

Greening the Footprints Today Tomorrow





Greening the footprints Today Tomorrow

Green is the color of balance and harmony. Green is also the color of growth, the color of spring, of renewal, rebirth & sustainability. Bhilai Steel Plant epitomizes very essence of green. Through love of nature, contributing to the welfare of the society it has transformed lives and has spread smiles amongst people.

Stability and endurance, and the strength to cope with adversity have been the hallmarks of BSP's success story. Encompassing all shades of green, BSP has brought prosperity & material wealth to the once sleepy hamlet of the country, giving it a "Pride of Place" in the annals of history.

Not to bask in its laurels and continue its forward march in the quest of adding more shades of green to its ever enlarging footprints of prosperity, growth & harmony, BSP has embarked on massive modernization & expansion of its operations. As the time for fructification is nearing ever so close, so does the vigor of the maxim "Greening the footprints Today Tomorrow".

CONTENTS



CEO' Message	... 2
About This report	... 5
Business Profile	... 9
Stakeholder Engagement	... 16
Sustainability Approach	... 26
Corporate Governance	... 34
Economic Performance	... 38
Partnerships & Associations	... 47
Environment Management	... 51
Health & Safety	... 71
People Management	... 80
Training & Development	... 93
Transparency	... 97
Community Initiatives	... 100
Product Responsibility	... 115
Awards & Accolades	... 122
GRI Index	... 127



CEO's Message

Dear Stakeholders,

Evidence shows that the manner in which mankind is pursuing development, is putting pressure on our ecology, is leading to poverty, and is creating greater inequality. Ensuring sustainable development is of prime importance, since the world is reaching environmental and social tipping points. The necessity of building a sustainable world has never been so real and so urgent. But stepping into this reality should not evoke dark clouds as it is also a harbinger for hope. Cooperation on sustainable development needs to take place at all levels - global, regional and national. For this to happen, we have to focus on long-term engagement and predictability which are critical enablers for sustainable development.

Against this back drop, it gives great pleasure in presenting Bhilai Steel Plant's Sustainability Report 2014-15, prepared in accordance with the 'G3' guidelines of GRI Sustainability Reporting that discloses our sincere efforts in integrating sustainable development into our development pathways. Bhilai Steel Plant reaffirms its commitment to the Sustainability Goals that it has set for itself on economic, environment & social performance, in-line with the stated vision of being a respected world class organization in realizing the cherished value of making a meaningful difference in people's lives. We also measure our performance against UN Global Compact

principles & United nation's millennium development goals. It is time we renew our commitment to building sustainable business that benefits all our stakeholders.

Our sustainability goals are part of our enterprise scorecard. These goals are further cascaded to functional heads with the requisite authority to execute them. This has helped us in building a responsive and proactive culture towards our sustainability goals.

In the current steel market scenario, global trends are increasingly affecting performance of Indian Steel makers. While the automobile and construction sectors boosted steel demand in the U.S. in 2014, surging steel imports and falling oil prices played major spoilsports for the industry. Moreover, the steel industry's perennial concern -- overcapacity -- added fuel to the fire. As per the World Steel Association, global steel production was recorded at 1,662 Million Tons (MT) in 2014, which is a meager 1.2% more than previous year. Economic slowdown in China, the largest steel consumer and producer and accounting for almost half of global steel consumption, has dealt a massive blow to the global steel industry. In stark contrast to the high demand levels in China in the past years, steel usage is expected to rise only by 0.8% in 2015 as per the World Steel Association's short range outlook.

Steel demand in the U.S. is expected to grow on the back of an improving economy, strong momentum in

the automotive markets and a turnaround in the construction sector. However, the energy sector's steel demand could be subdued in 2015, given the trending low oil prices. While India will pick up pace, China will continue to suffer. The slowdown in the European Union also poses concern. The steel industry is expected to grow, albeit at a muted pace.

At a time, when China's growth is sluggish, world is looking at India to give fillip to the global economy. Revival of the Indian economy is of critical importance. The country and the industry in particular have been facing mounting challenges, precipitated by several years of subdued economic activity. The reforms promised by the new government at the centre, with focus on infrastructure are expected to boost steel demand in the coming years. Moreover, with the proposals for the construction of 100 smart cities and dedicated freight corridors, coupled with the passage of Mines and Minerals (Development and Regulation) Amendment Act 2015, would enable the metal sector in India to gain a strong foothold, despite the slump in the global market.

Bhilai Steel Plant started the financial year 2014-15, with a strategy to overcome challenges and with a firm target to register a positive growth in business. The Plant achieved best ever yearly production of 1.317 MT of finished Plates and best ever loading of finished plates at 1.30 MT from Plate Mill, exceeding the previous best of 1.294 MT in 2007-08 and 1.284 MT in 2010-11 respectively. Best ever yearly loading of 1,41,670 T of Long Rails from RSM was also achieved, surpassing the previous best of 1,37,662 T in 2013-14.

An unprecedented and unfortunate incident at Pump House-2 in the month of June'14 has affected most of the units and there was a drastic shortfall in the volume of production and adverse impact on techno-economics. The plant, however, overcame the crisis in the shortest possible time and compensated the loss in a phased manner. The shortfall in Saleable Steel was bridged by enhancing the production at Plate Mill and fulfillment of IPT orders month after month. With the changing business scenario and increased demand of Long Rails (260m) by Indian Railways, the thrust was given to maximise its production and dispatch. The Mill developed new techniques for simultaneous rolling of R-52 Kg and R-60 Kg for the first time in order to meet the Railway requirement.

With the erection of new units and installation of state-of-the-art facilities, the landscape inside the plant is changing by the day. The plant continued to accelerate

its expansion drive and made substantial progress on all the major schemes planned under 7 MT expansion programme. Two major units viz. COB-11 at Coke Ovens and 2nd Machine at Sinter Plant-3 were successfully commissioned and stabilised in the year 2014. Capital expenditure on various schemes during the year was Rs. 2049.49 Crores.

Cost optimization remains one of the thrust areas of the company, by targeting improving the operational efficiency by optimally utilising the available assets, quick stabilization of the newly commissioned units, reducing overhead costs and enhancing employee productivity and reducing wasteful expenditure, break downs and stoppages.

On the environment front, concerted efforts during the year have resulted in reduction of 1.9% in particulate matter emissions, 12% in specific effluent load and 1.5% in specific water consumption compared to last year. A reduction of around 0.3% has been achieved in specific energy consumption. As a measure to conserve biodiversity, more than 15,000 trees have been planted in our township & mines along with 20 KM road side plantation accounting for about 20,000 trees. Over the years, we have been proactively engaged with our partners in taking-up projects for the common good. In this direction BSP is partnering UNIDO & MoEF in developing a facility for the destruction of Polychloro-bi-Phenyls (PCBs), in compliance of global efforts towards elimination of Persistent Organic Pollutants (POPs) under Stockholm convention. To give impetus to indigenous R&D efforts, BSP in partnership with MECON has developed a multi-gas monitor. We are also in a small way promoting use of solar power under Prime Minister's Solar Mission. We have installed a 2x100kw solar power plant in our Bhilai Niwas and also lined-up schemes for setting-up of solar plants on office buildings in progressive manner. Understanding the importance of conserving fresh water and further bring-down our specific water consumption, BSP has engaged, CII-Triveni Water Institute in conducting comprehensive water audit, besides conducting watershed evaluation studies to assess the water related risks to our operations.

We see CSR as an important constituent of the overarching framework of sustainability. "We value the opportunity and responsibility to make a meaningful difference in people's lives". We engage in planned manner with societal stakeholders as per the mechanisms developed & modified in consultation with the beneficiaries and expert agencies in this

domain. The fruits of development have all along been carried to the rural populace in an arc of prosperity around Bhilai. Exemplifying the manner in which corporate social responsibilities ought to be discharged, Bhilai has identified 21 villages in its periphery to be developed as Model Villages. Apart from infrastructure development, sports & cultural activities, women of the villages are being empowered by providing employment opportunities. Several income generation schemes are being run for the beneficiaries. As many as 21 health camps are organised every month in the MSVs. Special eye camps followed by cataract surgery with free lens transplantation & post-operative care are organised regularly. Bhilai Ispat Vikas Vidyalayas, one at Sector-6 & another at Khurshipara are two English Medium primary schools providing free education, books & stationary, mid-day meals and transport to children from economically backward families. Bhilai Ispat Kalyan Chikitsalaya provides free consultancy and medicine to needy patients. The Plant continues to adopt children from tribal and other communities, providing free schooling and boarding to them. At Bhilai Ispat Kaushal Kuteer, vocational training is provided to unemployed youth. An old age home called Siyan Sadan provides succour to senior citizens in need.

In a constant endeavour to ascertain the true perception, feedback and requirements of our societal stakeholders and impact of CSR initiatives on the society, independent expert agencies have been engaged to carry-out the surveys & assessments. An internal 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.

We continuously revisit our understanding of the expectations stakeholders have from the Company by identification of the material issues. The Majority of these issues that have been identified by us have also been reflected in World steel association's Sustainability Indicators and in principles of the United Nations Global Compact (UNGC). These include corporate governance, environment management, occupational health & safety, product innovation and community engagement. Of these, environment management and occupational health & safety are the ones where adequate room exists for further strengthening, despite our continuous and concerted efforts. From next year onwards BSP will be switching to sustainability reporting based on new Global

Reporting Initiative (GRI), G-4 guidelines, which have undergone significant changes in the identification of material aspects, reporting levels & disclosures on management approach. To gear-up for this task, we have already imparted GRI certified, sustainability reporting training program to our people, through CII, – to up-date their sustainability reporting skills in-line with the new GRI, G-4 requirements.

In the coming years, Intensification of competition from domestic as well as foreign steel producers, fall in international steel prices due to decline in raw material prices both for iron ore & coking coal, excess steel capacity in the country could lead to further margin squeeze. Slowing growth in China could potentially increase competition from cheap imports. Continued subdued demand growth for steel may lead to excess capacity situation, especially in flat products. Depleting iron-ore reserves, ageing equipment, need for timely incorporation of new technologies in steel making, are the strategic challenges for BSP. Development of Rowghat iron-ore Mines is critical to BSP's growth strategy.

Sustainable development is a dynamic process of adaptation, learning and action that recognises and understands the need to act on interconnections between the economy, society and natural environment. Sustainable development seeks a more holistic treatment of economic, social and environmental dimensions of development. This report represents a balanced presentation of our organization's economic, environmental and social performance. We have taken steps to understand the expectations of our stakeholders and use this information to inform our strategy and management systems to ensure that we operate in an environmentally and socially responsible way whilst bringing long-term economic benefit to our shareholders and stakeholders.

Going forward, we must ensure that our wider business strategy focuses on environmental protection, and social justice, as well as our bottom line. The Planet, People and Profit ethos should permeate throughout our business. Through our actions over the years, we have demonstrated that, sustainability also makes good business sense. I am confident that our efforts will continue to fuel sustainable business for a better tomorrow.



(S. Chandrasekaran)

ABOUT THIS REPORT



About This Report

Bhilai Steel Plant took further steps in 2014-15, in demonstrating our commitment towards implementing our corporate sustainability policy in continuously promoting Sustainable Development through measures to improve our environmental, social, health and safety performance. Some of those steps were unspectacular but vital; others demonstrated how sustainability considerations are increasingly becoming part of our day-to-day business and are essential to overall success. Our strategies are designed to ensure that sustainability considerations and values are understood, implemented and communicated across BSP's value chain and become a seamless part of business practice, for overall benefit of our stakeholders.

This report covers BSP's activities & sustainability initiatives during the period from April 1, 2014 to March 31, 2015. There are no changes in standards for reported data from previous reports unless otherwise specified. This report contains activities and performances related to sustainability covering product and services of Bhilai Steel Plant and its captive mines.

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 2014-15 has been self verified against the criteria in the GRI application levels.

Report Profile:

Reporting Period

The previous Corporate Sustainability Report was published for the year 2013-14 and current Report covers the financial year from 1st April 2014 to 31st March 2015.

Reporting Framework

This Report presents the sustainability actions and results across the Economic, environmental and social aspects, organized as per the Global Reporting Initiatives (GRI) G3 Sustainability Reporting guidelines.

Relevant aspects have been referred from Indicator Protocol, Sector Supplements and Technical Protocol and are incorporated in the Report. The reporting principles of materiality, stakeholder inclusiveness, sustainability context and completeness have been applied in line with the Principles of Inclusivity, Materiality and Responsiveness. The Report represents the balanced and reasonable presentation of our contributions in the area of sustainability. This report is intended for our valued stakeholders.

Report Scope & Boundary:

This Report contains BSP's performance and operational activities with respect to sustainability management. Financial information reported in economic performance section for the financial year 2014-15 ending on 31st March 2015 whereas social and environmental performance have been elaborated in the respective sections.

The report has also considered the reporting guidance for boundary setting. 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, Mahamaya, Dulki, Raughat (which is under development), 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.

The other information on the reporting boundary has been described in the Business Profile section. Efforts have been made to include all significant actions or events and reasonable estimates on the future impacts of past events. The Report considers the principles of defining quality viz., balance, comparability, accuracy, timeliness, clarity and reliability.

Significant Changes in Boundary

As compared to the previous year's Corporate Sustainability Report i.e financial year 2013-14, there is no change in the boundary or scope of the report.



Mergers and Acquisitions

BSP does not enter into mergers & acquisitions on its own. The decisions are taken at the Corporate level by the SAIL

Reporting Standards

Guidelines under the Company's Law have been the basis for reporting of financial performance of the organization. Periodical quality, environment, health, safety and social audits are conducted against International Standards such as ISO 9001, ISO 14001, OSHAS 18001 and SA 8000. BSP has adopted integrated management system (IMS) for bringing cohesiveness and clarity in the above management system. Economic and Financial Systems are subjected to statutory audits by a third party and internal auditors. Further the systems are verified and reviewed by the concerned government authorities.

World Steel Association (WSA) guidelines and calculation methodologies have been followed while reporting the Carbon Dioxide (CO₂) emissions for Integrated Steel Plants (ISPs). Monitoring, measurement and calibrations are carried out as per relevant Indian Standards within purview of the Quality Management System. Work environment and safety are driven by the requirements of Factories Act and the environmental regulations prescribed by the Ministry of Environment, Forests and Climate Change (MOEF&CC).

Attempt has been made to address all the relevant and applicable core and additional indicators, while applying the reporting principles of GRI G3. The material issues were prioritized based on its significance on economic, environmental and social performance of the organization and stakeholder engagement process.

Integrated Management System

- Integrated Management System for ensuring effectiveness across the entire process chain by integrating:
 - ISO 9001 based Quality Management System for manufacturing of saleable products, Personnel deptt and HRD
 - ISO 14001 Environment Management System Works, Mines & Township
 - OHSAS-18001 Standard implemented in entire Works area
 - SA 8000 Standards implemented in entire Works area
 - BSP has been Certified for IMS in June 2014
 - ISMS 27001 for Information Security and EnMS ISO 50001 for Energy Management are under implementation.

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 2014-15

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.

Distribution & Feedback on Report

The full Report is published in English language. The report is available on SAIL website (www.sail.co.in). Stakeholder feedback on the report will be

communicated to the related department upon its receipt via email.

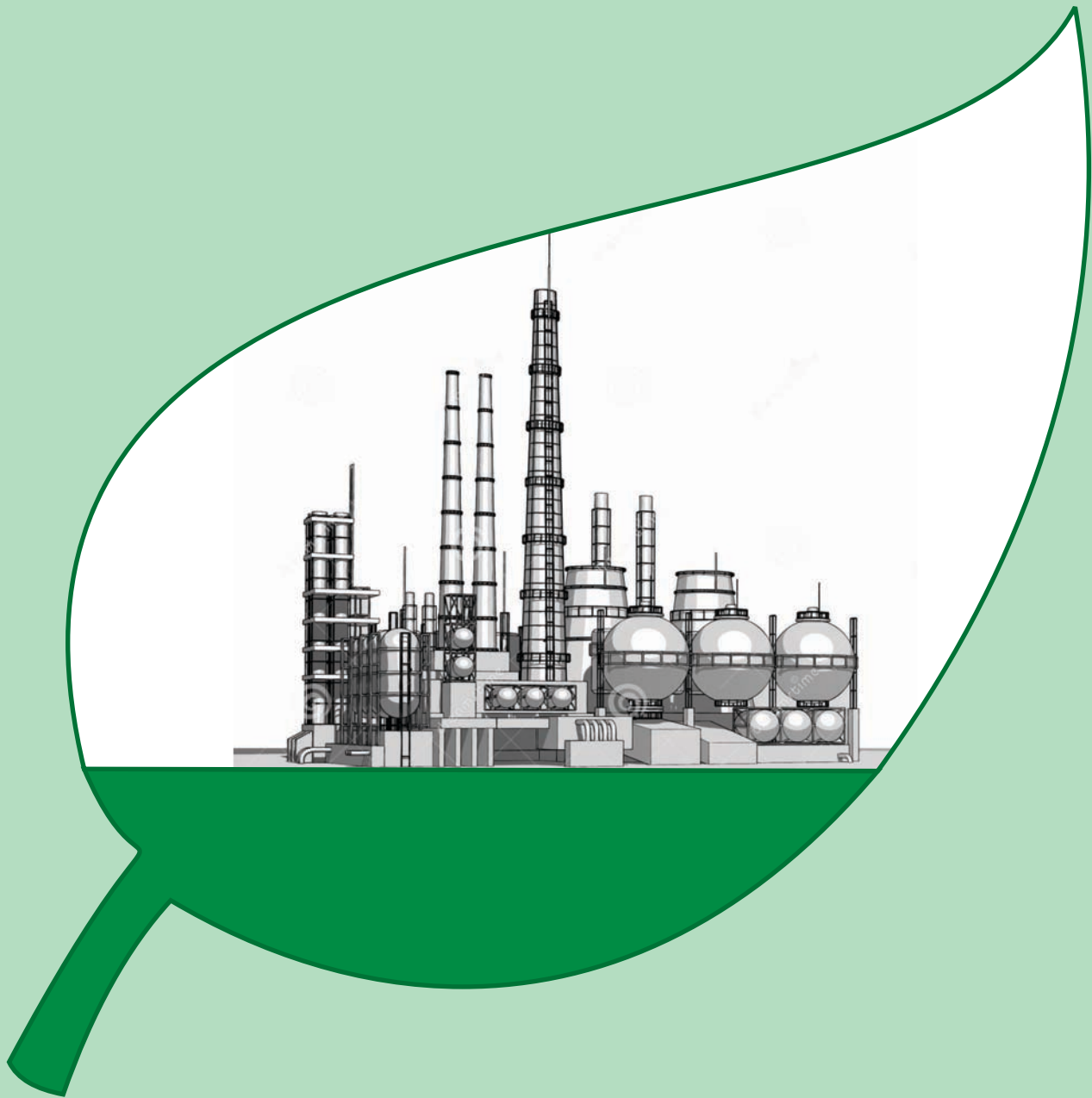
For additional information about BSP's efforts towards sustainable development, you are welcome to write to bsp.coc@gmail.com.

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.



BUSINESS PROFILE





Business Profile

Bhilai Steel Plant, the proud winner of the prestigious Prime Minister’s Trophy for 11 times, came into being during the 2nd Five year plan as a part of Hindustan Steel Ltd (Later on known as Steel Authority of India Ltd - SAIL) in collaboration with erstwhile USSR. It is one of the five integrated steel plants under SAIL and is located strategically in the mineral rich central region of India. BSP has always been a major contributor to the bottom line of Maharatna Company- SAIL and hence is admired as its flagship unit. BSP’s inbound supply chain has the strategic advantage of having captive mines. The outbound supply chain logistics is facilitated by being located on the Howrah-Mumbai railway route. The entire value chain of BSP is supported by other corporate units of SAIL like 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.

Organisational Environment

Legal status and investor’s profile: Steel Authority of India Limited (SAIL) is a public sector undertaking, largely owned by Government of India and functions like an operating company. SAIL, by virtue of its Maharatna status, enjoys significant operational and financial autonomy. Bhilai Steel Plant is a manufacturing unit of SAIL.

Category	% of equity
Gol	75
FIs/Banks	3.5
Insurance companies	10.84
Mutual Funds	1.07
FIIIs	6
Others	3.59

Main Products:

BSP produces a wide range of Plates, world's cleanest Rails, Heavy Structural, Merchant Products (TMT Bars, Angles, Channels, and Rounds) and Wire rods (TMT, Plain, and Ribbed). BSP has a unique product portfolio, of having both long and flat products and it has the capability to offer customized products to its customer. The prime product mix of BSP comprises of Rails, Bars, Rods and Structural and Plates. BSP is the sole supplier of rails to Indian Railways and is currently supplying up to 260 meter long rails - the longest welded rail panel in the world dispatched from works - to meet the objectives of improving passenger safety, comfort and reducing track maintenance activities. 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. SAIL-BSP was the proud supplier of DMR 249 A plates used for building India's first Indigenous Aircraft Carrier INS 'Vikrant' which was launched on August 12th, 2013. Similarly, Thick web asymmetric rails - "Zu 1-60" (an import substitution) for switch-point applications was developed in-house.

Delivery Mechanism:

BSP products are marketed through SAIL's corporate marketing wing -Central Marketing Organization (CMO). CMO's Home Sales is effectively carried out by a network of over 2000 dealers International Trade Division (ITD), a unit of CMO, undertakes exports of products from BSP. The Transport & Shipping Division of

CMO headquartered at Kolkata with its branch offices at Haldia, Paradip, Vizag and Kolkata ports, ensures efficient dispatch of steel exports.

Employee Profile:

In BSP, the total number of executives and non-executives is 3729 and 23118 respectively as on 31.03.2015. BSP employs around 4.72 % women employees.

Major Technologies, Equipment, Assets & Infrastructural facilities:

BSP uses Blast Furnace technology for Iron making. In addition to producing ingot steel through conventional Open hearth route of steel making, BSP produces continuously cast steel slabs and blooms through Slab and Bloom Casters. The CONCAST route of steel making is also equipped with secondary refining units like Vacuum Arc Degassing (VAD) and RH Degasser to produce the clean steel. These cast products are rolled into long and flat products through Rolling Mills which include a Blooming and Billet Mill (BBM), Wire Rod Mill (WRM), Merchant Mill (MMill), Rail and Structural Mill (R&SM) and Plate Mill (PMill). The technology is upgraded and updated with every modernization and expansion and also through continual assimilation of state of the art technology for product and process improvements. It also has degassers and desulphurization units for producing world class clean steel with Hydrogen PPM less than 1.5-1.6 ppm. The ongoing Modernization and Expansion (MODEX) Plan envisages installation of cutting edge technologies for



Bhilai Steel Plant



improvement in productivity, yield, quality, cost competitiveness, energy efficiency and environmental protection. Our world-class long rail manufacturing complex has sophisticated technologies viz. Online Eddy Current & Ultrasonic Testing Machines for Rails, Laser Straightness Measurement, Laser Controlled Presses for Rails, etc. 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 a robust IT infrastructure with powerful servers in the backend and high speed Gigabit Ethernet network crisscrossing the entire plant. Today, majority of the business functions are running on world class SAP – MES platform to provide better order processing and planning, scheduling and rescheduling and execution of heats, better order management and quality tracking of plate production. MES has been implemented in 3 major shops, viz., Rail and Structural Mill, Plate Mill and Steel Melting Shop-II.

BSP has its own township spread over 40 Sq KM which includes residential quarters, markets, shops/hawkers, 28 schools, 860 bedded multi-specialty

hospital (JLNHRC- which is also the first PSU hospital in the country that has been pre-certified by Quality Council of India for its NABH Standards based Quality Management System) having average patient rate of 4480 per day and 139 per day in OPD & IPD respectively, 60 bedded oncology hospital, 9 health centers across township, 80 bedded combined capacity of three mines hospitals, main medical posts inside the plant premises, clubs, markets, zoo, gardens, parks and other civic amenities. It also has three telephone exchanges with installed capacity of 6200 land lines.

Key Customer, Market Segments:

BSP products cater to various segments and have strong presence in key sectors of Construction, electrical goods, Oil/gas transportation and yellow goods.

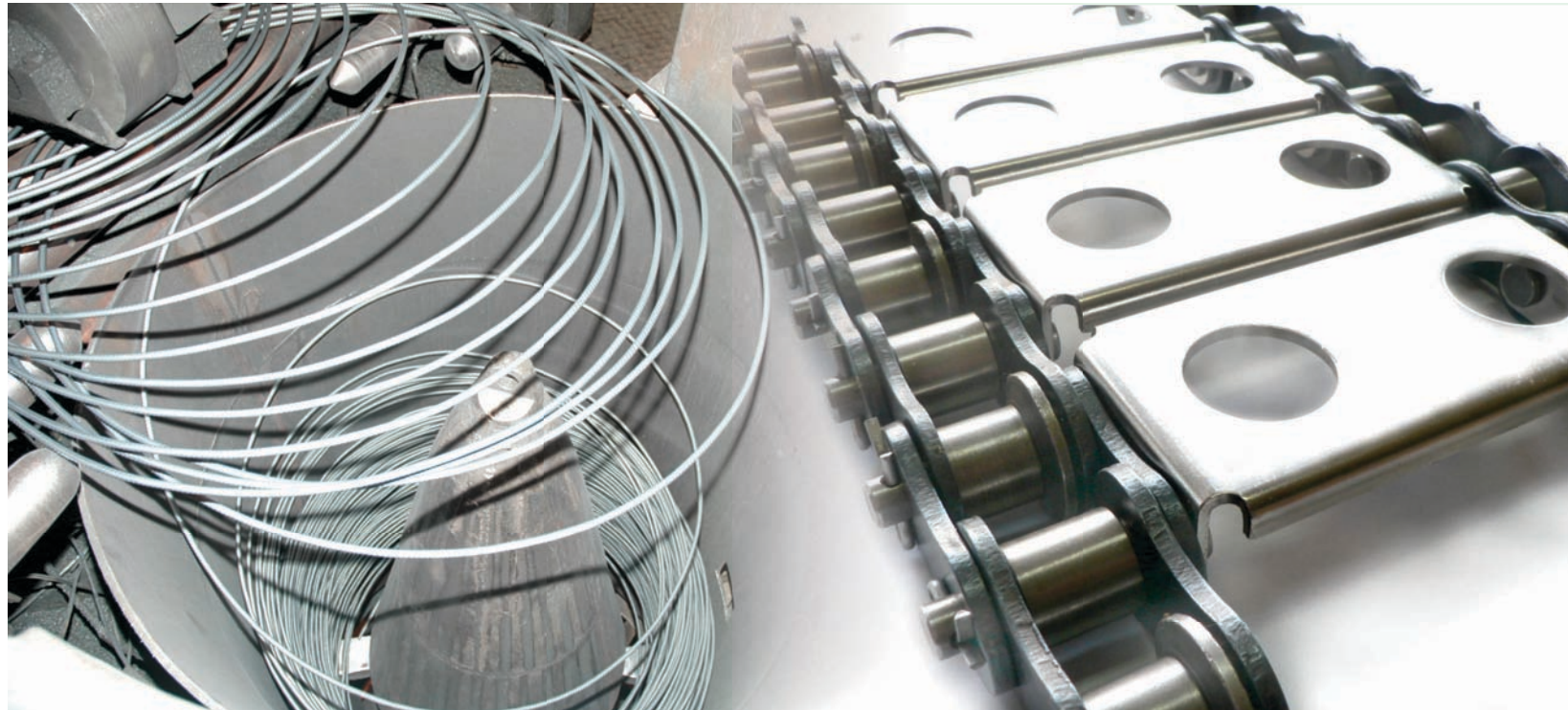
Role of partners:

In the area of procurement BSP has MoU arrangements with some of the leading PSU organizations. BSP has entered into JV partnership with MOIL for producing Ferro Manganese at Bhilai. BSP has nurtured the local ancillary industry by providing continuous support to

SAIL – The Steel that India Trusts

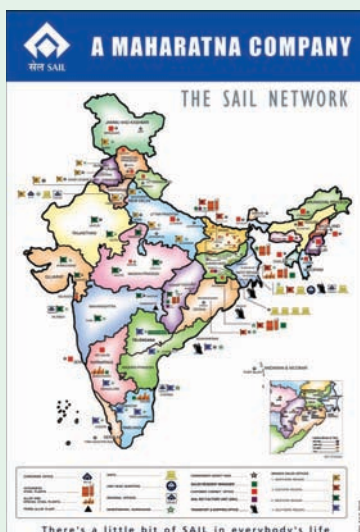
- Largest Steel Producer in India
- Among the seven “Maharatnas” of India’s Central Public Sector Enterprises
- Second largest producer of iron ore and owns country’s second largest Mines network
- Annual Turnover in FY ‘15: Rs 50,627 Cr; Contributed Rs 11,110 Cr to the exchequer
- Produced 15.413 MT Hot Metal with 11.8 MT of total sales volume
- Five Integrated Steel plants, three special steel plants & one Ferro-alloy plant





Market Segments	Products	Applications	Key Customers
Long Products	Rail	Railway Track	Indian Railways
	Bars, Rods and Structural	Wire Drawing, Electrode Quality, Construction, Infrastructure, Rerolling, Fabrication	L&T Ltd, Gammon India Ltd, KEC International Limited, NTPC, BHEL , D&H Secheron Electrodes Private Limited
Flat Products	Plates	Heavy machines, Boiler & Pressure Vessels, Pipelines- Crude & Gas, Water etc. Construction/ Fabrication, Wind Mill Sector , Export	BHEL, NTPC, Megha Engg & Infra Ltd., RINL, Bharat Earth Movers Ltd. ,L&T Ltd, Thermax Ltd, ISGEC Heavy Engg Ltd

Market Reach - reaching every corner of India...



- **Sprawling Marketing Network of**
 - 37 Branch Sales Offices
 - 10 Customer Contact Offices
 - 67 Warehouses
- **Penetrating into the rural India**
 - Rural dealership Scheme
 - Ground Force of over 2800 dealers
- **International Trade Division**
- **SAIL has the country's largest steel retail network**

Type	Key Product/ Services	Key suppliers	Key requirement	Relationship
Raw Material	Lime stone	RSM&ML, Jaisalmer	Quality, on time delivery, competitive price	LT Contract
	Manganese Ore	MOIL	Quality, on time delivery, competitive price	LT Contract
Consumables	Casting Powder for Slab/Bloom casters	S&B Minerals, Germany	Uninterrupted supply, Quality, competitive price	LT contract
	Aluminum Ingot	NALCO	Uninterrupted supply, Quality, competitive price	LT Contract
	Copper	HINDALCO/ HCL	Uninterrupted supply, Quality, competitive price	LT Contract
	Lubricants	Oil PSUs	Uninterrupted Supply, Inventory Management	LT Contract
Services	Total Tundish Management	IFGL/ OAL/ Vesuvius	Timely availability	Rate Contract
	Total Ladle Management	TRL/ OCL	Timely availability	Rate Contract

them resulting into 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. BSP has been upgrading the rail making facilities on a continuous basis through partnership and collaboration with Indian Railways in order to meet their demands.

Market size, Market Share and Competition:

BSP has a competitive advantage in its ability of product-mix flexibility and capability of supplying wide range and grades of differentiated products. BSP enjoys 100% market share in supply of prime rails to Indian Railways..

RINL, Tata Steel and JSPL are the main competitors in Long products, whereas in the area of heavy and wide plates, BSP is facing competition from M/s Essar Steel. Emergence of new players in the steel arena and

capacity addition by existing ones have eaten into market share of BSP. It is expected that BSP will gain its market share after the completion of ongoing Modernization and Expansion Projects which will enhance the production capacity of BSP to 7.5 MTPA of Hot Metal.

Key changes affecting competitive situation: JSPL has already set up a Rail Mill and is trying to get some orders of Indian Railways diverted to them. BSP however is confident to continue to get patronage of Indian Railways as its sole customer of rails due to the strategic relationship fostered during the past several decades by supplying world class Rails and living upto customer's expectations, every time a new challenge was thrown at it. BSP also has the competitive advantage of the ability to make new grades of steel as desired by very niche customers like defence and space research.

Main Products	Market Share		
	FY13	FY14	FY15
Railway Material (Includes rails, wheel-axle and others products)	86.1 %	84.3 %	77.1 %
Plates	15.5 %	21.0 %	21.6 %
Bars, Rods	3.9 %	3.9 %	3.1 %
Structurals	6.4 %	4.3 %	3.6 %
Semis	0.6 %	1.2 %	0.9 %

Strategic Challenges:

Intensification of competition from domestic as well as foreign steel producers. Fall in international steel prices due to decline in raw material prices both for iron ore & coking coal. Excess steel capacity in the country coupled with economic slow down in Europe and China could lead to a margin squeeze. Slowing growth in China could potentially increase competition from cheap imports. Continued subdued demand growth for steel may lead to excess capacity situation, especially in flat products.

Depleting iron-ore reserves, ageing equipment, need for urgent incorporation of new technologies in steel making are the strategic challenges for BSP. Development of Rowghat iron-ore Mines is critical to

BSP's growth strategy.

Performance Improvement System:

BSP has evolved a culture of performance excellence where challenging targets are set and achieved through involvement of people and a large number of enabling factors which include Suggestion Scheme, QC movement, Performance Improvement Workshops (PIWs) training and development, rewards and recognition, application of modern business tools and IT systems. BSP has institutionalized the practice of participation in prestigious award models designed for organizational excellence and obtains valuable inputs leading to improvements. Major improvement initiatives have emerged from this process of participation.

Make in India - Made in India



“Steel is a core industry which reflects the country's technological status and self-reliance.

Hon'ble Prime Minister's vision of Make in India – Made in India needs to be internalised by researchers and technologists of SAIL and the steel sector.”

Shri Narendra Singh Tomar
Hon'ble Union Minister of Mines & Steel

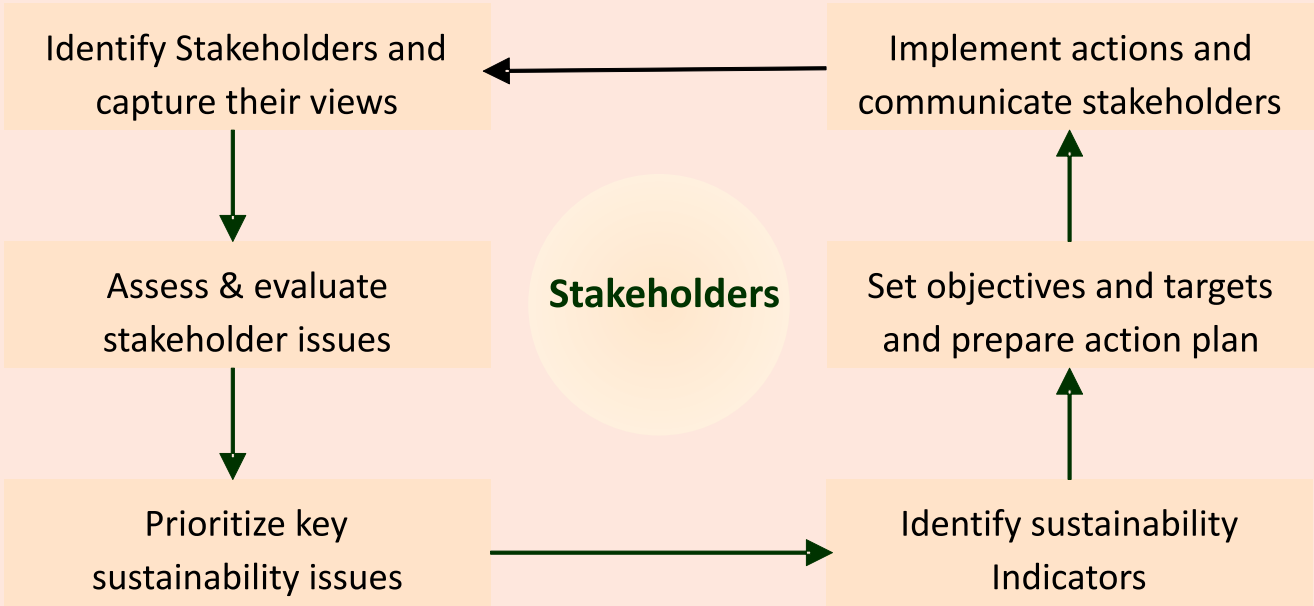


STAKEHOLDER ENGAGEMENT



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.



BSP highly values partnership with its stakeholders and actively seeks to strengthen the alliance with these stakeholder groups encompassing the government, shareholders, employees, customers, suppliers, community, NGOs, academics, consultants, competitors, etc. BSP has always ensured a proactive engagement with all its esteemed stakeholders and has accorded high importance and priority to their feedback. The frequency of engagement varies with the stakeholder groups ranging from daily interaction with employees to Annual General Meetings (AGM) for shareholders. The Feedback mechanisms at BSP have evolved and matured over several decades. The information related to sustainability is gathered from stakeholders by concerned departments of BSP. Key sustainability issues are prioritized by Management. Objectives and targets are set for the corresponding sustainability indicators and budgets are allocated for its implementation.

Key impacts on sustainability and effects on stakeholders:

Through regular structured materiality exercises BSP revisits its key sustainability issues, impacts and their effects on stakeholders. BSP maps material issues based on inputs and feedback from stakeholders as part of its planning process. Active stakeholder mechanisms are in place in its various functions like marketing, Human Resource development, CSR in plant & mines. Through this process key Sustainability issues, impacts & its effect on stakeholders is understood and accordingly company objectives are formulated or modified.

Sustainability Issues	Sustainability Impacts	Effects on Stakeholders	Company Objectives
Governance	<ul style="list-style-type: none"> • Leadership Policy and oversight on sustainability • Promoting Ethical Behaviour • Responsible Public Policy Advocacy • Stakeholder Identification and Management • Sustainability Reporting and Disclosures 	<ul style="list-style-type: none"> • Stakeholder trust and confidence • Brand Value/ Reputation • Access to Capital 	Be a leader
Operational Excellence	<ul style="list-style-type: none"> • Resource Conservation • Emission reduction • Climate Change mitigation 	<ul style="list-style-type: none"> • Sustainability of Raw Material Supply • Business Sustainability • Water Sustainability 	Improve Environmental performance
Employees	<ul style="list-style-type: none"> • Skill Development and Training • Occupational Health & Safety 	Employee Happiness, empowerment & motivation	Rationalize manpower improve Safety & Health performance Improve productivity.
Supply Chain	<ul style="list-style-type: none"> • Human Rights • Health & Safety 	<ul style="list-style-type: none"> • Protection of Human Rights • Safe Working Conditions 	Improve our Safety & Health performance Building trust
Community	<ul style="list-style-type: none"> • Benefit sharing • Local Infrastructure Development 	<ul style="list-style-type: none"> • Community Happiness • Preventing unrest 	Impact the lives of communities around our area of operations & ensure compliance to statutory conditions
Products and Customers	<ul style="list-style-type: none"> • Value Creation • Resource Footprint 	Customer happiness & loyalty	<ul style="list-style-type: none"> • Market Share • Brand Value/ Reputation



Stakeholder Feedback

BSP engages with its - valued stakeholders through diversified modes of engagement and then incorporates their feedback in its strategy and initiatives. Inputs from shareholders feed into the strategic plan development and the consequent strategic objective setting. On the other hand, customer feedback goes into forming basis for product improvement, products and services development necessary for customer retention, market penetration and development. Interaction with suppliers allows BSP to identify focus – areas and strengthen its relationship with them.

BSP has developed metrics for capturing stakeholder feedback in systematic manner. Customer Satisfaction Index and Employee Satisfaction are just some of such metrics used for gauging the stakeholder feedback and its quantification. BSP consciously also captures the employees' needs and expectation in a structured manner and ensures that the organizational policies are aligned with the employee expectations.

Materiality Assessment Process

Materiality Assessment is a framework which allows for prioritization of issues and areas pertaining to economic, environment and social aspects of Sustainability. BSP has adopted a structured approach for understanding stakeholder expectations and analyzed relevant issues for their perceived importance as well as impact of these issues on the business.

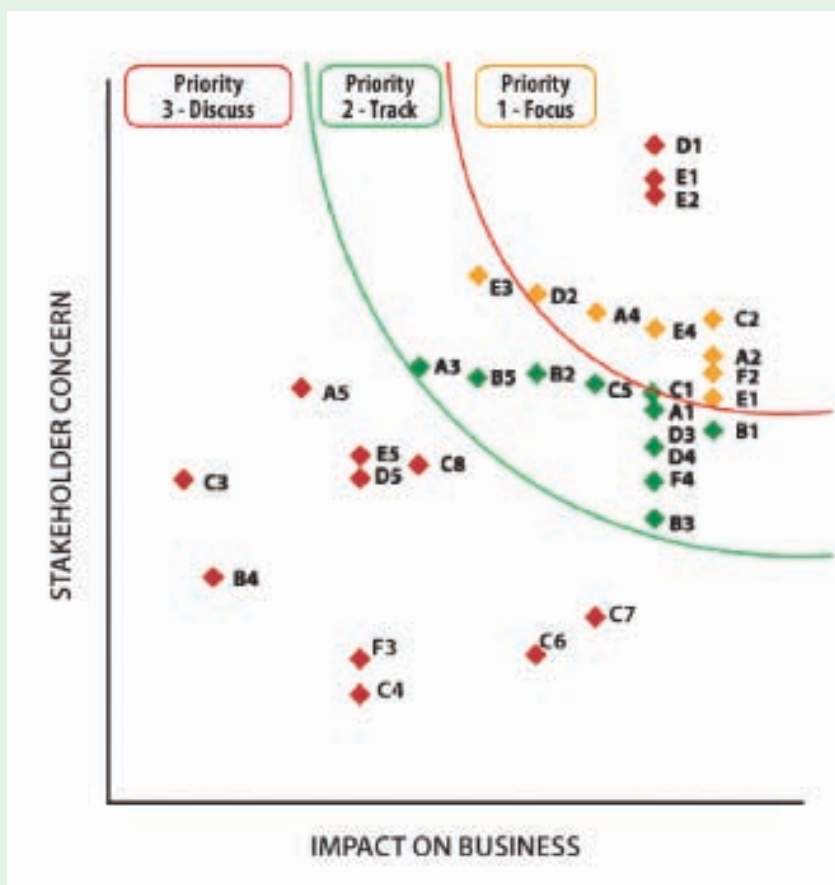
As an outcome of this exercise, BSP has developed a materiality matrix that highlights issues which have been rated high by the stakeholders on the basis of their concern and also important to business on the basis of relevance. The material issues were mainly identified by the concerned departments through direct consultation, interactions, internal/external surveys, employee training programs, workshops, suggestions, newspaper reports, expert opinions, feedback from other units of SAIL etc.

While developing materiality mapping due importance was paid to the views of the stakeholders with regard to sustainability challenges faced by BSP.

Information on the stakeholder engagement processes adopted by BSP are also provided in the report.



MATERIALITY ANALYSIS



Priority-1 Focus	Priority-2 Track	Priority-3 Discuss
<ul style="list-style-type: none"> • Leadership Policy and oversight on sustainability • Promoting Ethical Behaviour • Stakeholder Identification & Management • Occupational Health & Safety • Capacity Building of Employees • Emissions • Environment Performance Management • Recycling & Reuse • Community Engagement and Satisfaction • Benefit Sharing • Local Infrastructure Development • Resource Consumption 	<ul style="list-style-type: none"> • Initiatives for employment generation • Enhancing supplier satisfaction • Value added products & enhancing export • Promoting green procurement and green marketing • Investment on research and development • Healthcare to community • Water conservation, recycling and reuse • Enhancing energy efficiency & adopting renewables • Adopting sustainable sourcing practices 	<ul style="list-style-type: none"> • Reducing operating cost and cost saving • LCA for entire life cycle of steel products • Investment on new process and products • Talent retention and professional growth • Research and development of green products • Healthcare to community • Reducing ozone depleting substances • Reducing environmental impacts during transportation, packaging and dispatch • Land acquisition & RR

Stakeholder Groups	Sub-Groups	Engagement Mechanism	Concerns / Perceptions	Accrued Benefits
Shareholders	Government Institutions Insurance Companies Individuals	Annual General Meetings , Quarterly and half- yearly reports to shareholders, Shareholder relation meets, Investor surveys	Profitability of the Company, Creation of wealth, Stock price, Grievances and Complaints	Wealth creation for shareholders
Employees	Regular Contractual	Labour Unions, Bipartite & Tripartite Meetings, Departmental & Zonal Committee Meetings, Various Platforms for Dialogues & Communication, CEO Interactions, Employee Satisfaction Surveys, Annual Appraisals, Internal newsletters etc.	Safe and healthy working conditions, Good remuneration package, Professional growth, Quality of life, Welfare measures, Training and Career Development	Motivated, Satisfied and enthused workforce
Suppliers	Ancillaries Bulk Suppliers Vendors	Vendor meetings, Meetings with Suppliers, Ancillary Association Meetings, Supplier Relationship Management	Partnership with value creation, Timely payment, Engaging more local suppliers, Supplier satisfaction etc.	Satisfied suppliers
Customers	Institutional Retail	Customer meets, Plant visits, CEO/ Director's conference with customer groups, Visits to customers and Customer satisfaction surveys	Partnership with value creation, Product quality, Delivery compliance, Customer satisfaction, Resolution of complaints etc	Lasting relationship, Satisfied customer
Community	Urban Rural Indigenous Communities	Community meetings, Interaction with municipalities, Involvement in local society functions	Quality of life, Job opportunities, Education, Welfare measures, Medical facilities, Sustainable livelihood Environment	Socioeconomic development of the region, Partnership in progress
NGO's	Local National	Visits to Plants, Seminars, Conferences, Interactions, Support to NGOs etc.	Quality, Human rights, Freedom of association, Compliance to regulations, Funding / Resources	Safe and healthy workforce, Environment friendly operations, Ethical operations, Compliance to Standards, Increasing reach & productive of benefits
Regulators	Central Government State Government Local Bodies	Meetings with Central & State Government/ Trade Bodies, Industry Associations, Ministry of Environment, Forests & Climate Change, Other statutory bodies etc.	Economic, Environmental and Social Compliance, Human Rights, Safety, compliance to ILO conventions	Legal compliance, Going Beyond compliance
Competitors	Local International	Knowledge sharing, Partnership with value creation, Anti-competitive behavior, Consumer privacy	Fair business, Partnership, Public policy advocacy	Knowledge sharing, Best practices, Ethical business
Industry Associations	WSA CII FICCI IIM etc.	Conferences, Workshops, Seminars	Industry Policy, Regulations, Technology, Environment, CSR, Business Excellence	Knowledge sharing, Public policy advocacy, Best practices
Academic Bodies	Institution Research Labs	Conferences, Workshops, Seminars	Knowledge management, R&D activities, Partnership for value creation	Knowledge sharing, New technology
Professionals / Consultants	Local International	Visits to Plants, Seminars, Conferences, Interactions	Partnership with value creation, Training and development	Knowledge building, Value creation, Collaboration
Media	National/Local	Press Meets Interactions	Economic, Environmental and Social performance Achievements	Transparency and communication preventing grievance

□ SAIL is also revising its Stakeholder Engagement process to aim for completeness, materiality and responsiveness through 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.

The commitment and involvement of respective stakeholders for mutual sustainable success is achieved through shared concerns and the value of mutual benefits tested by time. This is achieved through forums/processes for engagement

Approach for gaining commitment	
Ministry of Steel, GoI	Instrument of MoU through which SAIL-BSP sought assistance for security arrangement for Naxal-affected Rowghat Rail line work
Customers	MoU with Indian Railways, Sharing technologies
Employees	Communication Forums like Synergy and Sameeksha, KPAs and Objectives in Balanced Score Cards
Society	Extensive CSR activities to enhance the acceptability of BSP's initiative in Public Hearings. Engaging with Ramakrishna Mission in Narayanpur to create gain trust of locals for starting mining operations
Partners and suppliers	Communicating needs and expectations to partners and suppliers through meets and interactions.

In addition to creating value for all stakeholders jointly, BSP shares its expertise, knowledge and resources with its important partners like Indian Railways, Indian Navy, NTPC, SAIL sister units (RDCIS, CMO, Sister plants) etc. with its partners to create synergy

Supporting with	Mutual benefit and Enhanced value
Expertise	<ul style="list-style-type: none"> • Development of world class facilities for Long Rails with less than 1.6 ppm Hydrogen content which is an International benchmark with a view to help Railways in ensuring enhanced safety and longer life of rails. • Development of DMR-249A grade steel for making the first indigenous Aircraft Carrier by Indian Navy. (Import substitution) • Steel for manufacturing of submarines for Indian Navy (Import substitution) • MoU with CSPDCL for transmission line Maintenance. With CREDA for Major Energy Saving Initiatives
Knowledge	<ul style="list-style-type: none"> • BSP technicians and engineers getting trained at Railway institutions located at Varanasi, Baroda and Pune and IRSE probationers being sent to Bhilai to know the process of Rail making, as a part of their regular training curriculum. • Power sharing partnership with NTPC gave BSP valuable insight into a better way of coal handling Technical guidance is provided to various Re-rolling Mills which also includes our customers, through UNDP's Global Economic Forum in order to enable them achieve continual improvement in energy savings. This will help lessen the effects of Global Warming
Resources	<ul style="list-style-type: none"> • Indian Railways and Bhilai Steel Plant, jointly decide on the specifications of rails and freeze them as per the latest norms achievable globally. IRS T12 standard was released after this joint exercise. Nickel Copper Chromium corrosion resistant rails is a joint venture project between Indian Railways, IIT Kanpur and Research wings of SAIL • JV with M/s Jaypee Cements Ltd helped in continuous slag disposal. This also helped our partner in expanding their capacity in a very cost effective manner, whereby they will be assured of regular raw material supplies at minimal transportation cost. • JV with NTPC to form NSPCL – Availability of Power for SAIL, assured business for NTPC. A win-win situation. • Tripartite partnership for Durg-Rajhara-Rowghat rail link (State Govt., Indian Railways and SAIL-BSP) which will help all the partners in realizing value as per their mandate. It would also lead to economic growth of the region with better linkage.

CEO of BSP is a member of the governing body of CHIPS- the nodal agency for propelling IT growth in Chhattisgarh state. One IT expert from C&IT, BSP is also a Board member of ChiPS. BSP is actively involved in all projects of CHIPS notable being the establishment of Data Centers, to provide centralized delivery of services for people in the urban & rural areas.

BSP has partnered with various agencies who have expertise in the field of Environment management. These partnerships have helped BSP in meeting the challenging goals in ensuring environmental sustainability. The details are provided in environmental performance chapter.

BSP works cohesively with its customers, suppliers, employees, consultants, etc. to deliver enhanced value to all of its stakeholders. The inputs received from them are factored into the processes at different levels to build organizational capabilities

Stakeholders	Learning Networks	Knowledge Collection Source	Using Collective Knowledge and Learning Networks –FY15
Customers	<ul style="list-style-type: none"> • Customer meets, • Regular Interaction with Customers 	Online feedback systems, Customer Satisfaction Index	Development of new Products like SAIL-EME Grade, DMR-249 A Plates
Employees	<ul style="list-style-type: none"> • Learning From Each Other (LEO) workshops, • Performance Improvement Workshops (PIWs) • Participation in Chapter Conventions of Quality Circles at National and International levels 	ICS,ITCC,CMS, Suggestion schemes, Quality Circles, Synergy and Sameeksha Forums, Direct to MD	LEO for projects and Safety PIW on Demurrage and % Fe In Sinter 276 QCs formed and projects done
Other Steel Plant	<ul style="list-style-type: none"> • Expert Committee Meetings, • Operating Committee Meetings 	Wealth of knowledge on Steel making	Comparison data which forms the basis of improvement through R&D Projects
Suppliers & Partners	<ul style="list-style-type: none"> • Vendor Meets • Meets with Ancillaries 	Websites, Online feedback systems, direct contacts	Improvement and innovations in collaboration with suppliers
Professional Bodies	<ul style="list-style-type: none"> • IIW, IE, IIM, IIMM,CSI, IIPE, IIIE, ICWAI, ISTD, NIPM, QCFI 	Seminars, Workshops	Latest developments, Discussions with experts, Knowledge sharing
Society	<ul style="list-style-type: none"> • NGOs and State Authorities • Consultants like SRI Ranchi, NABCONS 	Survey of community, Suggestions	Solar lighting in MSVS, Online appointments for ex-employees in JLNHRC through Agraj Samvad.



ENGAGEMENT WITH TOP MANAGEMENT

Energising through Synergy

- CEO led Apex Employee Engagement Forum wherein Top Management interacts face to face with cross section of employees
- Sensitize all levels of employees to the challenges being faced by the steel industry and SAIL-BSP
- Enthuse and energize the collective to seek commitment and build synergy
- Various issues/suggestions raised are followed-up for implementation
- Started in Jan 2013, 25 sessions have been conducted so far covering more than 3400 employees



“Sameeksha”

ED(W) led Communication Exercise

- Important issues like Quality, Cost Control, Productivity, Safety are taken as theme
- Action plan is made for implementing suggestions/ideas emerging from “Sameeksha”
- Regular review done to ensure implementation



External Stakeholder Engagement Initiatives during FY15

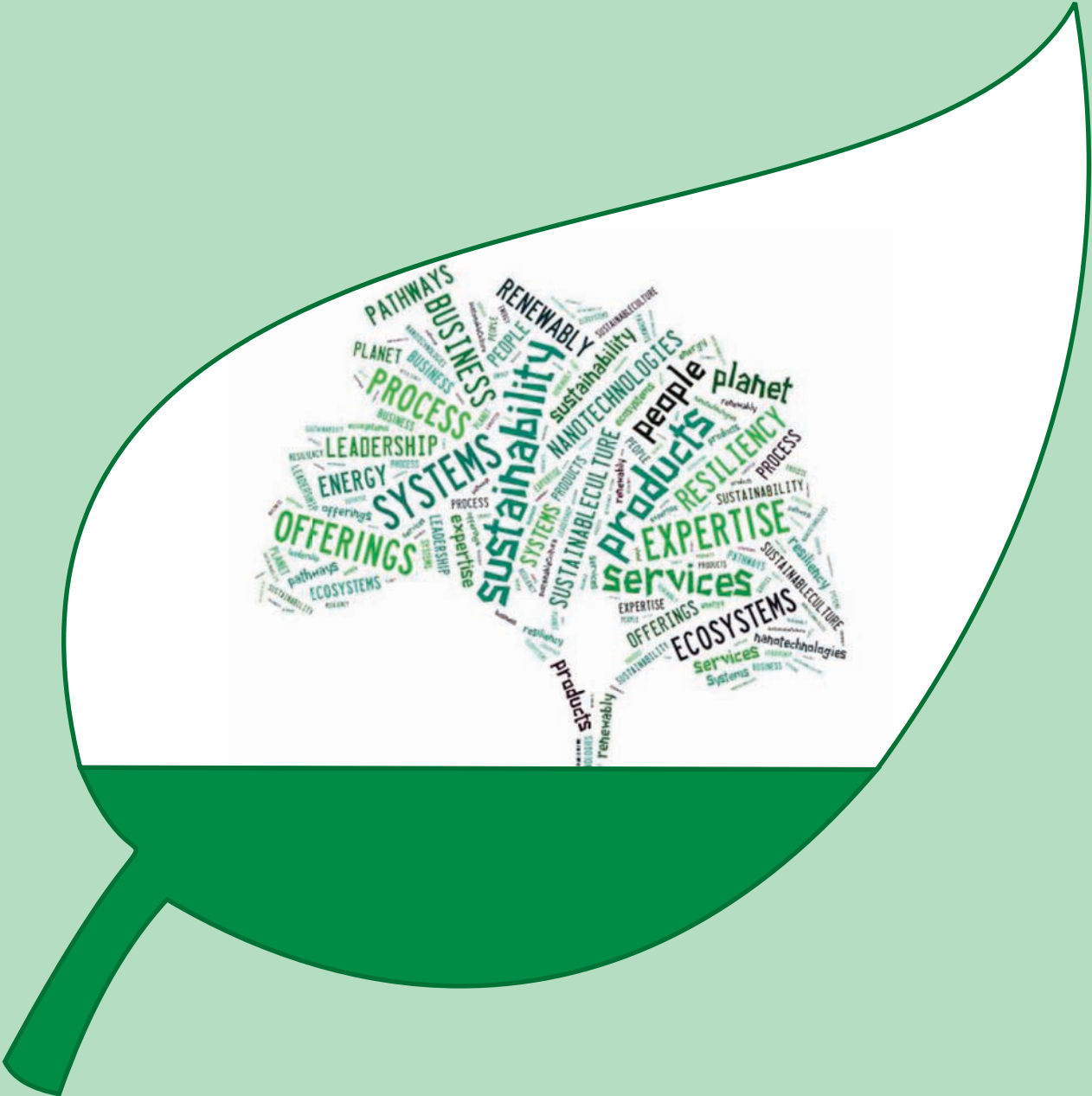
- Aggressively pursuing Iranian Railways for bagging the Rail order from Iran
- Providing infrastructure to “Livelihood college” under aegis of ‘Mukhyamantri Kaushal Vikas Yojana’
- Recarpeting and Providing Nandini Airstrip (Owned by BSP) to National Technical Research Organization (NTRO) a technical intelligence agency under the National Security Adviser in the Prime Minister's Office to operate Unmanned Aerial Vehicle (UAV) for combating Naxalism in the region
- 20 tribal girls are adopted every year from Rowghat and sponsored for free nursing course at Bhilai. 30 Tribal Boys adopted during the year.
- Annual football tournament at Antagarh and Narayanpur (Close to Rowghat)
- Opening up of Medical dispensary at Antagarh in collaboration with State Govt.
- Regular meetings with Project Contractors and Sub-contractors to ensure commissioning of new facilities on time

Special initiatives in stakeholder engagement for overall welfare:

- BSP promotes its stakeholders to contribute to wider society. It encourages its suppliers to adopt SA 8000 Social Accountability system, thereby ensuring responsible sourcing.
- BSP has helped in establishing of a bio-diversity park in association with Chhattisgarh Van Vikas Mandal to promote biodiversity. BSP's horticulture department provides free saplings and know-how to those living in and around township.
- Free accommodation is provided in township to various cooperatives, societies, non-profit organizations like Art of Living Foundation, Akshaya Patra etc. BSP employees have also formed groups like “contact.org - contact to act” to help the poor and needy, by providing books, stationaries and school dresses, relief to flood and earthquake victims, blood donation in association with Red Cross, etc



SUSTAINABILITY APPROACH



OBJECTIVE

SAIL-BSP was setup to cater to the needs of an emerging nation in its formative years with the following objectives:

- Rapid growth of the industrial sector, of the economy, of the state as a leading agent of the growth process; and
- Ability of the GoI to divert investment into areas which are strategic from the point of view of future development

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 by:

- Customer Centric and Cost Competitive approach
- Culture of Innovation, Transparency and Empowerment
- Sustainable business performance and Corporate Social Responsibility

CREDO

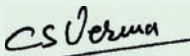
- We build lasting relationships with customers based on trust and mutual benefit.
- We uphold highest ethical standards in conduct of our business.
- We create and nurture a culture that supports flexibility, learning and is proactive to change.
- We chart a challenging career for employees with opportunities for advancement and rewards
- We value the opportunity and responsibility to make a meaningful difference in people's lives.

Sustainable Development Policy

SAIL recognizes that its business activities have direct and indirect impact on the environment and society. SAIL is committed to continuously promote Sustainable Development encompassing environmental, societal and economic aspects related to its business activities.

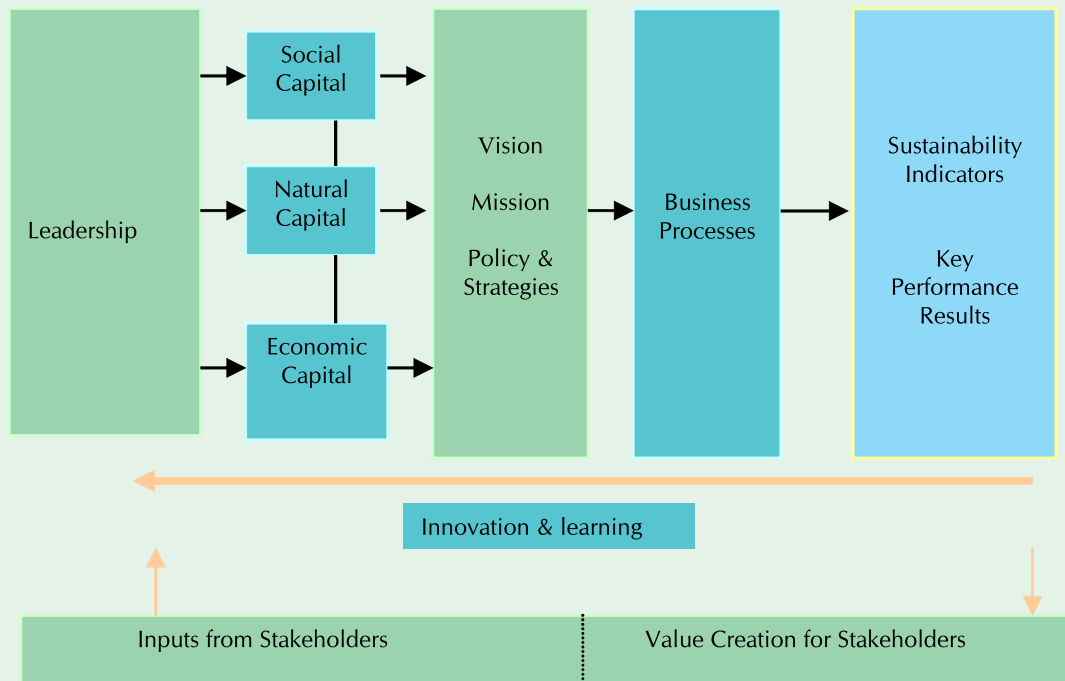
Guiding Principles

- Affirm its commitment to contributing towards a clean and sustainable environment and continually enhancing its environment related performance as an integral part of its business philosophy and values.
- Strive to integrate its business values in an ethical and transparent manner to demonstrate its commitment to sustainable development and to meet the interests of its stakeholders.
- Create a positive footprint within the society to make a meaningful difference in the lives of people by continually aligning its initiatives to the goals for sustainable development.
- Regularly interact with stakeholders to assess and achieve sustainability goals associated with its business activities, through constructive dialogue.
- Maintain commitment to business and people for quality, health and safety in every aspect.


CS Verma
Chairman

January 2012

The current and future sustainability challenges, risks and opportunities are derived from Corporate Vision, values and policies of the organization. The organizational structures, functions and processes are aligned accordingly so that each element of sustainability is overseen by a designated top official, who formulates/maintains the strategy and framework, with the help of his team, to address them. Periodic reviews as per schedule or as per requirement are held to ensure that things are in right direction with corrective/preventive measures wherever imperative,



Our Sustainability framework provides a consistent approach to the management of Business, Health, Safety, Environment and Community issues across our operations. Underpinned by our policy on sustainable development, implementation of this framework is supported by our Operating Model, which has been designed to create an organisation where everyone is clear about their accountabilities.



Sustainability Risks & Action plans for mitigation.

Areas of Risk	Risk Description	Action to mitigate risks
Raw material security	The volatility of critical raw materials for steel making like iron ore and coal has increased significantly in the last few years due to higher demand for steel and energy globally. Therefore mitigating the impact of the price volatility is a key objective of the Company.	<ul style="list-style-type: none"> • Development of Raughat Mines to meet future expansion. • Efficient use of captive raw materials, the development of new technologies to enable the use of low-grade raw materials and driving greater energy efficiency and the use of alternative energy sources. • To ensure availability of key raw materials like coal & ferro alloys JV with NTPC and , MOIL
Environmental risks	<p>The Company's businesses are subject to numerous laws, regulations relating to the environment and these rules and norms issued by the Ministry of Environment & Forests and respective Pollution Control Boards are becoming more stringent.</p> <p>Increased global concern for climate change prompting adoption of challenging targets by the Government</p>	<ul style="list-style-type: none"> • Implementation of state of the art technologies in all the production units coming under MODEX . BSP is investing more than 1000 Crores towards pollution control & resource conservation under MODEX • Gradual phasing-out of the obsolete units & up-grading the existing units, with state of the art pollution control facilities through retrofitting & renovation, to meet the current/ anticipated future environmental standards. • Continues to invest in process and technologies that are more energy efficient and consequently CO₂ efficient. • Installation of state of the art pollution monitoring devices, for round the clock monitoring.
Increasing competition & customer expectations	The steel segment in India is characterized by ever increasing customer expectation from both global and domestic players.	<ul style="list-style-type: none"> • One new product every month • Broad basing distribution points (i.e appointment of rural dealers) • To enhance market share in growth segments • Maintaining higher production volume of Value Added Steel – Increasing dispatch of Long rails to India Railways
Technology risks	A key challenge for BSP is to ensure that its facilities are equipped with updated technologies in order to meet the customer expectations in quality & cost competitiveness.	<p>Meet the challenge through implementation of MODEX with following objectives</p> <ul style="list-style-type: none"> • Adoption of the state-of-the-art technology • Optimum use of existing facilities • Reduction of semis for sale by enhancing finished steel production • Value addition in product-mix • Enhancement of production and realization of economy of scale • Increase in capacity of hot metal, crude steel and saleable steel • Broadening of product-mix for higher flexibility • Adoption of environmental friendly technology • Improvement of energy efficiency • Creation of infrastructure to sustain further growth in production
Human capital management	<ul style="list-style-type: none"> • Skill depletion in some specialized technical Areas • Non-availability of skilled workforce due to urbanization and alternate employment options • Health and safety of workers and employees 	<ul style="list-style-type: none"> • Emphasis on developing skills among the young Employees • Continued training and development of skills of employees to prepare them for future challenges • Providing adequate service benefits to the Employees • Provision for adequate safety measures and training on safety aspects

Areas of Risk	Risk Description	Action to mitigate risks
Financial risks	Mange finances & secure sustained success	<ul style="list-style-type: none"> Actual inventory holding is monitored online on continuous basis. Timely utilization of CENVAT credit and disposal of idle assets and surplus stores spares. Investment planning for resources required both in Indian and foreign currency Capital Expenditure budget is divided scheme-wise, contract-wise and activity wise and further broken up into monthly targets for continuous review. Daily review of the progress of the projects through Project monitoring cell.
Social Risks	<ul style="list-style-type: none"> Maintaining Plant /Mines activities in harmony with society Maintaining ethical business practices across supply chain Outreach of development programs in villages 	<ul style="list-style-type: none"> Need assessment and community engagement programs Investing on community and its development with focus on health, education, women empowerment, access to improved water sources, ancillary and local industry, road connectivity, sports and culture Adherence to ethical business practices Implementation of CPSE guidelines Strong partnership with community
Macro economic environment	During the financial year 13-14 & 14-15, India's growth slowed considerably and GDP numbers have come down in actual terms.	<ul style="list-style-type: none"> Considering the fragile macro-environment the Company has been pursuing an active operating risk management process that takes into account the market realities. The challenges and opportunities posed by macro factors are being predicted identified and aligned to the company's objectives.

Strategic priorities:

- Commissioning and Establishing of new facilities
- Meeting raw material requirements
- To enhance market share in growth segments
- Maintaining higher production volume of Value Added Steel – Increasing dispatch of Long rails to India Railways
- Cost Reduction by controlling cost of production and procurement
- Vendor development to enhance local vendor base
- Periodic and structured communication with employees for improving Quality of life, safety, Developing people for projects
- Enhancing Work life Balance by improving welfare amenities
- Enhancing environmental performance through up-gradation of systems & infrastructure to meet the growing stakeholder expectations & demands.
- Intensifying CSR activities in mines particularly at Rowghat Iron ore mines.

SWOT Analysis :

The strategy planning process to achieve a sustainable business growth trajectory starts with analysis of various internal and external factors such as present and future needs of the stakeholders, SWOT Analysis industry analysis, etc.

Strengths	Weaknesses
<ul style="list-style-type: none"> Captive Iron Ore Mines Excellent work culture Strong Financial Position R&D Facilities at RDCIS /CET Superior Product Quality Product Mix Flexibility Widespread Distribution Network High Market Share of Rails and Plates Modernization and Expansion of facilities Geographical Location Good Employee Training Facilities Stakeholder relationship Adequate Land bank 	<ul style="list-style-type: none"> Fast Depleting Captive Iron Ore Reserves, Beneficiation & Palletisation Facilities Outdated Technology Organizational Structural bottlenecks impacting decision making Adverse Age Mix and Skill Gap High & Escalating Employee Expenditure Lowering Profitability
<div>SWOT Analysis</div>	
Opportunities	Threats
<ul style="list-style-type: none"> Envisaged High Infrastructure Sector Growth including thrust towards Energy Infrastructure Low Per Capita Steel Consumption Rise in Rural Steel Consumption Availability of Low Cost Manpower Opportunities in the Export Market Growing Demand for Value Added Steel Adoption of new Technology 	<ul style="list-style-type: none"> Rising Input Material Costs & Ferro Alloy Prices Imported Coal Availability Increasing Competition in Rails & Plates Rising Imports of Steel Products Drop in Industry Growth Rate and profit margins Hindrances in Supply of Iron Ore

STRATEGIES

Long term Strategy:	Means of Achievement
<ul style="list-style-type: none"> 100% production of steel through Basic Oxygen Furnace - Continuous Casting (BOF-CC) route, Value addition by reduction of semi-finished steel, Reduce energy consumption and cost by incorporating environment friendly state-of-art technologies 	Ongoing BSP's 7.0 MT Modernization and Expansion plan
<ul style="list-style-type: none"> Achieving crude steel capacity of 10 million tonnes per annum by 2025 	Next phase of expansion of SAIL to meet aggregate crude steel capacity of 48 MT



Bhilai Steel Plant



Sustainability Report 2014-15

Short term Strategies:

For short term strategies, identification of present and future competitive advantage is regularly done.

For a financial year, an optimal product-mix is finalized after a series of deliberations amongst representatives from CMO, BSP and Corporate Office. Annual plan is duly supported by associated planning in all the functional areas including production, equipment availability, resources, environment management, human resource, etc.

While the product-mix strategies, in the annual plan, are based on business environment / market trends / demand forecast prevailing at the beginning of the year, it is continuously reviewed in line with the ongoing market dynamics. A structured interaction with representatives from CMO from different regions and plant is organised every month and the product-mix for the following month is finalised. Every month the

Revenue Maximisation Team & Chief Executives of different units of SAIL meet to review & provide strategic direction.

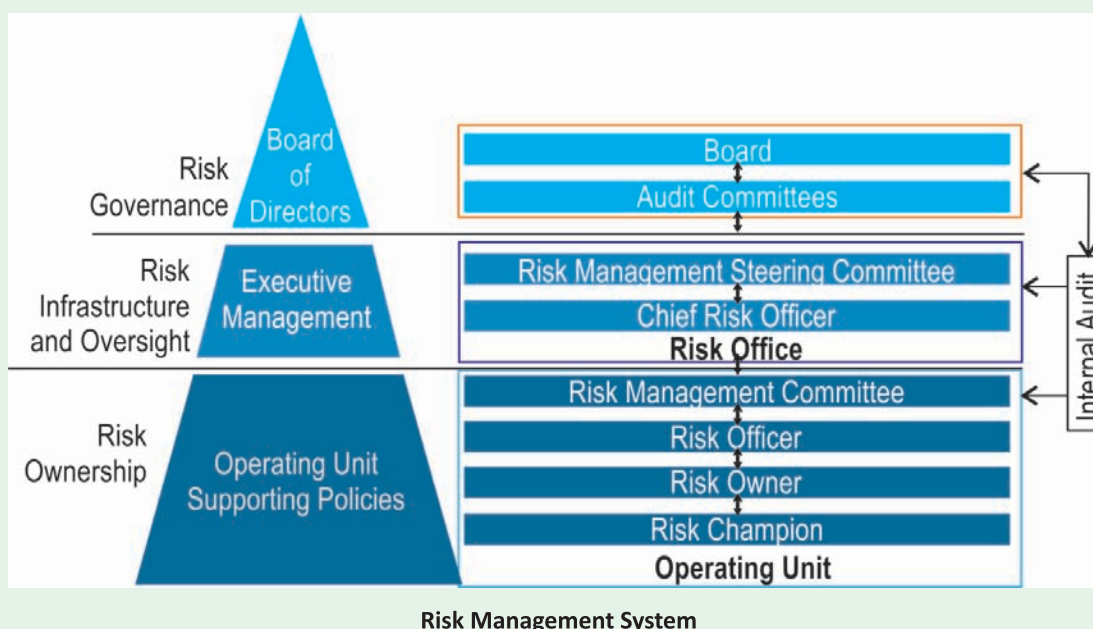
Tools for Identification of Competitive Advantage

- Structured meetings with CMO and Sales co-ordination meetings
- Market signal report prepared by CMO
- Business scenario report prepared by Corporate Planning department
- Competitors' analysis report prepared by CMO
- Inputs provided by sales force and customers during interactions at various levels

Understand future scenario and effectively manage risks:

To minimize the impact of unforeseen events on the BSP's sustainable performance, BSP has implemented Enterprise Risk Management framework(ERM) with the help of consultancy services of M/s Deloitte in 2009. Under the ERM Governance Structure in SAIL 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 (RMC) 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 audited by inter-plant and internal auditors for effectiveness of the system. Based on the audit findings, suitable corrective actions are taken. During FY14, identification of potential risks during RMC and review of key risks at departmental /Functional level was also started.





Some of the Key Risks Identified in ERM

S.No	Dept.	Identified Risks	Risk Ranking	Related Strategic Objective
1	Mines	Non availability of quality iron ore at existing mines leading to loss of quality, cost effectiveness and possibility of non-fulfillment of post modernization targets	High	To secure availability of key raw materials
2	Environment Management	Ensuring compliance of pollution norms to protect the environment and also avoid any sort of penal action/Closure of the Unit.	High	Sustainability: taking care of environment

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.

CORPORATE GOVERNANCE



Over the years, our governance structure and management processes for corporate responsibility have evolved and increasingly become part of how we run our business. We continue to benchmark our approach against other leading businesses. This helps us in ensuring robust procedures in place and to anticipate and respond to new challenges.

SAIL strives to ensure transparency, disclosures and reporting that conforms fully to laws, regulations and guidelines, and to promote ethical conduct throughout the Organization. The objective of enhancing shareholders value, while being a responsible corporate citizen, is firmly embedded in the governance philosophy of SAIL.

SAIL is committed to the highest standards of corporate governance and recognizes that the Board is accountable to all shareholders and that each member of the Board owes his/her first duty for protecting and furthering the interest of the Company. Corporate governance has been carried out in accordance with the Clause 49 of the Listing Agreement. The Board of Directors are guided by the organization's Vision and Credo. The composition of the Board of Directors is a mix of full time Executive and non-Executive Directors selected through a well-established procedure of the Public Sector Enterprises Board. The Board regularly reviews the performance of the organization on economic, environmental and social issues.

Adherence to corporate governance agenda is ensured by a number of committees of SAIL Board like Audit

Committee, Nomination and Compensation Committee, Shareholder/Investors Grievance Committee and Committee of the Board (COB).

SAIL has a Code of Conduct applicable to Board Members as well as the senior management.

Being a Government Company, the nomination and fixation of terms and conditions for appointment as Director is made by Government of India. The Board has constituted a Remuneration Committee comprising of six independent Directors for the purpose of finalization of Performance Related Pay (PRP) for the executives of the Company. The Non-Executive Directors (other than Government Nominee Directors) are paid only sitting fee for each Board/ Board Sub-Committee Meeting attended by them. The salary of the Whole Time Directors is governed by pay scales and Rules of the Government

The various issues pertaining to the management of economic, environmental and social area are collected, compiled and monitored through the various divisions of the SAIL Corporate Office. The agenda papers along with the status report on the economic, environment and social performances including legal compliance are made with the help of information provided by the various units in advance to all the Board Members before the meeting for review, comments and suggestions during the meeting. The feedback from the board members is analyzed by the top management and considered for business decision-making.



Organizational Structure and Governance System at Unit level:

BSP is headed by a CEO who reports to the Chairman, SAIL, who in turn reports to the Board of Directors. At the unit level, the top management comprises CEO and his Direct Reporting Officers (DROs) at ED / GM level who are functional heads. BSP being primarily a manufacturing unit of SAIL, there are many processes which interface with processes at corporate level.

Guided by the company vision, BSP chalked out its mission through a workshop of its senior leaders in 2009 to emphasize the approaches to help SAIL achieve its vision. The core values were redefined as "Credo" to make them more engaging. The credo of SAIL is basically a system of beliefs and principles that are the cornerstone of its commitment towards the stakeholders. Leaders imbibe the values expressed in CREDO in their behaviour, actions, initiatives and decisions which is reflected in their day-to-day interactions with employees and other stakeholders. Our leaders communicate the values expressed as CREDO to all the stakeholders, through open and two-way communication, open-door policy, joint decision making, employee events, awards and celebrations, recognition and rewards, meeting customers, representatives of society, vendors and suppliers, etc.

There were no transactions by the Company of material nature with Promoters, Directors or the Management, their Subsidiaries, relatives etc. that may have potential conflict with the interests of Company at large. The Non- Executive Directors had no pecuniary relationships or transactions vis-a-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 Exchanges or SEBI or any statutory authority, on any matter related to capital markets, during the last three years. The Government of India owns 80% of SAIL's equity and retains voting control of the company. However, SAIL, by virtue of its 'Maharatna' status enjoys significant operational and financial autonomy.

As on 31st March, 2015, the Board of Directors comprised a full time Chairman, 6 whole time Directors (WTD) and 4 non-Executive Directors (Non- ED) (including 2 Independent Directors). Number of shareholders complaints received during the period from 01.04.2014 to 31.03.2015 were 51. Out of which 49 complaints were resolved during the year and no complaint was pending for redressal as on 31.03.2015.



Fortune India collaborated with Hay Group to bring out definitive report card on Corporate reputation. In this Report SAIL tops the chart in the “Iron and Steel and Metal Sector”, in which SAIL has been ranked 1st amongst companies in Iron and Steel Sector

Business Stakeholder Perceptions

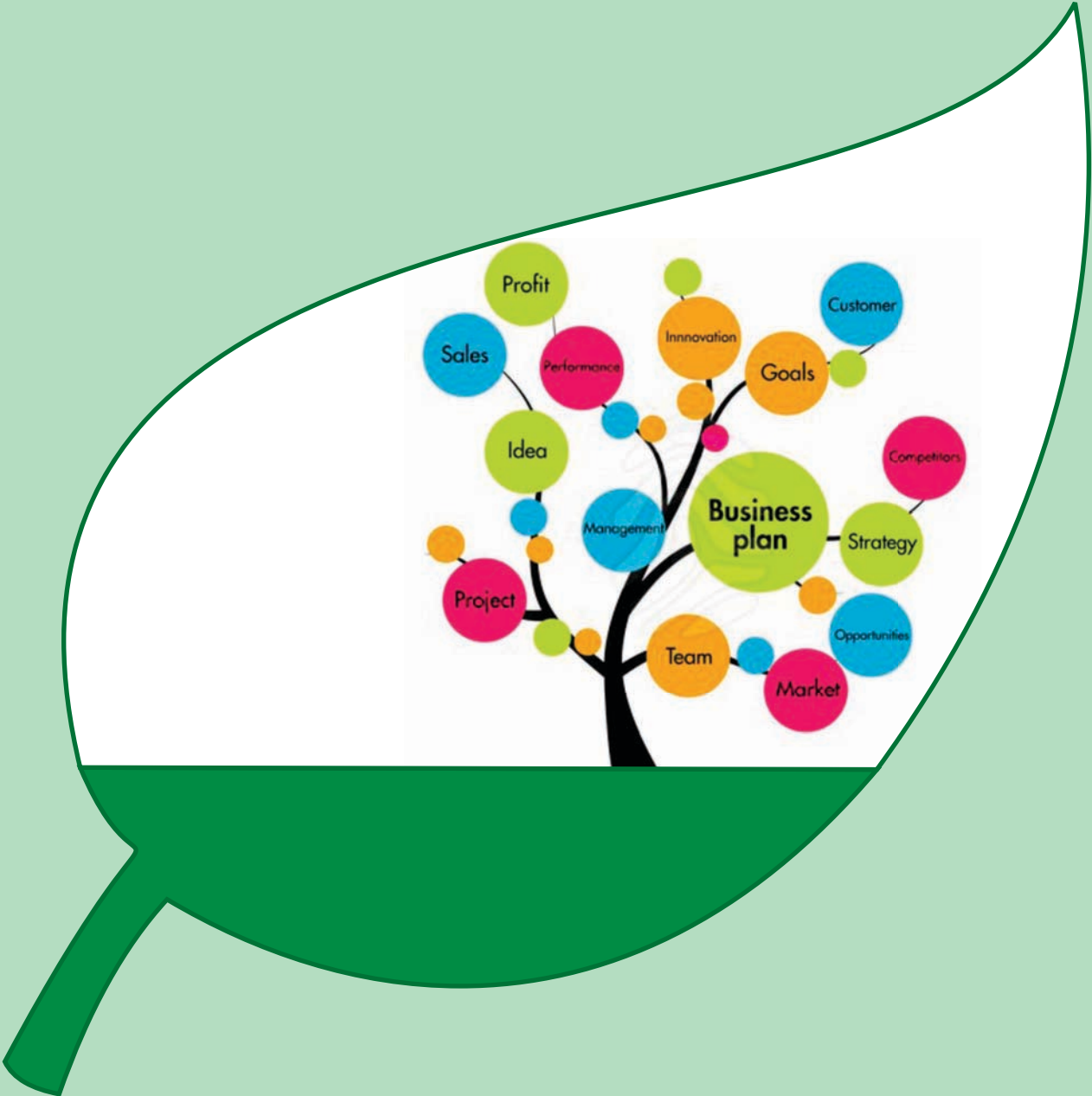
SAIL enters into MoU with its largest Business stakeholder i.e., Govt. of India every year. The MoU is rated on the basis of the performance of SAIL as whole and BSP has always contributed to SAIL being rated as excellent since past 19 years. Also, Department of Public Enterprises grades the Central Public Sector Enterprises (CPSEs) on the basis of their compliance with guidelines on corporate governance and SAIL has been getting “Excellent” rating.

MoU Rating of SAIL by GOI

Financial Year	Rating
FY10	Excellent
FY11	Excellent
FY12	Excellent
FY13	Excellent
FY14	Excellent
FY15	Not done



ECONOMIC PERFORMANCE



BSP has successfully negotiated the major changes like liberalization, globalization, resulting emergence of competition, “death spirals during 1994-2003”, “massive eruptions during “2004-2008”, followed by a continuous period of sluggishness, in the wake of global recession because of its comprehensive approach for change management. Depending upon the magnitude and extent of change, task force (for e.g., Steering committee for EFQM model implantation) or function (Project Department) are created to ensure enrolment of relevant stakeholders to achieve the desired outcomes. Mechanisms like Brainstorming, Performance Improvement Workshops (PIWs), and working out the techno-economics are used to generate and prioritize ideas.

SAIL Corporate Plan 2012 (CP-2012) was formulated to deliver upon the long term strategies of 100% production of steel through Basic Oxygen Furnace - Continuous Casting (BOF-CC) route, value addition by reduction of semi-finished steel, reduce energy consumption and cost by incorporating environment friendly state-of-art technologies. The Modernization and Expansion (MODEX) plan of BSP derived from Corporate Plan has been developed basically to improve capabilities to maintain market leadership. Based on CPFR produced by MECON, the major packages of the projects were finalized. During 2008, the buoyant steel market pushed up the price scenario for most of the packages. In 2009, SAIL board again reviewed the MODEX in context of global slowdown

and changed market conditions. As an integral part of SAIL's growth plan that envisages a production capacity of 26.2 MTPA (Million Tonne Per Annum) of Hot Metal (Liquid Iron) projects worth Rs. 17265 Crores are being executed as a part of BSP's MODEX to enhance its production capacity to 7.5 MTPA of hot metal and 7 MTPA of Crude Steel (Liquid Steel) Further, ‘SAIL Vision 2025’ - SAIL's next long term plan aims at achieving aggregate crude steel capacity of 48.0 million tonnes per annum by 2025 with BSP component being 10 MT.

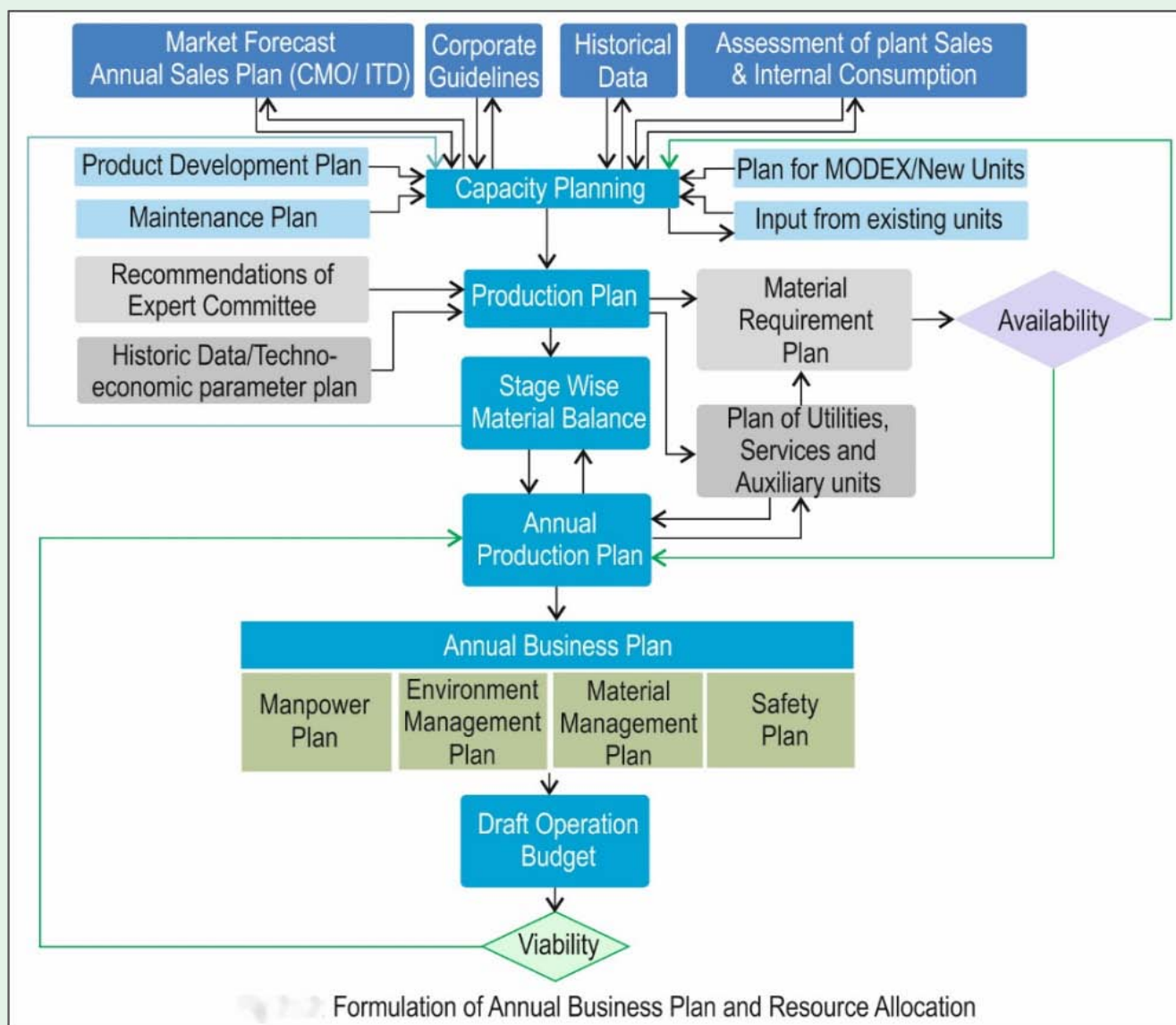
BSP has a well-defined process framework in place for deployment of its strategies. Linkages of Vision with Strategic Goals, Strategies, and objectives set in BSC and corresponding processes has been well laid-down. For deployment of strategies, suitable changes in organization structure are made to facilitate speedy implementation. Recent examples are creation of Business Excellence department to integrate the business excellence initiatives under one function and Integrated Project Management group (a cross functional group with representatives from HR, Finance and Material Management) for streamlining cross functional coordination with respect to all the projects under MODEX. Creation of MODEX pool of human resources in each department where new recruits are placed directly under the supervision of Key Drivers of respective projects for training and deployment. A Cross Functional team – ‘Integrated Project Management Group’, consisting of

Key Long Term Strategic Goals

- To achieve excellence in quality across the value chain
- 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 secure availability of key raw materials, and alleviate infrastructure bottleneck which may constrain long term growth

Strategic Themes for 2014-15

- Commissioning and Establishing of new facilities
- Maintaining higher production Volume of Value added Steel
- Excellence in Operation and Maintenance – Improving Safety Standards, adherence to techno-economics, asset utilization, reduce energy and water consumption, optimize inventory levels, Renewing and rebuilding of assets
- Cost Optimization – Cost of production and procurement
- Meeting Raw Material Requirements – Produce to meet plant requirements, securitization of new resources
- One new product every month
- Succeeding through Human Resources – Developing people for upcoming projects, periodic and structured communication, enhancing work-life balance etc.



representatives from HR (Manpower for projects), Finance (Financial Resources) and Material Management (Physical Resources) is constituted to enable smooth implementation of MODEX.

While the long term strategy is being executed through MODEX, the short term strategy is executed through Annual Business Plan(ABC). The ABC, which gets formulated after brainstorming at all levels & across all levels, forms the basis of target setting & corresponding resource allocation for the year.

The plant continued to accelerate its expansion drive and made substantial progress on all the major schemes planned under 7 MT expansion programme. Two major units viz. COB-11 at Coke Ovens and M/C-2 at Sinter Plant-3 were successfully commissioned and stabilised in the year 2014. During the year an amount of Rs.2049.49 Crores have been spent against Capital

expenditure on various schemes. A total of 14 Nos of Turn key projects and 21 Nos of Non turn key projects worth Rs. 234.78 Crs. and Rs.3.97 Crs. were awarded for execution.

Bhilai Steel Plant started the financial year 2014-15 with a strategy to overcome various constraints and challenges and with a firm target to register a positive growth in business. The Plant achieved an annual production of 5.07 Million Tonnes of Hot Metal, 4.81 Million Tonnes of Crude Steel and 4.33 Million Tonnes of Saleable Steel. The Plant continued to operate well above the rated capacity in all major areas of production and achieved a capacity utilization of 107.9% in Hot Metal, 122.5% in Crude Steel and 137.3% in Saleable Steel. In total Saleable Steel, the plant operated above the rated capacity for the Twenty second year in succession.

Economic Impacts

Financial Year	PBT Rs. Crores	Net Turnover Rs. Crores	% of PBT to Net Turnover
2012-13	2048.22	15530.65	13.19
2013-14	2084.84	15633.43	13.34
2014-15	2232.42	14887.44	15.00

Economic value generated & distributed

Particulars	Rs. Crores 2012-13	Rs. Crores 2013-14	Rs. Crores 2014-15
Annual Revenue (net revenue from operations)	15724.15	15777.81	15029.76
Operating Cost (payment to suppliers, contractors etc.)	11660.05	10638.02	10223.95
Employees Wages & Benefits (incl. employee tax paid)	2364.97	2898.80	2808.93
Dividend paid to Shareholders (paid by SAIL at Company Level)	NA	NA	NA
Interest payment to providers of loans including foreign exchange variation treated as interest	190.60	235.47	257.62
Ex-chequer payment to Government (gross taxes and royalties, not incl. employee tax)	2367.88	2267.17	2099.67
Community Investment (CSR Expenditure)	12.16	8.27	12.10
Economic Value Distributed	16595.66	16047.73	15402.27

Export Performance (Export Sales excluding incentives)

Financial Year	Export Sale Rs. Crores
2012-13	640.09
2013-14	685.98
2014-15	619.98



Income Details

Particulars	F.Y. 2013-14		F.Y. 2014-15	
	Rs. Crores	%	Rs. Crores	%
Net Turnover (net of Excise Duty)	15633.43	90.76	14887.44	91.90
Interest Earned	58.44	0.34	41.59	0.26
Inter Plant Transfers	1387.52	8.06	1075.80	6.64
Provisions Written Back	0.37	0.00	1.48	0.01
Other Income	145.48	0.84	192.62	1.19
Total Income	17225.24	100.00	16198.93	100.00

Expenditure Details

Particulars	F.Y. 2013-14		F.Y. 2014-15	
	Rs. Crores	%	Rs. Crores	%
Raw Materials as per P&L	7092.12	46.84	6350.96	45.47
Accr(-)/Depl(+) in stock of finished goods	272.51	1.80	-317.75	-2.28
Salaries & Wages	2898.80	19.15	2808.93	20.11
Power & Fuel	1328.22	8.77	1523.62	10.91
Repairs & Maintenance	304.84	2.01	292.24	2.09
Freight Outward	374.31	2.47	380.03	2.72
Misc Expenses (incl. Stores)	2302.52	15.21	2366.61	16.96
Depreciation	331.61	2.19	304.25	2.18
Interest incl. FE Variation treated as Interest	235.47	1.56	257.62	1.84
Total Expenditure	15140.40	100.00	13966.51	100.00



Ex-chequer Contribution to Government

Financial Year	Central Rs. Crores	State Rs. Crores
2012-13	1680.74	687.14
2013-14	1645.30	621.87
2014-15	1446.51	653.16

CSR Expenditure as per notes given in published accounts

Financial Year	CSR Budget Rs. Crores	CSR Exp. Rs. Crores
2012-13	13.36	12.16
2013-14	8.00	8.27
2014-15	16.14	12.10

Net Expenditure on Social Amenities as per published accounts

Particulars	2012-13 Rs. Crores	2013-14 Rs. Crores	2014-15 Rs. Crores
Township	175.97	173.68	155.30
Education	50.17	53.08	54.68
Medical	117.08	142.50	138.11
Cultural & Others	14.40	12.82	5.92
Total	357.62	382.08	354.01





Expenditure on Power & Fuel and Repairs & Maintenance as % of Net Turnover

Financial Year	Power & Fuel Rs. Crores	% of Net Turnover	Repairs & Maintenance Rs. Crores	% of Net Turnover
2012-13	1526.90	9.83	302.75	1.95
2013-14	1328.22	8.50	304.84	1.95
2014-15	1523.62	10.23	292.24	1.96

Expenditure on Employees' Remuneration and Benefits

Particulars	2012-13 Rs. Crores	2013-14 Rs. Crores	2014-15 Rs. Crores
Statutory (PF + Gratuity)	275.75	540.83	487.91
Others	2089.22	2357.97	2321.02
Total Salaries	2364.97	2898.80	2808.93

Payments and Provisions to Employees

BSP has always considered employees as part of one extended family and has supported them during service as well as post-superannuation. Retirement plans within SAIL are based on both defined benefit plans and defined contribution plans. SAIL Pension Scheme is currently being formulated. All retirement plans currently followed are mandatory for all regular employees.

At the end of March 2015, BSP employed 26847 people as permanent employees. The Company also provides indirect economic benefits to many thousands more through contractors and suppliers. BSP pays 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).

Entry level wage is uniform in BSP across all categories, genders. However, as minimum wage is notified separately by the govt. of Chhattisgarh. The ratio of entry level wage to minimum wage for BSP is 3.43. BSP strictly adheres with the Govt regulations with respect to payment of minimum wages to the contractual employees.

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• 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

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.

Numbers ancillaries registered & No. of orders			Expenditure (Rs. lakhs)		
2012-13	2013-14	2014-15	2012-13	2013-14	2014-15
207/1441	149/1289	147/1172	7385	5579	4773

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 (Icnc) 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 and 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.



PARTNERSHIPS & ASSOCIATIONS



World Steel Association (WSA)

In pursuance of excellence in business, BSP has been associated with WSA since long time

BSP has subscribed to WSA principles and is committed to:

- Use co-products to reduce CO₂ emissions
- Introduce best practices
- Use of better operational practices and new technology for enhancing energy efficiency
- Research on new technologies
- Measure and report on CO₂ emission & other sustainability indicators

Montreal Protocol

BSP has demonstrated its commitment to Montreal Protocol along with UNDP by successfully replacing Ozone Depleting Substances (ODS), viz. Carbon Tetrachloride (CTC) used as cleaning solvent, with trichloro ethylene

UN Global Compact

SAIL/BSP has adopted the principles of UN Global Compact in letter and spirit and is committed to align its operations and strategies with ten universally accepted principles in the areas of human rights, labour, environment and anti-corruption.

Stockholm Convention on Persistent Organic Pollutants

As per the Stockholm Convention (SC) on Persistent Organic Pollutants (POPs), POPs including Polychlorinated Biphenyls (PCB) are to be managed in an environmentally sound manner. SAIL, MoEF&CC and UNIDO have come together to initiate a project on environmentally sound management and disposal of PCB at BSP.

Charter on Corporate Responsibility for Environmental Protection (CREP):

As a part of BSP's commitment to go beyond compliance, it has voluntarily extended its commitment to the Corporate Responsibility for Environmental Protection (CREP), a charter launched by the MoEF&CC in March 2003, to steer improvement in environmental performance in industries. As a part of this, BSP is complying with the action points suggested under the charter and has developed strategies to improve the performance further and beyond statutory compliance.

Standing Conference on Public Enterprises (SCOPE)

SAIL, as a premier Public Sector Enterprise (PSE), is an active member of this Apex Body of the Central Government.



SEMINARS & WORKSHOPS

International Steel Academy 2015

BSP hosted AIST International Steel Academy 2015, 16th – 20th Jan '15:

- Prestigious World class Training programme
- 2 concurrent courses on Steel making and Steel shaping and treating were held.
- AIST Faculty of repute from Germany and S Korea conducted the seminar.
- 164 delegates – BSP, SAIL sister units, RINL, Essar, JSPL, Foreign delegates from Turkey, Germany and Thailand, NITW students attended.
- Excellent learning and networking platform.



Support to Professional Bodies

Support to Professional Bodies - Seminars and Workshops

- Indian Institute of Metals
- Indian Society for Training and Development
- National Institute of Personnel Management
- Indian Institution of Engineers
- All India Management Association
- Computer Society of India
- Indian Institute of Plant Engineers
- Institution of Cost & Works Accountants
- Indian Institution of Industrial Engineering
- AISMOC(All India Steel Medical Officers Conference)
- Indian Institute of Welding



Other Associations & Memberships

- All India Organization of Employers (AIOE)
- Associated Chambers of Commerce and Industry of India (ASSOCHAM)
- Centre for Organization Development (COD)
- Confederation of Indian Industry (CII)
- Consultancy Development Centre (CDC)
- Delhi Productivity Council (DPC)
- Federation of Indian Chambers for Commerce and Industry (FICCI)
- Forum of Women in Public Sector (WIPS)
- Global Institute For Flexible System Management (GIFT)
- Indian Coal Forum (ICF)
- Indian Institute of Metals, Kolkata (IIM)
- Indo USSR Chamber of Commerce and Industries (IUCCI)
- Institute of Public Enterprises (IPE)
- Institute of Rail Transport (IRT)
- Project Management Associate (PMA)
- The Energy and Resources Institute (TERI)
- The Indian Iran Chamber of Commerce and Industry (II CCI)
- World Confederation of Productivity Science (WCPS)
- Standing Conference Of Public Enterprises (SCOPE)



**ENVIRONMENTALLY
FRIENDLY**

At BSP the approach to the Environment Management is guided by SAIL's vision, sustainability Policy, Environmental Policy and the UN Global Compact Principles. Improvement in environment performance is a corporate goal and protection of the environment is an integral way of doing business. The policy framework ensures that objectives and strategies pursued lead to continual improvement of environmental performance and environmental sustainability of BSP's operations. BSP's manufacturing and mining operations have implemented environmental management system certified to ISO 14001 under umbrella of Integrated management System . The overall environment performance, including mitigating and controlling environmental impacts, is subject to continuous and detailed scrutiny under various kinds of Internal & external audits and also reviewed by by the Board of Directors of the Company, with the Board's Safety, Health and Environment Sub Committee providing direction on environmental performance.

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. BSP recognises that climate change is one of the most important issues facing then world today. Recognizing 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 tones 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.

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.

Bench marking Environmental Performance:

Parameters	2012-13	2013-14	2014-15	Target Post modernization	benchmark
Particulate Emission Load(Kg/tcs)	0.72	0.717	0.703	0.4	0.11 (POSCO)
Specific Water Consumption (m3/tcs)	2.924	2.839	2.797	2.35	2.35 (RINL)
Specific Effluent Discharge (m3/tss)	1.90	1.87	1.84	Zero Discharge	Zero Discharge
Specific Effluent load(Kg/tcs)	0.12	0.116	0.102	Zero Load	Zero Load
Specific Energy Consumption (Gcal/tcs)	6.615	6.477	6.456	5.90	4.5 (POSCO)
Utilization of Solid wastes (%)	90.9	84.7	73.2	98	99.9 (CORUS)
Specific CO ₂ Emission (T/tcs)	2.74	2.69	2.735	2.38	1.8 (RAUTRAUKKI)

Strategies to achieve benchmarked targets:

Sl. No	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 (BSP has already implemented 30 MLD STP accounting for 80% of sewage generated in township.)
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 (2 x 100 KW Solar station already installed at Bhilai Niwas)
6	Awareness Building on Sustainability Issues.	Partnership with leading professional & educational institutions for imparting training & workshops covering issues pertaining to Environmental Sustainability.

7 MT



Enhancing capacities with Eco-friendly, Energy-efficient Technologies to retain our position of leadership in Indian Steel Industry

Modernisation and Expansion Plan

Coke Ovens Battery # 11 Complex - Seven Meter Tall Battery
Blast Furnace # 8 - 8000 TPD Capacity

Steel Melting Shop # 3 - 4 Million Tonne Capacity

0.9 Million Ton Bar and Rod Mill
Universal Rail Mill (1.2 Million Tonne) to manufacture
260 Meter Long Rails

Capacity Enhancement through Modernisation and Expansion

Hot Metal 7.5 MT

Crude Steel 7.0 MT

Saleable Steel 6.56 MT

Finished Steel 5.85 MT

Producing New Age Steel

Asymmetric Switch Point, Grooved and 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



Upcoming BF 8 in BHILAI



Upcoming SMS 3 in BHILAI

BHILAI STEEL PLANT



Upcoming Bar & Rod Mill in BHILAI



Upcoming Universal Rail Mill in BHILAI

Keeping in view, the increasing global and national concern for global warming and loss of biodiversity, SAIL is reviewing the existing Corporate Environmental Policy along with structuring of an organized framework for Corporate Environmental Responsibility, to pave the way for ensuring sustainable business development. A committee of experts (Dr. B. Sengupta, Former Member Secretary, CPCB , Dr. J Kishwan, Chief Advisor, Wildlife Trust of India , Dr. S. K. Aggarwal, Consultant /Environment/SAIL) has been constituted to advise Board Sub-Committee on Safety, Health and Environment for drafting Corporate

Environment Vision and revisiting Environment Policy. The committee will also submit detailed frame work to achieve the environmental/sustainability objectives stated in the vision document which will align SAIL's operations with the Vision of being a world class corporation.

Being a responsible corporate citizen, BSP has maintained a proactive approach to safeguard the environment. There were no fines or non-monetary sanctions for non-compliance with environmental laws and regulations.



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

Environmental Areas	Benefits
Waste management	Partnership with ACC for Safe disposal of Acid tar sludge (Presently land filled) generated at CCD. It has helped in finding an innovative approach for hazardous waste management useful for all integrated steel plants.
Air Pollution management	Partnership with NEERI for carrying out Source apportionment studies. It has helped BSP in formulating a comprehensive air pollution management plan for minimizing air pollution in Plant & township. It 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
Water Management	Developing a roadmap for achieving Zero Liquid Discharge for various integrated Steel Plants across India. CII-Triveni Water Institute is working with SAIL in conducting comprehensive water audits across its integrated steel plants, besides also conducting watershed evaluation studies to assess the water related risks to operations. CII-TWI team visited Bhilai Steel Plant, Bhilai four times including their initial reconnaissance survey and completed their work & submitted final report.
Tree plantation	More than 180 KM roadside plantation (about 3.6 lakh trees) & also planning for river side plantation in future under its CSR initiatives in collaboration with Chhattisgrah Rajya Van Vikas Nigam
Carbon & Water Footprint studies	Interventions in the existing processes for identification of energy hotspots & implement energy efficiency measures for CO ₂ reduction. Improve water efficiency in processes, through adopting water conservation measures based on water stress index of the region. Done with help of IIT Mumbai
Management of PCBs as per Stockholm convention	Implementation of a project for safe disposal of PCBs in partnership with UNIDO & MoEF at Bhilai has started. 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.

Environmental Risks and Emergency Preparedness:

To meet environmental standards, dust and other emission levels are monitored for prompt corrective actions to ensure they stay within permissible limits. Besides ongoing operational and maintenance initiatives the capacity increase coincides with a planned improvement in environmental performance including CO₂ emissions per tonne by installing waste energy recovery, energy efficient equipment, up gradation of pollution control equipment and several other measures.

Management Systems at BSP constitute the framework for managing compliance and achieving continual improvement. It has implemented environmental management systems that are certified under ISO 14001. Safety, Health and Environment Committee of the Board reviews overall health, safety and environment performance.

BSP has also identified certain organizational risks, in the area of environmental compliance under ERM frame work & necessary mitigation plans have been formulated for managing these risks.

Resource Efficiency and Raw Material Optimization:

BSP is preparing for the challenge posed by the finite nature of natural resources and simultaneously the depletion of high-grade ore deposits. The Company

imports 90% of the coal requirement due to the non-availability of low ash coking coal in India. The high secondary and tertiary demands for steel products limit the availability of scrap for steel making.

Raw materials consumed (Tonnes)	2012-13	2013-14	2014-15
Iron Ore	8124327	8299498	8038306
Boiler Coal	251359	63620	55870
Coking coal	3604815	4588072	4460797
Other Coal	235580	228989	234971
Limestone	1345895	1393590	1310662
Dolomite	928968	924194.8	927298
Mn Ore	15582	7112	4995
Ferro Manganese	43855.22	45573	42505
Ferro Silicon	6039.22	6328	5808
Silico Manganese	48974.33	50411	48613
Sulphur	9757	12737	11818
Quartz/Si-Sand	24409	25727	20687
Others(Including purchased coke consumed)	1013475	1492	-27405*
Total	15653036	15740063	15134925

* Used from stock

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 9.06% of the total input material are used in the Steel Works.

Scrap	2012-13	2013-14	2014-15
Total scrap recycled (t)	758452	812116	772863
Material used (t) (Ore)	8124327	8299498	8038306
Scrap recycled as % of Ore consumed	9.32	9.78	9.60

Water management:

BSP draws water required for industrial use from surface water sources, primarily rivers and streams, internal reservoirs and water from municipal sources. The Company does not encourage use of ground water with no ground water being used within the Steel Works. The water withdrawal does not have any significant impact on the sources of water.

Water Consumption at Bhilai Steel Plant

Source	2012-13	2013-14	2014-15
Make-up water from canal/ River to plant (mm ³)	22.67	21.99	20.43
Drinking water Supply to Plant (mm ³)	15.75	14.95	16.28
Drinking water Supply to Township (mm ³)	36.28	36.50	36.69
Total water drawn from Canal (mm ³)	85.78	95.23	91.36
Rain water collected (mm ³)	11.18	14.67	11.66

Water consumption – category wise consumption of water during the year 2014-15

- (i) Category A = 13.06 Million Cubic metre
(Water used for industrial cooling, spraying, boiler feed etc.)
- (ii) Category C = 6.46 Million Cubic metre
(Water used for process operations whereby water gets polluted and the pollutants are easily biodegradable)
- (iii) Category D = 0.909 Million Cubic metre
(Water used for process operations whereby water gets polluted and the pollutants are not easily biodegradable is toxic)
- (iv) List of exclusion and their quantity:
 Water consumption at Power Plant (s) = 6.989 Million Cubic metre
 Others if any (please specify) = --Million Cubic metre
- (v) Crude Steel Production for the year = 4.806549 Million Tonnes
 Specific water consumption (m3 /tcs) = 2.797

Percentage and total volume of water recycled and reused.

Year	Maroda-I to Plant for industrial make up (mm ³)	Industrial Water Recycled to Maroda-I (mm ³)	Total Industrial Makeup water (2+3) (mm ³)	Makeup water % of total (2/4)*100	Recycled water % of total (3/4)*100
2012-13	22.67	39.12	61.79	36.69	63.31
2013-14	22.99	44.58	67.57	34.02	65.98
2014-15	20.43	51.44	71.87	28.43	71.57

Water consumption (industrial & domestic) at Mines (Mm3)

Mines	Description	2012-13	2013-14	2014-15
IOC	Domestic	2697733	2589978	2400633
	Industrial Use (Cooling/Dust Suppression)	1962817	1981793	2463813
	Industrial Use (Processing/washing)	1984651	2981833	3625969
	Total	6645201	7553604	8490415
NANDINI	Domestic	670068	697874	648380
	Industrial Use (Cooling/Dust Suppression)	76638	284922	259020
	Industrial Use (Processing/washing)	298286	66121	64583
	Total	1044992	1048917	971983
HIRRI	Domestic	128845	133225	131400
	Industrial Use (Cooling/Dust Suppression)	14600	14600	14600
	Industrial Use (Processing/washing)/ Mine Discharge	331680	320500	320500
	Total	475125	468325	466500



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.

SO₂ & NO_x Monitoring at BSP:

- BSP does not determine/monitor companywide Sox & NOx emissions
- However the Sox & NOx emissions at following locations is being carried-out to comply with statutory requirement
 - Chimney emissions : Coke oven batteries & BF-stoves
 - Work-zone/ Fugitive emissions : BF & Steel Melting Shops
- The stack & work zone emissions are well within the norms

VOC Monitoring:

- BSP does not determine/monitor company wide VOC emissions
- However the VOC monitoring at following locations is being carried-out to comply with statutory requirement
 - Coal chemical department/Bi-product plant (Benzol rectification plant, Benzol recovery Plant & tar distillation plant) and Electrical Repair Shop
- The workers exposed to VOC emissions are provided PPEs

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- 2.
- Electrostatic Precipitators (ESPs) for flue gas cleaning at Power Plants and Sinter Plant-III.
- Ceramic Welding to control cross wall leakages at Coke Ovens.
- Mist arrester at DCDA Sulphuric Acid Plant.

BSP monitors real time PM-10, PM-2.5, SO₂, NO₂, NH₃, CO, O₃ & Benzene at 4 nos of Continuous Ambient Air Quality monitoring stations installed along plant periphery (3nos) and in township(1 no). The Air quality at all the locations has been observed to be well within the statutory norms. The Polycyclic Aromatic Hydrocarbons (PAH), As & Ni are also monitored at regular intervals & observed to be within the norms.

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)
2012-13	40	76	827	0.121
2013-14	23	76	870	0.116
2014-15	15	94	890	0.102

Waste Management :

Solidwaste Utilization in Bhilai Steel Plant

Description	Quantities in Tonnes				
	Generation	Internal Use	Sale	Utilization %	Savings in Lacs
BF Granulated Slag	1571700	0	1476803	94.0	8319
BF Unprocessed Slag	559382	14233	64278	14.0	638
BF Slag Total	2131082	14233	1541080	73.0	8958
BF Flue Dust	56948	0	31022	54.5	147
LD Slag	296879	308650	1337	104.4	1.2
LD Sludge	25816	1485.02	0	5.8	0
Other Sludges (SP, BF & THF)	83868	0	2101	2.5	4.6
Lime Fines	177664	177664	0	100.0	0
Mill Scale	110957	110485	473	100.0	80
Cinder	3309	0	3353	101.3	253
Used/Rejected Refractory Bricks	24068	11464	8920	84.7	485
Lime Sludge	41.4	0	0	0.0	0
THF Slag	115701	0	0	0.0	0
Total Ash	12699	13000	0	102.4	0
Total	3039031	636981	1588286.5	73.2	9928.4



Hazardous Waste Generation and Disposal Methods 2014-15

Waste Description & Category (as per HW Rules)	UNIT	Specific Generation			Absolute Quantity			Disposal Method
		2012-13	2013-14	2014-15	2012-13	2013-14	2014-15	
Used Oil / Spent Oil 5.1	L/TCS	0.05	0.05	0.07	247.38KL	267.27kl	342KL	Recycled/used as fuel
Acid Tar Sludge 13.3	Kg/TCS	0.27	0.31	0.298	1384.5 T	1597.5T	1434 T	Neutralisation & solidification & also coprocess in cement kilns
Tarry Waste 13.4	Kg/TCS	0.53	0.66	0.22	2678.2 T	3428.42T	1089 T	Sold
Tar sludge tank residue 13.4	Kg/TCS	0.54	0.07	0.0004	273.696 T	360.949T	2.01 T	Sold
a.E.T.P sludge from DAF b.Skimmed Oil 34.4	Kg/TCS	0.30	0.29	0.31	1500T	1499.426T	1499.98 T	Recycled/Sold
Spent Solvent type I & II 20.2	T/TCS	0.007	0.005	0.0004	35.328T	30.86T	0.86 T	Sold
Filter Cake 17.1	Kg/TCS	0.071	0.058	0.088	356.88T	300T	425.02 T	Recycled
Discarded container of Haz.Chemicals 33.3	kg./TCS	0.00003	0.00003	0.00004	1.20T	1.3 T	0.1 95 T	Recycled (used as flower pots)
Non Ferrous Waste B 3	Kg/TCS	0.34	0.05	0.062	172.53	279.996T	301.25T	Recycled/Sold
Discarded Asbestos B 21	g/tcs	0.33	0.19	0.14	1.683 T	1.000T	0.706T	Stored
Mercury Arc rectifier tanks A.6	No./TCS	0.00	0	0	0	0	0	-



Generation and mode of disposal of Biomedical Wastes in 2014-15

Type of waste	Generation (Ton/annum)	No. of beds in the hospital	Present mode of treatment and ultimate disposal
Cat-1, 3, 5 & 6	46691	896	Outsourced to M/s Etech Pvt. Ltd. (Authorised by CECB)
Cat-4, 7	9826		



Management of Municipal Solid Wastes at Township

Generation (tonnes/annum) = 9786 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 and Snort Valve Silencers at all 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 dBA)

NoiseLevels- PlantArea

S.No.	Work:Area	dB(A) Day Time As per Factory's act	Actual dB (A)
1	Cokeovens	90dB(A)	70-80
2	BlastFurnace	90dB(A)	64-70
3	Steel melting Shop	90dB(A)	74-76
4	Plate Mill	90dB(A)	63-69
5	Wirerod Mill	90dB(A)	74-77
6	Rail Mill	90dB(A)	70-72

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	63-70	70	60-65
2	Canteens in Works area	75	64-68	70	60-63
3	Road side inside the factory	75	69-73	70	62-68

Noise Level in the Township

S. No	Location	Leq levels dB (A)		
		Max.	Min.	Avg.
1	Civic Centre	59.4	54.2	56.0
2	Near Sec.-7 & 8 Sqr.	67.7	65.1	66.2
3	JLN Hospital	59.8	60.4	60.1

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. 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.

Consumption of Ozone Depleting Substance in tonnes

ODS Substances	Ozone Depleting Potential (ODP)	Year wise consumption in Tons		
		2012	2013	2014
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	3.050	3.599	3.050
HCFC 142	0.06	0	0	0
HCFC 124	0.0125	0	0	0
Total ODS consumed		3.050	3.599	3.050
	Total ODP in Tons	0.168	0.197	0.168



Energy

Energy use

Energy Purchased	Quantity (T)			Heat Content (TJ)		
	2012-13	2013-14	2014-15	2012-13	2013-14	2014-15
Boiler Coal (Ton)dry	227913	57894	50842	4120.3	1063.3	801.62
Coking coal(Ton)dry	3289236	4170056	4050750	97477	123393	121268
BF injection Coal/CDI Coal	212789	207806	212210	6306.1	6149	6353
LSHS/FO (KL)	35525	12401	12834	1342.2	468.1	505.88
Diesel (KL)	7209	7196	7097	284	283.25	279.36
Power Purchased(mwh)	2241942	2264599	2150024	22512.7	22718.5	21569
Purchased BF Coke (T) (dry)	758344	134061	3866	20554	3633	105.6
Total purchased				152596	157708.15	150882.46
Energy Sold						
Coke	0	38009	33205	0	1030.12	907
Tar products (t)	16742	61406	61226	613	2247.7	2252
Benzol Products (t)	16302	2649	15616	595	96.68	570
Total energy sold				1208	3374.5	3729
Net Energy Consumption				151388	154333.65	147153.46

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

- Coking Coal (excluding CDI Coal) = 73.4 %
- Electricity (Including purchased) = 13.3 %
- Steam (incl. own generated) = 8.7 %
- Furnace oil & Petro-fuel (Excluding power plants) = 0.3 %
- Others = 4.3 %



Energy Conservation measures implemented in Bhilai Steel Plant during 2014-2015 are given below

1. Replacement of air pre-heater blocks in 2 nos. of Russian Boilers in Power and Blowing Station

Replacement of air pre-heater blocks in 2 nos. of Russian Boilers in Power and Blowing Station has helped to improve APH efficiency and increase consumption of BF gas in the boilers. This has in turn helped to reduce overall boiler coal consumption in the boilers. This has helped in reducing overall auxiliary power consumption in ball mills, etc. by around 1087 MWH annually, resulting in a savings of Rs. 64.8 Lakhs.

2. Repair of BF stove no. 18 has resulted in less specific heat consumption (in terms of BF gas consumption) in Blast Furnace#6.

This measure has resulted in energy savings of 249000 GCal and cost savings of Rs. 30.2 Crores.

3. Commissioning of BOO based Oxygen Plant and shutting down of inefficient Oxygen Plant-I and one ASU of OP-II

The commissioning of new energy efficient Oxygen Plant on Build, Own, Operate basis has helped BSP to shut down its old energy intensive Oxygen Plant-I and one energy inefficient ASU of Oxygen Plant-II. This has helped reduce power consumption in oxygen plants and also resulted in availability of oxygen of better purity. This has resulted in power saving of 184911 MWH and an annual cost saving of Rs. 114 Crores.

4. Introduction of Timer based control circuit to limit unnecessary operation of Steam Exhausters in casters-1, 2 & 3 during non-casting period in CCS

This has resulted in a savings of 180 MWH with an electrical energy cost saving of Rs. 11 lakhs.

5. Clubbing of MG (Motor-Generator) sets 7DAP-8DAP to reduce the energy consumption

(Commissioning of 3 drives and redistribution of loads of MG sets 7 DAB & 8 DAB for s/off of one

MG set out of 7/8 DAB). It is an In house project

This has resulted in a power saving of 380 MWH and cost saving of Rs. 23 lakhs annually.

6. Commissioning new Coke Oven Battery No. 11 in BSP

The commissioning of new energy efficient 7 metres tall Coke Oven Battery No. 11 with complete automation has resulted in higher production of BF coke and improved Coke Oven gas yield.

7. Installation of VVVF drives for Roller Table sections 247 & 347 (In-house commissioning with spare drives) and in one no. LD gas booster

These measures have resulted in power saving and an annual cost saving of Rs. 18 Lakhs

8. Stopping of in-efficient Compressed Air production equipment and operation of energy efficient Compressed Air production equipment

This measure has resulted in power saving of 9976 MWH and an annual cost savings of Rs. 5.95 Crores

9. Replacement of 500 nos. of 500 W GLS Lamps by 70 W HPSV lamps and Illumination control HPSV lamps through timers

This measure has resulted in a power saving of 800 MWH and an annual cost saving of Rs. 48 Lakhs

10. Installation of energy saving panels for street lights inside the plant (5 Nos.); 30A - 3 Nos. & 50 A - 2 Nos.

This measure has resulted in a power saving of 96 MWH and an annual cost saving of Rs. 5.73 Lakhs

11. Introduction of timers for auto switch-off of the overhead bay lights of open & Rolling Field Bay in Rail & Structural Mill has helped reduce lighting load in RSM

This has resulted in power saving of 43 MWH and a cost saving of Rs. 2.6 Lakhs annually.

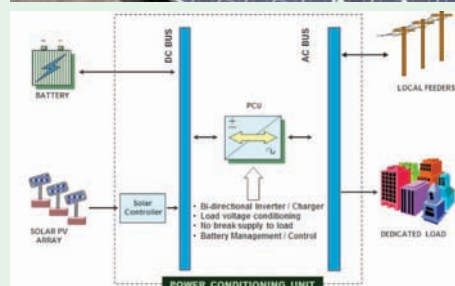
BSP has benchmarked its energy consumption in line with best in the global business. Modernization of BSP is already on the anvil, where all energy efficient technologies will be adopted. It is anticipated that after modernization, the present gap with international level will be eliminated and BSP will be one of the front-runner for energy conservation in steel industry. The projects conceived are expected to achieve target Energy Rate of 5.9Gcal/TCS post modernization.

Renewable Energy :

BSP has been making sincere effort for use of renewables in a small way. Plant has already installed one solar power plant of 2 x 100 KW capacity at Bhilai Niwas. BSP is also preparing to install few more in its other office buildings in near future. The percentage of renewable in overall energy basket of BSP is negligible as the scope for use of renewables in an integrated steel plant is limited due to nature of operations. However BSP is complying with renewable purchase obligations under CSERC regulation bill 2011 and Electricity Act 2003.

2x100 kWp Roof-top Off Grid Solar Photo Voltaic Power Plant at Bhilai Niwas

- Cost: Rs 3.47 Crores. MNRE Subsidy : Rs. 1.04 Crores
- Intelligent SCADA system for data monitoring & logging
- Expected Annual Saving :8.7 lakhs
- Estimated Reduction of CO₂ : 94 T/Yr
- Saving of Natural Resources (Water 0.18 m³/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 up stream emissions and Other up stream 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)
2012-13	1,34,27,573	11,87,417	-8,75,306
2013-14	1,34,90,278	12,17,841	-8,92,734
2014-15	1,27,71,095	11,68,560	-7,92,733

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 2014-15

Area	Revenue Expenditure in Crores	Capital Expenditure in Crores
Pollution prevention	119.20	38.13
Resources Circulation	50.67	
Environment management activities	11	
Research & development	25.0	
Social activities	13.78	
Others	0.52	
Total : 247.5		

BIODIVERSITY:

Land Use Pattern at Bhilai Steel Plant

Units	Revenue area in Hectares	Forest area in lease in Hectares	Total area in Hectares
BhilaiSteelPlant(Works)	3248.9	Nil	3248.9
BhilaiTownship	2939.9	Nil	2939.9

Out of the land under Steel Plant 1100 hectares is used for cooling 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 Limestone 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 and 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, conditions of soil have 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, improve the aesthetics, to improve lush patches of greenery and offset the effect of the industrial pollution. In order to extend the greening efforts, road side plantation along 180 kms of state highways is done.
Systematic plantation of suitable species in the identified locations has been done.

- To study relative exposure vs. dust capturing capacity of various identified plant species through natural and controlled exposure.

- To evaluate rate of dust deposition/capture capacity of different plants species (Herbs, Shrubs & Trees)
- To identify the Plant species with high potential for Control of Dust/Suspended Particulate Matter in Ambient Air.
- To prepare checklist of Plant species for Phyto-remediation of particulate matter from ambient environment.
- Conserve the various species planted in the plant and township area Mixed type of plantation done resulting in 90% survival rate.
- To Promote plantation for bio-diesel, 60,000 Jetropha planation has been done in the plant & township.

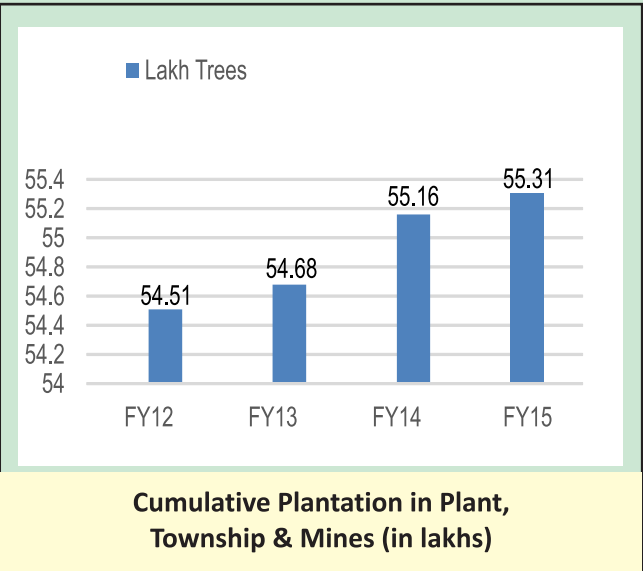
Impacts on protected areas

The complete owned area is well managed by the management of Bhilai Steel Plant. 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 (Mengifera 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.

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 55.3 lakh trees. This comprises of 30.8 lakh trees inside the plant, and township and 24.5 lakh trees in the mines



Details of Plantation in BSP Township & Mines

Year (Rs)	Location	No. of trees planted	Area covered in Hectares	Survival rate	Type of trees
2012-13	BSP (Township)	13834	5.5	>85%	Mixed species
	BSP (Mines)	5200	2.5	>85%	(Neem, Karanj,
2013-14	BSP (Township)	15000	6	>85%	Amla, Shesham,
	BSP (Mines)	13650	5.4	>85%	Peepal, Mango,
2014-15	BSP (Township)	3300	1.32	>85%	Gulmohar, Silver
	BSP (Mines)	12500	5	>85%	Oak etc)

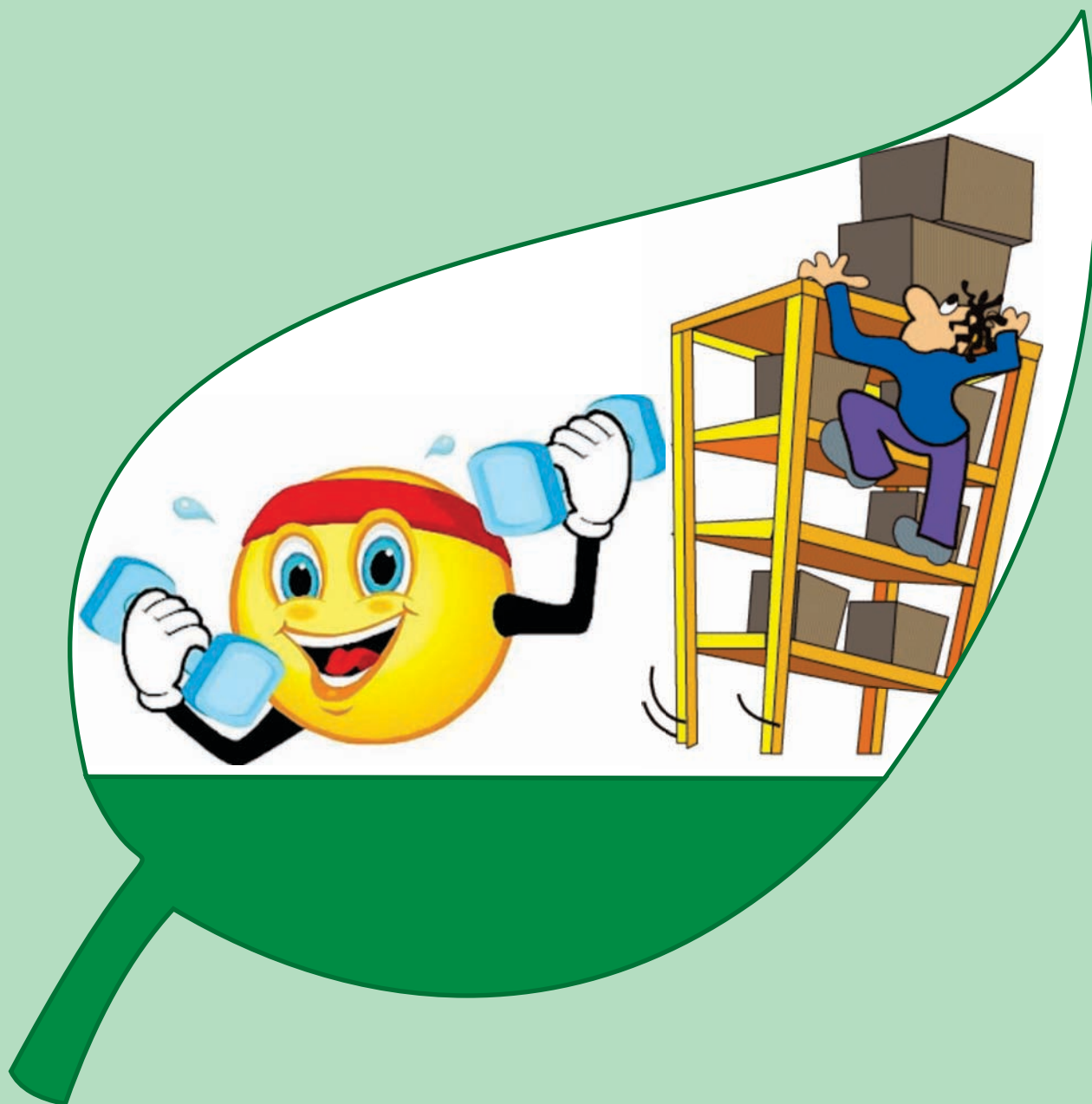
Note :

- No further plantation is being done inside plant as all open areas have already been covered
- BSP has also carried-out 180 KM of roadside plantation under CSR through Chhattisgarh Rajya Van vikas Ltd, No. of trees planted : 3,60,000

Bio-Diversity conservation measures in BSP Mines

- BSP has prepared a comprehensive biodiversity plan in its mining areas
- wildlife conservation plan has been approved by Principal Conservator of Forest (Wildlife), Govt of CG. Besides that the plan also includes large scale plantation, development of grazing land, development of botanical garden, nursery and greenbelt development.
- Total number of IUCN Red List species and national conservation list species with habitats in affected areas are 8. The amount committed under Bio diversity conservation plans at Mahamaya Dulki ML, 1MT Pellet plant at Dalli, IDQ Baraduar ML, Rowghat Iron ore Mines of BSP is about 75 Crores. The plan includes, Habitat development, Protection of Flora& fauna, Wild life conservation (Python, Bengal Monitor Lizard, Jungle cat, Bear, Pea-fowl etc.) Bio diversity conservation, Conservation/development of water bodies, Eco-tourism, Training & awareness, Monitoring etc.

HEALTH & SAFETY



Improving Safety & health Standards has been identified by BSP as one of the strategic themes for the financial year 2014-15, along with other techno, economic considerations.

About 100 non-executives are nominated as Departmental Safety Committee Members to enhance the involvement of the employees in safety related issues

Safety Engineering Department (SED) works towards strict compliance of all the provisions of OHSAS 18001:2007 standard for occupational health and safety. Based on the recommendations,regular and special campaigns are carried out from time to time to prevent accidents as shown. Internal Safety Audits as

per IS-14489:1998 are being conducted at various factories / departments, while SAIL Safety Organization, conducts External Safety Audit of MAH units of BSP as per schedule. Mock-Drills are conducted as per the risk identified in On-site Emergency Preparedness Plan. To enhance Job Safety awareness, Gate passes are being issued to the contract workers, only after submission of Job Safety Analysis. Warning letter, punitive actions & fines are being imposed on Contractors in case of Safety Violation. Protocol job related to gas pipeline blanking/ deblanking, are monitored for safety. Gas Safety section of Energy Management Department conducts mock drills for possible gas leakage situations.

Strategic Theme	Safety Programmes/Trainings
Excellence in Operation and Maintenance - Safety	<ul style="list-style-type: none"> Safety in project execution Sameeksha Contract Labor safety training Behavioral Safety

Special Safety Campaigns

- Hot Metal track inspection for water logging
- Hydramoc transportation of materials
- Safe Working in Overhead platforms & EOT cranes
- Gas pipelines,
- Road safety - Crash Helmet Campaign,
- Working at height - Checking of Double lanyard Full body harness
- Project Safety

Regular Safety Campaigns

- Site Inspections, - Roko-Toko, Safety talk
- Loco Inspection
- Heavy Vehicle movement
- Checking Earthing of electrical equipment
- Cable gallery Basement inspections
- Safety Awareness programme ‘JAGRITI’ & Safety film show at Shop floor for Contractor & Regular workers.

SAFETY TRAINING PROGRAMMES

FOR CONTRACTUAL WORKERS

- Safety Training is given to contract workers before issue of gate passes:
 - CEZ complex for Works area
 - TPL workshop for Projects area
 - 111 contractors were covered in Special Safety training organized at HRDC on 'Safety Conditions for Job Contracts'
- Special Training for Contractual workers of Major departments of works area organised covering 6423 contractual workers in 49 programmes



RENEWED THRUST - NEW INITIATIVE

- BSP, CISF and NDRF (National Disaster Response Force) jointly organised a Mock-drill exercise on Chemical (Industrial) Disaster to evaluate the Emergency Response and Standard Operating Procedure of BSP.
- Fire Safety Audit of BSP by Board of Officers, CISF (Ministry of Home Affairs)
- Comprehensive Safety Audit by Experts from NSC, Mumbai
- Composite Emergency Preparedness Plan (EPP) for entire BSP premises prepared by Experts of M/s National Safety Council, Mumbai



To prevent recurrence of gas leakage incidents as happened in June 2014 various additional measures have been implemented.

Additional measures in 14-15 to enhance gas safety in work place

- Installation of Fixed type CO (Carbon Monoxide) gas monitors and portable gas monitors with audio-visual facilities in all the gas prone areas.
- Persons accessing below ground installations etc. to carry portable CO monitors and at the earliest suspicion must use gas masks.
- Online monitoring of water pressure and flow of the GCPs with audio-visual alarms at BF control room has been provided. In case of tripping of pumps / pipe leakage, blast furnaces control will also get signal and alarm along with GCP control.
- Online monitoring with audio visual alarms for GCP pump discharge header pressure has also been implemented in pump house#2.
- Rigorous and regimented SMP for pipelines, valves, flanges, pumps etc. comprising regular check-ups, wall thickness measurement, checks for corrosion and erosion, and painting implemented. Regular NDT started for critical pipelines. NDT testing of discharge header and connected pipe lines of GCP group pumps has been carried out to assess pipe line immediately. NDT testing of 2163 M pipe lines conducted.

CISF is deployed for BSP's security needs. There is a dedicated Fire Services group. Elaborate fire awareness programs are conducted to educate employees and other stakeholders. A mega Insurance Policy is also in place to cover major assets against fire hazards.



A Tableau based on the theme “Safety Starts from Me” was displayed during the grand Republic Day Parade–2015 at Jayanti Stadium, Bhilai, for the first time.

Health services:

BSP has its own 860 bedded multi-specialty hospital (JLNHRC- which is also the first PSU hospital in the country that has been pre-certified by Quality Council of India for its NABH Standards based Quality Management System) having average patient rate of 4480 per day and 139 per day in OPD & IPD respectively, 60 bedded oncology hospital, 9 health centres across township, 80 bedded combined capacity of three mines hospitals, main medical posts inside the plant premises, In the areas of Medical & Health services, an innovative practice of Yoga classes entitled 'Abhimanyu' along with ante-natal prophylaxis clinic was started to ensure physical and mental wellbeing of pregnant women.

For a healthy work-life balance, special workshops like a three-day special programme on 'Stress Management involving Yoga and Meditation' covering 134 employees was organized during FY15.

Occupational Healthcare

BSP has established a National level Occupational Health Services inside the plant which ensures preventive, curative & rehabilitative services for keeping the workforce healthy and protected. It provides Pre-Employment, Periodical, Retiring & Executive Health check-up programme and various other activities as per the schedule. The employees are trained about emergency medical care & First Aid. Some more relevant investigations have been incorporated for PME of workers, working in hazardous locations of the plant. Health information system (HIS) implies, an organized and systematic collection compilation, analysis, retrieval and dissemination of information related to occupational health. It also carries out Hygiene Survey in different shops of the Plant. Based on the Survey, Engineering control measures are recommended. A follow up Survey is done to assess the effectiveness of such measures and compliance status of Hygiene Survey.



Activities Conducted at NOHSC

- Periodical Medical Examination
- Executive Wellness & Superannuating medical examination
- Vision conservation programme for moving machine operators
- Biochemistry & Toxicology
- Work environment monitoring
- Psychological assessment
- Health Education & Training
- Work Physiology & Research activities
- Computerized upgraded Health Information System (HIS).
- Epidemiological studies

Policies/Programmes on HIV & AIDS:

NATIONAL AIDS CONTROL ORGANISATION (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.



Schematic Diagram of Plant Hazard-Wise

Qualitative Assessment
Inspection Survey

Quantitative Assessment
Investigational Survey

Static and Personal
Sampling

Investigation of Specific
Problem

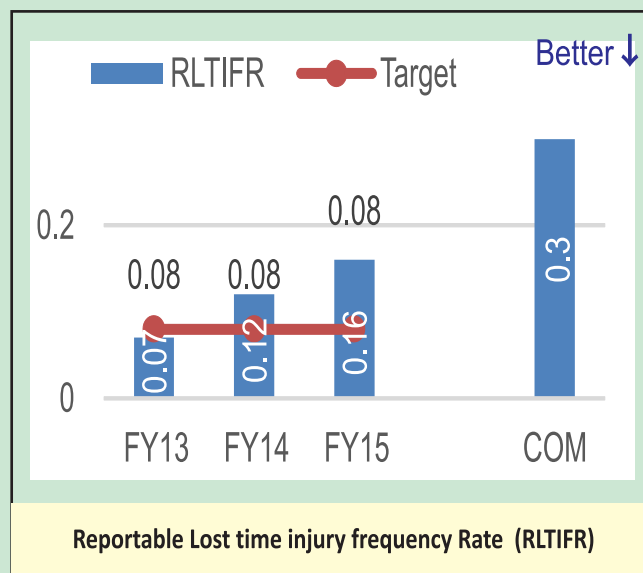
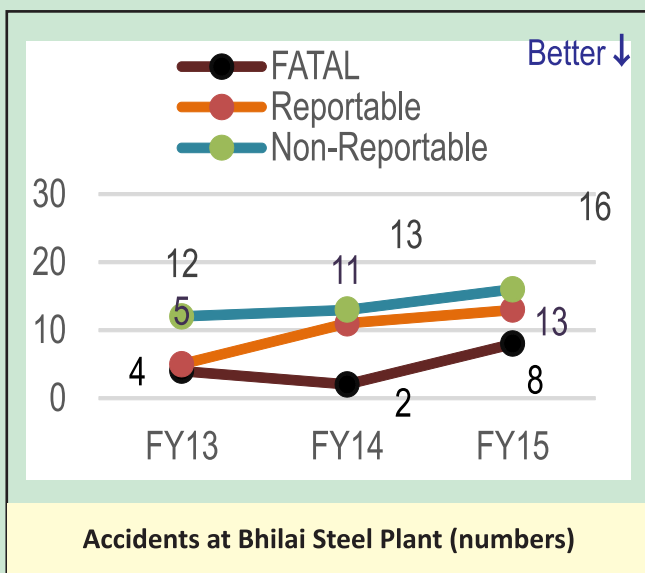
Report Preparation &
Suggestions For
Control Measures

Follow-up for
Implementation of
Control Measures

Health Work
Environment

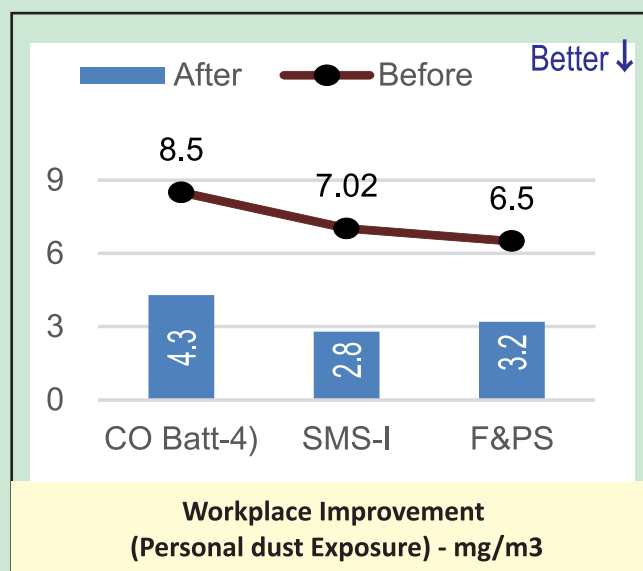
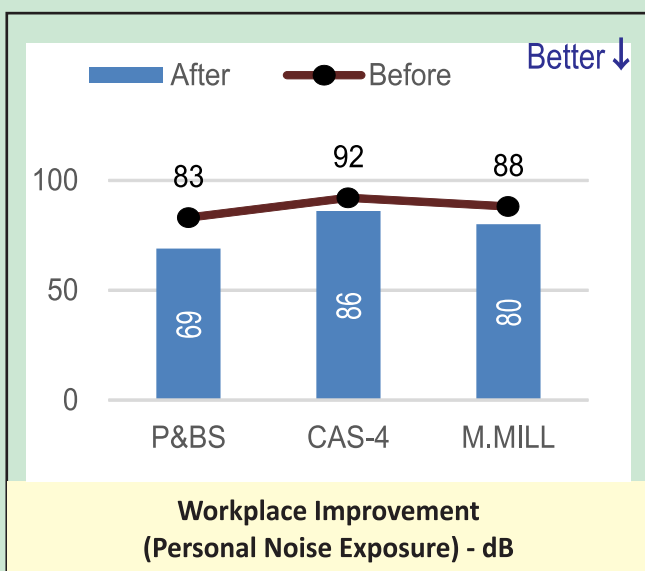
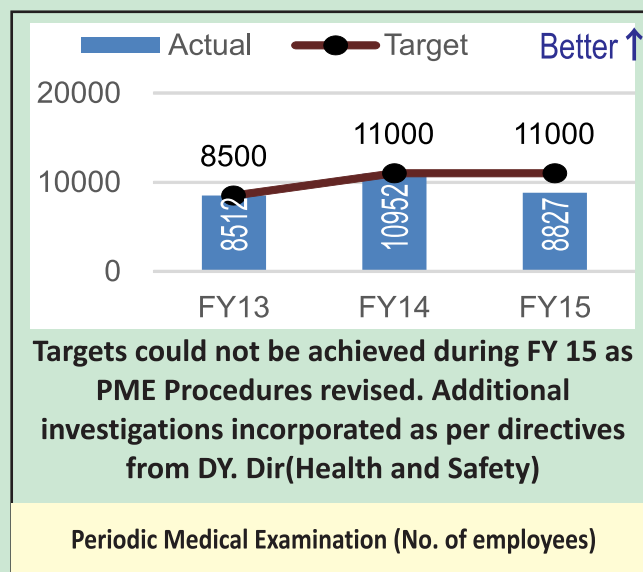
**Hygiene Survey
Procedure**

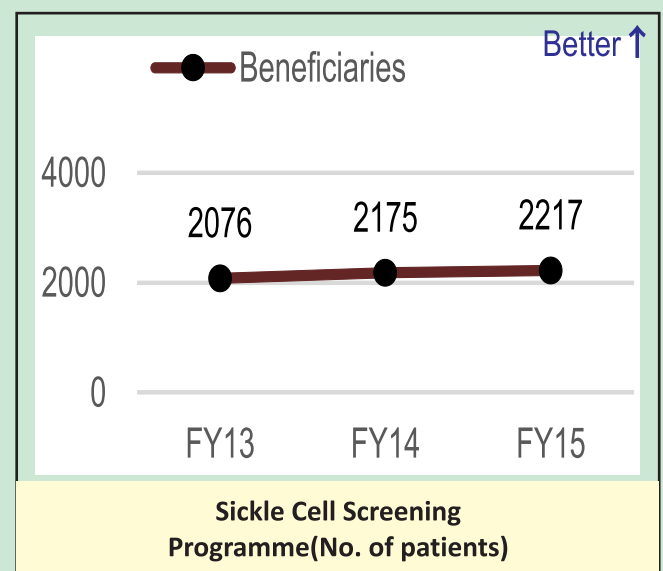
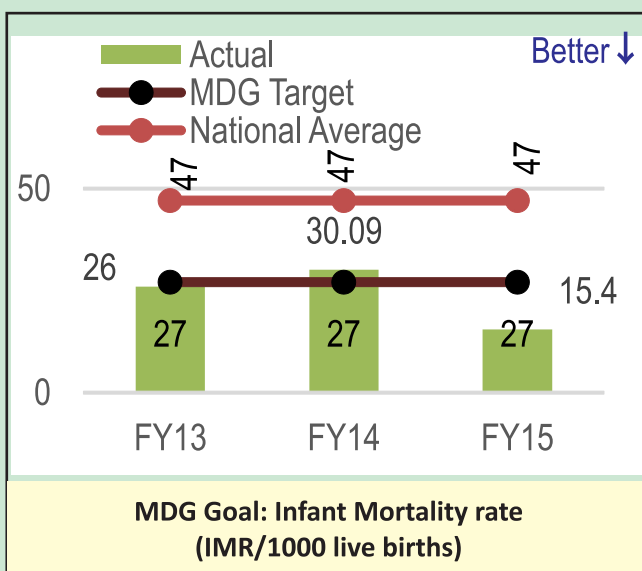
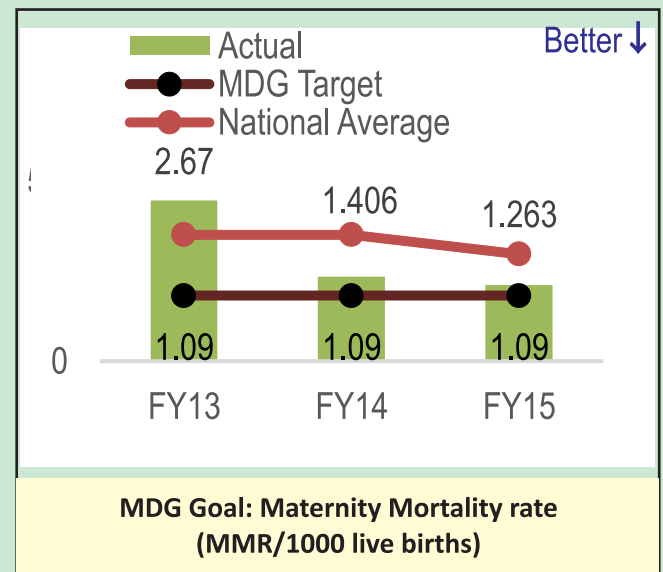
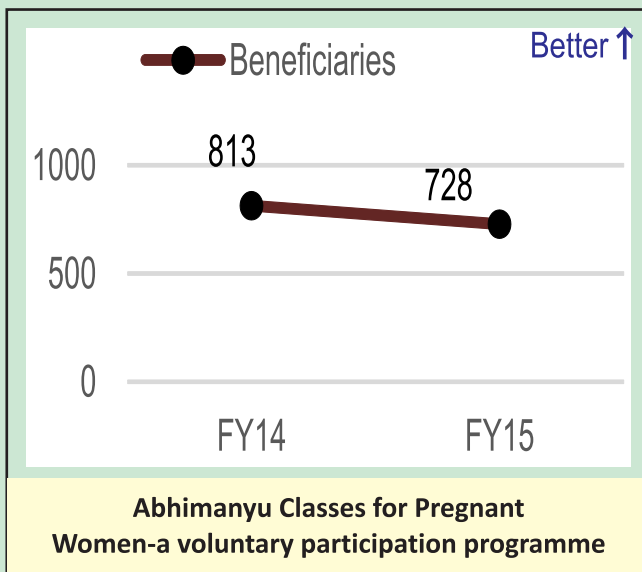
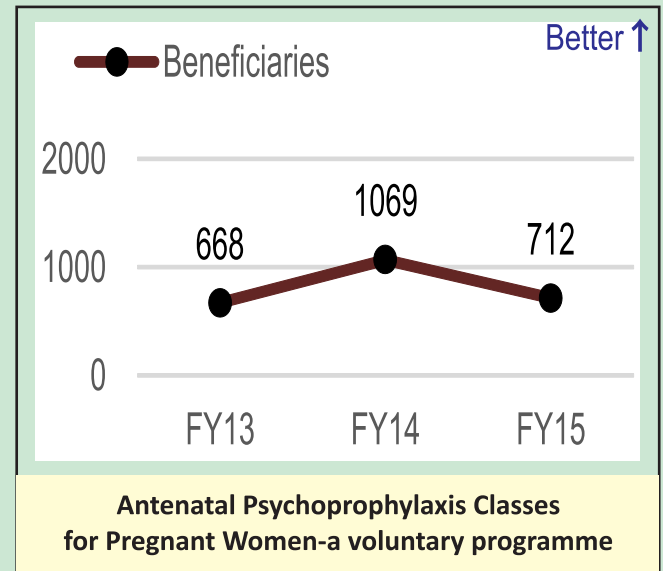
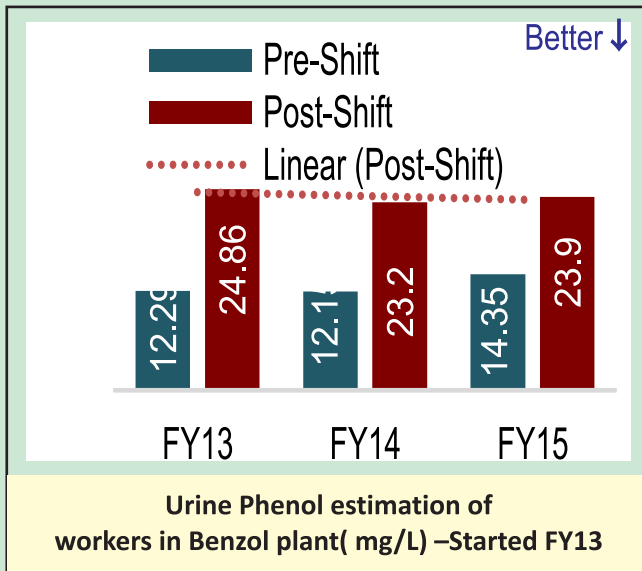
HEALTH AND SAFETY PERFORMANCE

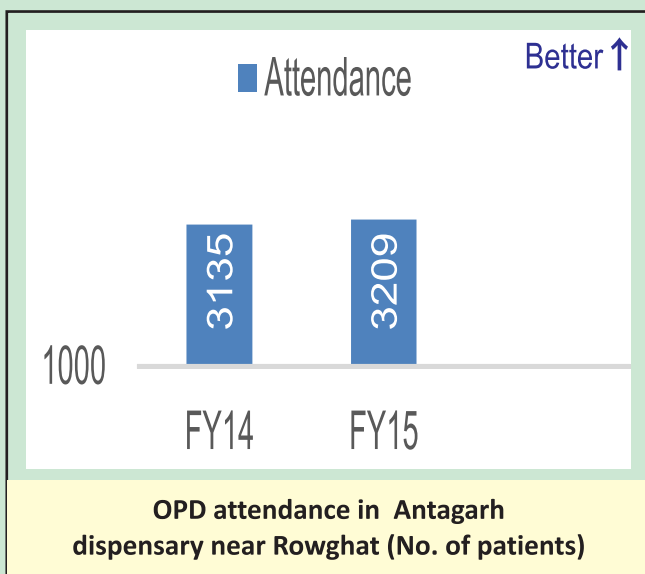
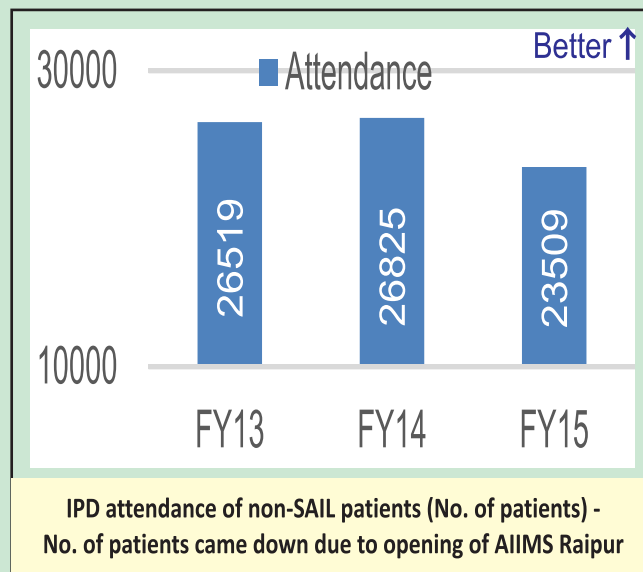
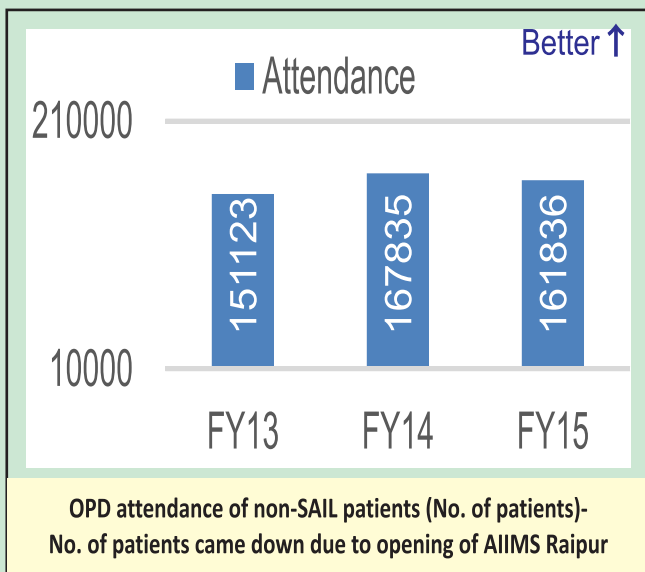


	FY13	FY14	FY15
Safety Awareness (Regular Employees)			
No. of Prog	219	213	213
Participants	6124	6827	6558
Safety Awareness (Contractual)			
Jagriti Prog.	58	56	57
Participants	3491	2581	3122
Sp. Trg. Prog	0	80	40
Participants	0	2525	6423

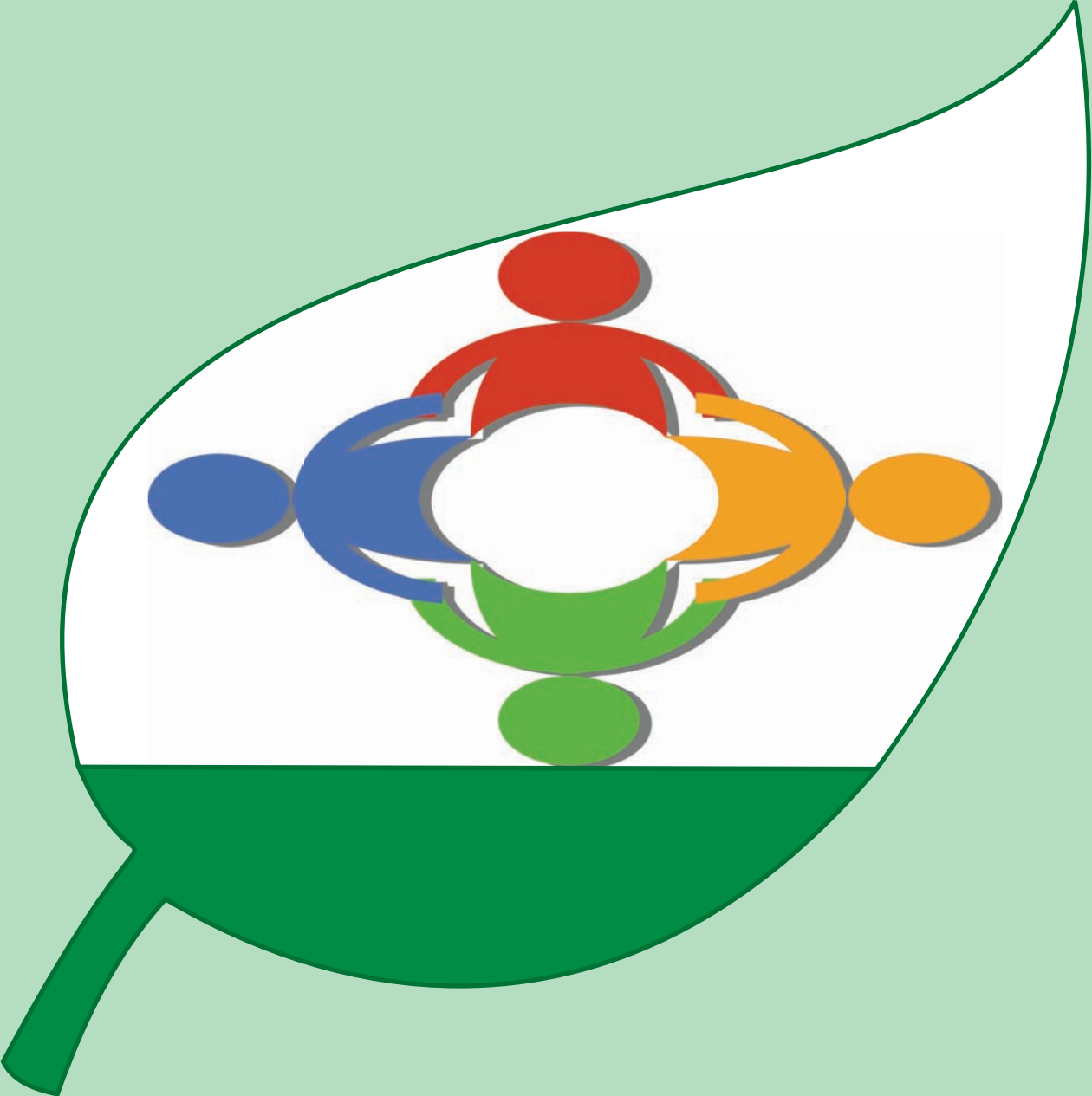
Awareness Programmes on Safety and number of participants (Numbers)







PEOPLE MANAGEMENT



Dignity of labour defines BSP's overall commitment to its employees, contractors' employees and the community. Hence the key principles it follows are transparency, fairness and equity in all its dealing with its employees. An equal opportunity employer, BSP strives to be an employer of choice by attracting the best talent and ensuring a cosmopolitan workforce. BSP considers its employees as its most valuable resource and this is evident in the organizational strategy towards developing capabilities and

realization of best potential of its people. It is needless to say that committed human resources go a long way in providing competitive advantage and BSP attributes its success to the investment in human capital who are behind every activity, every technology and every innovation. Knowing that the development of skills of employees helps in growth of the industry, BSP is actively conducting various programs to strengthen the overall capabilities of each employee.

Break-up of employees:

As on Date	Works	Admn.	Tship & Medical	Construction	Mines	Trainees	Total
01.04.2015	18656	2459	2163	404	2139	1026	26847

Number of Employees by Gender and Age Group (As on 01-04-2015)

AGE	Male 2014-15	Female 2014-15	Total 2014-15
<30	1393	126	1519
30-50	12742	658	13400
>50	11445	483	11928
TOTAL	25580	1267	26847

'People' - Our Prime Asset



In order to promote avenues for employment amongst local residents, vacancy information is published on several channels including website and national & local newspapers. Female employees are also given ample opportunities. BSP being an equal opportunity provider does not discriminate between gender on remuneration or other aspects. During career progression, promotions are strictly based on merit.

Employee turnover (Resignation+Termination) in (2014-15)

AGE	Male 2014-15	Female 2014-15	Total 2014-15
<30	94	2	96
30-50	34	1	35
>50	20	0	20
TOTAL	148	3	151

Location wise Breakup of Employees as on - 01.04.2015

Location	Executives			Non-Executives			Total		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Bhilai	3240	255	3495	20041	952	20993	23281	1207	24488
Mines (Dalli, Rajhara, Nandini, Hirri)	214	3	217	2059	49	2108	2273	52	2325
Regional Offices at Mumbai, Delhi etc.	14	3	17	12	5	17	26	8	34
Total	3468	261	3729	22112	1006	23118	25580	1267	26847

Contract workers:

Year	2014-15
Nos	22820

Absenteeism

Year	2013-14	2014-15
Total man-days available	7421020	7055286
Un authorized absentee Man-days	122470	127345

Labour productivity:

Year	2012-13	2013-14	2014-15
TCS/man/year	327.8	350.2	341

Communication Forums and Channels

Vertical – Downward Communication			
Frequency	Initiative	Objective	Coverage
Periodic	Messages from Chairman, CEO, EDs	Achievements, challenges and opportunities for company, Expectations from the employees	All Employees
Continuous	Bhilai Samvad, BSP homepage	Newsletter on the latest in Plant/SAIL	All Employees
Monthly	Ispat Sandesh	Bilingual (Hindi & Chhattisgarhi) newsletter - Production details information on health, safety, cost etc.	All Employees
Vertical – Upward Communication			
Monthly	Sameeksha	ED(W) led forum for aligning and rejuvenating thought process wrt change	All Employees
Monthly	Bipartite forum	Bipartism in management processes	All Employees
Monthly & Half yearly	SAWR meetings	To ensure participation in the implementation of SA 8000 standards	All Employees
Continuous	KM portal	Portal for knowledge sharing and archive for documents	All Employees
As per requirement	Direct-to-CEO	Direct communication with CEO through portal by any employee	All Employees
Monthly	HRD Session	Knowledge Sharing Forum for Personnel Department	Invitees, HR Executives
Horizontal Communication			
Monthly	Shop Communication Forum (SCF)	Shop specific interaction covering minimum of 20 % of employees, by the workers for the workers	All Employees
Monthly	Synergy	CEO- led Employee Engagement Forum	Executives
Monthly	Frontline Managers	CEO led interaction forum	Mid-level executives
Quarterly	FGD interactions	Identification of expectations of Internal customers for DAP formulation	Internal Customers
Weekly	ED (P&A)'s Open Forum	Ensuring consistent two-way communication	All Employees

Engagement with Employees:

BSP management has given its prime attention towards the issues related to the employees. Several initiatives have been taken to ensure that the development of employees and development of BSP always remain mutually inclusive. As a direct result of a vibrant work culture, duly supporting flexibility and learning opportunities, employees have charted out challenging career opportunities to scale up their professional ladder. BSP has been conducting various programs that are based on the concept of fair personnel management so that its employees can carry out their jobs with a long-term commitment and with a sense of security and enthusiasm.

Employee Compensation, remuneration, rewards, recognition & amenities:

BSP has evolved a well-structured employee compensation system with salary and wage structure, incentives, annual increment rules, pay fixation rules, allowances, perks and benefits. Based on guidelines from Government of India, Ministry of Steel and in agreement with National Joint Committee for Steel Industry (NJCS) and the Officers' Association, BSP refines and revises its compensation system from time to time. The eighth NJCS agreement was signed on 01/07/2014 for revision of pay of non-executive employees w.e.f. 01/01/2012, providing a basic pay hike of 83 %. Under the Agreement, a Special Allowance amounting to 6% of pay has also been introduced w.e.f. 01/01/2014. The first instalment of pay revision arrears (Rs.235 Crores) was released in July 2014, within two weeks of the agreement. A strong IT-based system of wage administration ensures transparency in the process through the e-Sahyog portal which attracted 10,45,389 hits during FY15 as against 9,31,062 hits during FY14.

A strong system of rewards/awards is in place, to motivate people to get involved in improvement and innovation.

S.N.	Reward and Recognition	Description	Criteria
1.	Nehru Award	Cash Award of Rs.3,000/- for Non-executives	Consistent good performance and attendance
2.	Jawahar Award	Cash Award of Rs.4,000/- for executives	Consistent good performance and attendance
3.	JawaharLal Nehru Award	Group Cash Award of Rs. 8000.00	Consistent good performance and attendance
4.	Suggestion Award	Cash award upto Rs. 35,000.00	Best suggestion award Given for highest no. of suggestions
5.	Best Suggestor Award	Cash award of Rs. 1000	Given for commitment to safety
6.	Best Housekeeping	Running shield given to department	Given for commitment to safety
7.	Highest Near Miss Recorded	Running shield given to department	
8.	Teachers Day Awards	Cash Awards from Rs. 1500.00 to 5000.00	Excellence in performance
9.	Best Fireman Award	Trophy given to firemen (Fire Brigade Services of BSP)	Performance, motivation and fire awareness
10.	Best Traffic Man Award, Best Blast Furnace Man (Monthly)	Rs. 1000 + Certificate	Innovative solution for resource utilization cost reduction, avoiding breakdown, etc.
11.	Multi Skill Training Reward	Rs. 435 to 750	Passing multi skill test and multi skill utilization
12.	Long Service Awards	Gift and Recognition	For completing 25 years of continuous service
13.	Best Practice Award	Rs. 15000 Cash Award Trophy to department	Presentation of Best Innovative Practice
14.	Incentive Scheme for All India Award Winners	One advance increment/ Out-of-turn promotion etc. Outfit Expenses of Rs. 8000/-	Winning a National Award
15.	Hindi Incentive Scheme	One special increment/cash award etc.	On passing prescribed Hindi examination
16.	Incentive Scheme on acquiring professional qualifications	Rs. 1000/- to Rs. 1,00,000/-	On acquiring professional qualifications from premier institutes.

BSP provides parental leaves to all its employees. Maternity leave up to 12 weeks and 1 year child care leave is provided to women employees. BSP doesn't give employment on part-time/ temporary basis.

Various benefits are also periodically reviewed and increased. For example, during FY15, the benefit under the Life Cover Scheme, which provides support to the family of an employee who expires while in service, was enhanced from Rs. 1,32,000/- to Rs. 3,62,000/- w.e.f. 01/09/2014. The tax exemption benefit of meal voucher options under cafeteria perks has also been enhanced from Rs. 1300 to Rs. 2600/- per month, during FY15 as per changes in Income Tax Rules. During FY15, 10 executives and 44 non-executives took benefit of the Incentive scheme for acquiring professional qualification.

Suggestions submitted through Suggestion Scheme and completed Quality Circle Projects are promoted through an elaborate reward scheme. Suggestions are first evaluated by a Zonal Award Committee (ZAC) which can give a cash award of up to Rs. 3000/- to the

outstanding implemented suggestions. These are referred by the ZAC to the Apex Award Committee which can give a further award amount of up to Rs 35,000/-. While 19,427 suggestions were generated during FY15 under the Bhilai Steel Suggestion Scheme, with a saving potential of Rs. 625 crore, 14 suggestions received the Apex Award against FY 14. CEO's Trophy for Most Innovative Manager carries a prize money of Rs. 10,000/- in addition to being felicitated by CEO in a public function with wide publicity. In addition to the various amenities provided in the Township, based on the findings of the Employee Engagement Survey, upgradation of furniture of 46 canteens of BSP has been taken up as a key objective under Integrated Management System (IMS) for FY16 involving an expenditure of one crore Rupees. For a healthy work-life balance, special workshops like a three-day special programme on 'Stress Management involving Yoga and Meditation' covering 134 employees was organized during FY15.

Platforms for unleashing the Potential

Competitions

- CEO's trophy for most Innovative Manager
- ED(W) cup for Skill competition
- ED (W) Trophy – e step (PM Module)
- ED (P & A) cup for Creative communication
- ED(P&A)'s Running Trophy for Best Departmental Website

Quizzing

- High tech audio visual quizzes on company information, current business and management trends etc



BSP's efforts towards providing Work-Life Balance

Sporting and Cultural Infrastructure

- Jayanti Stadium –Athletics and Hockey Ground
- Pant Stadium – Floodlit football and volleyball ground
- Handball Complex – Floodlit Handball and Kho-Kho Ground
- Indoor Stadium – Badminton and Table Tennis Indoor Stadium
- Cricket Stadium, Indira Place –Cricket(Two-turf wicket)
- Ispat Club, Sector-2-Weightlifting, Boxing and Chess
- Bridge Hall, Indira Place –For Bridge Club
- Cricket Ground - For specially abled people
- Nehru House of Culture - seating capacity - 1000
- Kala Mandir –seating capacity 500
- Open Air Theatre in Indira Place
- Nehru Art Gallery – to showcase talents of local populace
- Maitri Bag – A Garden and Zoo with 15 endangered species.

Medical and HealthCare for Employees

- 860 Bedded Jawaharlal Nehru Hospital and Research Center supported by super specialty services like Neurology, Neuro-Surgery, Gastroenterology, Cardiology and Investigative Services
- Sector -1 Hospital with Oncology unit
- 11 Health Centers (With 2 offering alternative medicines)
- 3 nos. Mines Hospitals

Counselling

- Absenteeism, social mediatorship, de-addiction, mal-adjustments etc.
- At present, 24 families are covered under Alcoholic Self-Help programme
- Special workshops are held every month on 'Better Post-retired life' and 'EPS 95' for superannuating employees.

Contract Labours

- Gate pass with Provident Fund (PF) Number on it through IT intervention to reduce grievance of contract workers related to PF
- Seven "Nayee Chetna" Awareness workshops on topics like SA 8000, Health, Wages and Safety were held for Women Contractual labour covering 311 participants

Creating Nation's Future

- 14,837 students are studying in 28 different schools situated at Bhilai & Mines Townships
- PM's Trophy scholarships to pursue post higher secondary education (out of interest from PM's Trophy Award Money)
- SAIL Merit and Merit-cum-means Scholarship
- Scholarship to the disabled children of employees
- Sports Scholarship
- Sewa Protsahan Yojana (Introduced during FY15) providing one-time scholarship to wards of employees not covered under PM's trophy scholarship scheme wherein 43 numbers of students were given a cash award of Rs.5000/ each.
- Total disbursal more than Rs. 123 Lakhs per annum

Employee Services

- On-line hospital OPD bookings
- Online quarter applications
- Online leave encashment
- Online viewing of pay-slip /CPF Balances/Tour details etc.
- Global Personnel Office "Mitaan" meaning friend in Chhattisgarhi for providing service to employees beyond duty hours



Employee involvement and alignment

- 'Bhilai Steel Suggestion Scheme', is an Employee Suggestion Scheme which has been recognized as a national model by INSAAN.
- Quality Circles to identify the problems and use QC tools to arrive at solutions.
- "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.
- "SAMEEKSHA" – Executive Director (Works) led forum for aligning and rejuvenating thought process with the changing scenario.
- Production and productivity meeting to share production related issues with employee representatives.



Employee perception, Feedback :

BSP's pioneering and groundbreaking efforts in providing the sporting and cultural infrastructure, various employees services, help to nation's budding talent, providing state-of-art healthcare and counselling to its employees have led to good scores on 'work and personal life balance' wherein 54 % employees are highly satisfied, and 24 % are satisfied. The Exit surveys also concur with the Employee Satisfaction Survey on the account of these factors. In the Employee Engagement Survey conducted during FY15, the index on account of Work-Life Balance was 3.929 on a scale of 5. This is a result of various targeted initiatives promoting work-life balance which are part of DAP and reviewed every quarter

All this has ultimately resulted in a highly satisfied and a productive workforce and a high employee perception on mutual care and respect in Exit surveys. The progress of various initiatives under Employee Care are reviewed as part of DAP every quarter and new measures introduced. For example, 'Spandan' a mutual appreciation programme for Medical and Plant employees was introduced in FY14 and 3 sessions held during FY15 covering 59 employees, as per target set in DAP. To ensure better compliance of labour laws, 7 workshops for executives and contractors were

organized during FY15, against a target of 4 workshops set in DAP, in which 111 contractors and 35 executives participated.

BSP's policies do not discriminate against any employee on account of gender, caste or religion. BSP conducts a special programme called 'Shakti', annually, to mark Women's Day celebrations by inviting eminent women speakers on the occasion. A committee for prevention of sexual harassment to women in workplace is constituted under the leadership of a senior woman executive. The percentage of woman employee has also increased to 4.72% from 4.62% last year.

The company's township has places of worship of various communities and also world-renowned spiritual organizations. BSP promotes a sense of oneness among diverse communities by celebrating the 'Sadbhavana Diwas' every year on August 20. All this has resulted in high levels of Employee satisfaction on 'fair treatment'. In the Employee Engagement Survey conducted during FY15, the index on account of fair treatment was 4.124 on a scale of 5. BSP also joined Swachh Bharat Abhiyaan on 30/09/2014 by organising a variety of competitions and a walkathon with the slogan "Swachh SAIL –Sundar SAIL". Various initiatives are being taken to make our workplace a Cleaner, Greener & Beautiful. (Rating of 4.23/5 in EES).

Women's Day Celebration – "Shakti" Celebrating the enduring spirit & strength of Women

- Mega event "Shakti" being organised on Women's day for the past 3 years

Shakti 2015

- Essay & Debate Competition
- One and half day Seminar
- 200 delegates from BSP, sister SAIL units, RINL, government functionaries
- High tech Audio-Visual Quiz
- R Shangeetha, District Collector, Durg – Chief Guest
- Entirely managed by women workforce of BSP



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. The system is comprehensive, simple and flexible and has proved effective in promoting harmonious relationship between employees and management.

A total of 499 employee grievances were settled during the Financial Year 2014-15, thereby achieving 100% settlement.

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.

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)

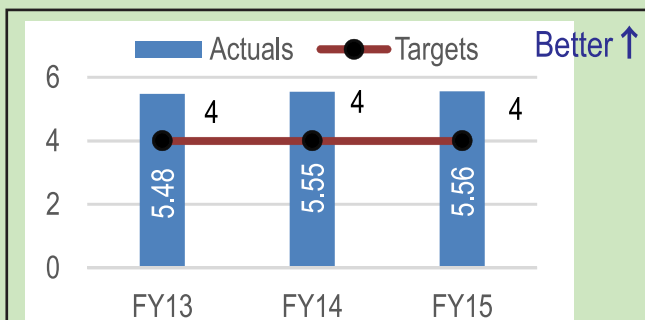
Standing Orders (Mines)

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.

INITIATIVES FOR SOCIO-ECONOMIC DEVELOPMENT OF SCs /STs & OTHER WEAKER SECTIONS OF SOCIETY

BSP follows Presidential Directives on Reservation for Scheduled Castes and Scheduled Tribes in the matter of recruitments & promotions. BSP is located in economically backward regions of the country with predominant SC/ST population. As on 31st March 2015, BSP employs about 16 % people from Scheduled Castes and 15% from Scheduled Tribes thus enabling disadvantaged people to join the mainstream.

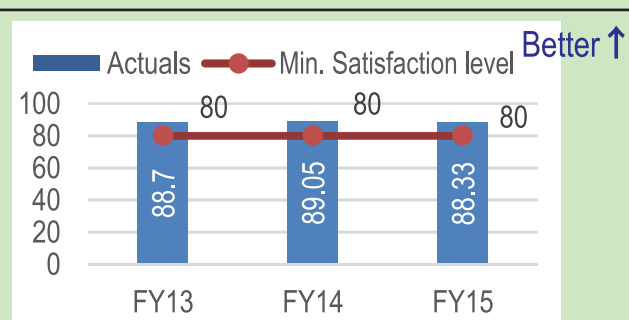




TS: MoU target on 6-point scale

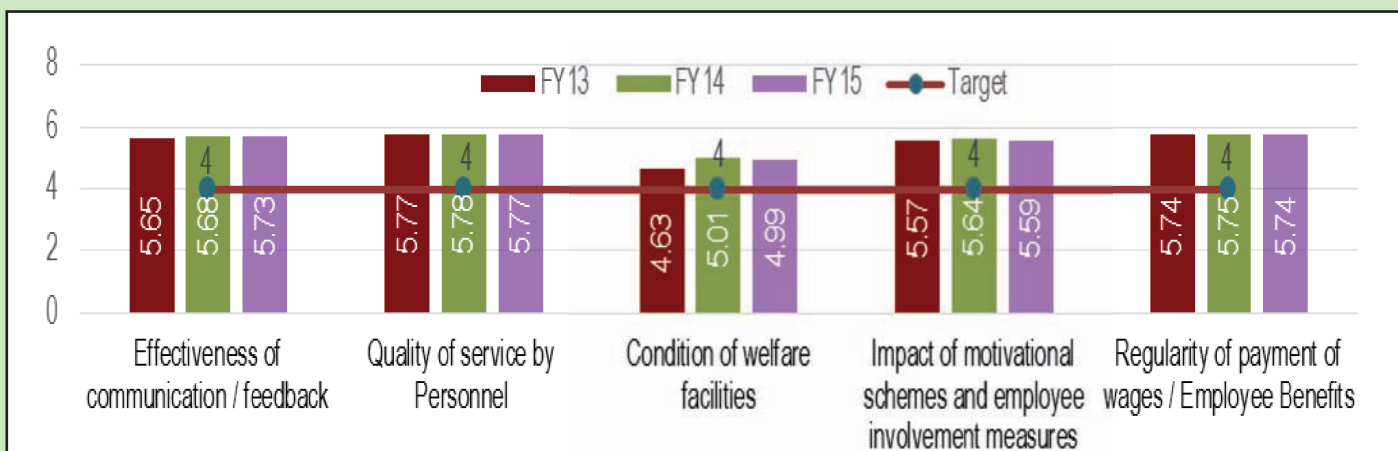
AP: Employee charter, HRIS enabled employee services and information

Employee Satisfaction Index (ESI)



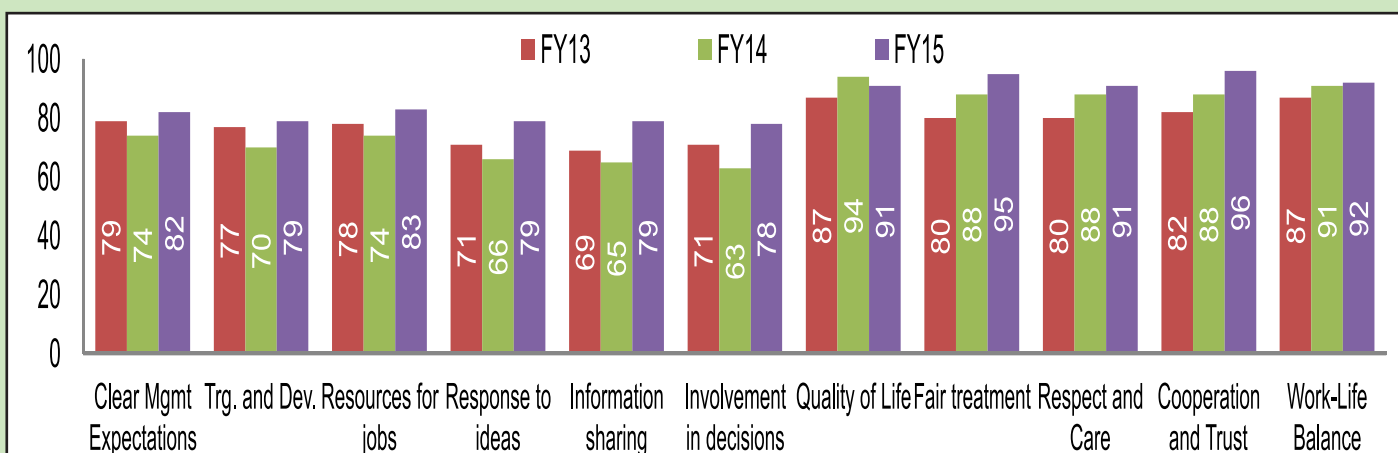
AP: Internal Customer Satisfaction (ICS) Process - Personnel is an internal supplier to other departments

Average ICS % marks to Personnel as "Internal Supplier"



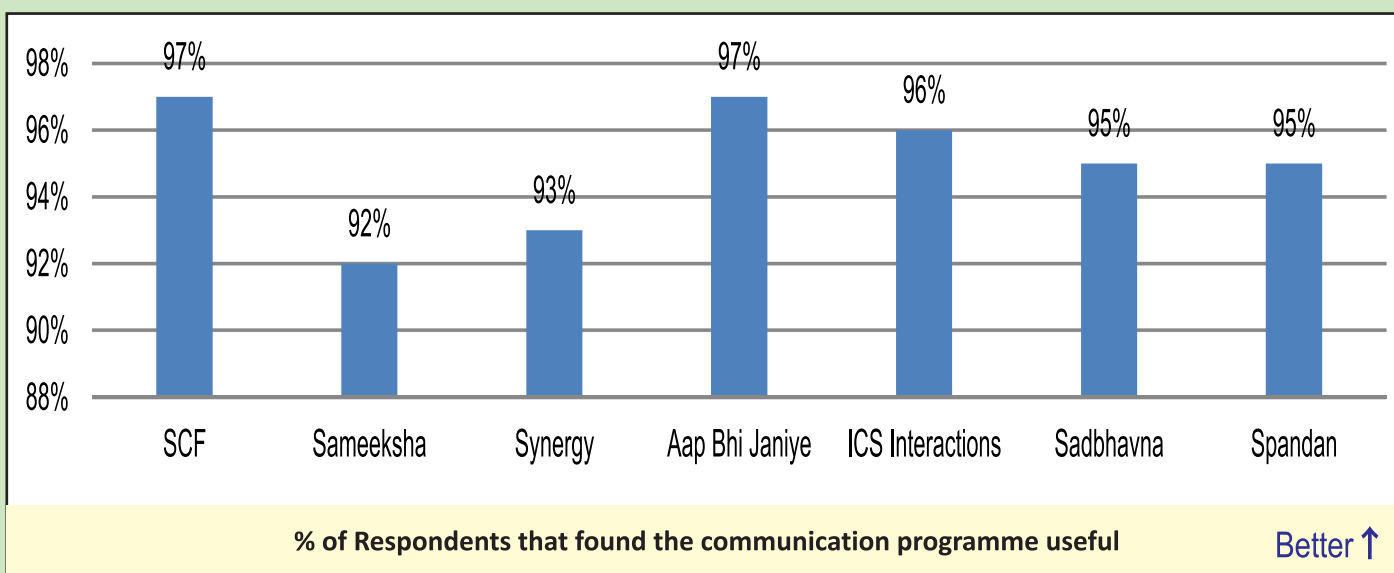
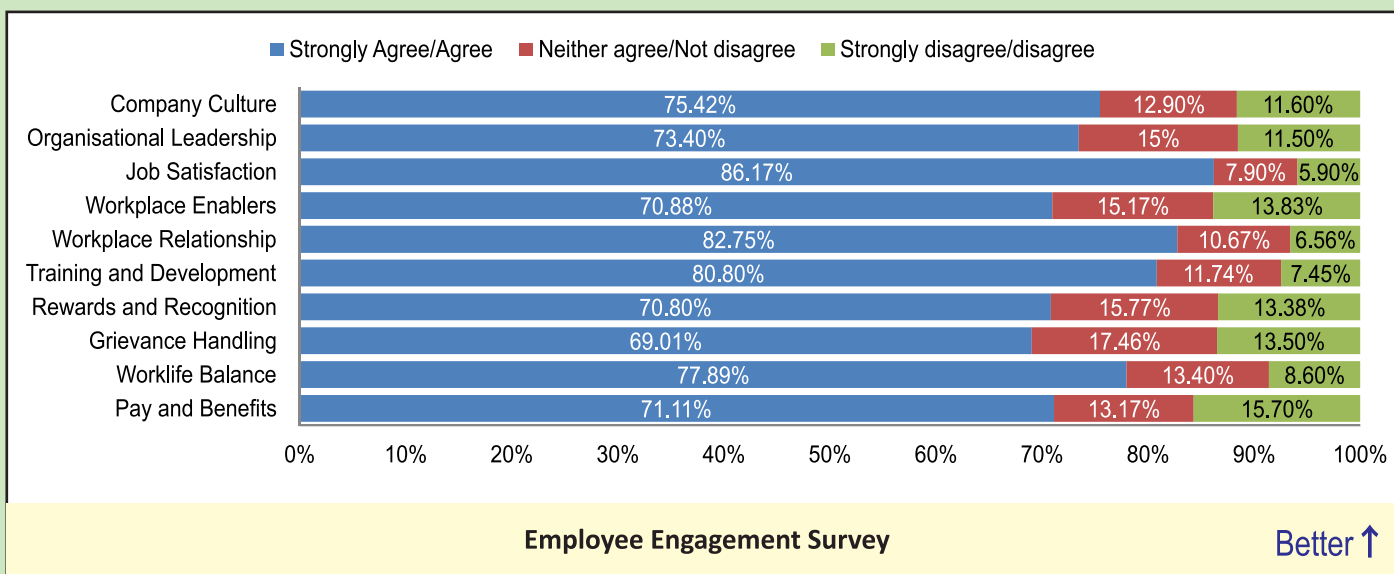
Employee Satisfaction Index (ESI) – Factors affecting Employee Satisfaction

Better ↑



Exit Survey – Percentage of Satisfied Employees

Better ↑

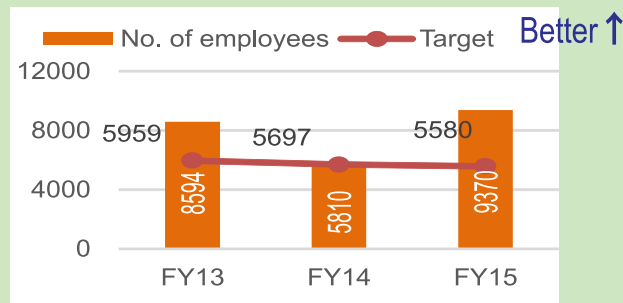


Internal Communication

	No. of Sessions			No. of participants		
	FY13	FY14	FY15	FY13	FY14	FY15
CEO led Employee Engagement Forum Synergy	2	10	10	254	1305	1337
ED(W) led Sameeksha	13	9	16	476	100	1458

EX: No of Sameeksha sessions and participants depends upon the targeted issues and audience. During FY15 the theme was – Gas Hazard and Prevention Measures (10 sessions) and Demurrage reduction (6 sessions)

Synergy and Sameeksha Programmes **Better ↑**

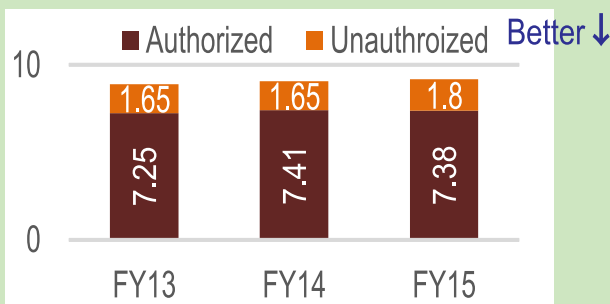


TS: 20 % of MIP. Target is reducing because MIP (Men-in-Place) is also reducing.

AP: SCF delivers strategic and shop specific information to shop floor personnel.

Shop Communication Forums (No. of employees covered)

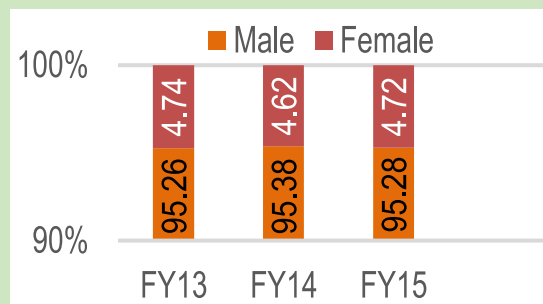
Diversity, HR Plan and Others



TS: Previous year's performance

Approach: Counselling, relocation etc.

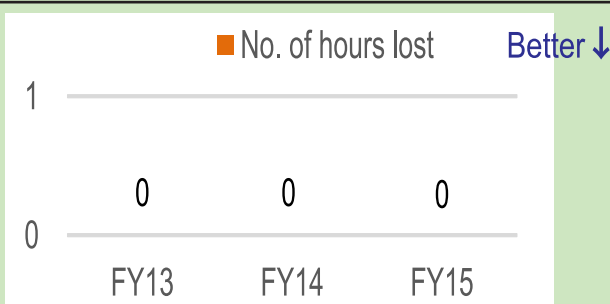
Absenteeism in % (authorized and unauthorized)



AP: Fair and unbiased treatment

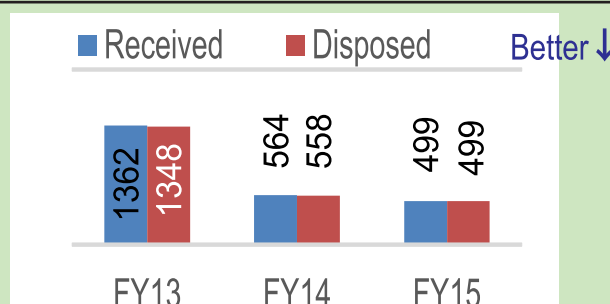
EX: % of women employees increased to 4.72 from 4.62 last year

Gender Diversity



AP: More than 4 decades of Industrial harmony - Cohesive work culture and teamwork

Hours lost due to industrial unrest in BSP Works



AP: Grievance Handling Procedure

EX: All Grievance Handled.

Employee Grievances received and disposed

TRAINING & DEVELOPMENT



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, Company 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.

In order to enhance the competencies, develop the potential, and meet the targets set in KPAs, BSP offers a basket of different Training and Development Programmes which can be chosen by the individual

The training functions are validated by the apex referral body known as TAB (Training Advisory Board), which is headed by the Chairman, SAIL, and has as its members all the Directors of the Company. The Directors take their respective agenda points from the TAC (Training Advisory Committee), which is attended by zonal and departmental heads, and chaired by the respective CEOs. These bodies generate several organizational learning needs and thrust areas which are included in the annual plans. The training department is also covered under QMS and EMS. Every shop has its own training coordinator who is responsible for imparting training in various areas along with the identified trainers.

The identified training needs are serviced centrally through MTI for senior level executives and locally at Bhilai Management Development Centre (BMDC) for middle and junior level executives through various trainings. The training for non-executives is conducted mainly at plant training centers. All the training venues are provided with state of the art training facilities. One of the elements of Training feedback is "Content" on which reaction level feedback is taken. This forms the basis for regular refinement and improvement in the content of training. Over the period of time innovative learning methodologies such as cartoons, live skits, cases, case studies, experiential learning exercises, e-learning and games have been incorporated in training to simulate the learning environment as close as possible to the real context.

Apart from meeting the individual training needs of the executives and non-executives, the training and

development plans also include the trainings to address organizational training needs and group training needs. Training on issues like safety and cost caters to organizational needs whereas interventions like Performance Improvement Workshops cater to group training needs. The average training hours per employee in 14-15 was 108 hours.

Annual Competitions to Recognize and Promote Talent

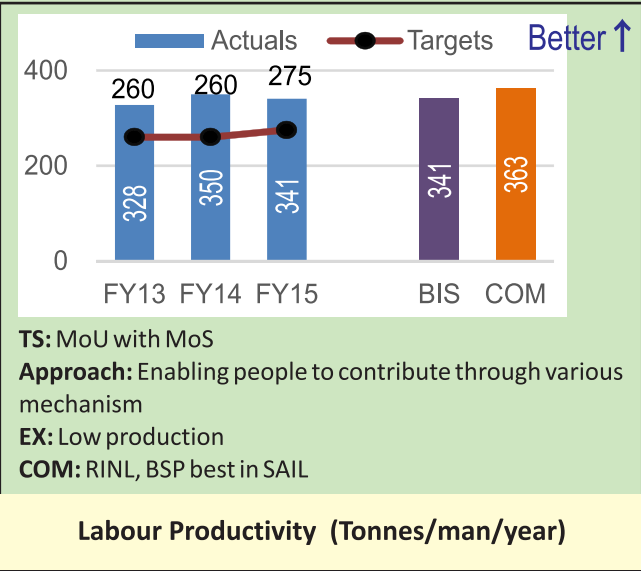
- ED (Works') trophy for skilled technicians - Winners are rewarded and selected for regional and National Skill competition by CII
- CEO's Trophy for most Innovative Manager - competition for harnessing managerial innovation
- ED (P&A)'s Trophy Skit Competition- a creative communication forum for enhancing awareness and focusing action towards Safety, Cost control and Environment protection through employee created, directed skits etc.
- Chairman Trophy for Young Managers - Managerial research based competition to spot bright young managers
- Ranniti- Business Simulation games, various Quizzes
- Documentation of Success/ Failure Case Study

Competitions to Promote Talent

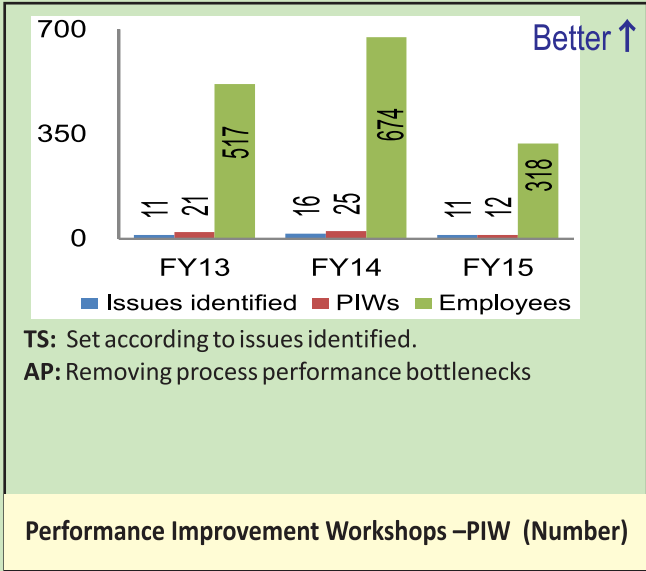
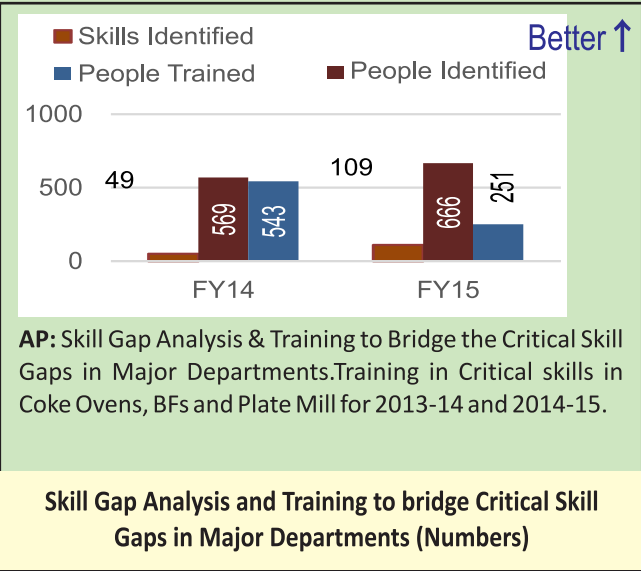
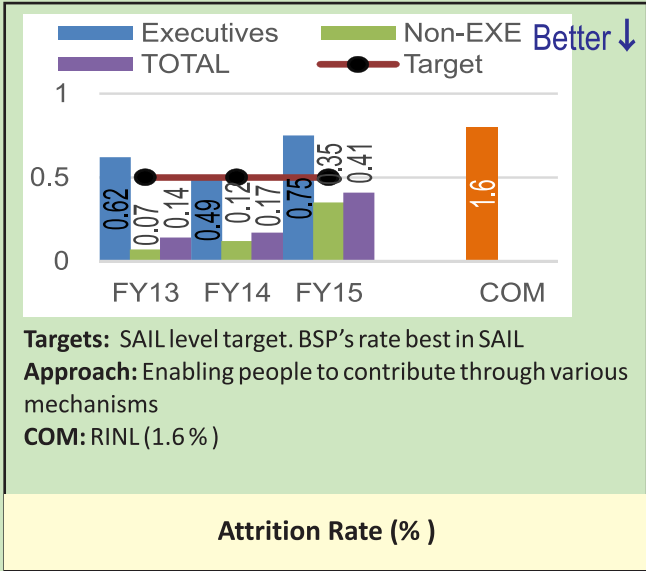
The culture of learning and knowledge enhancement is strongly promoted by BSP. Under the industry – academia partnership employees have the opportunity to pursue M.Tech in Steel Technology in partnership with Chhattisgarh Swami Vivekananda Technical University (CSVTU). Eminent institutions like IIW, IIM, IIMM, ICWA, Institution of Engineers etc. have their chapters at Bhilai with the active support of BSP. With an aim to manage and promote talent in the organization, BSP takes a number of steps through several interlinked processes. Recruitment of right people is ensured through detailed job description in advertisements followed by professional facilitation in selection process which include behavior-based interviewing and group discussions. Induction training and orientation through on the job and class room training and mentorship scheme ensures smooth transition of new recruits into the organization.

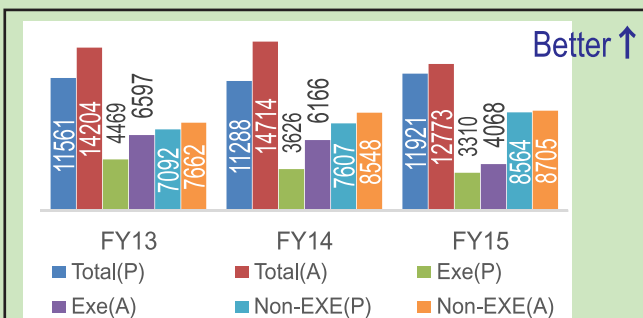
Opportunities are provided for promotion of talent through prestigious competitions which have been institutionalized. 100 % of employees undergo regular performance and career development reviews.

In addition, BSP employees are encouraged to participate in national level seminars / conferences and contribute papers in prestigious competitions.



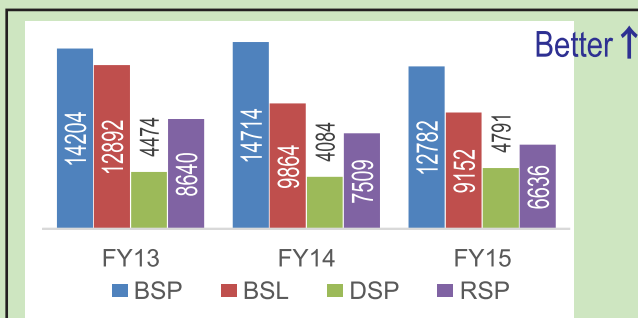
BSP also manages a library and e-learning portal to provide knowledge resources to its employees. The Library consists of over 38,000 books, subscriptions to 200 journals and 14 newspapers. BSP's value proposition to its employees is reinforced by elaborate system of performance assessment, development, reward, recognition and employee care which results in a very low attrition rate.





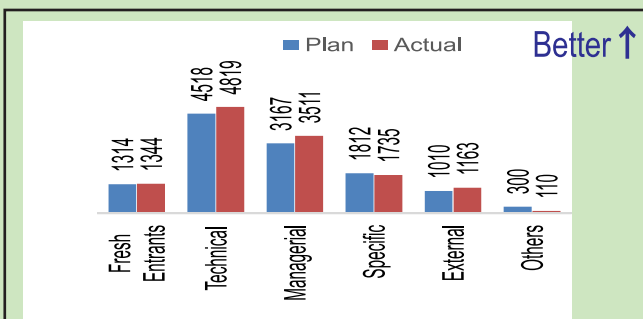
TS: Internal targets based on training needs identified (also guided by MoU targets)
AP: Training and development

Training Plan(P) and Actual (A) (Number of Employees)



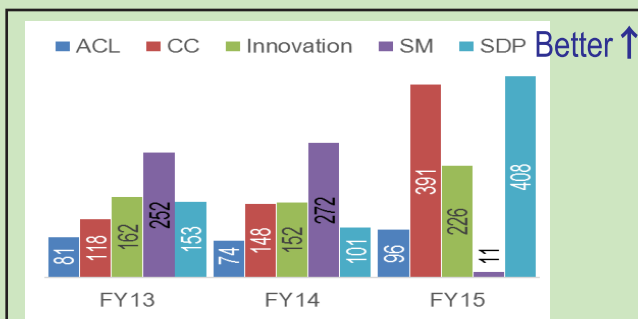
BSP is best in SAIL.
BSP is also better as compared to RINL –the only other ISP in public sector

Comparison of no. of employees trained.



Specific includes trg. on safety, quality, health, cost etc.
External include foreign training. **Others** includes Awareness and mass communication Workshops etc.

Training Coverage –category wise (Number)

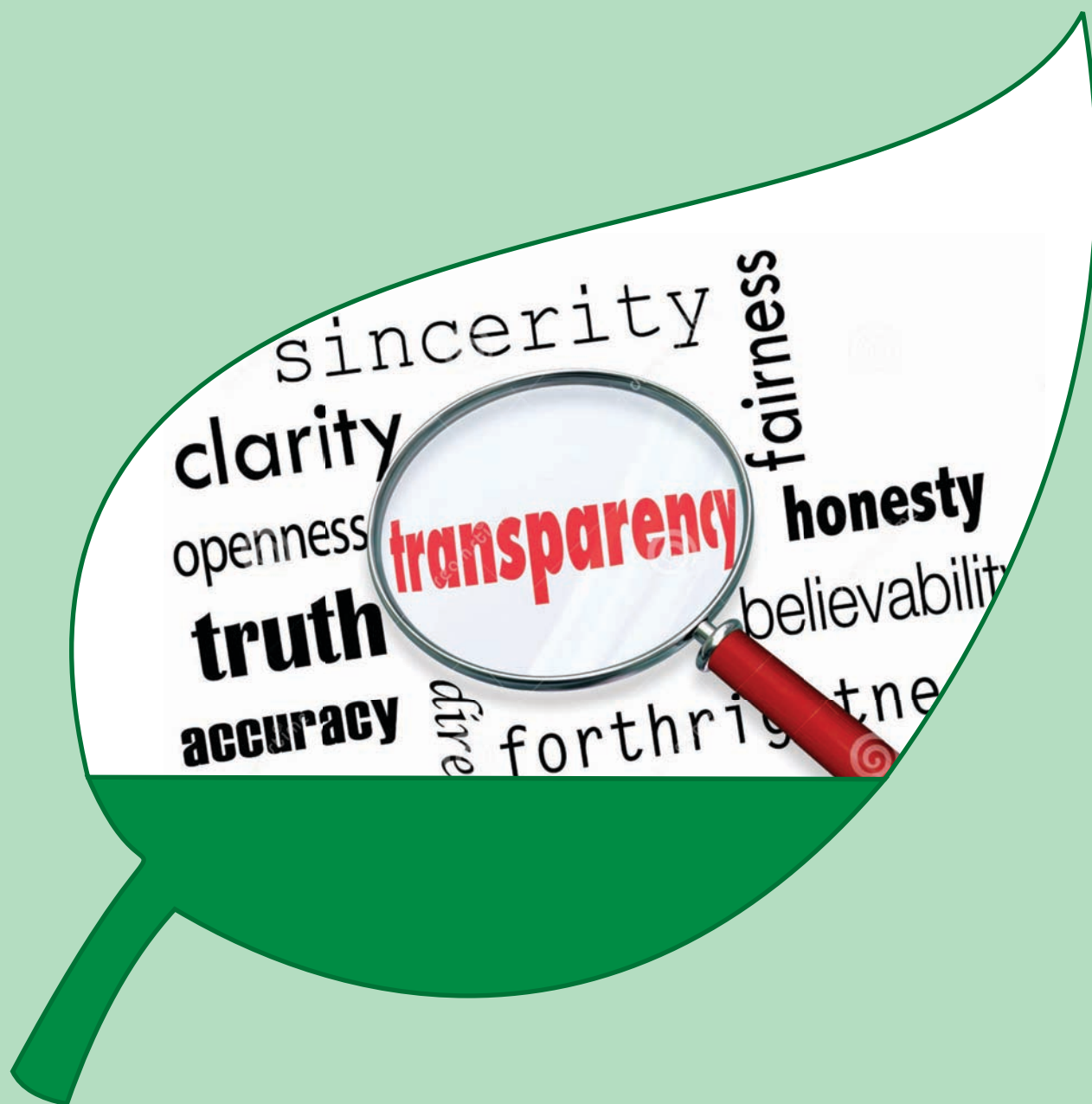


ACL: Action Centered Leadership, **CC:** Cost Control through people participation, **SM:** Strategic Management
SDP: Supervisory Development Programme

No. of employees trained (Programme wise)



TRANSPARENCY



Ethics, Transparency & values:

At BSP, the emphasis has always been on preventive and proactive vigilance activities to facilitate an environment enabling people to work with integrity, efficiency and impartiality by upholding highest ethical standards. SAIL has established vigilance departments in all Plants/Units with Quality Management System (QMS) to receive and investigate complaints including those relating to corruption as per the Central Vigilance Commission guidelines.

Surprise checks/file scrutiny are being conducted in the vulnerable areas/ departments. Several activities such as awareness sessions and workshops are undertaken on periodic basis to create vigilance awareness among the employees on aspects such as Whistle Blower Policy, Purchase/Contract Procedures, RTI Act, Conduct and Discipline Rules, System and Procedures followed in BSP.. All line managers are covered in phased Manner in such workshops.

Specific Practices followed for prevention of Corruption & increase transparency:

- Increase e-auction (Reverse Auction and Forward Auction)
- Scrutiny of files pertaining to high value projects

- Scrutiny of the contracts awarded on single tender
- Increased surveillance in the areas of receipt, sampling and testing

Apart from the above, various systemic improvements and preventive/administrative actions were suggested in the above cases to prevent reoccurrence of corruption & wrong practices.

BSP has not practised any anti-competitive behaviour, antitrust and monopoly practices and has not initiated any case in this regard BSP does not encourage any kind of political lobbying and political influence in its working pattern. However, SBSP respects all national and state-level political representatives. BSP has not made any monetary or in-kind contribution to any political party during the reporting period. There were no fines or sanctions for non-compliance with laws and regulations in the reporting period.

BSP has established robust mechanisms at external stakeholders' interface with value chain to ensure openness and ethical behaviour.



Ethics Club

- A unique initiative jointly by Education and Vigilance Deptt for nurturing ethics in children
- The motto of the club is 'living a life of values' so that every member becomes a role model in moral values. This helps in children becoming 'value messengers' in society.
- Steering Committee headed by GM (TSD) and assisted by school principals and teachers
- Children in the 11-16 years age-group are its members, known as "Young Champion of Ethics"
- Employees join YCEs as Buddies
- Ethics club magazine titled "The Chirrup", which is the first of its kind in SAIL was released to update on the activities of ethics club



Integrity Pact: Integrity Pact is a tool aimed at preventing corruption in public contracting developed by Transparency International. BSP is amongst the pioneer Public Sector Undertakings in the country to have adopted Integrity Pact with effect from 16th August 2007. The pact is an integral part of all its high value tenders, contracts and long term agreements valuing Rs. 20 Crore and above. In fact, the Integrity Pact of SAIL-BSP has been taken as a model pact by Central Vigilance Commission and the same has been posted on CVC site for reference.

E-commerce: BSP is first PSU to introduce e-procurement through reverse auction and thus has reinforced transparency in its procurement system

Online Payment: A system for online transactions with vendors and suppliers has been introduced to ensure transparency in payment

e-sahayog: A strong IT-based system of wage administration to ensure transparency in the process through the e-Sahayog portal

Labour payment: A system to make payments to contract labour through banks has been implemented in BSP which has been highly appreciated by people representatives

Redressal System: Redressal system for shareholders through SEBI and other mechanisms, for customers through customer complaint handling have been established. Integrity Pact also acts as redressal system for vendors through independent external monitors.

Right to Information (RTI): BSP has implemented RTI Act 2005 in letter and spirit, which empowers the common citizen by providing access to information with a view to maintain accountability and 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. The awareness created by BSP in a timely manner has resulted in a very healthy RTI utilization.

Ethics Club: In a unique approach BSP develops school going children as "Young Champion of Ethics". Started in 2011 a pilot project "Ethics Club" has been launched in the schools at Bhilai to inculcate ethics amongst children in their formative stage. 468 Children in the age group of 11-16 are its members and 35 Employees have joined the club as buddies.

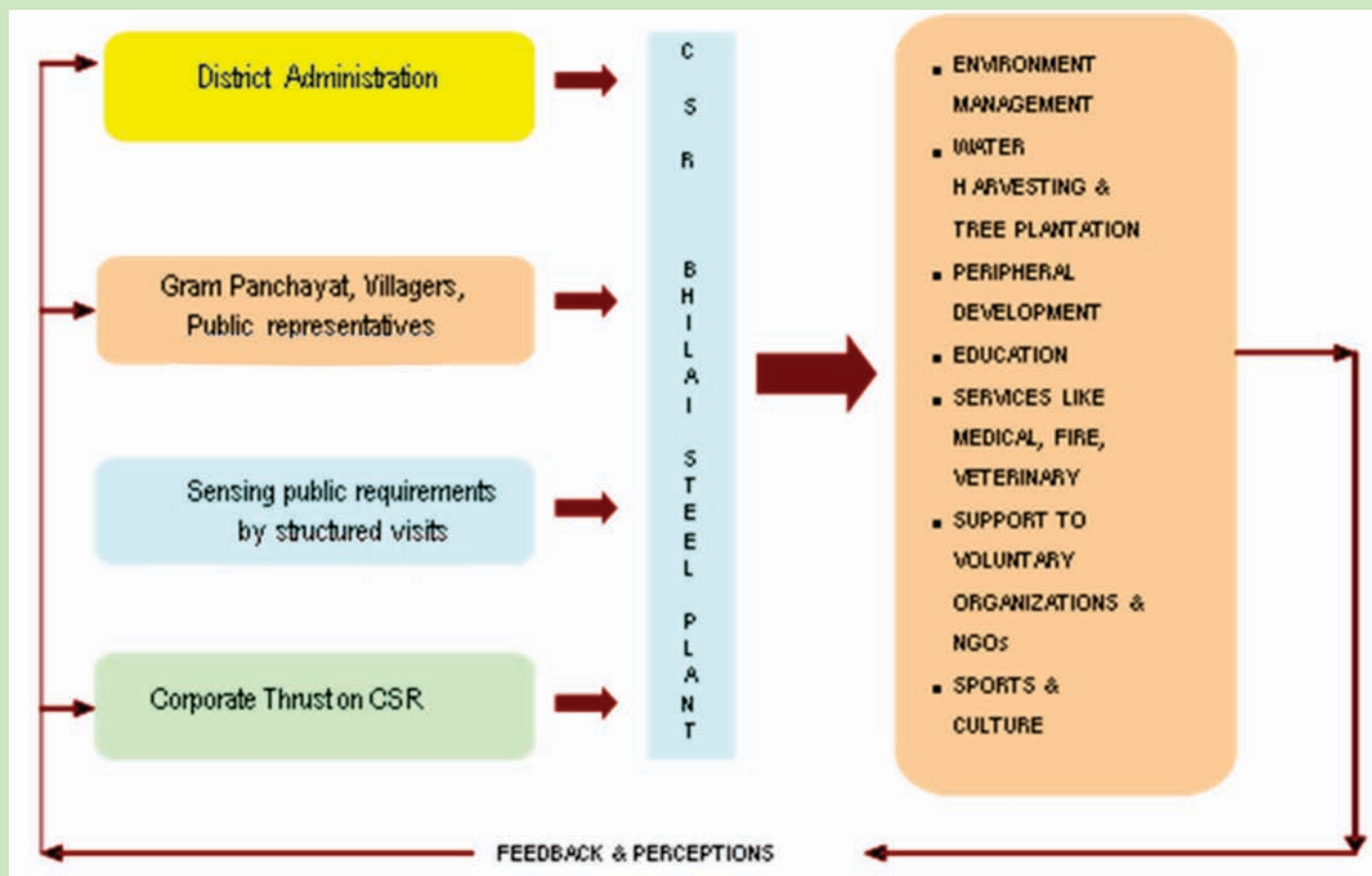
Whistle Blower Policy: Adopted during FY14 to provide necessary safeguard for protection of employees from reprisal or victimization

Ethics and Transparency

COMMUNITY INITIATIVES



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 needs & expectations of society have direct influence on Policy & Strategy formulation process of BSP. The needs & expectations are captured through interactions with different segment of society, Government agencies, NGOs, Public hearings etc. Top management directly interacts with members of civil society & community leaders like village sarpanchs, NGOs etc to capture their needs & aspirations. CEO Sunday Interface is also used for capturing the same. A separate department, CSR (Corporate Social Responsibility), has been formed to institutionalize the

process of capturing the need and expectations of society. Employees are also encouraged to participate in the community developmental activities. Many NGOs in Bhilai like, Art of living, Muskan etc engaged in community welfare measures are being run by the involvement of BSP employees.

BSP's approach towards partnership is governed not solely on commercial considerations but is also aimed at enhancing the social and economic capital of the country



Areas of CSR Interventions	Main Initiatives
Peripheral Development	Model Steel Villages Development
Education	28 BSP Run schools, Bhilai Ispat Vikas Vidyalaya (BIVV) for BPL families, 50 private institutions given grant in aid, land etc., Support to 12 colleges and 4 private schools, Scholarships to wards of employees for higher studies, Honhaar Scheme for tribal children, Adoption of tribal children for higher education.
Mid-day meal through Akshaya Patra	Provision of mid-day meals to children studying in municipal areas of Durg/Bhilai.
Medical & Health Services	860 bedded Main Hospital with Super-specialty facilities, National Model Occupational Health Service Centre, 24 x 7 Main Medical Post inside plant premises, Vaccination, AIDS Awareness, Cancer awareness and detection program, Sick cell screening camps, Medical Camps, Polio Camps, Artificial limbs camps, Dispensary in Antagarh.
Vocational Training	Bhilai Ispat Kaushal Kuteer (BIKK), Short term nursing course, LMV driving training to youths from MSVs
Women empowerment	Swayam Siddha Scheme, e-Chetana for women
Swachh Bharat Abhiyan	Construction of toilets in schools.
Home for Senior Citizen	Siyaan Sadan – Old age home for elderly
Sports & cultural activities	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, Six standard stadiums, National Academies for Handball and Athletics, Day Scholar Scheme for Athletics, Boxing, Hockey, Football, Basketball & Volleyball, Powerlifting, Kho-Kho, Badminton, Three modern cultural halls, 20 gardens in the plant premises and township including Maitri Bag, Organization of Lok Kala Mahotsav and Grameen Kala Mahotsavs
Support to differently-abled	Specific sports ground for differently-abled persons, Support to MUSKAAN and PRAYAS (NGOs),
Environment	Road side tree plantation in association with Chhattisgarh Van Vikas Nigam (CVVN), Installation of low smoke energy efficient Chulhas, Solar lighting system

CARING FOR SPECIAL CHILDREN

- Supporting society running “Muskaan”
 - a school for differently abled children
 - School Building, Bus, Physiotherapy unit
 - Screen Printing facility being set up
- RSM has volunteered to engage with the children of “Muskaan”
 - Employee volunteer Birthday celebration
 - Other activities for children like tree plantation, entertainment programmes are organised



CARING FOR SENIOR CITIZENS

Siyan Sadan

- BSP has established “Bhilai Ispat Siyan Sadan” to take care of the senior citizens
- Fully furnished rooms with mess facility
- Recreation facilities include indoor games, News Papers, TV , Computer with Internet facility etc.
- Yoga classes and cultural programs



CSR AT MINES - ROWGHAT

Education

- 60 students every year are selected for scholarship from Antagarh & Narayanpur block.
- Sponsoring educational tour of 50 tribal children every year in association with Education dept. GoCG.
- Sponsoring 20 tribal girls every year for Nursing (BSC/GNM) education at PG college of Nursing, Bhilai
- First CBSE English Medium Public school opened at Antahgarh, Bastar



Farmers Welfare Schemes

- Distribution of Steel Bullock Cart to farmers of Rowghat area villages
- Training Program to farmers for understanding modern scientific inputs in agriculture to increase production and productivity in association with IGKV, Jagdalpur



Medical & Health Care

- One permanent dispensary opened at Antagarh, Rowghat
- Regular Medical Camps organised

CSR Initiatives, Targets and Performance

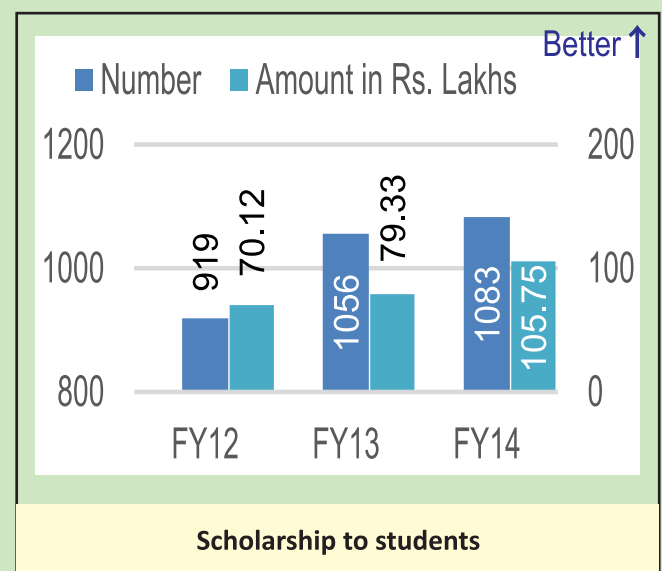
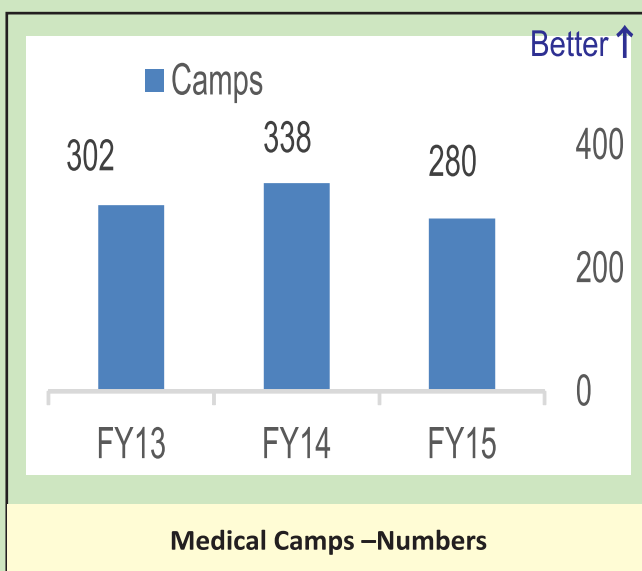
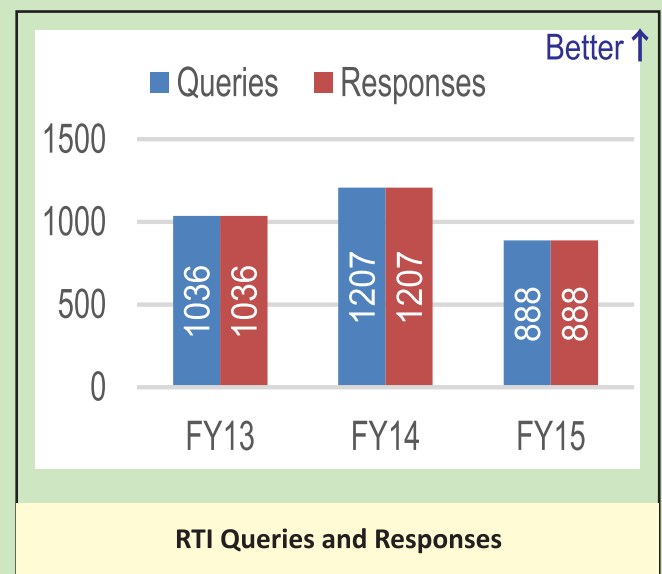
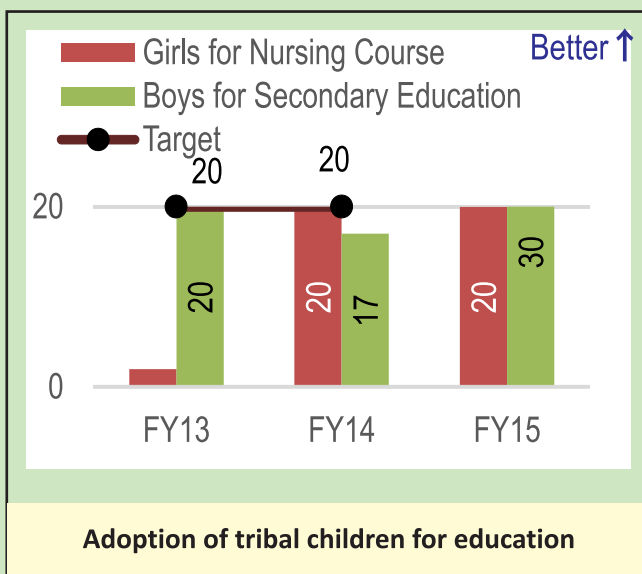
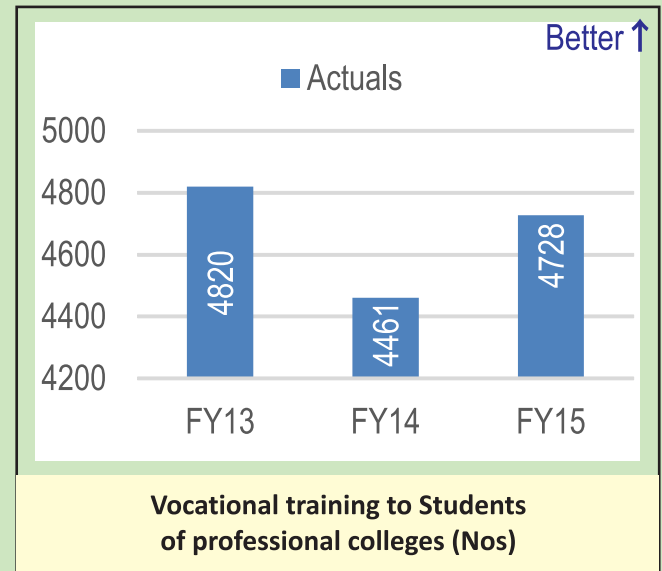
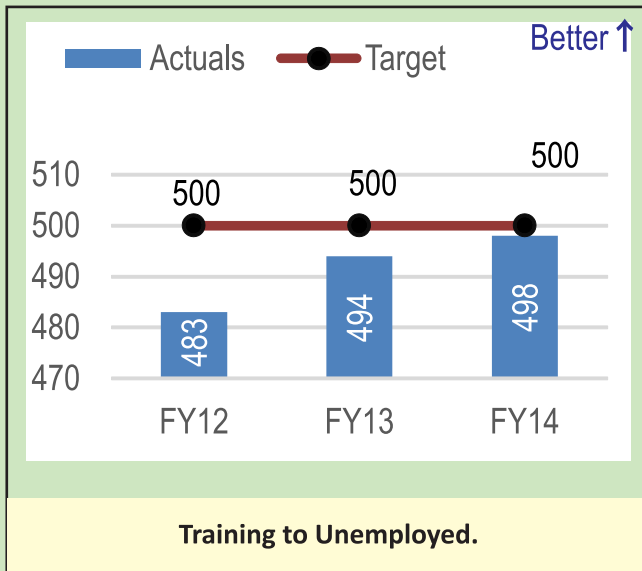
Sl	CSR Initiative	Target	Result
1.0 Infrastructural Development Activity			
1.1	Development of Model Steel villages.	2 MSVs	Completion of physical infrastructure in 2 MSVs.
1.2	Construction Activities in periphery.	5 Community Halls 11 Bore-wells CC road in 2 villages Additional class rooms in schools in 3 villages One Anganwadi kendra	5 community hall, CC road constructed in 3 villages. 11 Nos. bore wells dug in Mines area. Total 400 mtrs CC road in 2 villages. Additional classrooms constructed in 3 villages in Mines area. One Anganwadi Kendra constructed in Mines Area
2.0 Medical & Health Services			
2.1	Special Camp (Polio)	Treatment of identified cases at Udaipur	34 patients sent to Udaipur for specialized surgery.
2.2	Medical Camps	300 Camps	Total 280 camps organized in peripheral areas of Bhilai and Mines.
2.3	Health care & family welfare		3629 persons covered under the program. Vaccination administered to 41625 under RCH (Reproductive Child Healthcare). 1206 persons covered under D.O.T's program
3.0 Education			
3.1	Mid-day meal through Akshaya Patra	18000 meals /day	Avg. 17000 Meals supplied per day to 153 government schools
3.2	Honhaar scheme	10 /per year	6 meritorious students of MSVs adopted for free education and specialized coaching.
3.3	Adoption of tribal boys	30 tribal boys	30 boys adopted during the year. 269 Tribal children have been adopted so far for education upto class XII. Free lodging, boarding & education facility provided
3.4	Adoption of Nursing girls	20 girls	20 girls adopted from Rowghat area for Free Nursing course at Bhilai.
3.5	Education to underprivileged in BIVV	Induction of 50 students per year	50 students inducted in class I in two schools.
4.0 Income, Skill Generation and other Schemes			
4.1	Vermi Compost		Production cum training unit maintained in BIKK. About 2 tonnes produced in the unit by the group.
4.2	Mushroom Cultivation	2 courses	26 persons imparted training in two courses.
4.3	Fishery project		A Van was provided to Fisherman Cooperative Society for selling their produce.

SI	CSR Initiative	Target	Result
5.0 Vocational training, Old age home, Sports and Cultural			
5.0	Bhilai Ispat Kaushal Kuteer	500 Trainees	New course of screen printing for disabled children was introduced during the year. Total 498 trained in 13 courses.
5.1	Short term Nursing course.	25 Trainees	25 unemployed girls / women from BPL category were provided short term training in Bedside Nursing Assistant course in Nursing college Bhilai.
5.2	LMV driving training to youths from MSVs	50 Youths	50 youths trained and provided driving license.
5.3	Sports and cultural.	One khel mela, two football tournaments, one Lok kala Mahotsav	Khelmela organized at Narainpur 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. 37th Chhattisgarh LokKala Mahotsava-2014 organized in Bhilai

6.0 Drinking water and sanitation

6.1	Construction of Toilets in Schools under Swachh Vidyalaya Abhiyaan.	148	Construction has been completed in 30 Schools. In progress in remaining Schools.
6.2	Augmentation of Water supply in Schools of MSVs.	10 MSVs	Water supply has been provided in 10 MSVs by installing overhead Tanks, pipe line and submersible pumps.





Creating and Nurturing Social Infrastructure

Social security schemes beyond statutory compliance

- Medical facilities to self and spouse after retirement.
- Employee Family Benefit Scheme: Provision of full payment of employees' last drawn salary (Basic + Dearness allowance) per month to family in case of Death/PMU of employees till the date of superannuation
- 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.

Creating an Educational Hub

- 28 schools run by BSP with around 15000 students
- 21 Nos. schools having 5S certification from QCFl.
- Eco Clubs functioning in all schools of Bhilai, support extended to 8 private schools for Eco Club activities in the township to spread "Clean and Green Bhilai" spirit.
- 350 Scholarships to wards of employees for higher studies
- More than 625 students selected in IIT till date.
- Ratio of girls to boys in education is about 1.1: 1.
- 50 private institutions given grant in aid, land etc.
- Ethics club in 21 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.
- QCFl 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 Complex: Six standard stadiums with facilities for 29 games.
- 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 Fountains. It is also being upgraded to Category-B zoo.

Development of Periphery

- Cumulative Construction of total 110 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 last 3 years.
- Construction of auditorium of 2000 capacity in village Utai.
- Marketing outlet SWAYAMSIDDHA SHOP in Sector-10 market for marketing of products manufactured by SHGs of women
- Riddhi-Siddhi Kalyan Kendra" – a women welfare cum common facility center in Kausha IKutir.

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 firefighting and efficient service which has resulted in saving valuable property as well as human life.

Creating excellent Medical & Health Care Services

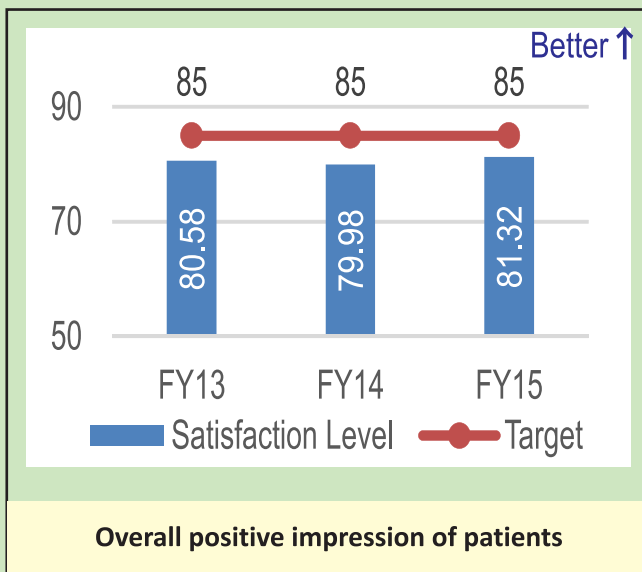
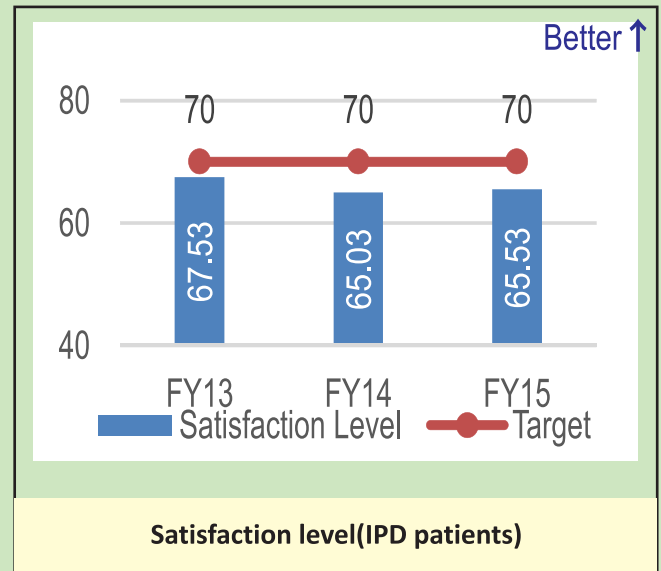
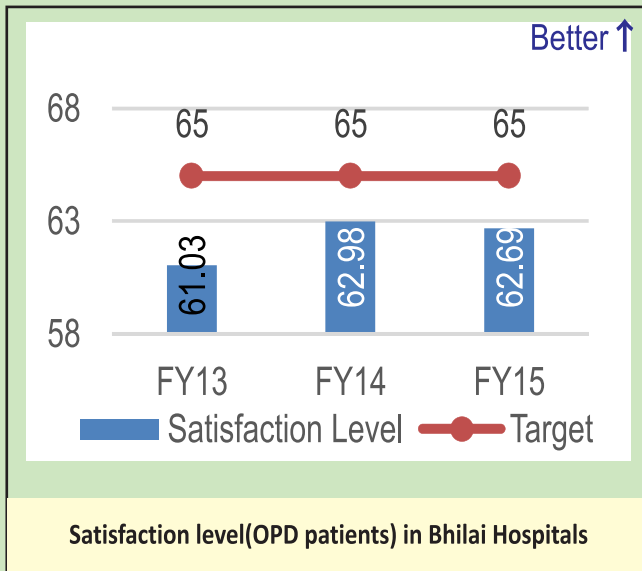
- Recognized for DNB PG programme in 12 disciplines. Total DNB pass-outs 114
- 41625 doses of various vaccines administered in RCH Programme
- 22400 persons covered under AIDS awareness program.
- Sickle cell screening camps organized covering 2217 persons.
- 3629 beneficiaries covered in Family welfare camps under RCH.
- Antenatal Psychoprophylaxis Classes and Abhimanyu classes to promote safe pregnancy and motherhood.

Improvements based on Feedback:

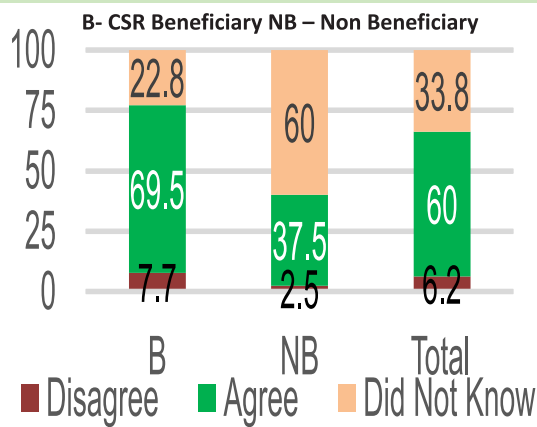
An internal system of receiving continuous feedback in a structured manner has been implemented in three projects viz. Vocational Training, Medical camps and Bhilai Ispat Kalyan Chikitsalaya. Trends of responses for Bhilai Ispat Kalyan Chikitsalaya are monitored. An affordable and quality medical service provided by BSP to all, through its super specialty hospital - Jawahar Lal Nehru Hospital and Research Center, which is considered as a boon for the people of Durg-Bhilai region. The large number of 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. The results and trends are monitored regularly. Several improvements have been brought about based on the feedbacks received in the survey which includes improving sanitation, maintenance of equipments, and care of patient; improving canteen facilities at the hospital, improved waiting hall facilities in ICU and Radiology; attitudinal and behavioural workshop for medical staff, etc. Antenatal Psychoprophylaxis Classes are organised for education and counselling of Pregnant Women. "Abhimanyu classes" An initiative to promote safe pregnancy and motherhood, is also organized regularly in JLNHRC, Bhilai.

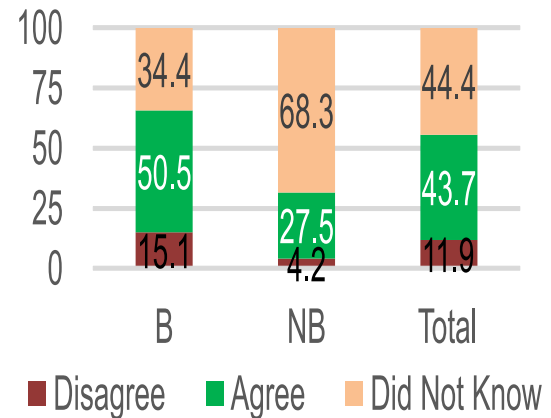




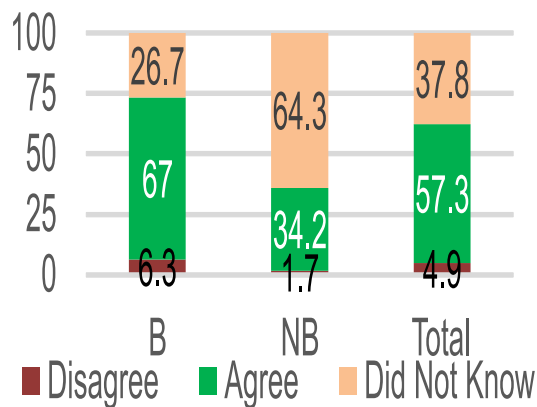
Impact of CSR activities on Community (Impact study by NABCONS)



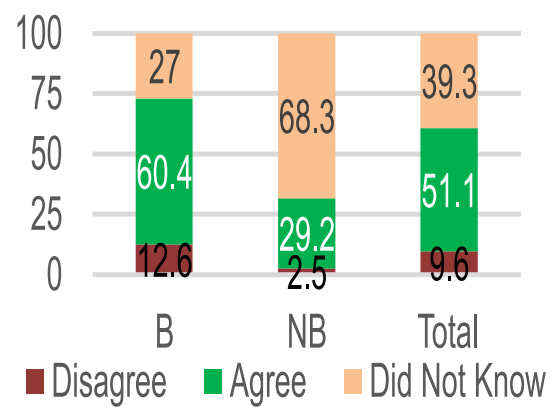
Education interventions improved access to Quality Education to Children



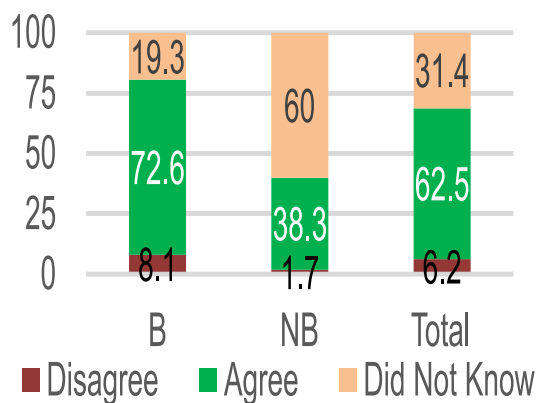
Promotion of community as contractors/ sub-contractors in supply chain in BSP



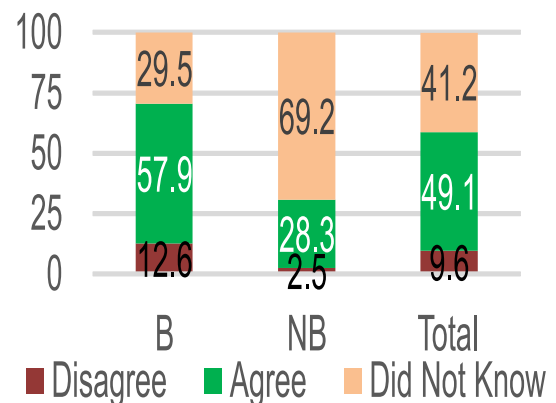
Promotion of community infrastructure helped people in peripheral areas to have better living conditions



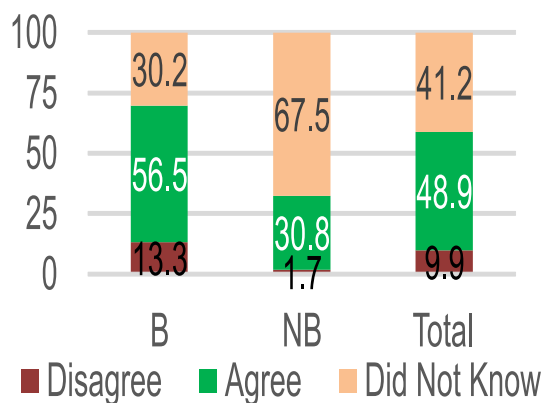
BSP's effort in empowerment of women in their socio-economic status



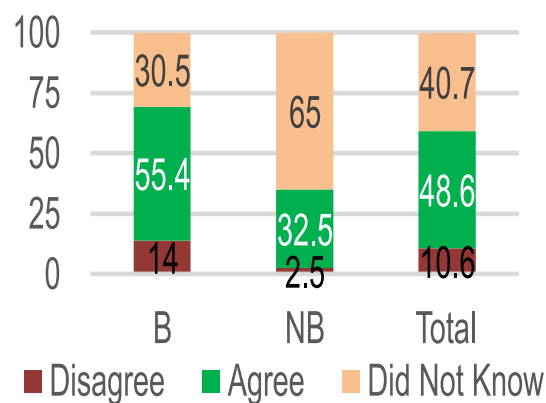
Health Care Interventions helped people access quality healthcare



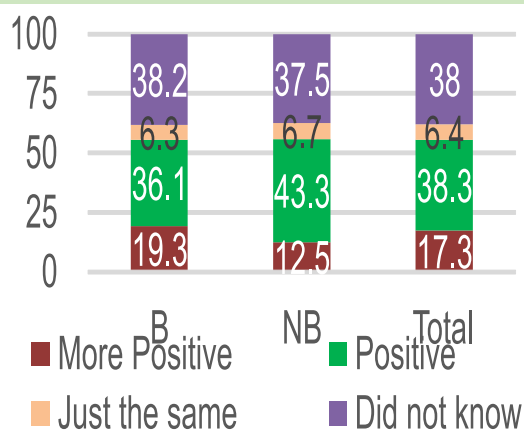
Promotion of ancillary units generated entrepreneurs and employment in the area



BSP's efforts helped growth of sports infrastructure and sports persons in the area



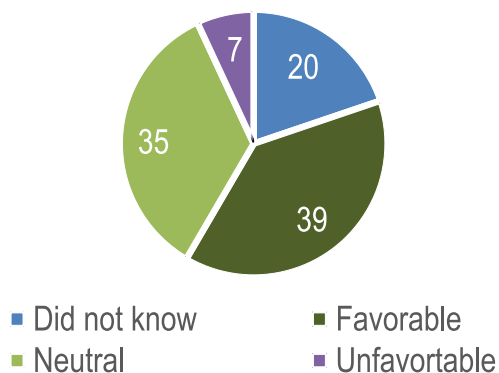
BSP's efforts promoted cultural events and awareness among people



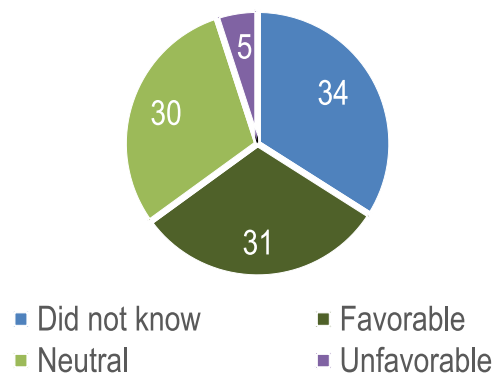
During the past 5 years, the general perception about BSP has improved

- 261 patients attended the camp. 53 sent to Udaipur for specialized surgery. Patients extremely happy with the BSP / Narayan Seva Sansthan Udaipur services.
- Improved their lives manifold.
- Request for camps at regular intervals.
- 103 Eye camps – 347 IOL surgeries.
- Beneficiaries - ST-8%, SC-7%, OBC-85%, BPL-46%.
- In 92% - Eye sight improved.

Impact of Polio and eye camp during 2011-12



Overall impression of community about SAIL-BSP – CSR Beneficiaries



Overall impression of community about SAIL-BSP – Total Community



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.

CSR Project	Strategic partner	Understanding Needs and Feedback
Mid-day meal	AkshayaPatra and CG govt.	Regular association provides understanding on needs/feedback.
Water & sanitation in Schools / villages.	SULABH International	Latest technology and practices in sanitation.
Welfare of Physically challenged	PRAYAAS, MUSKAN (NGOs)	Screen printing training for mentally challenged students of PRAYAAS
Lok Kala Mahotsav	State Cultural Department	Selection of Artists - guidelines
Smokeless Chulhas	Art of Living Foundation	Design and installation, training
Sports & Culture in Bastar	Ram Krishna Mission	Needs of sports and culture in Bastar identified through partner
Baseline survey of MSVs	SRI, SEED	Baseline survey of 21 MSVs and villages of Mines area.
Tree plantation	CG Van Vikas Nigam	Variety of saplings, technical guidance, maintenance
Vocational training in short term courses.	PG College of Nursing, Bhilai	Course Design and Training Support
Vocational Training	Chhattisgarh State Skill Development Mission	Training design and assessment for National Council for vocational training



Voluntary contributions:

Organizational procedures have been created, which enable BSP employees to participate voluntarily in CSR initiatives like medical camps, coaching and mentoring of tribal children, imparting training in Kaushal Kutir, involvement in Lok Kala Mahotsav, coaching in sports to children of other than BSP's employees, etc. About 250 employees reached out to help CSR deptt. in various such activities during 2014-15. During 2014-15, more than 25,000 employees of BSP contributed Rs. 1.17 crores towards PM's Relief Fund to help people affected by floods in Jammu & Kashmir and also North Eastern States, through an appeal by management. BSP has facilitated resources like buildings (for institutes like

"Art of Living"), land (for building community halls in township), and hoardings and its intranet for publicity (Contact.org –Connect to Act for its blood donation camp) for promoting the social initiatives undertaken voluntarily by employees.

Swachh Bharat Abhiyaan :

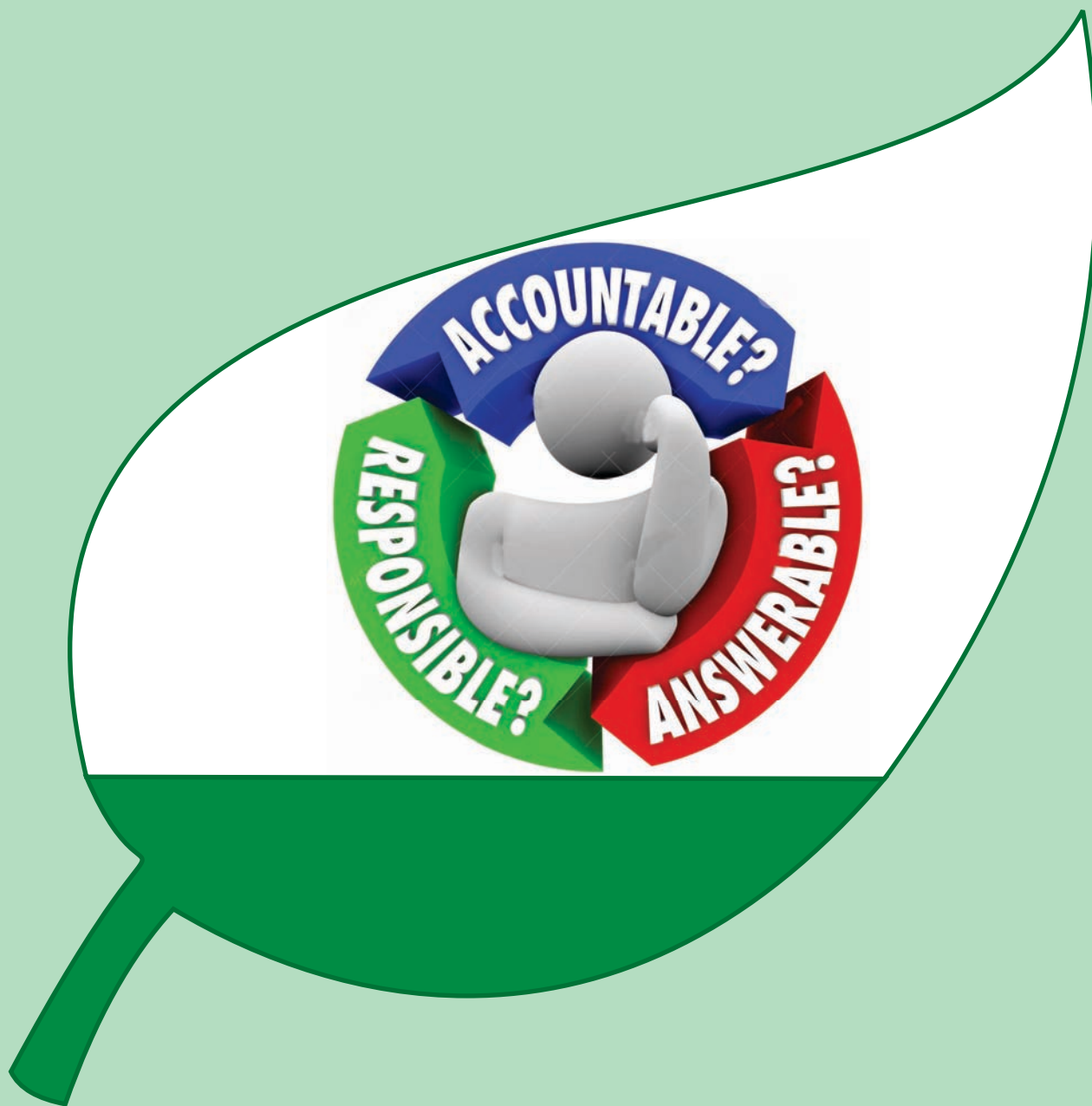
BSP also joined Swachh Bharat Abhiyaan on 30/09/2014 by organising a variety of competitions and a walkathon with the slogan "Swachh SAIL –Sundar SAIL". Various initiatives are being taken to make our workplace a Cleaner, Greener & Beautiful. Construction of 148 Toilets in schools has also been carried-out under this scheme.

"Swachh Vidyalaya Abhiyan"

- Under Swaccha Vidyalaya Abhiyan construction of 73 toilets taken up in Durg District Govt. schools.
- Construction of 41 toilets in Kanker Distt., 27 toilets in Rajnandgaon Distt. and 5 toilets in Balod Distt. taken up.



PRODUCT RESPONSIBILITY



Product Responsibility:

The Company has always been at the forefront when it comes to developing futuristic products and meet the demand of the customers. BSP has been amongst the pioneers in India for developing earthquake resistant, light weight, corrosion resistant TMT re-bars. Such high strength and corrosion resistant materials have revolutionized the construction industry in India while making safe and reliable infrastructure accessible to the nation.

BSP has quality and environment policies which ensure production of safe and sustainable products. The product complies with the quality norms of the Bureau of Indian Standards or with the specific customer requirement depending upon the application. BSP also has well-established systems and procedures to ensure compliance with requirements related to product labelling, marketing, communications and customer privacy. The Central Marketing Organization (CMO) is primarily responsible for marketing of steel products. All marketing communication are governed by the guidelines of the Corporate Manuals

Customer Health and Safety

The Technical Certificates (TC) are issued as per the Standards prescribed by the Bureau of Indian Standards. Since steel products are generally environment-friendly and do not pose any health or safety hazard during their use, specific procedures for preserving customer health and safety during the use of its products are not required. However use of safety

appliances like safety helmets, boots, gloves etc. is mandatory. Hazardous waste handling is done as per the Hazardous Waste (Management and Handling) Amended Rules 2008. BSP has received authorization for the same. There has been no incidence of noncompliance with respect to regulations and voluntary codes concerning health and safety impacts of products and services during their lifecycle. All products conform to BIS Standards.

Product & Process Impacts on Environment:

Steel is 100% recyclable without having any adverse impacts on environment during its entire life cycle. BSP has carried out Life Cycle Assessment study under the aegis of Ministry of Environment and Forests (MoEF) and National Metallurgical Laboratory (NML) in the year 2001 and 26 recommendations made by NML, have been implemented. Taking a lead role in country for monitoring and assessment of product carbon footprint in line with GHG (Greenhouse Gases) Protocol, ISO 14040/44 standard and ISO 14067 standard, BSP conducted a product carbon foot print study in FY13, in association with IIT-Bombay using latest GaBi, LCA/PCF software with an aim to understand and manage GHG risks, ensure long-term success in a competitive business environment and to comply with national and regional policies aimed at reducing corporate GHG emissions like Prime Minister's National Action Plan for Climate Change (NAPCC). The model at BSP was prepared in line with World Steel Association LCA model.



Managing Product through its lifecycle – Impact on Health Safety and Environment

- All our steel products are radiation free and non- radiation certificates are issued on demand.
- The Technical Certificates (TC) are issued as per the Standards prescribed by the Bureau of Indian Standards.
- Since steel products are generally environment-friendly and do not pose any health hazard during their use, specific procedures for preserving customer health and safety during the use of its products are not required. Hazardous waste handling is done as per Hazardous Waste Amended Rules 2008. BSP have received authorization for the same.
- Life Cycle Study as per World Steel Association had been carried out at Bhilai Steel Plant. Major recommendations of LCA study have already been implemented.
- No incidence of noncompliance with respect to regulations and voluntary codes concerning health and safety impacts of products and services during their lifecycle.
- Development of light- weight, high- strength, corrosion-resistant steel products which create value for customers during the usage through R&D efforts
- Most of the BSP products are dispatched with minimum or no packaging materials. At BSP the material used in packaging of steel products are mainly steel straps & wires. This packaging material is fully reused at the customer end.
- Special attention is being paid to optimize raw material consumption also Scrap (Steel as well as Iron Scrap) is internally used and only surplus quantities are sold out.

Product and Service Labelling

BSP's detailed product information is available on SAIL website. There are several catalogues available containing details on grade, size and application.

All norms for physical dimensions, chemical composition and technical delivery conditions for the associated specifications 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 so that the material can be identified and there is no mix up and the correct quality gets supplied to the customer. There was no incidence of non-compliance with respect to regulations and voluntary codes concerning product and service information and labelling. During transportation of steel product, BSP uses minimal packaging material. Many a times, steel strips are used as packaging whose mass is negligible compared to that of product and hence BSP does not reclaim the packaging material.

Brand Management

Corporate Affairs Division of SAIL is engaged in reputation/ corporate brand building of SAIL. As and when products related branding is required, Central Marketing Organization of SAIL is involved in the process but the activity is undertaken by the Corporate Affairs Division. In CMO, product (also service related brand management regarding SAIL dealership and e-sales) related brand management is being done mainly through dealers. Items of mass consumption like Re-

bars and Galvanized Sheets, required by common man are being sold through SAIL dealers.

Following brand building initiatives have been undertaken in Central Marketing Organization of SAIL for promotion of SAIL steel:

- Wide spread Wall Paintings done at various locations including rural areas.
- Hoardings at important locations, highways, major Airports and in metros and Tier-II cities across the country.
- Advertisement on Railway Tickets, Railway Trolley, Bus Shelters etc.
- Product brochures/technical literature given to the dealers for distributing among customer.
- Promotional items (calendars/pens/key chains) distributed among dealers
- Regular meets with architects and masons along with its dealers for promotion of SAIL steel as well as steel usage.
- Hand holding meetings with Rural dealers to make them aware of SAIL products
- Technical presentations from time to time to customers for launching new products.
- Participation in trade fairs and exhibitions highlighting various usages of steel.
- In addition, Central Marketing Organization also organized presentations on product development to various project customers like CPWD, DMRC, NHPC, L&T, etc. for communicating the advantages of SAIL products over competitors'

New Product Development

	Year	No of Products Developed
1	2004-05	11
2	2005-06	12
3	2006-07	11
4	2007-08	12
5	2008-09	12
6	2009-10	12
7	2010-11	12
8	2011-12	12
9	2012-13	15
10	2013-14	13
11	2014-15	12

Product improvement/ product development:

BSP continuously strives to improve its existing products in line with one of the Quality Goals of providing differentiated products to customers. The opportunities for new product development are identified through enquiries, customer visits, competitor's product, market trends and requirement of National importance and strategic significance. In FY15, the process was reviewed to enhance the involvement of internal & external customers in product development process. 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, thorough scrutiny of customer enquiries are being carried out with the aim of accepting all the requirements. Based on requirements a competent technical team visits the customer premises to discuss and understand their needs. Customers are also invited at our premises during the development of their product. This approach has facilitated in meeting the newer and anticipated requirements of customers. For creation of value of the customer pre-emptive trials are undertaken based on customer's enquiries to assess the feasibility of developing newer products and to enable immediate supply of products on maturity of enquiry. Supply of 13000 ton plates to M/s HCC for Bogibeel project with UT as per Euronorm 10160 standards within a short period wherein all other suppliers failed to meet this stringent quality requirement of the order, is one of the examples. This enabled the customer to execute the project on time. Since last three years BSP has continuously developed minimum 12 new products every year.

In addition to development of new products, opportunities for product improvement are identified

New Product developed in FY15

1. IS-2062 E250 BR (Semi Killed) Structural (Angle 90X90X8 mm)
2. Boiler Quality Alloy Steel SA 387 Grade 12 Class 2, 50 MM Plates for M/s BHEL
3. Chromium & Molybdenum Alloyed steel plates for High temperature Boilers & Pressure Vessels applications
4. IS 2062- E250 B0 Grade Channel-400
5. Ø 10 mm IS 1786 Fe 415 'S'(Seismic) Wire Rod Coils
6. JIS G 3136 SN 490 BN grade plates for Building Structures
7. Medium Carbon Steel Plates with Chromium & Boron for Industrial chain links
8. IS 1786 TMT Fe 550 D, 36 MM RE-BARS
9. IS 2062 E 410 B0 GRADE(SK) Channel 100x100x50 mm
10. IS 2062 GR C Micro alloyed plates with enhanced impact energy at sub-zero temperatures.
11. IS 2062 E250 BR (SEMI KILLED) ANGLE 65X65X8 MM
12. Dual grade High Tensile Plates for Wind Mill components

through valuable inputs from the customers obtained through the extensive network of CMO and its dedicated groups, earmarked processes and IT enabled services. The inputs are supplemented by market trends, new customer requirements and quality issues for developing new products.

In line with the change in customer's expectations as well as market demands the product attributes are continuously upgraded with more value additions. The steel chemistry, design and process parameters are modified to impart improvements in critical product characteristics. The continual improvement in the internal soundness of plates, strength level and corrosion resistance in rails, Continuous development of TMT bars/coils are prime examples that demonstrates how BSP has made changes to its products in response to and in anticipation of market requirements and customer needs.

Launch of “SAIL EME 250 & SAIL EME 350”

- New product “SAIL EME 250 & SAIL EME 350” grade plates for manufacturers of Earth Moving Equipment
- Conceived and developed in-house by Research & Control Laboratory with active involvement of SMS-2 and Plate Mill, doing away the problem of Lamellar tearing of Plates during fabrication
- Successful development of these Customized plates in mild and high tensile categories and their performance in the field trials received an overwhelming response and appreciation from the leading EME manufacturers like L&T Komatsu, RSB Transmission, BEML, Caterpillar and Hyundai etc.



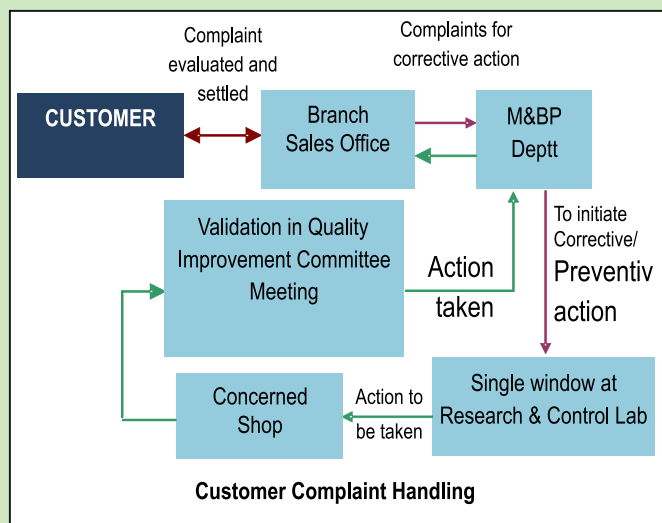
Customer Satisfaction

BSP highly values its customers whose patronage has earned BSP its commanding position in the market. In order to assess the customer feedback and systematically record the grievances and issues, BSP has established a Customer Satisfaction Index (CSI), feedback regarding which is collected every month from all key customers through personally administered feedback forms which include various parameters related to quality, supply and service. The responsibility for reaching out to the customers has also been entrusted to the Central Marketing Organization (CMO), which conducts a market survey annually and makes forecasts with respect to customer groups and market segments to be served by SAIL and communicates the same to the Plants. SAIL has a well-defined Key Account Management (KAM) system

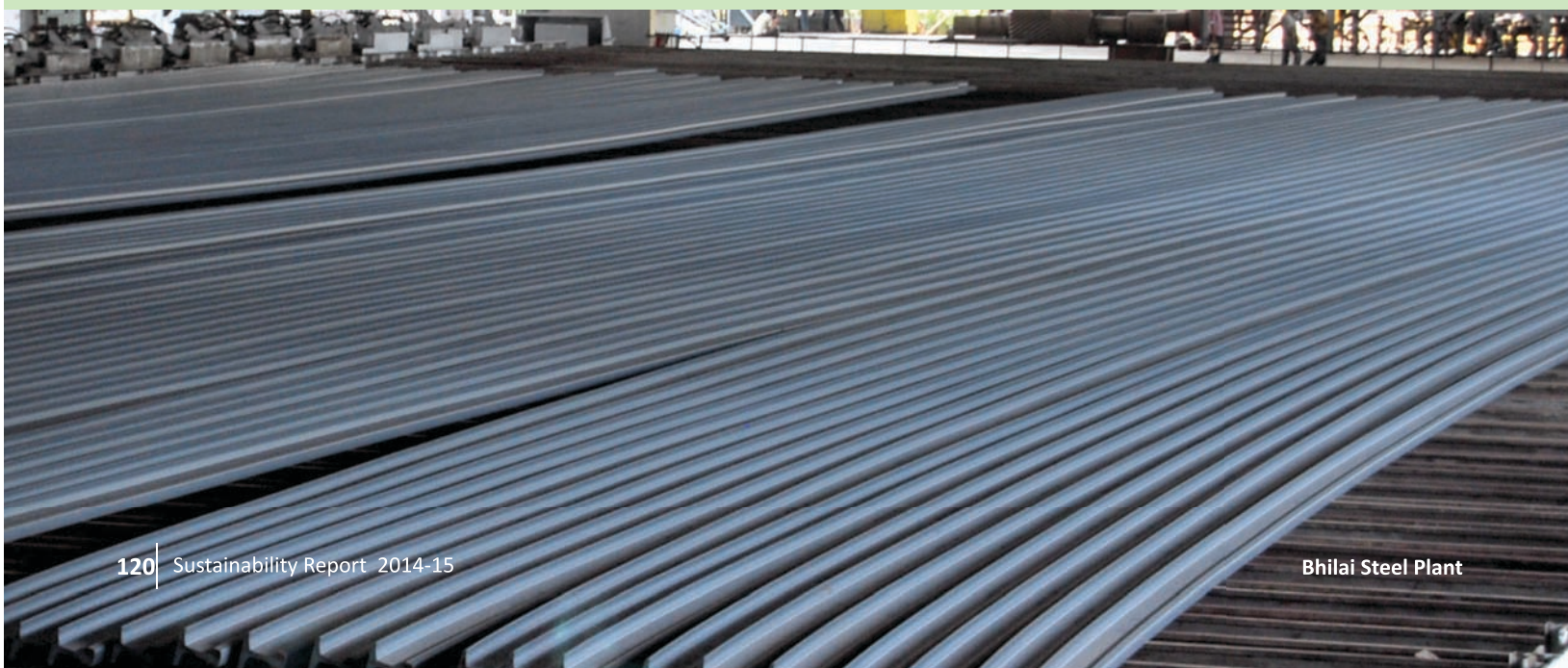
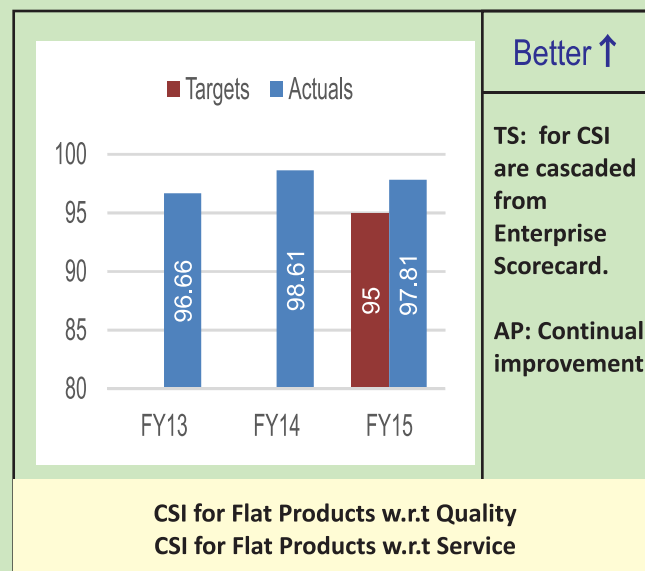
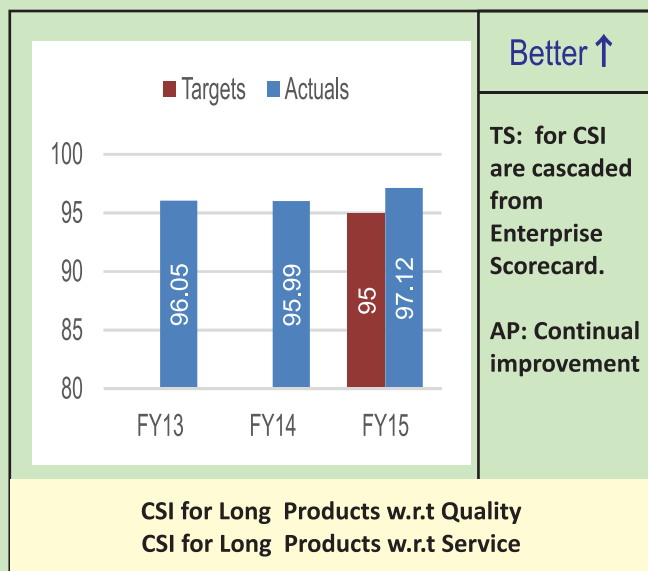
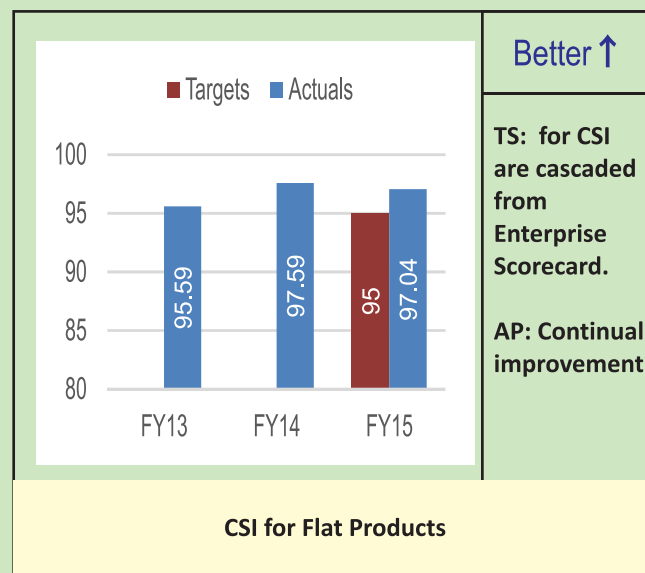
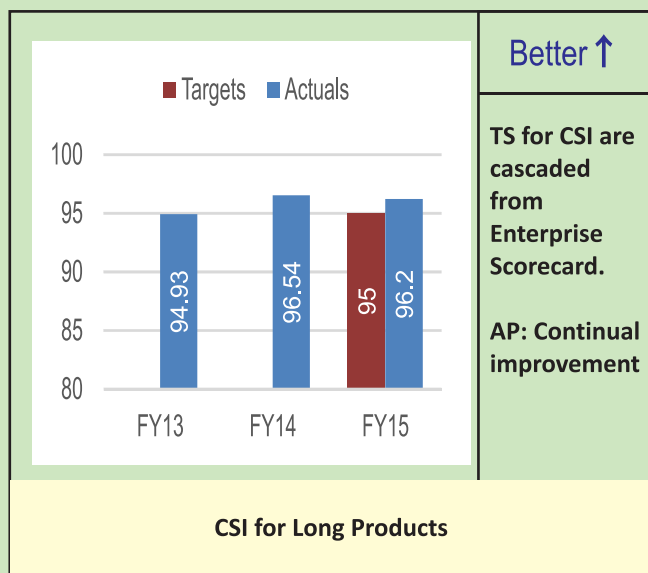
under which, the requirements of important customers are captured and their compliance is recorded and analysed. Every month meeting is held with CMO to discuss the specific requirements of customers as well as their feedback. The monthly production and rolling plan is finalized on basis of this meeting and customer orders are released by CMO accordingly.

Grievance redressal mechanism:

Quality grievance –Application Engineering (AE) team based in each region visits the customer premises to assess the quality related issue. Based on tests in independent laboratories or at the SAIL plant, the material if required is recalled and credit note issued to the customer.



Customer Satisfaction Index:



FY15

“We want to take opportunity to congratulate BSP on successfully completing the innovative development of Material Grades which has met our stringent quality criteria for the C-45(Modified) Plates. It is all because of the dedication and hard work of BSP that gives us the immense pleasure of success to meet our metallurgical properties along with aesthetic surface finish of our ordered plates. We feel proud that you have such a wonderful team and you have led the team in the right direction. It is indeed a pleasure to recognise your role in the success and wish that you would keep up the good work in future too.

We look forward to a long, friendly and mutually beneficial relationship with you and your organisation too.”

- Shri Manish Parasrampur, Indo Chains Raipur Pvt. Ltd, Raipur

“We extend our heartfelt thanks for the support you have extended during the financial year 2014-15. I would like to highlight that we have lifted 1715 tonnes out of which Bhilai plates were lifted to the tune of 1673 tonnes. We have successfully completed around 1800 tonnes of fabricated structures to our BHEL projects. This was successfully achieved only because of our constant support from branch as well as your plants. We are proud to be associated with SAIL and look forward for your cooperation and support in future.”

- Shri SP Subramanian, Managing Partner, Lakshmi Engineering works

FY14

“Himadri Chemicals is a pioneer Organisation in the business of Chemicals and one of the major Chemical Producing Units in India. We have a very long relationship with Bhilai Steel Plant. We purchase various raw materials produced at Coal Chemicals department of Bhilai Steel Plant. We always get the desired quality of material. It is a win-win partnership approach for both Himadri Chemicals and Bhilai Steel Plant.”

- Shri. S K Chhabra, Director Himadri Chemicals

Communication

The Corporate Affairs Division of SAIL addresses the comprehensive system of advertising for corporate image and product promotion. The advertisements for all the plants are managed by SAIL at the corporate level. Various advertisement campaigns are conducted on regular basis. Our advertising campaign being part of overall communication strategy is focused to target multiple stakeholders. New corporate and product advertisements were designed and developed to enhance the image of the Company. Some of the slogans used in advertisements are as follows:

- Steely strategies to accelerate growth
- SAIL TMT Rebars – Mazbooti Bemisaal
- SAIL TMT Rebars – The Bond of Strength and Trust
- Tested by Time. Trusted by Professionals

- Transforming Talents. Creating Champions
 - Corporate Social Responsibility - Passion for Steel, Compassion for Society
 - Environment & Progress Together
 - A Caring Company for a Greener Tomorrow
 - Empowering People, Sustaining Environment, Supporting Sports, Helping building the Nation
- SAIL along with the State Bank of India (SBI), organized the SAIL-SBI Open 2014 Golf Tournament with support from ‘Incredible India’, Ministry of Tourism. The game of Football being a very popular one in the neighbourhood of our Plants, was promoted by collaborating with Baichung Bhutia Football School for providing training to the cadets as well as the coaches of the Football Academies of the Company.

AWARDS & ACCOLADES



Awards:

- Commendation Certificate for Significant Achievement' in CII-ITC
- 'Commendation Certificate for Significant Achievement' in CII-Exim Bank Award – 2014 while moving from 500-549 band of marks to 550-599 band
- Indian Institute of Metals National Sustainability Award (2013-14) amongst the Integrated Steel Plants category. Award given by Hon'ble Steel Minister, Shri Narendra Singh Tomar at Pune.
- National Energy Conservation Award 2014 on the basis of the improvement in its energy performance over the previous year. Award given by Hon'ble Minister of State with Independent Charge for Power, Coal and New & Renewable Energy
- Prime Minister's Trophy for being the Best Integrated Steel Plant in Country for 11th time. This trophy was handed over to CEO, BSP by Hon'ble Prime Minister Narendra Modi on April 2nd, 2015
- PHD Chamber Good Corporate Citizen Award 2014 to SAIL. Given by Hon'ble Union Minister of Road Transport, Highways and Shipping Shri Nitin Gadkari
- IIM - JRD Tata Award for "Excellence in Corporate leadership in Metallurgical Industries" for the year 2014. Award given by Hon'ble Minister of Mines & Steel, Mr. Narendra Singh Tomar
- SCOPE Meritorious Award for Environment Excellence & Sustainable Development to SAIL conferred by Hon'ble President of India, Shri Pranab

Mukherjee

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Details of the financial ratings, economic excellence awards, corporate governance awards, environmental awards, awards in the social area in last 3 years

S.N.	Name of Award or Rating or Certification	Name of Awarding / Rating Organization	Year	Relates to Dimension(s)*
1	CII-ITC Sustainability Award (Certificate)	CII-ITC Centre for Excellence & Sustainable Development	2014 & 2012	Eco, Env, Soc
2	CII-Exim Bank Award (Certificate)	CII	2014, 2013 & 2012	Business Excellence
3	*Prime Minister Trophy for best Integrated Steel Plant in the country	Ministry of Steel, GOI	2011-12	Eco, Env, Soc
4	Golden Peacock Award for Sustainability	World Environment Foundation	2013	Eco, Env, Soc
5	Golden Peacock Award for Environment Mgmt	World Environment Foundation	2014	Env & CSR
6	National Energy Conservation Award	Bureau of Energy Efficiency, GOI	2014	Energy
7	IIM National Sustainability Award • Presented in 2014.	IIM	2014	Eco, Env, Soc



**11 times winner of
Prime Minister's Trophy
for the best Integrated Steel Plant**



RECOGNITION OF TRIPLE BOTTOM LINE EXCELLENCE



- Corporate Sustainability Award (instituted by CII-ITC Centre of Excellence).
- Prize in 2006,07,08 & Commendation in 2009,10 ,11,12, 14

RECOGNITION OF CONTRIBUTION TO ENVIRONMENT



- Golden Peacock Environment Management Award – 2012, 2015
- Golden Peacock Eco-Innovation Award - 2009, 2010 & 2011
- Golden Peacock Sustainability Award – 2011
- Golden Peacock Climate Security Award-2012

RECOGNITION TO EMPOWERED PEOPLE



- A total of 174 BSP employees awarded with Shram Shree, Shram Veer and Shram Bhushan so far
- A total of 559 BSP employees awarded with Rashtriya Vishwakarma award since inception

Details of Awards and Recognitions to Individuals & Groups:

Category	No of persons Awarded					
	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15
Jawahar Award (Exe)	58	71	25	25	24	23
Nehru Award (N-exe)	83	80	90	64	64	60
Jawahar Nehru Group Awards	87	85	102	52	53	54

Our People – Our Ambassadors

- Padma Bhushan, PadmaShree Smt. TeejanBai
- Arjun Awardee Shri Rajendra Prasad
- International Cricketer Rajesh Chouhan
- Everest Conqueror Smt. Savita Dhapwal
- International Coach Sri Rajesh Patel

No. of National Award Winners – BSP's Hall of fame

- | | |
|--|-----|
| • PM Shram Ratna (Out of 17 awarded so far) | 13 |
| • President's Teachers Award | 5 |
| • President's Fire Service Medal for gallantry | 1 |
| • Shram Award | 174 |
| • Vishwakarma Award | 559 |
| • Vikram Award (State Award) | 21 |
| • National Metallurgist Day Award | 2 |

People as Ambassadors



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 organisation	02 - 04	Full	
1.2	Description of key impacts, risks, and opportunities.	3 - 4, 29 - 32	Full	
2. Organisational Profile				
2.1	Name of the organisation.	10	Full	
2.2	Primary brands, products, and/or services.	10 - 14	Full	SAIL Annual Report FY 2014-15 is available at www.sail.co.in .
2.3	Operational structure of the organisation, including main divisions, operating companies, subsidiaries, and joint ventures.	10 - 14	Full	SAIL Annual Report FY 2014-15 is available at www.sail.co.in .
2.4	Location of organisation's headquarters.	13, Back cover	Full	
2.5	Number of countries where the organisation operates, and names of countries with either major operations or that are specifically relevant to the sustainability issues covered in the report.	10, 11	Full	BSP as such does not operate in other countries. The operations are carried out by SAIL.
2.6	Nature of ownership and legal form.	35 - 36	Full	SAIL Annual Report FY 2014-15 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 organisation.	10 - 14	Full	
2.9	Significant changes during the reporting period regarding size, structure, or ownership.	06	Full	
2.10	Awards received in the reporting period.	123 - 126	Full	
3. Report Parameters				
3.1	Reporting period (e.g., fiscal/calendar year) for information provided.	06	Full	
3.2	Date of most recent previous report (if any).	06	Full	SAIL Annual Report FY 2014-15 is available at www.sail.co.in . BSP Sustainability Report FY 2013-14 is available at www.sail.co.in .
3.3	Reporting cycle (annual, biennial, etc.)	06	Full	Annual
3.4	Contact point for questions regarding the report or its content.	08	Full	
3.5	Process for defining report content.	06 - 08	Full	
3.6	Boundary of the report (e.g., countries, divisions, subsidiaries, leased facilities, joint ventures, suppliers). See GRI Boundary Protocol for further guidance.	06	Full	
3.7	State any specific limitations on the scope or boundary of the report (see completeness principle for explanation of scope).	06 - 07	Full	

S. No.	Profile Disclosure	Reference	Extent of Reporting	Explanation
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.	06	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.	07	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).	07 - 08	Full	No re-statements
3.11	Significant changes from previous reporting periods in the scope, boundary, or measurement methods applied in the report.	06 - 07	Full	
3.12	Table identifying the location of the Standard Disclosures in the report.	127	Full	
3.13	Policy and current practice with regard to seeking external assurance for the report.	08	Full	
4.	Governance, Commitments, and Engagement			
4.1	Governance structure of the organisation, including committees under the highest governance body responsible for specific tasks, such as setting strategy or organisational oversight.	35 - 37	Full	
4.2	Indicate whether the Chair of the highest governance body is also an executive officer.	36	Full	CEO BSP reports to Board of Directors of SAIL
4.3	For organisations that have a unitary board structure, state the number of members of the highest governance body that are independent and/or non-executive members.	36	Full	
4.4	Mechanisms for shareholders and employees to provide recommendations or direction to the highest governance body.	35 - 37	Full	
4.5	Linkage between compensation for members of the highest governance body, senior managers, and executives (including departure arrangements), and the organisation's performance (including social and environmental performance).	35 - 37	Full	SAIL Annual Report FY 2014-15 is available at www.sail.co.in .
4.6	Processes in place for the highest governance body to ensure conflicts of interest are avoided.	35 - 37	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.	35 - 37	Full	SAIL Annual Report FY 2014-15 is available at www.sail.co.in

S. No.	Profile Disclosure	Reference	Extent of Reporting	Explanation
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.	27, 48	Full	SAIL Annual Report FY 2014-15 is available at www.sail.co.in
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.	29 - 33	Full	Also refer SAIL Annual Report at www.sail.co.in
4.10	Processes for evaluating the highest governance body's own performance, particularly with respect to economic, environmental, and social performance.	35 - 36	Full	SAIL Annual Report FY 2014-15 is available at www.sail.co.in
4.11	Explanation of whether and how the precautionary approach or principle is addressed by the organisation.	33	Full	Our existing risk management processes go beyond the requirement of the precautionary principles and cover the three bottom-lines.
4.12	Externally developed economic, environmental, and social charters, principles, or other initiatives to which the organisation subscribes or endorses.	48	Full	More information is given in SAIL Annual Report at www.sail.co.in
4.13	Memberships in associations (such as industry associations) and/or national/international advocacy organisations in which the organisation: *Has positions in governance bodies; *Participates in projects or committees; *Provides substantive funding beyond routine membership dues; or * Views membership as strategic.	49 - 50	Full	
4.14	List of stakeholder groups engaged by the organisation.	21	Full	
4.15	Basis for identification and selection of stakeholders with whom to engage.	17 - 23	Full	
4.16	Approaches to stakeholder engagement, including frequency of engagement by type and by stakeholder group.	17 - 23	Full	
4.17	Key topics and concerns that have been raised through stakeholder engagement, and how the organisation has responded to those key topics and concerns, including through its reporting.	19 - 22	Full	
STANDARD DISCLOSURES PART II : Disclosure of Management Approach				
DMA EC	Disclosure on Management Approach EC	37 - 40	Full	
DMA EN	Disclosure on Management Approach EN	52 - 55	Full	
DMA LA	Disclosure on Management Approach LA	82 - 85	Full	
DMA HR	Disclosure on Management Approach HR	82 - 85	Full	
DMA SO	Disclosure on Management Approach SO	101 - 102	Full	
DMA PR	Disclosure on Management Approach PR	116 - 120	Full	

S. No.	Profile Disclosure	Reference	Extent of Reporting	Explanation
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.	41 - 44	Full	
EC2	Financial implications and other risks and opportunities for the organisation's activities due to climate change.	52, 67, 116	Full	
EC3	Coverage of the organisation's defined benefit plan obligations.	45 - 46	Full	
EC4	Significant financial assistance received from government.	Ref. to SAIL Annual Report 14-15	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.	45	Full	Entry level wage as recommended by regulation and as per Govt. regulations.
EC6	Policy, practices, and proportion of spending on locally-based suppliers at significant locations of operation.	46	Full	We are committed to sourcing materials from local (India-based) suppliers as and when feasible from a technical, competency, quality and commercial perspective. The procurement policy is driven by Govt. regulations.
EC7	Procedures for local hiring and proportion of senior management hired from the local Full community at significant locations of operation.	89	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.	105 - 114	Full	
EC9	Understanding and describing significant indirect economic impacts, including the extent of impacts.	105 - 114	Full	
Environmental				
EN1	Materials used by weight or volume.	56	Full	
EN2	Percentage of materials used that are recycled input materials.	56	Full	
EN3	Direct energy consumption by primary 47 Full energy source.	65		
EN4	Indirect energy consumption by primary source.	65	Full	
EN5	Energy saved due to conservation and efficiency improvements.	66	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.	67	Full	
EN7	Initiatives to reduce indirect energy consumption and reductions achieved.	66 - 67	Full	
EN8	Total water withdrawal by source.	57	Full	
EN9	Water sources significantly affected by withdrawal of water.	57	Full	

S. No.	Profile Disclosure	Reference	Extent of Reporting	Explanation
EN10	Percentage and total volume of water recycled and reused.	58	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.	68 - 70	Full	The land owned by BSP does not fall under Protected areas
EN12	Description of significant impacts of activities, products, and services on biodiversity in protected areas and areas of high biodiversity value outside protected areas.	69 - 70	Full	
EN13	Habitats protected or restored.	69 - 70	Full	
EN14	Strategies, current actions, and future plans for managing impacts on biodiversity.	69 - 70	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.	70	Full	No IUCN Red List species within plant of operations based on latest EIA Report.
EN16	Total direct and indirect greenhouse gas emissions by weight.	67	Full	
EN17	Other relevant indirect greenhouse gas emissions by weight.		Not Reported	BSP is carrying out product carbon footprint studies where in most of scope 3 emissions will be estimated. Emissions saved by tele' and video conferencing was not tracked and captured.
EN18	Initiatives to reduce greenhouse gas emissions and reductions achieved.	66 - 67	Full	
EN19	Emissions of ozone-depleting substances by weight.	64	Full	
EN20	Nox, Sox, and other significant air emissions by type and weight.	59	Partial	
EN21	Total water discharge by quality and destination.	59	Full	
EN22	Total weight of waste by type & disposal method.	60 - 61	Full	
EN23	Total number and volume of significant spills.		Full	No significant spills in 2014-15.
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.	62	Full	Across locations we are not involved in any activity related to transporting, importing, exporting or treatment of waste deemed hazardous under Basel convention.
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.	68	Full	No water body is affected by discharges during reporting period.
EN26	Initiatives to mitigate environmental impacts of products and services, and extent of impact mitigation.	1116 - 118	Full	
EN27	Percentage of products sold and their packaging materials that are reclaimed by category.		Not Reported	Unlike other industries the packaging material required for steel products is insignificant.

S. No.	Profile Disclosure	Reference	Extent of Reporting	Explanation
EN28	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations.	54	Full	No monetary fine of any significant value has been imposed on our company during FY 2014-15 neither non-monetary sanctions for non-compliance with environmental laws and 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 members of the workforce.		Not Reported	BSP will carry out product carbon footprint studies post modernisation which will cover entire spectrum of scope 3 emissions.
EN30	Total environmental protection expenditures and investments by type.	68	Full	
Social: Labour Practices and Decent Work				
LA1	Total workforce by employment type, employment contract, and region.	81 - 82	Full	SAIL-BSP follows recruitment policy of central PSU of GOI.
LA2	Total number and rate of employee turnover by age group, gender, and region.	82	Full	
LA3	Benefits provided to full-time employees that are not provided to temporary or part-time employees, by major operations.	44, 45, 84	Full	
LA4	Percentage of employees covered by collective bargaining agreements.	106, 111	Full	
LA5	Minimum notice period(s) regarding significant operational changes, including whether it is specified in collective agreements.	111	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.	111	Full	All employees are represented under different forums working for advising and improving occupational health & environment conditions.
LA7	Rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities by region.	77 - 78	Full	
LA8	Education, training, counselling, prevention, and risk-control programmes in place to assist workforce members, their families, or community members regarding serious diseases.	78, 94 - 96	Full	
LA9	Health and safety topics covered in formal agreements with trade unions.	72, 75, 111	Full	
LA10	Average hours of training per year per employee by employee category.	94	Full	
LA11	Programmes for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings.	95	Partial	
LA12	Percentage of employees receiving regular performance and career development reviews.	95	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.	36, 81 - 82	Full	

S. No.	Profile Disclosure	Reference	Extent of Reporting	Explanation
LA14	Ratio of basic salary of men to women by employee category.	82	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.	21, 48	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 suppliers and contractors that have undergone screening on human rights and actions taken.	18, 21, 48	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.
HR3	Total hours of employee training on policies and procedures concerning aspects of human rights that are relevant to operations, including the percentage of employees trained.	18, 21, 48, 94 - 96	Partial	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.	88, 104	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.	111	Full	This year there was no operation identified in which the right to exercise freedom of association and collective bargaining was at significant risk.
HR6	Operations identified as having significant risk for incidents of child labour, and measures taken to contribute to the elimination of child labour.	18, 21, 48	Full	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.	18, 21, 48	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.	72	Full	"CISF" also has procedures in place to train their people.
HR9	Total number of incidents of violations involving rights of indigenous people and actions taken.		Full	This year there were 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 exiting.	101 - 114	Full	

S. No.	Profile Disclosure	Reference	Extent of Reporting	Explanation
SO2	Percentage and total number of business units analysed for risks related to corruption.		Full	100% of depts are covered by vigilance rule.
SO3	Percentage of employees trained in organisation's anti-corruption policies and procedures.	98 - 99	Full	
SO4	Actions taken in response to incidents of corruption.	98 - 99	Full	There were no incidents involving acts of corruption.
SO5	Public policy positions and participation in public policy development and lobbying.	38 - 39	Full	
SO6	Total value of financial and in-kind contributions to political parties, politicians, and related institutions by country.	38 - 39	Full	We do not support any specific political party.
SO7	Total number of legal actions for anti-competitive behaviour, anti-trust, and monopoly practices and their outcomes.	38 - 39	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.	38 - 39	Full	No fine or non-monetary sanction imposed against BSP for non-compliance with laws and regulations.
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.	116 - 117	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 enviroental 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.	116 - 117	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.	117 - 118	Partially Reported	The bye-products generated in the plant are ammonium 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 product and service information and labelling, by type of outcomes.	117	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 - 121	Full	

S. No.	Profile Disclosure	Reference	Extent of Reporting	Explanation
PR6	Programmes for adherence to laws, standards, and voluntary codes related to marketing communications, including advertising, promotion, and sponsorship.	117 - 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.	116, 121	Full	No significant incident of non-compliance with regulations and voluntary codes concerning marketing communications, including advertising, promotion, and sponsorship.
PR8	Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data.	116	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.	117	Full	No significant fine for non-compliance with laws 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 rights abuses	Our code of conduct is applicable to all employees and we do not have any instance of human right abuses in FY 2014-15.
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 2014-15 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 does not 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 plants are ISO 14001:2004 certified under IMS umbrella and have specific goals and targets which are monitored at regular intervals.

UNGC Principles– Company's response

Global Compact Principles		Our Response
	Undertake initiatives to promote greater environmental responsibility	To reduce our environmental footprint, our efforts are focused on reducing GHG emissions. We have a undertaken 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 Environment 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

AAQ	Ambient Air Quality	COB	Committee of the Board
ADVD	Ancillary Development and Vendor Development	COBPP	Coke Oven Briquet Press Plant
AIDS	Acquired immune deficiency syndrome	CPCB/SPCB	Central Pollution Control Board/ State Pollution Control Board
AIMA	All India Management Association	CPF	Central Provident Fund
AIR	All India Radio	CPMS	Coking Process Management and Control System
APP	Annual Production Plan	CPSE	Central Public Sector Enterprises
ASCI	Administrative Staff College of India	CREDA	Chhattisgarh State Renewable Development Agency
ATM	Automated Teller Machine	CSI	Customer Satisfaction Index
ATP	Annual Training Plan	CSR	Corporate Social Responsibility
AWA	Additional Welfare Amenity	CTC	Carbon Tetra Chloride
BBM	Blooming and Billet Mill	DCDA	Double Contact Double Absorption
BE/B.TECH	Bachelor of Engg/Bachelor of Technology	DDT	Dichlorodiphenyltrichloroethane
BF	Blast Furnace	DGM	Dy. General Manager
BIS	Beuro of Indian Standard	DNB	Diplomate of National Board
BITS	Birla Institute of Technology and Science	ED/GM	Executive Director/General Manager
BMTC	Bhilai Management Development Centre	EHS	Environment Health & Safety
BOF/EAF	Basic Oxygen Furnace/Electric Arc Furnace		
BPCL	Bharat Petroleum Corporation Limited		
BPL	Below Poverty Level		
BSNL	Bharat Sanchar Nigam Ltd		
BSP	Bhilai Steel Plant		
CA	Chartered Accountant		
CBSE	Central Board of School Education		
CDI	Coal Dust Injection		
CDM	Clean Development Mechanism		
CDQ	Coke Dry Quenching		
CEO	Chief Executive Officer		
CET	Centre for Engineering and Technology		
CFC	Chloro Floro Carbon		
CII	Confederation of Indian Industry		
CIL	Coal India Ltd		
CISF	Central Industrial Security Force		
CMO	Central Marketing Organisation		



EPMS	Executive Performance Management System	L&A	Liason & Administration
ERM	Enterprise Risk Management	LLB	Bachelor of Legislation
ERP	Enterprise Resource Management	LSHS	Low Sulphur High Stock
ESCI	Engineering Staff College of India	MBA	Master of Business administration
ESI	Employees' State Insurance	MBBS	Bachelor of Medical science
ETP	Effluent treatment Plant	MDG	Millennium Development Goals
		MDI	Management Development Institute
FICCI	Federation of Indian Chambers of Commerce and Industry	MDP	Management Development Programme
FR	Frequency Rate	MECL	Mineral Exploration Corporation Limited
		MLD	Million Litres Per Day
GAAP	Generally Accepted Accounting Principles	MOEF	Ministry of Environment and Forest
Gcal	Giga Calories	MSDS	Main Step Down Sub Station
GCP	Gas Cleaning Plant	MSV	Model Steel Village
GDP	Gross Domestic Product	MTI	Management Training Institute
GHG	Green House Gas		
GOI	Govt Of India	NACO	National Aids Control Organisation
GRI	Global Reporting Initiative	NEERI	National Environmental Engineering & Research Institute
		NGC	National Green Corp
HCFC	Hydrochlorofluorocarbons	NGO	Non- Govt organisation
HEC	Heavy Engg. Corporation	NMDC	National Mineral Development Corporation
HOD	Head of the Department		
HR	Human Resource	NMR	Non-Management Representatives
HRD	Human Resource Development	NSC	National Stock Exchange
HRIS	Human Resource Information System	NTPC	National Thermal Power corporation
HSCL	Hindustan Steel Construction Ltd		
		ODP	Ozon Depleting potential
ICS	Internal Customer Satisfaction	ODS	Ozon Depleting substance
ICVL	International Coal Ventures Private Limited	OHP	Ore Handling Plant
IISI	International Iron and Steel Industry	OHS	Occupational Health Services
IIT	Indian Institute of Technology	OHSAS	Occupational Health and Safety Management System
ILO	International Labour Organisation		
IPSS	Inter Plant Standard for Steel Industry	OP-1	Oxygen Plant-1
IR	Injury Rate	OPD	Outpatient Department
ISO	International Organisation for Standards	PBS	Power Blowing Station
		PC	Personnel Computer
		PF	Provident Fund
JP Cement	Jai Prakash Cement	PG	Post Graduation
JSPL	Jindal Steel & Power Ltd	PBT	Profit Before Tax
JV	Joint venture	PLC	Programmable Logic Controllers

PM	Prime Minister	SED	Safety Engg Department
PP-1	Power Plant-1	SEFI	Steel Executive Federation of India
PPE	Personal Protective Equipment	SMS-1	Steel Melting Shop-1
PRD	Public Relation Department	SP,BF,THF	Sinter Plant, Blast furnace, Twin Hearth Furnace
PRO	Public Relation Office	SP-2	Sintering Plant-2
QC	Quality Circle	SWOT	Strength, Weakness, Opportunity and Threats
QOL	Quality of Life		
R&D	Research and Development	TAB	Technical Advisory Board
RCH	Reproductive and Child Health	TAC	Technical Advisory Committee
RCL	Research and control Laboratory	TDP-1	Tar Distillation Plant-1
RDCIS	Research and Development Centre for Iron and Steel	TMT	Thermo Mechanically Treated
RHF	Rotary Hearth Furnace	TOTO	Training of Training Officers
RINL	Rashtriya Ispat Nigam Ltd	TRT	Top Recovery Turbine
RMD	Raw Material Division	UNDP	United National Development Programme
RMP-1	Raw Material Plant	USA	United States of America
ROIC	Return on Invested Capital	UTS10	Ultimate Tensile Strength
RTI	Right to Information	VAD	Vaccume Arc Degassing
RTS	Roll Turning Shop	VER	Voluntary Emission Reduction
SA-8000	Social Accountability : 8000	VVVF	Variable Voltage Variable Frequency
SAIL	Steel Authority of India Ltd	WRM	Wire Rod Mill
SAWRS	Social Accountability Welfare Representatives	WSD	Water Supply Department
SC/ST	Schedule Cast/Schedule Tribe	YCES	Young Champions of Ethics
SEBI	Security and Exchange Board of India		



GRI Application Level

REPORT APPLICATION LEVEL		REPORT SELF - ASSESSED - 'A'	
G3 Profile Disclosures	Output	Reporting done in 1.1 2.1-2.10 3.1-3.13 4.1-4.17	✓
G3 Management Approach Disclosures	Output	Management Approach Disclosed for each indicator category	✓
G3 Performance Indicators & sector supplement indicators	Output	Each Core G3 and "Sector Supplement" indicator addressed with due regard to materiality principle	✓

**Bhilai Steel Plant's Sustainability Report 2014-15,
Greening the footprints Today Tomorrow, is a
"GRI" Application Level "A" Report**



स्टील अथॉरिटी ऑफ इण्डिया लिमिटेड
STEEL AUTHORITY OF INDIA LIMITED

भिलाई इस्पात संयंत्र
BHILAI STEEL PLANT

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