged people to join the mainstream.

BSP has contributed to the overall development of civic, medical, educational Welfare Initiatives for Contract labour: BSP considers the contract labour working herein as one of its important stakeholders. Since 2009-10, BSP started special allowance for all contract labour and payment of Additional Welfare Amenity (AWA) to contract labour. Further, as a major policy decision, in case of a fatal accident of a contract labour at works, one of his/her eligible dependents is being given employment on compassionate grounds like regular employees. BSP has launched a Biometric Registration of Contract Labours with effect from 10th March 2012.

SA 8000 Awareness programmes for contract labours: BSP has adopted SA 8000 standard and is strongly committed to its Social Accountability objectives. For the contract labour deployed in BSP, regular awareness programs are conducted along with their safety training modules. During these awareness programs, valuable inputs are given to them about their statutory minimum wages, PF benefits, ESI benefits and other statutory benefits due to them, thus empowering them through Knowledge. These programs also serve as effective feedback channels for the management w.r.t the contract labours. No. of programs covering 45184 contract labours were held in 2012-13.

Safety

The Safety is treated at par with Production & Quality concern. Bhilai Steel Plant has adopted and implemented OHSAS-18001, the internationally accepted standard for Safety Management. Safety performance of the plant is reviewed by the top management during weekly review meetings, wherein safety & environmental performance is discussed first. All safety related incidents are discussed, performance of the safety systems is reviewed & allocation of resources is done on priority.

A full fledged department comprising of 30 Executives and 15 Safety Inspectors headed by GM (Safety & Fire Services) who reports to ED(Works), head of works as well as Occupier for BSP. The emphasis is placed on practices being proactive and preventive by the identification of hazards and the evaluation and control of work related risks. BSP has a well defined Safety Policy which has clearly specified the objectives and goals for enhancing Occupational Health & Safety.

To achieve the objective laid down in the policy annual Safety management programme is formulated every year. The Programme includes various Safety management efforts like:

- ◆ Regular Safety inspections of work areas, Safety Audits Internal as well as external.
- ◆ Investigation & enquiries into all accidents and near miss cases
- ◆ To enhance the involvement of the employees towards safety related issues, 216 non-executives have been nominated as Safety Stewards. They are empowered to take actions to eliminate potential safety hazards encountered by them in their work areas. In addition they propagate safety awareness amongst their colleagues.
- ◆ Safety awareness programmes like Safety talks, Safety Weeks, National Safety Day, Safety Propagation and Safety seminars etc.
- ◆ Job Safety analysis and Risk assessment and elimination.
- ◆ Providing and enforcing the use of PPEs.
- ◆ Safety awareness training programme covering 8000 employees and 900 executives per year. i.e. One third of employees every year.

By adopting good Safety management guided by OHSAS - 18001 standards, the risk related to Organisation's activities, Products & Services have been controlled and the efforts are on to achieve the goal of Zero accidents by continuously identifying and addressing the risks.

Enhancing Systems Effectiveness :

In order to strengthen the system several new initiatives have been taken.

- ▲ Apex Safety inspections in all the works departments by committee headed by Shop heads.
- ▲ Observation of each month of the year on different Safety themes
- ▲ Safety competitions on Best Housekeeping & Highest Near Miss Recorded
- ▲ Training of contractor workers
- ▲ Monitoring Contractual jobs from Safety point of view
- ▲ Imposing fines & punitive measures on Contractors in case of Safety violations
- ▲ BSP has also launched a Biometric Registration of Contract Labours to ensure their safety, security and identification.
- ▲ Elaborate fire awareness programs are conducted to educate employees and other stakeholders.
- ▲ Safety Engineering Department (SED) conducts mock drills from time to time to check system preparedness for disaster management.
- ▲ Gas Safety section of Energy Management Department conducts mock drills for possible gas leakage situations.
- ▲ A mega Insurance Policy is also in place to cover major assets against fire hazards.

Special Safety Drive:

Safety Exhibitions in all Factories and for employees' family members in township area, Celebration of Safety Week in various departments, Imparting Safety training to employees and School children, Organizing Safety competitions, Displaying Safety posters and models, etc.

Best Safety Practices

Infrastructure for training of contract workers is improved to include audio-visual facility and demonstration of use of PPEs on test-rigs is made for height jobs



Safety Performance/Data

#	Parameter	2010-11	2011-12	2012-13
1	Fatal	0	1	4
2	Non-Fatal Reportable	3	8	5
3	Accident Rate/1000	0.10	0.27	0.24
4	Near misses	91	96	101
5	Incidents	28	32	34
6	Dangerous Occurrences	06	07	09
7	Frequency Rate	0.04	0.11	0.09
8	Severity Rate	3.62	86.39	267.08
9	Fatality Rate	0.00	0.03	0.108
6	Man days lost due to reportable accident	263	7122	24438
7	Total costs due to injuries (In rupees)	Nil	7754730	9949416
8	No of employees (Regular +Contractual)	28400	32900	36900
9	Man-hours worked	70.4x10 ⁶	81.6 x 10 ⁶	91.5 x 10 ⁶

Occupational Health:

BSP has introduced the concept of total health care instead of need based curative services alone. To provide comprehensive health services, a National level Occupational Health Service Centre (NOHSC) is fully functional inside the Plant since Feb'1990. Since Aug'2011, the Centre is functioning as a central nodal agency sharing responsibility for coordination, compilation & reporting of OHS activities of all SAIL plants. NOHSC ensures preventive, curative & rehabilitative services for keeping the workforce healthy and protected. The various activities conducted at NOHSC are mentioned below:

Activities Conducted at NOHSC

- ◆ Periodic Medical Examination
- ◆ Pre-employment Medical Examination
- ◆ Executive Wellness & Superannuating medical examination
- ◆ Biochemistry & Toxicology
- ◆ Work environment monitoring
- ◆ Psychological assessment
- ◆ Health Education & Training
- ◆ Work Physiology & Research activities
- ◆ Epidemiological studies

OHS surveys:

After certification of OHSAS 18001, the recommendations of Industrial Hygiene surveys are being complied 100% and implemented by the different departments. Under Biological monitoring urine phenol estimation conducted for 30 employees on pre & post shift basis, Pathological test (CBC) also done for same 30 employees. Work place monitoring with respect to different hazards, conducted regularly in the plant (52 Deptts.) and Mines (5) area.

Plant Area:

Parameters	No. of Survey	No. of Locations
Dust	20	290
Noise	41	761
Heat	19	137
Gas/Chemical/ Welding fumes	17	156
Radiation	07	34
Illumination	22	158

Implementation of Some Recommended Engineering Control Measures based on Occupational Hygiene Survey

- ❖ S.P-II : New shift incharge room attached with central dispatcher room constructed
- ❖ Rajhara Mines: Installation of Acoustic cabin at vibrating screen floor. Noise exposure reduced from 101 dB to 89 dB.
- ❖ SMS-1: Dust Extraction System of Ferro alloy section + 8 Meter Level rectified and dust level reduced to 3.6mg/m³

Mines Area: (Rajhara, Nandini & Hirri Mines)

Parameters	No. of Survey	No. of Locations
Dust	08	75
Noise	01	11

Extending health care system beyond occupational health, BSP provides free medical aid to the employees and their families in the multi disciplinary super speciality JLN hospital with 860 beds, another 140 beds at Hospitals at 3 mines, sector-1 hospital & 10 health centres.

Success stories

Safety

- ❖ Learning from mistakes, the screw conveyor was replaced by Belt conveyor in CDCP area of BF. There by reducing the hazard involved in Screw conveyor.
- ❖ Monkey ladders provided to approach roof top of the Shop floor were replaced with staircases.
- ❖ Use of only steel scaffoldings
- ❖ Safety belts and single life-line Full body harnesses are completely replaced with double life-line full body harnesses.
- ❖ Wheel with proper guards to reduce hazards due to wheel breaking.
- ❖ Project safety has been given special emphasis keeping in view the on going MODEX schemes.
- ❖ The effectiveness of various efforts towards enhancing safety consciousness among employee is evident through the fact that the accident rate are kept at a minimum level.



Occupational Health :

Based on the OHS surveys & recommendations number of modifications & engineering controls has been carried in work areas every year so that the OHS risks are drastically reduced or completely eliminated. Some such success stories of in last 3 years is illustrated below.

Respirable Dust/Fumes control :

- ❖ Dedusting system of + 8ML Ferro Alloy section has been upgraded & modified dust level reduced from 6.70 mg/m³ to 1.85 mg/m³.
- ❖ Installation of new sand mixing system reduced sand dust concentration from 7.88 mg/m³ to 1.90 mg/m³ at Foundry & Pattern Shop
- ❖ Approved VOC Mask for Benzol plant workers.
- ❖ 100 nos of Green batteries have been procured by AR Shop in place of Acid batteries which are responsible for creating hazard free environment in Plant Area.



Noise Control :

- ❖ Hooter was removed & replaced by low volume bell from furnace control room pulpit 2 which helped in reducing noise from 96 to 91 dB in Wire Rod Mill.
- ❖ Enclosure in pulpit 19 & 23 reduced noise exposure from 98dB to 91dB in Rail & Structural Mill finishing area.
- ❖ The control room of compressed air station no. 3 has been modified (Double wall, Double door) sound level reduced from 92 dB to 79 dB.

Heat Stress :

- ❖ A blower with cooling arrangement has been installed in over bridge cabin in Plate Mill, Heat Stress reduced from 310 to 280C.
- ❖ RAM Post pulpit of Wire Rod Mill repaired resulting in heat stress inside the pulpit reduced from 320C to 290C .

Safety Training:

Safety Training was given special thrust to improve safety consciousness amongst employees and a large number of employees were exposed to various training programmes. Special road safety training imparted to school children also. The effectiveness of various efforts towards enhancing safety consciousness among employee is evident through the fact that the accident rate are kept at a minimum level.

Year	No. Participated in Safety Training
2010	40991
2011	40893
2012	68981

Safety for Contractor's Workers

- ❖ Induction training and Job related safety training to all contractor workers
- ❖ Training for working at height and medical check-up of contractor workers before issue of height passes and gate passes.
- ❖ Medical check-up of CPF covered contractor workers.
- ❖ Contractor safety audit on quarterly basis.
- ❖ Surprise inspections of contractual jobs by committee headed by DGM (Safety).
- ❖ Imposing fine for violations on Contractors & transporters
- ❖ Putting in Safety conditions in the contract conditions that use of full body harness and other relevant PPEs are compulsory.

Medical Examination:

A significant number of employees were medically examined and recommendations were given to each employee for better health care.

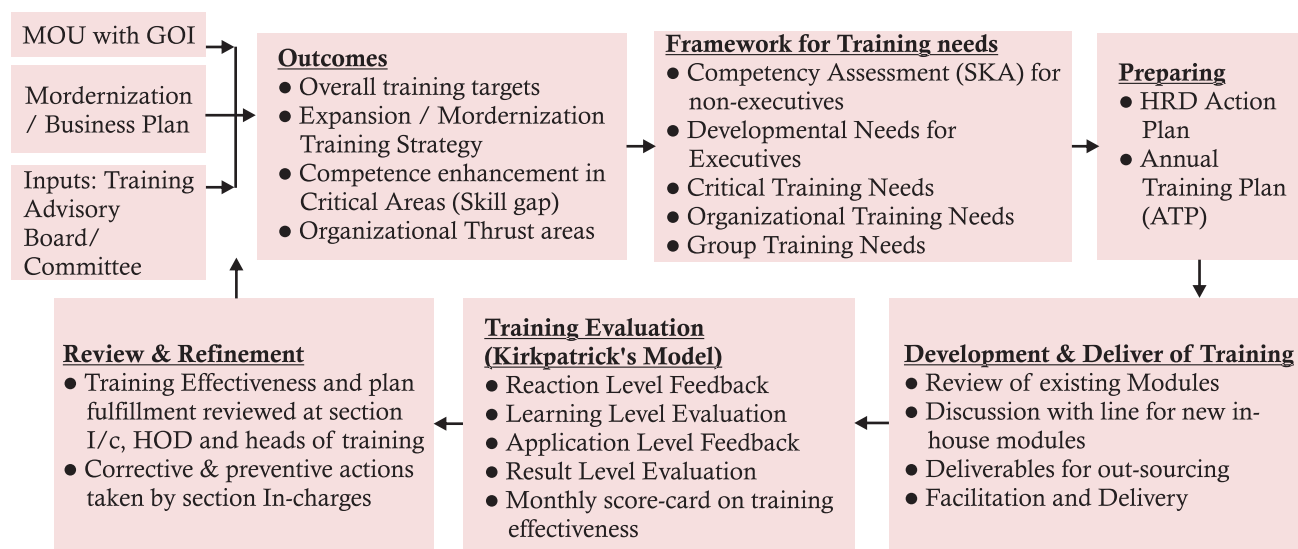
Year	Target	No. Medically examined
2010-11	9000	8615
2011-12	9000	8916
2012-13	9000	8512



Training and Development

The training process for meeting current and future needs of the employees is depicted. With reference to upcoming MODEX, the key HRD strategy is to develop a competent workforce for units coming up as part of modernization.

To address the issue of exodus/depletion of critical skill due to superannuation of employees, Critical Skill Gap Training Scheme has been drawn. The scheme is detailed under Succession planning scheme in non-managerial cadre. The developmental needs for the executives are identified by individual's reporting and reviewing officer as part of the online EPMS. The identified training needs are serviced centrally through Management Training Institute (MTI), SAIL for E6 and above levels and locally at Bhilai Management Development Centre (BMDC) for E5 and below level executives. For Non-executive employees, annual individual training needs are prioritized from the competency mapping database of 18,126 employees based on the determined competency gap with respect to the individual role. For the balance employees, training need is identified by the departmental training engineers/ coordinators in consultation with respective in-charges. A database of individual training needs and fulfilment is updated in a three-tier computerized application "TIMES" - Training Information Management Enhancement System. Similarly competency database has also been computerized. HRD manages a library and e-learning portal to provide knowledge resources to its employees. The Library consists of over 38,000 books, subscriptions to 200 journals and 14 newspapers. Besides this, Standards like BIS, BS, ASTM, DIN, ISO, etc. are maintained online.



Training Process for meeting current and future needs

BSP has developed a vast pool of 34 full-time and 230 part-time in-house trainers, who acquire proficiency through Instruction Techniques Programs or TOTO (Training of training officers) Programs. Innovative learning methodologies such as cartoons, live skits, experiential learning exercises, e-learning and games are used to simulate the learning environment as close as possible to the real context. BSP also organizes training by MoU partners like Siemens Ltd., SKF India Ltd., ABB Ltd. and other reputed training providers for advance/critical technical training skills required for existing units/modernization in specific areas of Automation, electro-hydraulics etc., to train our employees at HRD center itself. Specific training needs of employees are fulfilled by deputing them for training to reputed external organizations.

New Initiatives in Training

- ❖ Hands-on workshop by M/s DNV, Kolkata for Hazard Identification and Risk Analysis (HIRA) in new projects; 3 Workshops conducted for gathering line perspective & feedback on workshop based training modules with a view to updating modules and results are compiled.
- ❖ Survey conducted on effectiveness of EES training
- ❖ Massive “Bridging Critical Skills Gap” exercise was undertaken in CO&CCD department
- ❖ Case Study Documentation Competition organized.
- ❖ Program on Iron & Steel Making organized for the executives from BFs & SMSs
- ❖ Special training program titled “eMITRA” is initiated for training of Contract & Purchase Indenters on ERP MM module.
- ❖ Sustainability Reporting Awareness Training initiated with faculty support from CII-ITC Centre for Sustainability Excellence.
- ❖ “Business Excellence Through Synergy & Training” for creating awareness on Business Excellence, BSP@Excellence Seminars
- ❖ Workshop on Intellectual Property Rights (IPR)
- ❖ Developing Subordinates Through Mentoring & Coaching

Training Facilities And Types Of Training Imparted

Facility	Type of Training	Participants	Examples of Trainings held
Bhilai Management Development Centre	Techno-Managerial	Executives (E0-E5)	<ul style="list-style-type: none"> ♦ Innovation ♦ Strategic Management ♦ Action centered Leadership ♦ Sustainability Report Writing
HRD Centre (a)Workshop (b)Large Assembly Halls (c)Lecture rooms (d)Central Library (e)Computer Complex	Technical Skills Soft Skills Technology Advance Skills Systems Thrust areas Large Group Interventions	Non-Executives/ Executives	<ul style="list-style-type: none"> ♦ Trades training, ♦ FACE (Env.) ♦ Cost Control ♦ Capacity Building through ERP, Computers skills, ♦ Learning from each other (LEO) ♦ Technical training ♦ SAMEEKSHA.
In-Plant Training Centers	Process Management Problem Solving	Non-Executives	<ul style="list-style-type: none"> ♦ ISO:9001 QMS; ♦ ISO:14000 EMS; ♦ Plant processes

Training facilities at BSP/types of programs with target groups are shown in table above. During FY13, 14204 employees were covered under various long duration training programs and 17218 employees were covered under short duration programs far exceeding MoU with the Ministry of Steel, GOI for training 35% of workforce annually. Training programs like Total Team-work, Action centered leadership and Strategic Management have been specially tailored to suit the development needs of executives.

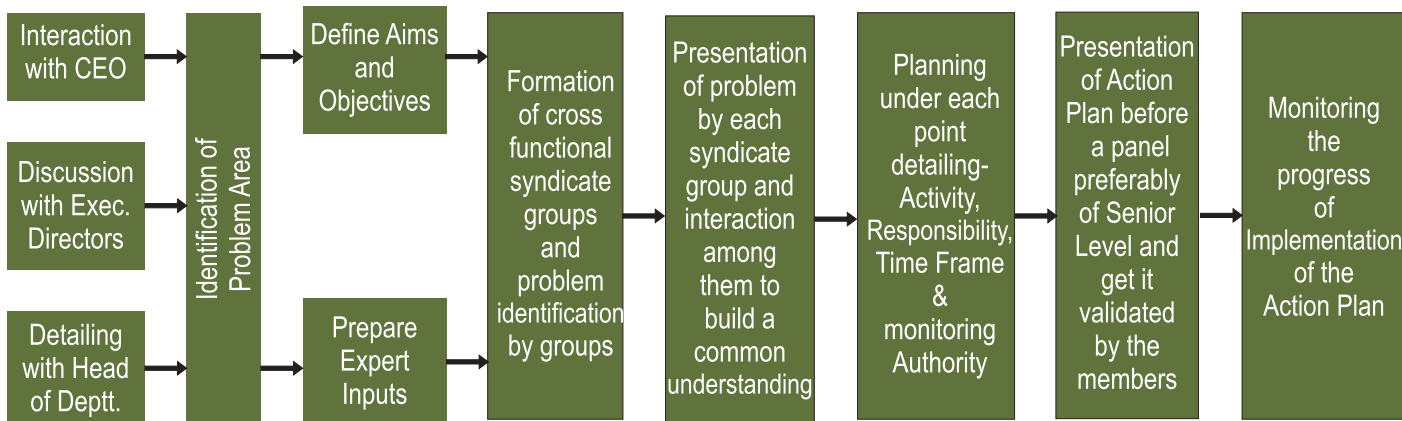
In order to continuously customize the training modules to suit the context and prevailing requirements, major new initiatives taken in the area of Training during FY13, are shown. With the Kick-off ceremony of TPM in two major departments, Implementation of TPM as a maintenance strategy has been launched in Blast Furnace and Plate-Mill of BSP. Value Engineering is deployed as an important tool and VE workshops are organized to drive improvement projects.

Feedbacks for training are reviewed on monthly basis and steps like counseling of faculty or change in content/ processes reinitiated for improvement. The refinement measures have helped to maintain overall effectiveness of the training programs as reflected in a monthly composite score card, derived as an indices to look at reaction level, learning level, application level and result level effectiveness comprehensively.

BSP offers unique mix of training and development opportunities to its employees Leaders superannuated from BSP, are in leadership positions in some of the reputed private sector companies like JSPL, Ispat Group, JSW, ESSAR etc. BSP is also one of the first companies in India to take advantage of the Skill Development initiative scheme (SIDS) of government of India and to become a vocational training provider for certification of skills for its electricians.

Performance Improvement Workshops:

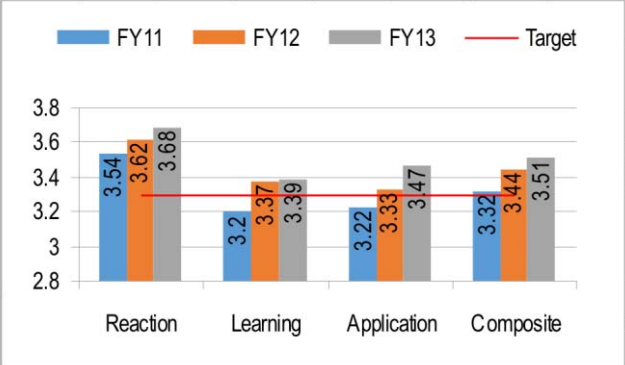
Performance Improvement Workshops (PIWs) have been identified as effective result-oriented HR interventions to help people improve their performance, with the objective of addressing techno/managerial problems hindering plant performance. PIWs provide a practical platform to shop-floor problems which can be solved by interfacing between different groups as well as outside the department. PIWs on 11 different topics were organized during FY13.



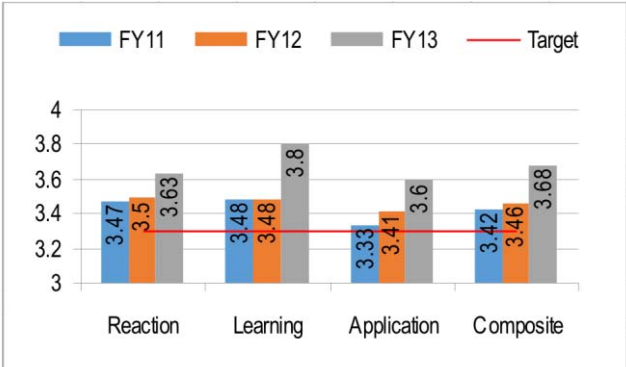
Performance Improvement Workshops

All training programmes are evaluated for effectiveness as per Kirkpatrick's Model. Additionally, on a month to month basis, the reaction level, the learning level and the Application level feedback on effectiveness of training programs are aggregated in different sections of HRD and normalized on a 4- point scale to arrive at a unique composite effectiveness score-card, to indicate the over-all effectiveness of

training programs section-wise and HRD as a whole. This training effectiveness score-card was introduced in FY11. It can be seen in the figures below that the composite and other effectiveness levels of training programs are consistently above the target set for the year.



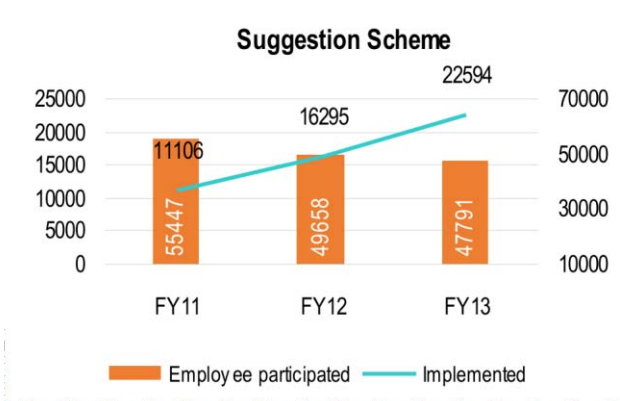
Engineering Skills at Workshop



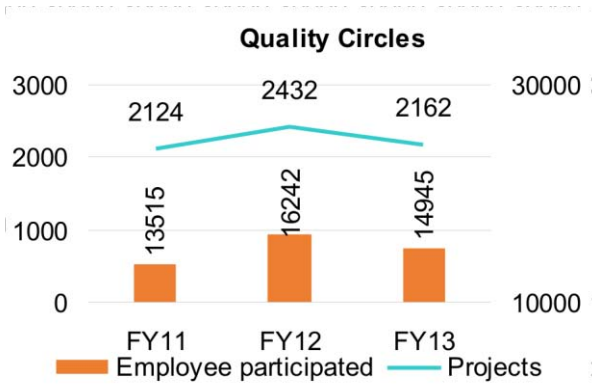
Basic Computer Skill

Involvement and Engagement

For the involvement of employees, BSP has many schemes like Employee Suggestion Scheme, Quality Circles, Cross Functional Teams, etc. in place.



Participation in Suggestion Scheme



Participation in Quality Circles

Quality Circles

- ❖ Deeply embedded QC movement
- ❖ Teams sent to National as well as International Conventions
- ❖ Have won laurels consistently



In 2012-13

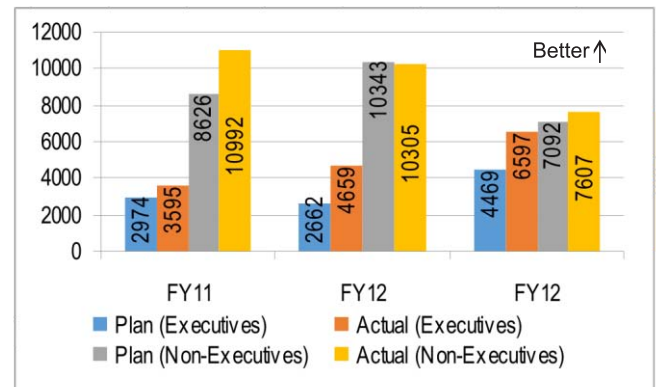
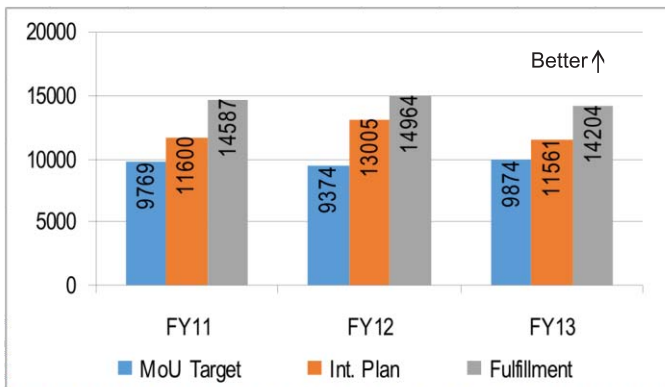
2162 Projects	14915 Employees
Savings potential of Rs. 160.06 Crores	

Value Engineering Projects

9 projects undertaken in 2012-13 with a savings potential of Rs. 44.09 Crores



The trend of training needs fulfilment is rising as compared the target set as per the MoU on training with MoS. The internal targets are fixed over and above the MoU targets to ensure compliance.



Training plan fulfilment for Executives and Non Executives

BSP has been maintaining a very healthy labour productivity which is above the SAIL average. The downtrend in FY12 was due to problems in coke oven batteries. BSP provides a promising career, job security, opportunity to experiment and also avenues for professional growth on one side and excellent amenities and a very congenial atmosphere. This is evident from a very low attrition rate of the employees which is maintained around 0.14% in the last years .BSP has lost not a single man-hour due to industrial issues in more than past three decades.

“SYNERGY”

A monthly forum in which CEO and all executive directors interact with people directly on all the plant related issues. The progress on the issues is monitored and reviewed in subsequent Sessions of Synergy



Training details in 2012-13

S.N	Topic/Type of Training	Duration of Trg (Total man days)	Trainer(S) Internal/External	Persons trained (Nos)			Description of persons trained	Level of persons trained
				Exe.	Non exe.	Total		
1	Fresh Entrants	69948	External/ internal	43	269	312	Employees of the works, non works, mines area	Trainees in the level of executives in E0- E8 grade and non executives in S1-S11 grade.
2	Competence Enhancement	23377	External/internal	3460	5486	8946		
3	Specific Areas	2761	External/internal	336	874	1210		
4	Foreign & External Training	6754	External	1180	582	1762		
5	Other Areas	14909	External/internal	1578	396	1974		
6	Total	117749		4659	10305	14204		

Other Training Programmes

7	Senior Management Training (E9 and above)	13	External	3		2	Executive directors	E9 and above
8	Safety Training of contract labours	45184	Internal	-	-	45184	Contract labours	Contract labours
9	Safety training	6553	Internal	735	5818	6553	Regular	Regular
10	One day programme	17218	External/ internal	4310	12908	17218		Both Ex/Non Ex grades
11	Quality Circle (1 day programme)	350	Internal	54	296	350		Non ex grades
Total other Trainings		69318						



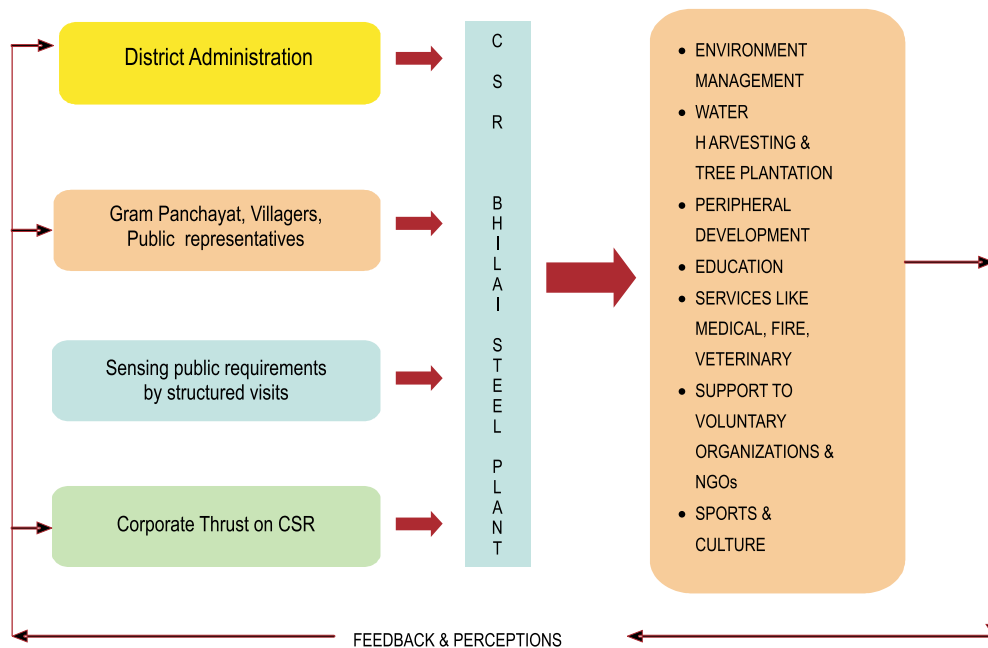
COMMUNITY PERFORMANCE
Spreading Smiles

Community Initiatives :

Looking Beyond Steel

Since inception, BSP has endeavoured to discharge its social obligations by contributing to the welfare of its customers, employees, suppliers and communities. In this context, BSP's initiatives cover an entire gamut of societal concerns including environment management, increased access to health, education, improved water and sanitation, electricity, roads, ancillary development, etc. to ensure overall development in its areas of operation. Thus, through these initiatives, BSP has made social responsibility a business maxim, integrating it into its business vision and processes.

Every operation and business process is designed and operated keeping in view of their impact on society which has earned respect for BSP in the region as a responsible member of the society and as an employer that cares for its people. The approach to various interventions is shown in below:



BSP has been shouldering its societal responsibilities based on its commitment towards ensuring sustainable development. The present green and modern Bhilai is the outcome of continuous efforts in creating, maintaining and enhancing social as well as environmental infrastructure in the last 50 years. Sustained investments in these areas have led Bhilai to become a major hub of industrial activities in Chhattisgarh state and a centre of excellence in terms of educational, cultural and sports infrastructure.

MoU signed with MoS provides a direction to CSR initiatives and their objective assessment as per norms. Internal Evaluation of MoU parameters related to CSR by Center for Research in Rural & Industrial development, Chandigarh, which has been assigned this responsibility for all the units of SAIL including BSP. Five major CSR projects of mid-day meals to school children, education to needy, Health services to community, Vocational training to under privileged & Infrastructure development in Model Steel Villages (MSVs) have been included in MoU parameters along with expenditure on CSR as % of PAT. BSP has a separate department

Corporate Social Responsibility (CSR), headed by General Manager (CSR), which dedicatedly works to ensure CSR interventions based on the needs and expectations of society.

The contribution of BSP to the society has been recognized globally in the form of CII-ITC sustainability award for 6 times (3 prizes and 3 certificates), Golden Peacock Award for CSR activities to Bhilai Steel Plant for four years in FY08, FY09, FY10 and FY12. National Skoch award to Swayamsiddha project of CSR and Medical and health services provided in periphery in the year 2011 & 2012.

Major areas of CSR interventions

- ◆ Education
- ◆ Mid-day meal
- ◆ Medical & Health services
- ◆ Vocational training
- ◆ Livelihood generation
- ◆ Women empowerment
- ◆ Adoption of tribal children
- ◆ Home for Senior Citizen
- ◆ Sports & cultural activities
- ◆ Support to differently-abled
- ◆ Tree Plantation
- ◆ Solar Energy systems

Understanding Needs and Expectations of Society

The perceptions of the society are gathered every year through various means as shown below:

LEVEL	FORMAL FRAMEWORK	INFORMAL FRAMEWORK
CEO	a) Meetings with - - Central, state and district administration authorities - People representatives - Parliamentary bodies - Industrial and commercial associations - Customer and supplier groups	a) Press reports, media coverage b) Interactions with various award assessors like PM's Trophy, CII-Exim Bank award, etc. c) Interactions with EMS, SAMS, OHSMS auditors d) Interactions with society representatives during various public functions
Head of Medical Services	a) Meetings with employee - 'Sadbhavna' programme" b) Weekly open forum with patients c) Patient feedback surveys	a) Various medical camps organized under CSR b) Interactions with local IMA chapters and clinical associations
Head of Finance	a) Meetings with Sales, Excise, Income Tax authorities	a) Interactions with local chapter of ICWA, ICAI, CSI, etc.
Head of Personnel	a) Open forum with employees and general public b) Meetings with peoples representatives, employee representatives	a) Interactions during functions organized by local chapters of various academic, sports and cultural associations
Head of MM	a) Meetings with local vendors, ancillaries	a) Interactions during IIMM functions
Head of Town Services	a) Meetings with local govt. / municipal authorities b) Open forum	a) Interactions during functions organized by local chapters of various academic, sports and cultural associations
Head of CSR	a) Meetings with people representatives. b) Feedback / Survey reports from beneficiaries c) Feedback from NGOs / Partners	a) Interactions with ministry officials and corporate CSR group b) Interactions with society representatives during various public functions

Feedback From Partners:

A 'convergence approach' has been adopted for optimization of resources, initiatives and results. For this purpose BSP has entered into partnership arrangements with some leading NGOs / State Nodal Agencies having rich experience and strong brand image in their respective fields of social service. Feedback on the perceptions of people is also obtained through the partnership channels of these partners.

CSR Projects along with Respective and Strategic Partners :

CSR Project	Strategic Partner	Understanding Needs and Feedback
Mid-day meal	Akshaya Patra and CG govt.	Regular association provides understanding on needs/feedback.
Fish Harvesting	Fish Farmers Development Agency, Durg	Fish seed quality, quantity, treatment of pond water
Welfare of Physically challenged	PRAYAAS and MUSKAN (NGOs)	Physiotherapy unit for rehabilitation installed based on feedback
Lok Kala Mahotsav	State Cultural Department	Selection of Artists - guidelines (Continued)
Smokeless Chulhas	Art of Living Foundation	Design and installation, training
Sports & Culture in Bastar	Ram Krishna Mission	Needs identified through partner

Baseline survey of MSVs	Society for Rural Industrialization	Baseline survey of 21 MSVs perspective survey
Tree plantation	CG van Vikas Nigam	Variety of saplings, technical guidance, maintenance
Mushroom cultivation	Jan Sewak Samiti	Hut design, Know how, marketing support
Developing trained Nursing Staff	PG College of Nursing, Bhilai	Course Design and Training Support
Vocational Training	Chhattisgarh State Skill Development Mission, Chhattisgarh	Training design and assessment for National Council for vocational training

This approach provides for smooth implementation, continuous monitoring, feedback and review of the project with our strategic partners, who are expert agencies in their respective field.

Surveys and Programme Specific Feedback:

A system of receiving continuous feedback in a structured manner has been implemented in three projects viz. Vocational Training, Medical camps and Bhilai Ispat Kalyan Chikitsalaya.

<i>Feedback of Vocational Training</i>		
S.N.	Parameter	% Satisfaction
1	The training is beneficial to the Trainees.	100
2	Availability of resources was adequate for the training.	100
3	Knowledge of the subject and presentation of the trainer was appropriate.	100
4	This training is beneficial for employment / self-employment.	100
5	Duration of training program was adequate.	82



<i>Feedback of Bhilai Ispat Kalyan Chikitsalaya</i>			
Bhilai Ispat Kalyan Chikitsalaya (BIKC)		% Satisfaction	
SN	Parameter of Survey	FY12	FY13
1	Are you getting free medicines and blood test	100	98
2	Will you advise others to avail this facility	100	100
3	Cleanliness and Hygiene		100
4	Are you satisfied with services offered by Doctors/ Efficiency of doctors at BIKC	100	98
5	Are the medicines easily available in the Hospital	92	-
6	Are you satisfied with the timings/ working hours of Hospital	64	96
7	Behaviour of Nurses and paramedic staff	-	100
8	Current Location of BIKC	-	98
9	Setting up of new medical center in Bhilai like BIKC	-	100

<i>Patient Survey</i>			
Patient Feedback (Better ↑)	FY11	FY12	FY13
Satisfaction level on OPD Services	57.14%	58.50%	61.03%
Satisfaction level on IPD Services	61.50%	63.45%	67.53%
% Respondents with positive perception	97.34%	98.68%	98.23%

<i>Impact Assessment of Akshaya Patra Mid-Day Meal Programme</i>	
INDICATORS	IMPACT
Enrollment and drop out	Positive impact in primary (8%) and upper primary (12%)
Attendance	Improved by 14% for both boys & girls
Class room performance	No major impact
Regular intake of meal	90% students
Impact on health status of students	60% of teachers revealed that it has positive impact



Impact assessment of Akshaya Patra Mid-day meal program was done by Nielson-ORG Centre for Social Research. An affordable and quality medical service provided by BSP to all, is considered as boon for the people of Durg-Bhilai region. The large number of (more than 50%) non-BSP patients, registering for treatment in BSP hospitals, shows the positive image of medical services of BSP in the society. Through a system of structured survey, Medical and Health Services department of BSP collects feedback and perception of the medical services provided by BSP. Several improvements have been brought about based on the feedbacks received in the survey which includes improving sanitation, maintenance and care of patient; improving canteen facilities at the hospital, improved waiting hall facilities in ICU and Radiology; attitudinal and behavioral workshop for medical staff, etc.

Third Party Surveys

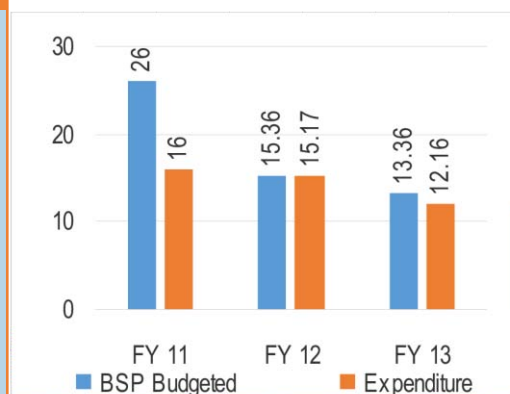
In a constant endeavor to ascertain the true perception, feedback and requirements of our societal stakeholders, services of independent agencies which are expert in their domains have been enlisted. These new measures have been adopted to ensure proper planning, review and renewal of approaches & interventions.

SURVEY TYPE	SURVEY AGENCY	SURVEY PURPOSE
Impact assessment	NABARD Consultancy services (NABCONS)	Assessment of impact of 6 CSR projects in the field of Health and Education for further enrichment
Baseline survey of MSVs	Society for rural Industrialization, Ranchi	To prepare perspective plan for holistic development of 21 Model Steel Villages in the 2nd phase.
Baseline Survey	Supporting Entrepreneurs for Sustainable Development (SEED)	For preparation of perspective plan for buffer zone villages in Rowghat Mining area.
Internal Evaluation of MoU parameters (CSR) with Ministry of Steel, GoI	Centre for Research in Rural & Industrial Development, Chandigarh (CRRID)	To assess the fulfilment of MoU parameters and impact of the projects on the society

The manner, in which people of the surrounding villages welcome the team of BSP CSR group, indicates the credibility and respect for BSP's social responsibility track record. The popularity and acceptance of Lok Kala Mahotsav, organized by BSP for promoting the folk art of Chhattisgarh, is evidenced by the fact that every year 18 to 20 teams have to be regretted for inclusion. The appreciative perceptions of numerous visitors to Bhilai Ispat Vikas Vidyalaya (BIVV) & Bhilai Ispat Kaushal Kutir are recorded in the visitor's book. The wide appreciative coverage of CSR activities by press is a testimony of BSP's commitment to the wellbeing of the society. CSR department gathers and collates all the inputs received through formal or informal channels and a tentative Departmental Action Plan (DAP) is formulated in the beginning of the financial year. The reduction in allocation for CSR is due to reduction in profits.

CSR Initiatives -Targets and Results

SN	Parameter (Better)	Target	FY11	FY12	FY13
1	Intake in school for children from BPL families	50	25	50	50
2	Vacation training to students from Professional colleges	5000	4850	5895	6100
3	Medical camps in Villages	305	231	301	302
4	No of patients in camps	--	32000	46000	47100
5	OPD patients in Bhilai Ispat Kalyan Chikitsalaya	24000	19886	22096	20390
6	Vocational training to unemployed	500	652	617	483



CSR Initiatives Undertaken During FY13 and Corresponding Targets and Results

SL	CSR Initiative	Target	Result
1.0 Infrastructural Constructional Activity			
1.1	Development of Model Steel villages.	5 MSV	Completion of physical infrastructure in 5 MSVs.
1.2	Constructional Activities in periphery.	5 Community Hall 4 Community Toilets 12 Bore-wells	4 community hall and 3 community toilets constructed in peripheral areas. 12 Nos. bore wells dug in Durg/Bhilai area.
2.0 Medical & Health Services			
2.1	Special Camp (physically challenged.)	1 Camp in FY 13	Organized from 8 to 12 Jan'13. 235 persons were distributed appliances such as crutches, Hearing aids and Calipers etc.
2.2	Regular Medical Camps and eye camps in MSVs in Rowghat area.	305 Camps in FY13	Total 302 camps organized Rowghat area providing services to more than 47000 patients. 37 free IOL surgeries were also performed. 1610 spectacles were distributed.
2.3	Health care & family welfare		4660 persons covered under the program. Vaccination administered to 45516 under RCH (Reproductive Child Healthcare). 1063 persons covered under D.O.T.'s program.
3.0 Education			
3.2	Mid-day meal through Akshaya Patra	25000 meals /day	Meals supplied per day to 153 government schools
3.3	Honhaar scheme	10 /per year	7 meritorious students of MSVs provided specialized coaching in premiere Institutes
3.4	Educational Tour for Tribal Children	1 Educational Tour per year	100 students from distant Naxal affected Abhujmar (Bastar) area were taken to Chennai for an educational tour.
3.5	Adoption of tribal children	40 tribal children per year	229 Tribal children have been adopted so far for education upto class XII. Free lodging, boarding & education facility provided
4.0 Income / Skill Generation Schemes			
4.1	Vermi Compost	25 Units in FY13	20 Vermi compost units have been established in 3 MSVs. 120 farmers have been trained in three programs. Training unit has been established in Kaushal Kutir.
4.2	Mushroom Cultivation	2 Units in FY13	A Mushroom cultivation unit and a Mushroom spawn production unit has been established in BIKK. One unit developed by SHGs at MSV Dhaba.
4.3	Fishery project	1 Project in FY13	A fishery project has been started in MSV Borigarika for a group of 5 BPL beneficiaries in partnership with Fish Farmers Development Agency Durg.

5.0	Vocational Training Center - (Bhilai Ispat Kaushal Kutir)	500 Trainees per year	New courses of Mobile repairing, Computer data feeding introduced during the year. Total 481 trained in 13 courses. A new project "JEEVAN JYOTI" launched during the year under which unemployed girls / women are provided short term training in Nursing courses of Nursing Aids and Bedside Nursing Assistant.
6.0	Swayamsiddha	2 New Schemes with SHGs	A self-help group (SHG) of 15 BPL women is managing Swayamsiddha marketing outlet. Income generation schemes of Durry weaving, Candle making, Quilt stitching, Processing of Mushroom products etc. Sweet box making project started during the year.
7.0	Bhilai Ispat Siyan Sadan - Old age home for elderly	Develop a garden and sustain facilities	A garden has been developed in the campus during the year. All the rooms are occupied; 20 families living in furnished rooms with facilities like Mess, recreation, internet etc.
8.0	Solar Energy systems	One Village	Solar lights installed in one village in Rowghat area.
9.0	Sports and cultural.	One khelmela, two foot ball tournament, one inter MSV sport, one Lokkala Mahotsav, & 5 Grameen Lokotsavs	Inter MSVs Sports organized at MSV Dhaba. Khelmela organized at Narainpur from 21st to 23rd April at Ramakrishna Ashram, Narainpur. About 1500 tribal children from 31 schools / 136 villages participated in the event. All India Football Tournament organized at Narainpur, Antagarh and Kanker. Football tournament was also organized at Antagarh. 36th Chhattisgarh LokKala Mahotsava 2012, organized in Mines and Bhilai location. Grameen Lokotsava 5 Grameen Lokotsava were organized in MSVs.



Year	No. of Queries Received	No. of Queries Replied
FY11	993	993
FY12	945	945
FY13	1036	1036

BSP's activities and its plans are communicated to the society through press conference, electronic media, press releases, magazines, dedicated news in local channel etc. The information regarding company's policy and activities is also displayed on the SAIL website (www.sail.co.in). All the RTI queries are replied within the purview of RTI act.





WELFARE OF TRIBAL CHILDREN

- ✎ 20 Students adopted per year from 2002
- ✎ Complete, Education, Lodging, Boarding facilities provided
- ✎ Necessary guidance given for higher education & scholarship provided

*56 Children from Clas X to XII at Bhilai
and
80 Children in Class VI to IX at Rajhara
in 2012-13*



Women Empowerment

- ✎ Empowering Women Through Self Employment
- ✎ Tailoring, Achar, Papad, Agarbatti, School & Fancy Bags, Candes and Sweet Box Making
- ✎ Processing of Mushroom Products
- ✎ Handloom for Durrty Weaving etc.
- ✎ Swayamsiddha Outlet for marketing of these products





Caring for Senior Citizens - Siyan Sadan



- ✧ BSP has established "Siyan Sadan" to take care of the Senior Citizens.
- ✧ Furnished with amenities like furniture, fridge etc.
- ✧ For recreation Chess, Carrom, News Papers, TV, Computer with Internet Facility etc. provided.
- ✧ Visits on Occassions



CSR in Rowghat Mines in 2012 - 13



- ➔ 16 Medical Camps - 6409 patients treated, 36 patients referred to BSP Hospital, 416 spectacles were distributed at Rowghat.
- ➔ Khel Mela & All India Football Tournament at Narayanpur.
- ➔ Solar lights installed at Phulpad Village & Rowghat Area.
- ➔ 120 Scholarships distributed to Rowghat Students & 60 to Rajhara Students.
- ➔ 14 Medical Camps - 5232 Patients treated, 353 Spectacle were distributed at Rajhara.
- ➔ 16 Tribal Girls Sponsored for Bsc. Nursing at Bhilai.

Involvement with National Health Programme:

Medical department actively participates in the ambitious programme of Central government, viz. National Rural Health Mission (NRHM). This programme is aligned with the United Nations' Millennium Development Goals (MDGs) the aim of which is to positively influence the health status of global citizens by year 2015. The major MDG goals related to health are reducing Infant Mortality Rate (IMR) and Maternal Mortality Ratio (MMR). Apart from this, other major concern areas are halting the spread of HIV/AIDS and other diseases like Malaria, Tuberculosis, etc.

S.N.	MDG INDICATOR	MDG Target (By year 2015)	National average (FY13)	Achievement		
				FY11	FY12	FY13
1.	Infant Mortality Rate (IMR) per 1000 live births	27	47(2011)	47.69	37.05	26.0
2.	Maternal Mortality Ratio (MMR) per 100,000 live births	109	200(2010)	591	283	267
3.	Combating various diseases	❖ To be halted ❖ Reverse the spread of HIV/AIDS. ❖ Reverse the incidence of Malaria and other major diseases.		Beneficiaries		
4.	HIV/AIDS - AIDS awareness programme a. AIDs awareness programme during Family planning camps b. School AIDS awareness programme c. AIDS Day programme d. AIDs Awareness Programme during CSR camps e. Employees awareness programme			12900	18300	21500
				3200	4500	4500
				2800	5800	6000
				4000	3000	5000
				900	2000	2000
5.	Malaria a. Screened for malaria parasite b. Total positive			2000	3000	4000
				17393	16806	13627
				304	186	170
6.	Tuberculosis a. Proportion of tuberculosis cases detected and cured under DOTS b. Death rate associated with tuberculosis			75.5%	81.8%	84.1%
				2.45%	2.67%	1.44%

Creating excellent Medical & Health Care Services

- ✧ 860 bedded Main Hospital with Super-specialty facilities
- ✧ National Model Occupational Health Service Centre.
- ✧ 24 x 7 Main Medical Post inside plant.
- ✧ Average Hospital survival rate of 96.48 %.
- ✧ Recognized for DNB PG programme in 12 disciplines. Total DNB pass-outs 114 (till 01.05.12).
- ✧ 45516 doses of various vaccines administered in RCH Programme
- ✧ 21500 persons covered under AIDS awareness program.
- ✧ 756 persons covered under Cancer awareness and detection program.
- ✧ 46 Sickle cell screening camps organized covering 2076 persons. Counselling of 116 families.
- ✧ Treatment of 26519 non BSP persons (52% of total) in IPD.



Creating an Educational Hub

- ❖ 34 schools run by BSP with more than 18000 students. 17 Nos. schools having 5S certification.
- ❖ 42 Eco-clubs to spread “Clean and Green Bhilai” spirit.
- ❖ 50 private institutions given grant in aid, land etc.
- ❖ Support to 12 colleges.
- ❖ 266 Scholarships to wards of employees for higher studies.
- ❖ More than 600 students selected in IIT till date.
- ❖ Ratio of girls to boys in education is about 1 : 1.
- ❖ Ethics club in 16 schools of BSP to inculcate moral values in children.
- ❖ Admission in Class-I granted in line with provisions of RTE Act, 2010 with 25% seats to students from disadvantaged groups.
- ❖ QCFI best Public Sector Organization Award 2012 for Education department for initiative in school education.



Infrastructure and support for Sports, Cultural & Recreation

- ✦ Mega drawing and painting competition for students of Rowghat.
- ✦ Football tournament at Kanker (Baster).
- ✦ Sports and Recreation Group for supporting talents in the fields of sports and culture and promoting activities at the District, State, Zonal and National level.
- ✦ Sports Complex: Six standard stadiums with facilities for 29 games.
- ✦ National Academies for Handball and Athletics.
- ✦ Day Scholar Scheme for Athletics, Boxing, Hockey, Football, Basketball & Volleyball, Powerlifting, Kho-Kho, Badminton.
- ✦ Specific sports ground for differently-abled persons.
- ✦ Cultural Centers: Three modern cultural halls with 1200, 600 and 400 capacity including one at Rajhara Mines.
- ✦ Gardens: 20 gardens in the plant premises and township including Maitri Bag spread in 125 Acres with a Zoo having more than 300 animals of 38 species (15 endangered) governed by regulations of Central Zoo Authority. It is also involved in breeding of tigers and Animal exchange programmes. It is also equipped with one of Asia's biggest Musical Fountain.



Development of Periphery

- ❖ Cumulative Construction of total 106 cultural halls, and community halls in villages.
- ❖ De-silting of Ponds / farms in Mines area.
- ❖ Construction of 24 Community halls, 26 classrooms, 42 Bore wells, 8 cremation sheds, 2 bus stops, 5 community toilets and 8 cultural stages in during last 3 years.
- ❖ Construction of auditorium of 2000 capacity in village Utai.
- ❖ Marketing outlet SWAMSIDDHA SHOP in Sector-10 market for marketing of products manufactured by SHGs.
- ❖ Income generation schemes of Achaar, Papad, Agarbatti manufacturing, Stitching, Bag manufacturing, Sweet box making, Fishery & goatery Riddhi-Siddhi Kalyan Kendra” a women welfare cum common facility center in Kaushal Kutir.



Bhilai Fire Services



- ❖ Bhilai Fire Service is one of the best in the country.
- ❖ Services extended to 200 Kms. radius from Bhilai.
- ❖ Fire Service Department is attending 120-150 calls/ year.
- ❖ Bhilai Fire Services has got many appreciations and accolades from Local Administration, Gram Panchayats, industries, warehouses and petroleum depots for quick response to the call for fire fighting and efficient service which has resulted in saving valuable property as well as human life.

Social security schemes beyond statutory compliance

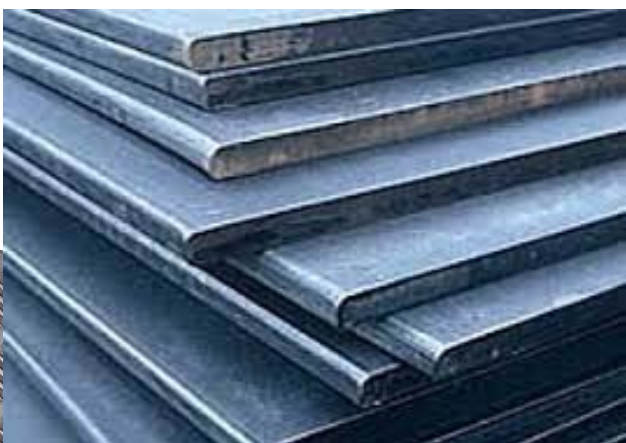
- 👍 Medical facilities to self and spouse after retirement.
- 👍 Employee Family Benefit Scheme: Provision of full payment to family in case of Death/PMU of employees till superannuation age.
- 👍 Steel Employees Welfare Association: Help in accident / death cases.
- 👍 Employment on compassionate ground in fatal accidents and medical unfit cases arising out of specified diseases.
- 👍 Mediclaim Scheme for separated employees and their spouses. 100% wages during unfit period caused by work accidents.





PRODUCT STEWARDSHIP & CUSTOMER SATISFACTION

Creating a Niche



BSP has been making efforts to bring down the ecological foot print of its operations through adoption of efficient technologies in progressive manner to bring down its resource consumption mainly raw material, energy& water

Product Responsibility :

The main products of BSP are various kinds of steel products and process by-products. The steel products are generally environment friendly and do not pose any health or safety hazard during their use. Therefore, Specific procedures for preserving customer health & safety during the use of its products are not required. BSP addresses the environmental issues of the products by carrying out Life Cycle Assessment Studies to reduce the environmental burdens during mining to production stages.



The process by-products like slags and some hazardous wastes material is also generated. Use of safety appliances like Safety helmet, Safety Boots, Chemical Splash Goggles, Nose mask, Hand Gloves is mandatory. Hazardous Wastes handling is done as per Hazardous waste management & handling amended rules 2003. BSP has received the Authorization for the same valid till March 15, 2015. There is no incidence of non-compliance with respect to regulations and voluntary codes concerning health and safety impacts of products and services during their life cycle.

Innovation And New Product Development :

BSP strives to adhere to the policy of developing one new product every month. This approach has facilitated in meeting the newer and anticipated requirements of customers. Since last three years BSP has continuously developed 12 new products every year

BSP has been continuously enhancing its product portfolio, grades and profiles. Details given depicts BSP's efforts towards introducing and improving high strength Thermo Mechanical Treated bars in anticipation of the emerging trends in housing and construction segment. Development of Earthquake-resistant TMT re-bar with higher strength (YS: 500MPa minimum) is a case of pro-active product development, where SAIL-BSP anticipated the need of establishing a niche product to cater to society needs in order to reduce the loss of materials and more importantly, human life, in case of high seismic activities. BSP, the sole supplier of rails to Indian Railways is currently supplying 260 meters long Rails, the longest rails in the world dispatched from works, to meet the objective of improving passenger comfort and reducing track maintenance activities. The newly developed UTS-100 high strength Vanadium micro-alloyed Rails will meet the requirement of high density, heavy haulage routes including proposed freight corridor. Similarly as regards another key product of Plates, new plate products have been regularly developed which include Z quality (through thickness ductility) and NACE quality (HIC resistant) plates and soft iron plates for nuclear application



NEW PRODUCTS DEVELOPED In 2012 - 13

- 1 45 mm SAILMA 450 HI Plates with impact energy 20J at -20°C**
- 2 ABS Grade B - Hull Structural Quality Steel Plates for Ship Building**
- 3 Soft Iron Magnetic Plates for Nuclear Applications**
- 4 IS-1786 Seismic Resistant 8 mm TMT FE-415**
- 5 ASTM 537 CLASS 2 Q&T Plates through BSP-RSP route**
- 6 Plates conforming to Ultrasonic Testing as per EN 10160 with acceptance Level S2E2**
- 7 High abrasion / wear resistance 32 mm plate for sinter car side boards**

Involvement Of Stakeholders In Product Development:

New and customized products are developed through regular interactions with customers and cross functional teams consisting of professionals from Plant, RDCIS and PMG of Central Marketing. Based on requirement a competent technical team also visits the customer premises to discuss and understand their needs. Customers are also invited at our premises during the development of their product.

Development of Long Rails for Railways, DMR plates for Navy, Rolling of Maraging Steel Plates for Space Shuttle, etc. are few examples of new product development in association with our customers. The extensive relationship network of sister units, expert bodies, MOU/partner suppliers is exploited in case of specific needs regarding product development.

Steel Products - Green Products :

The steel products are environment friendly, 100% recyclable and have absolutely no harmful effects during their entire life cycle.

More steel is recycled worldwide annually than all other materials put together, As per the WSA report world steel industries uses about 40% scrap in production of crude steel. BSP has carried out LCA studies in association with MoEF & all 26 recommendations arising out of the study have been implemented to reduce the environmental footprint & also increase energy efficiency of the processes. The aspect of mining impacts are also considered & mitigation plans in the form of afforestation on mine burden/dumps, pelletization plant for better utilization of ore fines for resource conservation are also being considered. In view of the ongoing modernization program BSP has again taking-up these studies with focus on CO₂ & water reduction.

Over the years BSP has produced several high strength steels which have positively contributed towards green house gas reduction. The innovation involves development of next generation environment friendly high functionality steel products which are having lighter weight, high strength, higher temperature strength and longer service life. This will result in manufacturing of less quantity of steel (resource savings), reduction of energy consumption during its use, reduction of green house gas emission during its transportation and its use, can resist higher temperature and provide longer life with reduced replacements. The details of Eco-friendly High Functionality Steel Products are given below:

S.No.	New Eco-Products Developed	Type	S.No.	New Eco-Products Developed	Type
1	Plates for ATM safes in SAIL-HITEN 590 AR quality	High Tensile	10	Fe 500 High Strength Corrosion resistant & earthquake resistant TMT wire rod in 12 mm section	Corrosion resistant
2	TMT Fe 415 Rebar in 6, 20, 25 mm section	High Tensile	11	Corrosion resistant Cr Rails	Corrosion resistant
3	TMT Fe 415 Rebar with Nb micro alloying	High Tensile	12	SAIL-FRS fire resistant quality steel in 10, 12, 20 mm thick plates	Fire resistant
4	Naval grade plates in DMR 249 A quality	High Tensile	13	Long Rail panels in length up to 260 M for Indian Railways	
5	Semi-rolled plates (100 mm) for Bulb bar in DMR 249 A	High Tensile	14	High Corrosion Resistant and High Strength plates in 10khSND grade.	Corrosion resistant
6	API X 52, 60 grade plates for pipes	High Tensile	15	SAILMA 300 HI normalised plates in 80 mm thickness.	High Tensile
7	TMT bars for rock bolt	High Tensile	16	Naval Grade plates in DMR 249-B with high Nickel content	High Tensile
8	TMT Fe 415 Rebar in 45 mm section	High Tensile	17	Fire resistant plates with chromium and molybdenum	Fire resistant
9	API X-70 line pipe sheets	High Tensile	18	SAILMA 550 HI plates	High Tensile

The manufacturing and usage of the eco-friendly high functionality steel material has resulted in savings of about 1.5 million tones/yr of green house gas emissions (carbon dioxide) during the production and its use. If the product has service life of 30 years, BSP is contributing to reduction of 45 million tones of carbon dioxide.

Product And Service Labeling :

The product information regarding BSP products is widely publicized through the SAIL website www.sail.co.in which contains details with regard to Grade, Sizes and Applications. The published product catalogues help in informing the customers regarding the products. The stamping and embossing on prime steel products ensures proper product identification. All the norms for physical dimensions, chemical composition and technical delivery conditions for the associated specification are strictly adhered to during production and dispatch of various products manufactured by BSP. Test certificates are issued along with the deliveries to the customers. There is no incidence of non-compliance with respect to regulations and voluntary codes concerning product and service information and labeling.



There are no regulations on product information and labeling other than the standards on physical dimensions and chemical composition on various products manufactured by BSP. Test certificates are issued at the time of delivery to the customers.

Incidents of Non-Compliance

No instance of non-compliance with regulations concerning product information and labelling, including any penalties or fines assessed for these breaches occurred in the reporting period.

Marketing Communications

BSP ensures that its marketing communication practices conform to generally accepted standards. One of the credo of SAIL clearly states that “We uphold highest ethical standards in conduct of our business”.

SAIL as a whole has a comprehensive system of advertising addressed by corporate communication department for its corporate image and product promotion. The advertisements related to BSP for regional and global levels are managed by SAIL at corporate level. Advertisement campaigns viz. “Steel Green”, “Steel in Need SAIL in Deed”, “This butterfly comes to our plant in search of flowers; Not all our customers want steel” are conducted on regular basis. In addition to this, BSP in line with communication policy of SAIL also advertises its image in the local region, to permeate the grass root level. There is no incidents of non-compliance with regulations and voluntary codes concerning marketing communications, including advertising, promotion, and sponsorship etc. The privacy related to consumer information, such as, the specifications of special products developed for specific consumers are protected through confidentiality agreements. No complaints regarding breaches of customer privacy and losses of customer data received. No fines was imposed for No incidences of noncompliance with respect to laws and regulations concerning the provision and use of products and services and no fines was paid during the year.

Customer Privacy

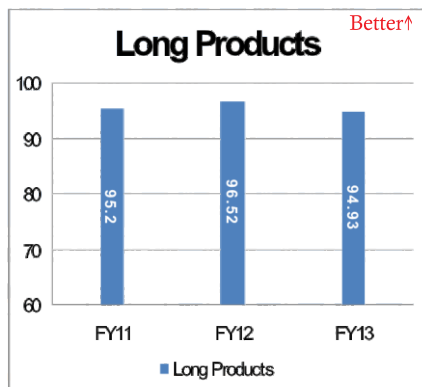
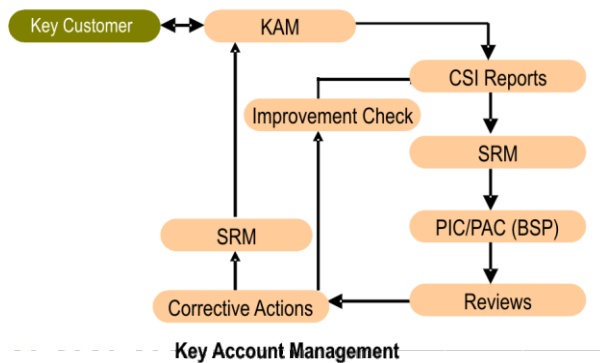
Privacy related to consumer information, are protected. There was no substantiated complaint regarding breach of consumer privacy against BSP during the reporting period.

Compliance

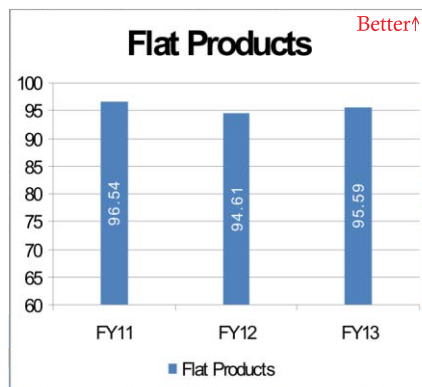
No monetary fines were imposed on BSP during the reporting period for noncompliance with laws and regulations concerning the use of products and services.

Customer Satisfaction:

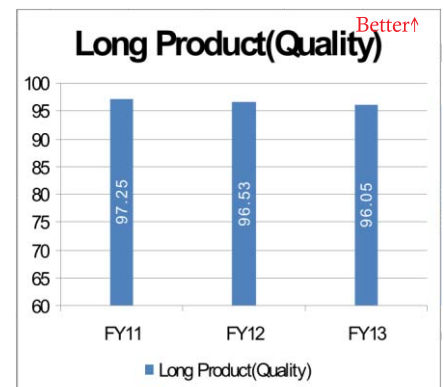
Bhilai Steel Plant has a structured process of capturing customer perception on its product quality, delivery as well as service. Key Account Management process is a major initiative taken in this regard. While the Key Account Manager takes care of all the interface activities with customer, the various aspects of order management including heat planning, production as per customer requirement, and delivery of material are taken care by the Plant Information Coordinator and Plant Account Coordinator. The Customer Satisfaction Index is measured under the heads of Quality, Delivery and Service, wherein customers decide the different parameters under these heads and allocate weightages as per their priority. The trends of parameter wise Customer Satisfaction Index for long products and flat products for last three years have shown consistent improvement.



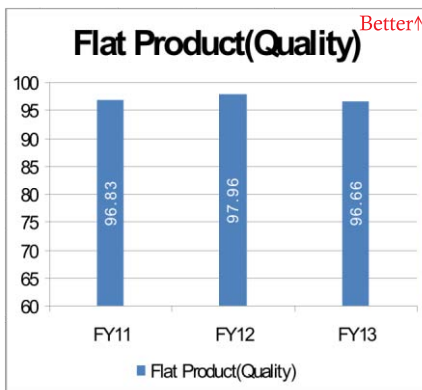
CSI for Long Products



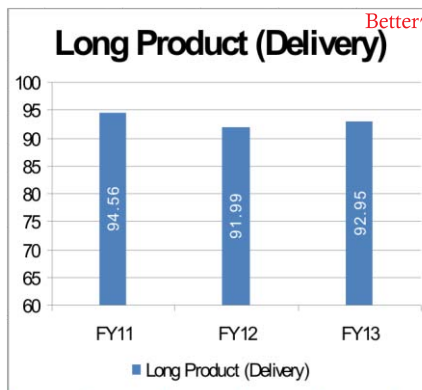
CSI for Flat Products



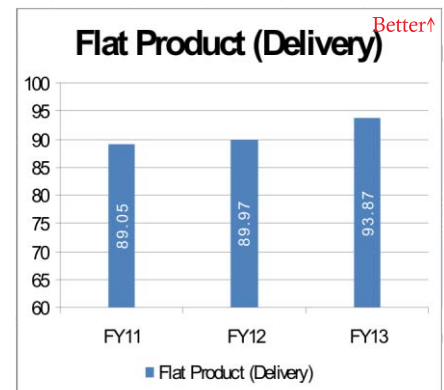
CSI for LP WRT Quality



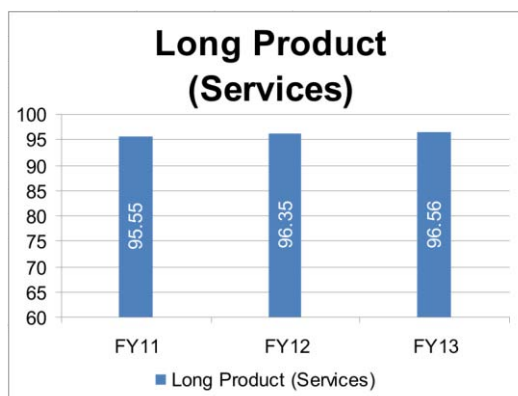
CSI for FP WRT Quality



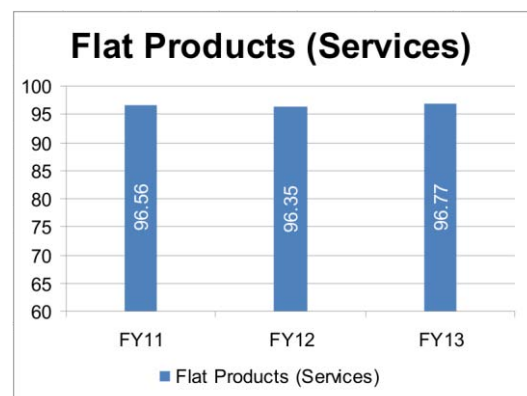
CSI for LP WRT Delivery



CSI for FP WRT Delivery



CSI for LP WRT Services



CSI for LP WRT Services

The testimony towards our Customer Focus is evident from the fact that in almost all the tenders of government and major private players, SAIL-BSP is one of the most preferred suppliers of steel which makes our slogan "there is little bit of SAIL in everybody life" more meaningful.

Top Five Customers of BSP

S.N.	FY13	FY12	FY 11
1	Indian Railways	Indian Railways	Indian Railways
2	Bharat Heavy Electricals Limited	Bharat Heavy Electricals Limited	Bharat Heavy Electricals Limited
3	Larsen & Toubro Limited	Larsen & Toubro Limited	Larsen & Toubro Limited
4	National Thermal Power Corporation Ltd.	National Thermal Power Corporation Ltd.	National Thermal Power Corporation Ltd.
5	National Small Industry Corporation	Reliance Infrastructure limited	Megha Engineering & Infrastructures Ltd.

Some of the feedbacks/concerns of the customers captured through different forums and the improvement actions/measures taken during FY13 are detailed below:

Customer Feedback/Concern	Forum in which it was captured	Improvement Measures
Customers desired that the enquiries relating to customer issues/ complaints be settled/replied within lesser time.	Customer Feedback	RCL BSP introduced a “Single Window System” for addressing all customer related issues at BSP. An executive has been designated as the nodal officer for dealing with all the customer related issues. This unique system, first among all SAIL units is designed to reduce response time to customer's enquiries.
Bring in transparency in Complaint handling system and increasing awareness.	Customer Feedback	Setting up of a Web Page entirely dedicated to customer issues. The dedicated web page, a first among all sister units is aimed to not only usher in transparency in the complaint handling system but also work towards increasing awareness about customer issues to all concerned personnel involved in the production process. This web page which is accessible through BSP intranet showcase all the customer related issue received in a systematic manner.
Customers of TMT 32 had shown their dissatisfaction regarding lesser Yield strength and elongation. They had desired to increase the Yield Strength.	Customer Feedback	The TMT process parameters were changed to further enhance the yield strength and the internal acceptance norms increased to 520 MPa min against the specified value of 500 MPa min.
Earth Moving Equipment manufacturers desired that the plates taken for EME (Earth Moving Equipment) application are to be supplied with stringent acceptance norms.	Customer feedback	BSP has taken the preventive measures by producing material with Leaner chemistry and identifying such orders by indicating “EME” in Sale Orders. Initiatives are being taken to brand EME.
Customer raised the issue of high 'S' in EQ Wire Rod and surface imperfection.	Customer feedback	'S' has been restricted to <0.025% in ladle analysis. Practice of back end trimming introduced to avoid fins generation in WRC. Sampling frequency increased to ascertain product chemistry before dispatch.
Indian Railways had desired for production of Asymmetric Rails by BSP, which is till now imported.	Customer meet	BSP has successfully manufactured R- 60 Kg Asymmetric Rails for Indian Railways at our End Forging Plant and is ready for dispatch.

Few Examples Of Positive Referrals / Appreciation From Our Customers Over Last Three Years

Voice of Customers

FY13

"Our needs are very different and dynamic. We are looking towards BSP particularly for rebar steels, Structural and Plates. BSP has always stood true to our confidence with not only requisite quality but also with exceptional customer services and by being quick responsive to all our need. Based on the understanding of the end use of the product they also modify the Technical Delivery conditions and develop new products for us. We are indeed delighted with efficient & effective service we have received. BSP products and services are par excellent".

----- Shri R. Suresh Kumar, Chief Project Manager, L&T

"BSP is pioneer in terms of delivery and fulfilling our requirements regarding the quality of plates. And they do so at a very competitive pricing. They are in touch with us on a continuous basis and appraise our problems. Although it is rare, but if there is any issues regarding quality, the technical team of BSP visits our premises promptly and the issue is resolved."

----- Shri G.Venkatraman, Director, M/s Atmastco (P) Ltd.

"We are regularly buying between 3000 to 4000 T of Boiler Quality plates from SAIL. We are quite satisfied with the quality and kept this material under 3rd party inspection of Lloyds. All plates are supplied in normalized condition with UT testing. We have never encountered any problem during manufacturing of our material using SAIL material."

----- Shri Umang Sikka, GM, ISGEC

FY12

"I think the Flat Products we procure from BSP are rated very high and we also find the delivery as per the committed schedule. In terms of services provided by international steel mills I think the range, the service we get from BSP is in no way less than best practices in the world".

-----Sri Sunder GM(Procurement) ISGEC

FY11

"It is our privilege to become SAIL's long term business partners which is evident from the fact that our partnership journey started from early 90's and has today reached a level where BHEL is poised to become SAIL/BSPs No. 1 customer. It is also worth mentioning that BSP has always been capable of catering to our stringent TDC requirements with timely delivery and customized pattern of documentation. We have been able to save precious foreign exchange because of initiative taken by BSP to develop products which have successfully substituted our imports"

----- Mr P.K Jain, Addl GM, Corporate office, BHEL

Partnership With Indian Navy

Submarine killer launched

THIRU NEWS NETWORK

Vallabhai: The INS Kamorta, India's first indigenous built Anti-Submarine Warfare (ASW) Corvette was launched at the Garden Reach Shipbuilders and Engineers (GRSE) in Kolkata on 11.02.2011. This is the first in a series of four such corvettes to be built by GRSE. The INS Kamorta is expected to be commissioned by the Navy by mid-2012.

The INS Kamorta

GRSE is also expected to receive its 34,000-cwre order from the Navy for seven corvettes under Project 17A, said M M Pillai, India, Minister of State for Defence. To execute this order, GRSE is undergoing massive expansion at a cost of nearly 500 crore. At present, the volume of orders with GRSE is up to 100,000 tonnes annually.

"The high quality steel has been supplied by SAIL. This is the first time that SAIL has supplied top quality steel for building warships. Earlier, we had to rely on imports from other countries like the Russian federation. In many cases, the quality would be much inferior."

Marketing - Thinking beyond hurdles

Customer Appreciation

Based on UT, we observed that all the plates are free from any defect. This confirms that the measure taken by SAIL are effective.

Marketing - Thinking beyond hurdles

Feedback on Performance of New Products

To: The A.G.M. Quality, SAIL, R.C.L. Department, Bhilai

Dear Sir,

Sub: Regarding 3.355 NL Plates, we have just received from you.

We had placed order for En 10025 S 355 NL Plates 100mm thickness and we have taken delivery of around 100 MT with 27 double minimum. The plates are used in the Turbine base of wind generators. The Wind generators will be installed in the Northern Europe and arctic shores.

We have got the report from our overseas customer that the plates have met their specifications and standards. They have informed that plates are matching quality vis-a-vis with other international steel plate manufacturers who produce the above mentioned grade. The plates have been found to have no defects while machining and other processes.

Thanking you

Yours faithfully

G. VENKATARAMAN, DIRECTOR

The plates are used as Naschelle plate for the Turbine base of wind generators which will be installed in the Northern Europe and arctic shores.

They have informed that plates are matching quality vis-a-vis with other international steel plate manufacturers who produce the above mentioned grade.

Marketing - Thinking beyond hurdles

Some examples of customer feedback on new products and appreciation :

Reduction in Customer Complaints:

Number of Complaints

Year	Total	Merchant Mill	Wire Rod Mill	Rail and Structural Mill	Plate Mill	Blooming and Billet Mill	Coal Chemicals
FY 11	6	0	0	0	5	1	0
FY 12	1	0	0	0	0	1	0
FY 13	8	0	1	0	6	1	0

A well-documented, closed-loop customer complaint handling procedure with a focus on corrective / preventive action has been helpful in reduction in customer complaints. During the last financial year i.e FY13 , out of the total 8 complaints lodged, 4 complaints were taken back , when the customers were properly educated by BSP officials about the soundness and proper use of the material. Remaining four complaints were with respect to lamination in plates.

Measures taken to reduce lamination in plates

Extensive use of Secondary Refining
Routing of all special quality steel plates through State of the art new caster.
Controlled soaking/cooling of Slab/Plates

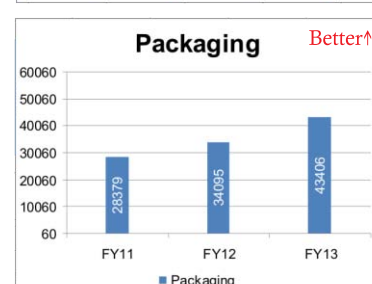
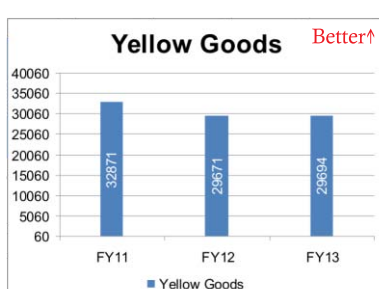
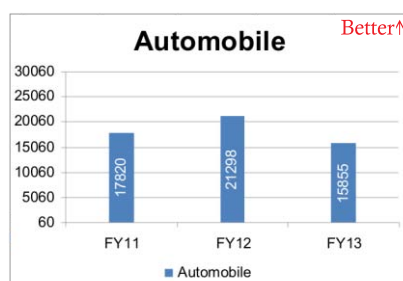
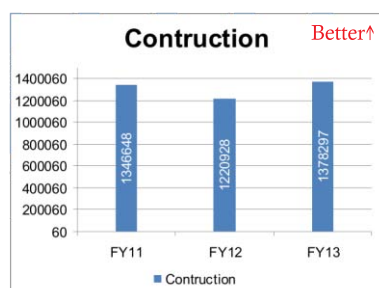
Order Fulfillment:

Compliance is measured with respect to agreed Dispatch Plan at the beginning of the month for long products and commitment to delivery for plates. Due to our robust production planning and monitoring the order fulfillment of all our products have been above the target of 95%.

Product	FY 11	FY 12	FY 13
Merchant Products	97.42	91.03	100
Wire Rods	100	99.30	100
Rail & Structurals	100	100	100
Plates	96.87	97.05	96.41

Segment-Wise Sales

Based on the needs of various segments, BSP is fulfilling their requirements and the trend shows an overall growth in many segments.



Awards & Recognition



Details of economic excellence awards, corporate governance awards, environmental awards, awards in the social area, and other forms of recognition & certifications conferred on our organization during the last 3 years.

S.N.	Name of Award or Rating or Certification	Name of Awarding / Rating / Certifying Organization	Year	Relates to Dimension(s)*
1.	CII-ITC Sustainability Award (Certificate)	CII-ITC Centre for Excellence & Sustainable Development	2012, 2011 & 2010	Eco, Env, Soc
2.	CII-Exim Bank Award (Certificate)	CII	2012 & 2011	Business Excellence
3.	Prime Minister Trophy for best Integrated Steel Plant in the country	Ministry of Steel	2009-10 & 2008-09, 2011-12	Eco, Env, Soc
4.	Steel Minister's Trophy	Ministry of Steel	2010-11	Eco, Env, Soc
5.	Golden Peacock Award for Eco-innovation	World Environment Foundation	2011, 2010	Product & Process Innovation
6.	Golden Peacock Award for Environment Mgmt	World Environment Foundation	2012	Env & CSR
7.	Golden Peacock CSR Award Golden Peacock HR Excellence Award	Institute of Directors Institute of Directors	2012 & 2010 2011	Soc
8.	Greentech Gold Safety Award	Greentech Foundation	2012, 2011, 2010	Safety & Health
9.	Greentech Platinum Award for Environment Excellence	Greentech Foundation	2012, 2011 & 2010	Env
10.	Greentech Award for HR Excellence	Greentech Foundation	2012 & 2010	

Certifications by External Agencies

1.	OHSAS 18001:2007 (Recertified)	DNV	2012	Health & Safety
2.	SA 8000:2001 (Recertified)	DNV	2012	Social Accountability
3.	IS/ISO 14001:2004 (Plant) (Recertified)	Bureau of Indian Standards	2011	Env
4.	IS/ISO 14001:2004 (Township) (Recertified)	LRQA	2012	Env
5.	IS/ISO 9001:2008 (Recertified)	LRQA	2011	Quality



1
Padma Bhushan

174
Shram Awardees

1
Arjuna Awardee

492
**Vishwakarma
Awardees**

1
**President's Fire
Service Medal
for Gallantry**

5
**President's Award
for Teachers**

Hall of Fame National Award Winners





Awards and Recognitions to Individuals:
Details of the Nehru Awards given to employees during past three years.



CATEGORY	NUMBER OF PERSONS AWARDED					
	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13
Jawahar Awards (Exec.)	40	50	58	58	71	25
Nehru Awards (Non-exec.)	75	78	83	80	90	64
Group awards(Employees)	567	625	676	654	775	407
Jawahar Nehru Group Awards	72	81	87	85	102	52



GRI CONTENT INDEX

STANDARD DISCLOSURES PART I : Profile Disclosures

S.No.	Profile Disclosure	Reference	Extent of Reporting	Explanation
1. Strategy and Analysis				
1.1	Statement from the most senior decision-maker of the organization	01-02	Full	
1.2	Description of key impacts, risks and opportunities.	18, 20-22	Full	
2. Organisational Profile				
2.1	Name of the organization.	09	Full	
2.2	Primary brands, products and / or services.	10-14	Full	SAIL annual report FY2012-13 is available at www.sail.co.in
2.3	Operational structure of the organization, including main divisions, operating companies, subsidiaries and joint ventures.	10-16	Full	SAIL annual report FY2012-13 is available at www.sail.co.in
2.4	Location of organisation's headquarters.	07	Full	
2.5	Number of countries where the organization operates and names of countries with either major operations or that are specifically relevant to the sustainability issues covered in the report.	10-14	Full	BSP as such doesnot operate in other countries. The operations are carried out by SAIL.
2.6	Nature of ownership and legal form.	26-27	Full	SAIL annual report FY2012-13 is available at www.sail.co.in
2.7	Markets served (including geographic breakdown, sectors served and types of customers / beneficiaries).	10-14	Full	
2.8	Scale of the reporting organization.	10-14 85-87	Full	
2.9	Significant changes during the reporting period regarding size, structure or ownership.	05	Full	
2.10	Awards received in the reporting period.	124-126	Full	
3. Report Parameters				
3.1	Reporting period (e.g., fical/calendar year) for information provided.	05	Full	
3.2	Date of most recent previous report(if any).	05	Full	SAIL annual report FY2012-13 is available at www.sail.co.in BSP sustainability report FY2011-12 is available at www.sail.co.in
3.3	Reporting cycle(annual, biennial, etc.)	05	Full	Annual
3.4	Contact point for questions regarding the report or its content.	07	Full	
3.5	Process for defining report content.	04-06	Full	

S.No.	Profile Disclosure	Reference	Extent of Reporting	Explanation
3.6	Boundary of the report (e.g., countries, divisions, subsidiaries, leased facilities, joint ventures, suppliers). See GRI Boundary Protocol for further guidance.	05	Full	No Re-Statements
3.7	State any specific limitations on the scope or boundry of the report(see completeness principle for explanation of scope).	06-07	Full	
3.8	Basis for reporting on joint ventures, subsidiaries, leased facilities, outsourced operations and other entities that can significantly affect comparability from period to period and/or between organisations.	05	Full	
3.9	Data measurement techniques and the basis of calculations, including assumptions and techniques underlying estimations applied to the compilation of the Indicators and other information in the report. Explain any decisions not to apply, or to substantially diverge from, the GRI Indicator Protocols.	06	Full	
3.10	Explanation of the effect of any re-statements of information provided in earlier reports and the reasons for such re-statements (e.g., mergers/ acquisitions, change of base years / periods, nature of business, measurement methods).	-	Full	
3.11	Significant changes from previous reporting periods in the scope, boundary or measurement methords applied in the report.	05-07	Full	
3.12	Table identifying the location of the Standard Disclosures in the report.	129-136	Full	
3.13	Policy and current practice with regard to seeking external assurance for the report.	07	Full	
4. Governance, Commitments and Engagement				
4.1	Governance structure of the organization, including committees under the highest governance body responsible for specific tasks, such as setting strategy or organizational oversight.	26-32	Full	SAIL annual report FY2012-13 is available at www.sail.co.in
4.2	Indicate whether the Chair of the highest governance body is also an executive officer.	26-27, 30	Full	
4.3	For organizations that have a unitary board structure, state the number of members of the highest governance body that are independent and/or non-executive members.	27	Full	
4.4	Mechanisms for shareholders and employees to provide recommendations or directions to the highest governance body.	28-29	Full	
4.5	Linkage between compensation for members of the highest governance body, senior managers and executives (including departure arrangements)	26-27	Full	

S.No.	Profile Disclosure	Reference	Extent of Reporting	Explanation
	and the organisation's performance (including social and environmental performance).			
4.6	Processes in place for the highest governance body to ensure conflicts of interest are avoided.	26-29,32	Full	
4.7	Process for determining the qualifications and expertise of the members of the highest governance body for guiding the organisation's strategy on economic, environmental, and social topics. Internally developed statements of mission or values, codes of conduct, and principles relevant to economic, environmental, and social performance and the status of their implementation.	26-29	Full	SAIL annual report FY2012-13 is available at www.sail.co.in
4.8	Internally developed statements of mission or values, codes of conduct, and principles relevant to economic, environmental, and social performance and the status of their implementation.	29-30	Full	
4.9	Procedures of the highest governance body for overseeing the organisation's identification and management of economic, environmental, and social performance, including relevant risks and opportunities, and adherence or compliance with internationally agreed standards, codes of conduct, and principles.	16,18, 19-22	Full	
4.10	Processes for evaluating the highest governance body's own performance, particularly with respect to economic, environmental, and social performance.	26-27	Full	SAIL annual report FY2012-13 is available at www.sail.co.in
4.11	Explanation of whether and how the precautionary approach or principle is addressed by the organization.	36	Full	Our existing risk management processes go beyond the requirement of the precautionary principles & cover the three bottom lines
4.12	Externally developed economic, environmental, and social charters, principles, or other initiatives to which the organization subscribes or endorses.	34-35	Full	
4.13	Membership in associations (such as industry associations) and/or national/international advocacy organisations in which the organization: *Has positions in governance bodies; *Participates in projects or committees;*Provides substantive funding beyond routine membership dues; or * Views membership as strategic.	36	Full	
4.14	List of stakeholder group engaged by the organization.	44	Full	
4.15	Basis for identification and selection of stakeholders with whom to engage.	44	Full	
4.16	Approaches to stakeholder engagement, including frequency of engagement by type and by stakeholder group.	44-45	Full	

S.No.	Profile Disclosure	Reference	Extent of Reporting	Explanation
4.17	Key topics and concerns that have been raised through stakeholder engagement and how the organization has responded to those key topics and concerns, including through its reporting.	46	Full	
			Full	

STANDARD DISCLOSURES PART II : Disclosure of Management Approach

DMA EC	Disclosure on Management Approach EC	50-52	Full	
DMA EN	Disclosure on Management Approach EN	60-63	Full	
DMA LA	Disclosure on Management Approach LA	35-41, 84-87	Full	
DMA HR	Disclosure on Management Approach HR	35-41, 84-87	Full	
DMA SO	Disclosure on Management Approach SO	104-109	Full	
DMA PR	Disclosure on Management Approach PR	116-117	Full	

STANDARD DISCLOSURES PART III: Performance Indicators

Economic

EC1	Direct economic value generated and distributed, including revenues, operating costs, employee compensation, donations and other community investments, retained earnings, and payments to capital providers and governments.	53-56	Full	
EC2	Financial implications and other risks and opportunities for the organisation's activities due to climate change.	62,77	Full	
EC3	Coverage of the organisation's defined benefit plan obligations.	56	Full	
EC4	Significant financial assistance received from government.		Full	BSP is a public sector company grants if any are decided by ministry of steel, Govt. of India
EC5	Range of ratios of standard entry level wage compared to local minimum wage at significant locations of operation.	55-56	Full	Entry level wage as recommended by regulation & as per Govt. regulations
EC6	Policy, practices, and proportion of spending on locally-based suppliers at significant locations of operation.	57	Full	We are committed to sourcing materials from (India-Based) suppliers as & when feasible from a technical, competency, quality & commercial perspective. The procurement policy is driven by Govt. regulations.

S.No.	Profile Disclosure	Reference	Extent of Reporting	Explanation
EC7	Procedures for local hiring and proportion of senior management hired from the local Full community at significant locations of operation.	57	Full	The recruitment policy is as per Govt. regulations for central public sector undertakings.
EC8	Development and impact of infrastructure investments and services provided primarily for public benefit through commercial, in-kind, or pro bono engagement.	53,55,57 108-110	Full	
EC9	Understanding and describing significant indirect economic impacts, including the extent of impacts.	55,57 108-109	Full	

Environmental

EN1	Material used by weight or volume.	64	Full	
EN2	Percentage of materials used that are recycled input materials.	64	Full	
EN3	Direct energy consumption by primary energy source.	75	Full	
EN4	Indirect energy consumption by primary source.	75	Full	
EN5	Energy saved due to conservation and efficiency improvements.	76	Full	
EN6	Initiatives to provide energy-efficient or renewable energy based products and services, and reductions in energy requirements as a result of these initiatives.	62,68,76	Full	
EN7	Initiatives to reduce indirect energy consumption and reductions achieved.	76	Full	
EN8	Total water withdrawal by source.	66	Full	
EN9	Water sources significantly affected by withdrawal of water.	66	Full	
EN10	Percentage and total volume of water recycled and reused.	66	Full	
EN11	Location and size of land owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas.	78-79	Full	
EN12	Description of significant impact of activities, products, and services on biodiversity in protected areas and areas of high biodiversity value outside protected areas.	78-79	Full	
EN13	Habitats protected or restored.	79	Full	
EN14	Strategies, current actions, and future plans for managing impacts on biodiversity.	78-79	Full	
EN15	Number of IUCN Red List species and national conservation list species with habitats in areas affected by operations, by level of extinction risk.	79	Full	No IUCN Red List Species within area of operations based on latest EIA Report

S.No.	Profile Disclosure	Reference	Extent of Reporting	Explanation
EN16	Total direct and indirect greenhouse gas emissions by weight.	77	Full	BSP is carrying out product carbon footprint studies in the year 2012-13 wherein most of scope 3 emissions will be estimated. Emissions saved by tele' & video conferencing was not tracked & captured
EN17	Other relevant indirect greenhouse gas emissions by weight.		Not Reported	
EN18	Initiatives to reduce greenhouse gas emissions and reductions achieved.	68,77	Full	
EN19	Emissions of ozone-depleting substances by weight.	74	Full	Across locations we are not involved in any activity related to transporting, importing, exporting or treatment of waste deemed hazardous under Basel convention
EN20	Nox, Sox, and other significant air emissions by type and weight.	70	Partially Reported	
EN21	Total water discharge by quality and destination.	70	Full	
EN22	Total weight of waste by type & disposal method.	71-73	Full	Identity, size, protected status, and biodiversity value of water bodies and related habitats significantly affected by the reporting organisation's discharges of water and runoff.
EN23	Total number and volume of significant spills.	70	Full	
EN24	Weight of transported, imported, exported, or treated waste deemed hazardous under the terms of the Basel Convention Annex I, II, III and VIII, and percentage of transported waste shipped internationally.	72	Full	
EN25	Identity, size, protected status, and biodiversity value of water bodies and related habitats significantly affected by the reporting organisation's discharges of water and runoff.	66	Full	Unlike other industries the packaging material reqd. for steel products is insignificant
EN26	Initiatives to mitigate environmental impacts of products and services, and extent of impact mitigation.	62-63, 65, 68-70,117	Full	
EN27	Percentage of products sold and their packaging materials that are reclaimed by category.		Not Reported	
EN28	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations.	62	Full	No monetary fine of any significant value has been imposed on our company during FY2012-13 neither non-monetary sanctions for non-compliance with environmental laws & regulations imposed on the company
EN29	Significant environmental impacts of transporting products and other goods and materials used for the organisation's operations, and transporting		Not Reported	

S.No.	Profile Disclosure	Reference	Extent of Reporting	Explanation
	members of the workforce.		Not Reported	studies in the year 2012-13 where in most of scope 3 emissions will be estimated.
EC30	Total environmental protection expenditures and investments by type.	78	Full	
Social: Labour Practices and Decent Work				
LA1	Total workforce by employment type, employment contract, and region.	85-87	Full	
LA2	Total number and rate of employee turnover by age group, gender, and region.	86	Full	
LA3	Benefits provided to full-time employees that are not provided to temporary or part-time employees, by major operations.	90-91	Full	
LA4	Percentage of employees covered by collective bargaining agreements.	90	Full	
LA5	Minimum notice period(s) regarding significant operational changes, including whether it is specified in collective agreements.	90	Full	BSP follows the requirements of the Industrial Disputes Act. India, 1947 for issuing minimum notice period(s) regarding significant operational changes
LA6	Percentage of total workforce represented in formal joint management-worker health and safety committees that help monitor and advise on occupational health and safety programmes.	87-90	Full	All employees are represented under diff. forums working for advising & occupational health & environment conditions
LA7	Rates of injury, occupational diseases, lost days and absenteeism and number of work-related fatalities by region.	94-95, 87	Full	
LA8	Education, training, counseling, prevention and risk-control programmes in place to assist workforce members, their families or community members regarding serious diseases.	91, 98-102	Full	
LA9	Health and safety topics covered in formal agreements with trade unions.	87-88,97	Full	
LA10	Average hours of training per year per employee by employee category.	84,102	Full	
LA11	Programmes for skill management and lifelong learning that support the continued employability of employees and assist them in managing career endings.	92,98	Full	
LA12	Percentage of employees receiving regular performance and career development reviews.	91	Full	All eligible employees receive regular performance and career development reviews
LA13	Composition of governance bodies and breakdown of employees per category according to gender, age group, minority group membership and other indicators of diversity.	85-86	Full	

S.No.	Profile Disclosure	Reference	Extent of Reporting	Explanation
LA14	Ratio of basic salary of men to women by employee category.	91	Full	There is absolutely no difference between the basic salaries of men to women. We are firm believer of equal opportunity principle. The ratio of basic salary of a men to women is 1:1
Social : Human Rights				
HR1	Percentage and total number of significant investment agreements that include human rights clauses or that have undergone human rights screening.	38-40	Full	India has ratified more than 39 conventions of the ILO that are covered in the nine chapters and 120 sections of The Factories Act, 1948 (Act No. 63 of 1948), as amended by the Factories (Amendment) Act, 1987 (Act 20 of 1987) Factories Act 1987, which covers various aspects of human rights. We have a screening process for our investment agreements based on the requirements of this Act.
HR2	Percentage of significant and contractors that have undergone screening on human rights and actions taken.	38-40	Full	India has ratified more than 39 conventions of the ILO that are covered in the nine chapters and 120 sections of The Factories Act, 1948 (Act No. 63 of 1948), as amended by the Factories (Amendment) Act, 1987, which covers various aspects of human rights.
HR3	Total hours of employee training on policies and procedures concerning aspects of human rights that are relevant to operations, including the percentage of employee trained.	38-40	Full	We do not have specific training modules on human rights but our existing induction programmes cover the basics of human rights
HR4	Total number of incidents of discrimination and actions taken.	38-40	Full	This year there was no incident of discrimination
HR5	Operations identified in which the right to exercise freedom of association and collective bargaining may be at significant risk and actions taken to support these rights.	38-40	Full	This year there was no operation identified in which the right to exercise freedom of association and collective

S.No.	Profile Disclosure	Reference	Extent of Reporting	Explanation
HR6	Operations identified as having significant risk for incidents of child labour and measures taken to contribute to the elimination of child labour.	38-40	Full	bargaining was at significant risk. This year there was no operation identified as having significant risk for incidents of child labor.
HR7	Operations identified as having significant risk for incidents of forced or compulsory labour and measures to contribute to the elimination of forced or compulsory labour.	38-40	Full	This year there was no operation identified as having significant risk for incidents of forced or compulsory labor.
HR8	Percentage of security personnel trained in the organisation's policies or procedures concerning aspects of human rights that are relevant to operations.	40	Full	
HR9	Total number of incidents of violations involving rights of indigenous people and actions taken.	Nil	Full	This year there was no incident of violation involving rights of indigenous people across locations

Social : Society

SO1	Nature, scope and effectiveness of any programmes and practices that assess and manage the impacts of operations on communities, including entering, operating and existing.	104-114	Full	
SO2	Percentage and total number of business units analysed for risks related to corruption.	41	Full	
SO3	Percentage of employees trained in organisation's anti-corruption policies and procedures.	41	Partially Reported	
SO4	Actions taken in response to incidents of corruption.	41		There were no incidents involving acts of corruption.
SO5	Public policy positions and participation in public policy development and lobbying.	41	Full	
SO6	Total value of financial and in-kind contributions to political parties, politicians and related institutions by country.	41	Full	We do not support any specific political party.
SO7	Total number of legal actions for anti-competitive behavior, anti-trust and monopoly practices and their outcomes.	41	Full	No legal action initiated against BSP for anti-corruption behaviour, anti-trust and monopoly practices.
SO8	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations.	41	Full	No fine or non-monetary sanction imposed against BSP for non-compliance with laws and regulations

S.No.	Profile Disclosure	Reference	Extent of Reporting	Explanation
Social: Product Responsibility				
PR1	Life cycle stages in which health and safety impacts of products and services are assessed for improvement and percentage of significant products and services categories subject to such procedures.	118	Full	Steel is environment friendly and steel products does not pose any risk to the end user. BSP has carried out LCA studies in the year 2000 and all the applicable recommendations were implemented across the operations to achieve best environmental standards. Steel after the end of its product life is 100% recyclable. Hence the most preferred material for construction use because of its high strength and environmental friendliness.
PR2	Total number of incidents of non-compliance with regulations and voluntary codes concerning health and safety impacts of products and services during their life cycle, by type of outcomes.	118	Full	No significant incident of non-compliance with regulations and voluntary codes concerning health and safety impacts of products and services during their life cycle
PR3	Type of product and service information required by procedures and percentage of significant products and services subject to such information requirements.	118	Partially Reported	The bye-products generated in the plant are ammjonium sulphate, benzyne, toulene, naphta etc.The complete material safety data sheet which clearly delineate information on environmental impacts on the content of the substance, safe handling and disposal is provided. For transporting hazardous waste generated inside the plant BSP follows the hazardous waste rules 2008. Contractors and employees are trained on these aspects.
PR4	Total number of incidents of non-compliance with regulations and voluntary codes concerning products and service information and labeling, by type of outcomes.	118	Full	No significant incident of non-compliance with regulations and voluntary codes concerning product and service information and labelling
PR5	Practices related to customer satisfaction, including results of surveys measuring customer satisfaction.	119-122	Full	
PR6	Programmes for adherence to law, standards and voluntary codes related to marketing communications, including advertising, promotions and sponsorship.	118	Full	BSP adhere to all laws, standards, and voluntary codes related to marketing communications, including advertising, promotion, and sponsorship.
PR7	Total number of incidents of non-compliance with regulations and voluntary codes concerning marketing communications, including advertising, promotion and sponsorship by type of outcomes.	118	Full	No significant incident of non compliance with regulations and voluntary codes concerni8ng marketing communications, including advertising, promotions, and sponsorship.
PR8	Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data.	118	Full	No significant complaint regarding breaches of customer privacy and losses of customer data
PR9	Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services.	118	Full	No significant fine for non-compliance with lws and regulations concerning the provision and use of products and services.

UNGC Principles - Company's Response

Global Compact Principles		Our Response
Human Rights	Support and respect the protection of internationally proclaimed human rights within the business sphere of influence	We recognise and accept our responsibility to uphold human rights at the workplace and its sphere of influence. We comply with all labour laws formulated by the Constitution of India. Our grievance mechanism is equipped to address all employee grievances related to work environment and company policies.
	Ensure that the business is not complicit in human right abuses	Our code of conduct is applicable to all employees and we do not have any instance of human rights abuses in FY2012-13
Labour Standards	Uphold the freedom of association and effective recognition of the right to collective bargaining.	We exercise freedom of association and comply with all the regulations enacted by Government of India developed to address labour issues. We have trade unions representing workers and disputes are dealt in accordance with the Industrial Disputes Act of 1947. There has been no loss of workdays during FY 2012-13 on account of any labour dispute.
	Uphold the elimination of all forms of forced and compulsory labour.	The Forced Labour Convention (29) and the abolition of Forced Labour Convention (105) has been ratified by India and our company doesnot support forced or compulsory labour in any form and we adhere to all labour laws in this respect.
	Uphold the effective abolition of child labour.	We respect human rights at the work place and pursue leading global practices, which ensure freedom of association, prohibition of child labour, protection of indigenous rights and prohibition of forced and compulsory labour.
	Uphold the elimination of discrimination in respect of employment and occupation	
Environment	Support a precautionary approach to environmental challenges	We recognise the challenges faced by our industry, whether in terms of depleting resources, climate change etc. To address these, we have a comprehensive environmental policy in place with a focus on conserving and improving the environment. We ensure regulatory compliance and also conduct environmental impact assessments for all our expansion projects. Our manufacturing plans are ISO 14001:2004 certified and have specific goals and targets which are monitored at regular intervals.
	Undertake initiatives to promote greater environmental responsibility.	To reduce our environmental footprint, our efforts are focused on reducing GHG emissions. We have undertaken a number of CDM projects, which looks into opportunities for GHG reduction.
	Encourage the development and diffusion of environmentally-friendly technologies.	BSP is investing more than 17,000 Crores towards modernization/expansion. Number of old/ obsolete technologies & processes are being replaced by state of the art technologies. It is our constant endeavour to improve our specific energy consumption.(For further details refer Environmental performance section of the report.)
Anti-Corruption	Work against all forms of corruption, including extortion and bribery.	BSP being a public sector organization all the applicable rules/regulations pertaining to prevention of corruption are being followed. Structures & systems are established for fair practices.

List of Abbreviations

ABP	Annual Business Plan	CTC	Carbon Tetra Chloride
ACC	The Associated Cement Companies Limited		
APP	Annual Performance Plan	DMR-249A	A Steel Grade
ASCI	Administrative Staff College of India	DNV	Det Norske Veritas
ATI	Advanced Training Institute	DDT	Dichlorodiphenyltrichloroetahjne
ATP	Annual Training plan	DGM	Dy General Manager
ASCI	Administrative Staff Collage of India	DNB	Diplomat Of national board
AIMA	All India Management Association		
AWA	Additional Welfare Amenity	ED	Executive Director
		EMS	Environment Management System
		EPMS	Executive Performance Measurement System
BBM	Blooming & Billet Mill	EPS	Earnings per share
BHEL	Bharat Heavy Electricals Limited	EQR	Earth Quake Resistant
BoDs	Board of Directors	ERM	Enterprise Risk Management
BPL	Below Poverty Line	ERP	Enterprises Resource Planning
BQ	Boiler Quality	ESCI	Engineering Staff College of India
BRP	Bhilai Refractories Plant/Benzol Rectification Plant (as applicable)	ESI	Employees state Insurance
BSP	Bhilai Steel Plant	ESCI	Engineering staff Collage of India
BPCL	Bharat Petroleum Corporation Ltd.	ETP	Effluent Treatment Plant
BEML	Bharat Earth Movers Ltd.		
BOF	Basic Oxygen Furnace		
BF	Blast furnace	F&A	Finance & Accounts
BSNL	Bharat Sanchar Nigam Ltd	F&PS	Foundry & Pattern Shop
		F&SS	Forge & steel structurals
		FY	Financial year
CEO	Chief Executive Officer	FFDA	Fish Farmers Development Agencies
CDI	Coal Dust Injection	FICCI	Federation of Indian Chambers of Commerce and Industry
CII	Confederation of Indian Industry	FR	Frequency Rate
CISF	Central Industrial Security Force		
CMO	Central Marketing Organisation	Gcal	Giga Calories
CREP	Corporate Responsibility for Environmental Protection	GRI	Global Report initiatives
CSI	Customer Satisfaction Index	GAAP	Generally Accepted accounting Principles
CSR	Corporate Social Responsibility	GDP	Gross Domestic Product
CTEs	Common Table Expressions	GHG	Green House gases
CET	Centre for Engg & Technology	GM	General Manager
CIL	Coal India Ltd	GCP	Gas cleaning Plant
CFC	Chloro Fluoro Carbon	GOI	Govt of India
CVC	Central Vigilance Commission		
CDM	Clean Development Mechanism		
CDQ	Coke Dry Quenching		
CGIR	Corporate Governance International Review		
CSERC	Chhattisgarh State Electricity Regulatory Commission		
CII	Confederation of Indian Industry		
COB	Committee of the Board		
COBPP	Coal Oven Briquette Press Plant		
CPCB	Central Pollution Control Board		
CPF	Central Provident Fund		
CPMS	Coking Process Management and Control System		
CREDA	Chhattisgarh Board Renewable Energy Development Agency		
CSI	Customer Satisfaction Index		



List of Abbreviations

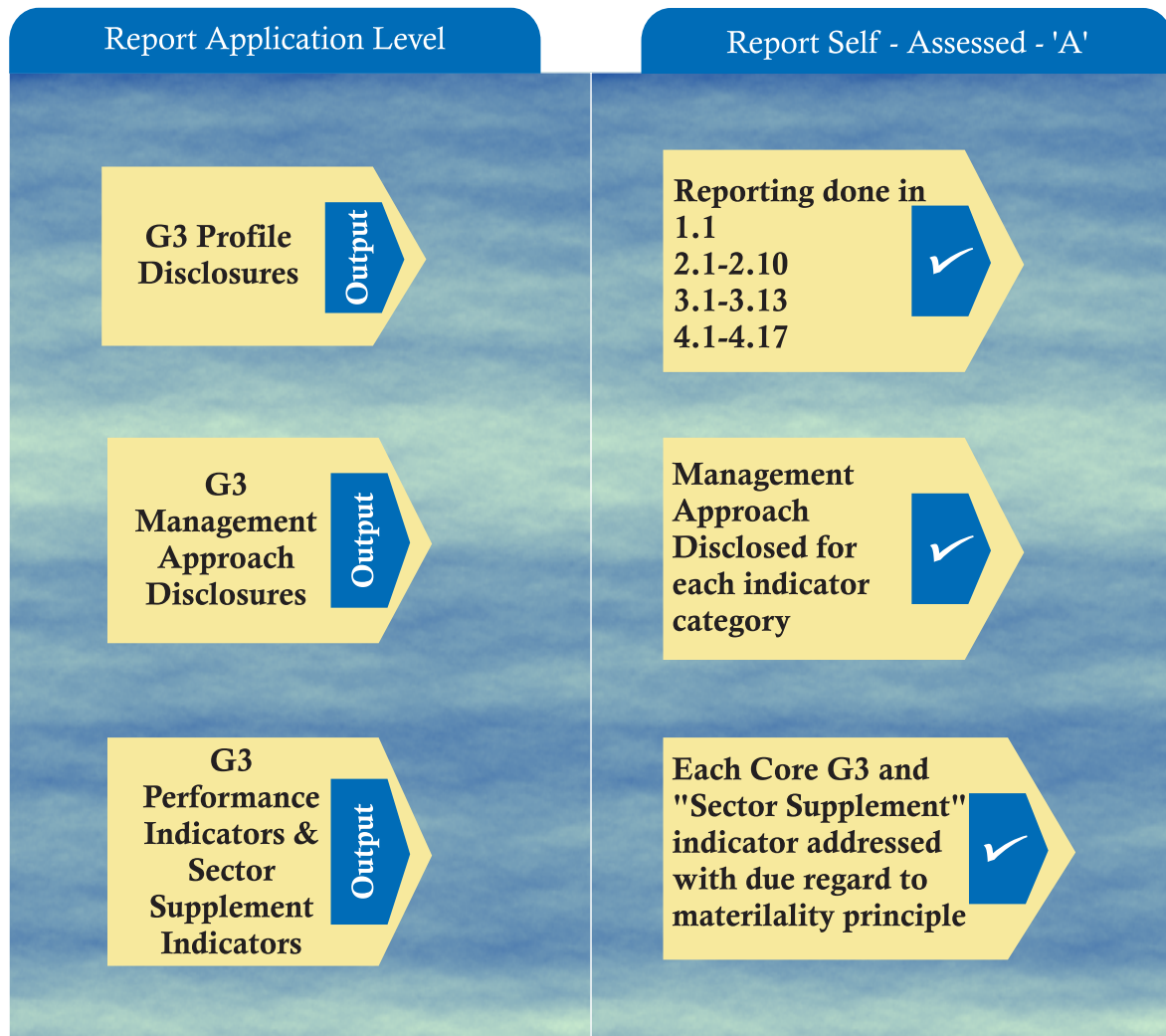
HAGC	Hydraulic Automatic Gauge Control	KPA	Key Performance Area
HCR	Hot Coil Rolling	KWH	Kilo Watt Hour
HCFC	Hydrochlorofluorocarbons		
HMMS	Heat Movement Monitoring System		
HoDs	Head of Department	L&A	Liason & Administration
HoP	Heads of Personnel	LCA	Life Cycle Analysis
HOT	Heads of Training	LF	Ladle Furnace
HR	Human Resources	LLB	Bachelors of Legislation
HRD	Human Resources Deptt	LSHS	Low Sulphur High stock
HEC	Heavy Engg Corporation		
HERD	Hydro Refining & Extractive Distillation	M&SP	Marketing & Strategic Planning
		M&HS	Medical & Health Service
HRIS	Human Resource Information System	MBA	Masters of Business Administration
		MD	Managing Director
HRM	Human Resources Management	MDI	Management Development Institute
HRPE	Human Resource Planning for Expansion	MDGs	Millennium Development Goals
		MDM	Material Defects in Mills
HSCL	Hindustan Steelworks Construction Ltd	MECON	Metallurgical & Engineering Consultants (India) Ltd
HT	High Tensile	MOIL	Manganese Ore (India) Ltd
HIC	Hydrogen Induced Cracking	MoS	Ministry Of Steel
		MoU	Memorandum Of Understanding
		MODEX	Modernization & Expansion
ICFAI	Institute of Chartered Financial Analysts of India	MOEF	Ministry of Environment and Forest
ICQCC	International Convention on Quality Circle	M Mill	Merchant Mill
ICS	Internal Customer Satisfaction	MLD	Million Litres Per day
ICWAI	Institute of Cost and Works Accountants of India	MPa	Mega Pascal
		MRG	Market Research Group
ICVL	International Coal venture Ltd	MST	Multi Skill Training
IISI	International Iron and Steel Industry	MSDS	Main step down sub station
IED	Industrial Engineering Department	MT	Million Ton
IIM	Indian Institute of Management	MTI	Management Training Institute
IIP	Index of Industrial Production	MSW	Municipal Solid Waste
IIT	Indian Institute of Technology	MTT	Management Trainee Technical
IISI	International Iron & Steel Institute	MTA	Management Trainee Administration
INSDAG	Institute for Steel Development & Growth		
		NACO	National Aids Control Organisation
IPSS	Inter Plant standard for steel Industry	NCQC	National Convention on Quality Circle
IR	Injury rate	NCuM	Normal Cubic Meter
IS	International Standard	NMRs	Non-Management Representatives
ISO	International Standards Organization	NTPC	National Thermal Power Corporation
IPCL	Indian Petrochemical corporation Ltd	NMDC	National Mineral Development Corp.
ITD	International Trade Division	NGO	Non Govt Organisation
ITI	Industrial Training Institute	NEERI	National Environmental Engineering & Research Institute.
IIMS	Indian institute of management		
JSW	Jindal Steel Works		
JV	Joint Venture		
JP Cement	Jay Prakash Cement		
KAM	Key Account Management		

List of Abbreviations

OASIS	Order & Sales Invoicing System	SPU	Steel Processing Units
ODP	Ozone depleting Potential	SPV	Special Purpose Vehicle
ODS	Ozone depleting Substances	SQC&OR	Statistical Quality control & Org. Research
OHSAS	Occupational Health & Safety Standards	SRM	Sales Resident Manager
OPD	Out Patient Deptt.	SWEAC	Single Window Employee Assistance Center
OHSMS	Occupational Health and Safety Management System	SAWRS	Social Accountability Welfare Representatives
OH&S	Occupational Health and Safety	SWOT	Strength, Weakness, Opportunity, Threat
OMS	Order Management System	SEWA	Sail Employees Welfare Association
OPD	Out Patient Deptt.	TAB	Training Advisory Board
OHP	Ore Handling Plant	TAC	Training Advisory Committee
OHS	Occupational Health Services	TCS	Ton of Crude Steel
OPD	Out Patient Department	TDC	Technical Delivery Conditions
PBT	Profit before Tax	TDS	Tax Deduction at Source
PBS	Power & Blowing stations	THM	High Corrosion Resistant
PC	Pollution Control	TMT	Thermo Mechanically Treated
PCB	Ploy Chlorinated Biphenyl	TRAMS	Traffic Management
PF	Provident Fund	TSS	Ton of saleable Steel
PLCs	Programmable Logic Controllers	TPD	Tonnes Per Day
PM	Prime Minister	TOTO	Training of Training Officers
PMG	Project Management Group	UTM	Ultrasonic Testing Machine
PMT	Prime Minister's Trophy	UTS	Ultimate Tensile Strength
PP-1	Power Plan -1	UNDP	United National Development Program
PPC	Plant Production & Control	VAD	Vacuum Arc Degasser
PRC	Public Relation Officer	VER	Verified Emission Reductions
PRD	Public Relation Department	VR	Voluntary Retirement
PSU	Public Sector Undertaking	VRS	Voluntary Retirement Scheme
PVR	Plan View Rolling	VOC	
PETP	Phenolic Effluent Treatment Plant	VVVF	Variable Voltage Variable Frequency
QC	Quality Circle/Quality Complaint (as applicable)	WI	Work Instruction
QMS	Quality Management System	WRM	Wire Rod Mill
QOL	Quality of Life	WSA	World Steel Association
R&D	Research & Development	YS	Yield Strength
RCH	Reproductive & Child Health	ZAC	Zonal Awards Committee
RCL	Research & Control Laboratory		
RDCIS	Research & Development for Iron and Steel		
RHF	Rotary Hearth Furnace		
RINL	Rsatriya Ispat Nigam Ltd.		
SA	Social Accountability		
SAIL	Steel Authority of India Ltd		
SAMS	Social Accountability Management System		
SCF	Shop Communication Forum		
SMS	Steel Melting Shop		
SOPs	Standard Operating Procedures		
SP-III	Sintering Plant-III		



GRI Application Level



**Bhilai Steel Plant's Sustainability Report 2012-13,
" Green.....nth " is a
"GRI" Application Level "A" Report**

PLANT LEVEL POLICIES



Quality Policy

To make Quality as the hallmark of every process and activity and enhance customer satisfaction through Innovation, Product Differentiation and Effective Quality Management System.

Environmental Policy (Works Area)

Bhilai Steel Plant (BSP), Steel Authority of India Limited, is an integrated steel plant with an annual production capacity of 4.0 million tones of steel and progressing towards 7MT, specializing in production of rails, heavy structural, merchant products, wire rods and plates. Bhilai Steel Plant collective re-affirms its commitment to protect environment and shall strive to :

- ♦ Introduce sound environmental management practices for minimizing pollution and its impact on air, water, land, flora, fauna and human beings.
- ♦ Conduct operations in an environmentally responsible manner for complying with legislation and regulations related to its environmental aspects.
- ♦ Conserve and optimally utilize raw materials, energy, water and other resources.
- ♦ Minimize waste generation and promote its recovery, recycling and reuse.
- ♦ Achieve continual improvement in environmental performance by setting and reviewing the objectives and target periodically.
- ♦ Enhance environmental awareness amongst employees and interested parties.
- ♦ Communicate Environmental Policy to the persons working for or on behalf of the organization and make it available to public.

Occupational Health & Safety Policy

BSP is committed to:

- ♦ Create work site free from Occupational Health & Safety hazards for its employees.
- ♦ The Safety of the people associated with it, those living in the neighbourhood of its plants, mines & units.
- ♦ Pursue the safety efforts by adhering to Occupational Health & Safety Management system based on the requirements of internationally recognized OHSAS:18001 Standard and its periodic review at Works.
- ♦ Demand accountability for safety performance & provide the resource to make safety programme work.
- ♦ Involve all employees for continual improvement in OH&S.
- ♦ Comply with the applicable legislation & other requirements of OH&S.

Social Accountability Policy

BSP being a responsible corporate citizen shall continuously strive to enhance value for its stakeholders by promoting a safe, healthy and socially accountable work culture by :

- ♦ Adhering to Social Accountability Management System based on internationally recognized SA:8000 Standards.
- ♦ Positively influencing its Suppliers & Contractors in adhering to the SA Management System requirements.
- ♦ Complying with all applicable laws.

Committed to a Sustainable Future



स्टील अथॉरिटी ऑफ इण्डिया लिमिटेड
STEEL AUTHORITY OF INDIA LIMITED

भिलाई इस्पात संयंत्र
BHILAI STEEL PLANT

