

# STEEL AUTHORITY OF INDIA LIMITED



## RESULTS PRESENTATION FOR Q4 and FY'23



# STEEL AUTHORITY OF INDIA LIMITED



## Sustainable Operations



# LANDMARKS.....

## Mining

Iron Ore: 33.776 MT

Limestone: 1.362 MT

Dolomite: 0.451 MT



## Production

Hot Metal: 19.409 MT

Crude Steel: 18.291 MT

Saleable Steel: 17.246 MT



## Sales & Marketing

Pan-India network of almost 4800 distributors and dealers

Domestic Sales: 15.762 MT

Exports: 0.435 MT

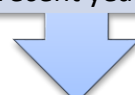


## Research & Development

R&D expenses highest amongst major Indian steel producers

More than 100 new products developed in recent years

Focus on reducing carbon footprint, energy conservation, quality improvement, etc.



## Stakeholders Management

Procurements through GeM doubled over FY'22

Dividend of Rs. 1342 crore paid during FY'23.

Contribution to ex-chequer: Rs. 23625 crore during FY'23

Spent ~Rs. 529 crore since FY'15 on CSR activities\*

\* Details in following slides

## Waste Management

### Application of 4Rs (Reduce, Reuse, Recycle, Recover)



R&D Project for development of steel slag based cost effective eco-friendly fertilizers for sustainable agriculture and inclusive growth through ICAR-Indian Agricultural Research Institute.

Solid Liquid Resource Management (SLRM) Centre set up at BSP with a daily capacity of 50T for segregation of wastes, converting green waste into manure and turning plastic waste into useful by-products.

## Eco-Restoration Projects



Restored 250 acres of old barren overburden dumps and water void in 200 acres of limestone mined out area in Purnapani for generation of ecosystem services and goods as well as sequester CO<sub>2</sub>.

MOU with Institute of Forest Productivity, Ranchi for eco-restoration of mined out area and waste dumps for Kiriburu and Megahahatuburu Iron Ore Mines.



Bio-diversity park named '**Vasundhara**' created at Durgapur on 400 acres of land with development of flora and fauna of local species and water body.

## Water Conservation

Committed to achievement of long term goal of “Zero Liquid Discharge”.



Actions being taken for treatment and recycling of effluent being discharged through the outfalls at the Plant boundary.

## Energy Conservation

Set up 3.5 MW Solar Power Plants/Units at different locations. Another 6.195 MW roof top Solar Units under implementation at various Plants/Units locations.



10 MW Hydel Power Plant under implementation at Mandira Dam, RSP, under a Joint Venture initiative with Green Energy Development Corporation of Odisha Limited (GEDCOL)

## Others

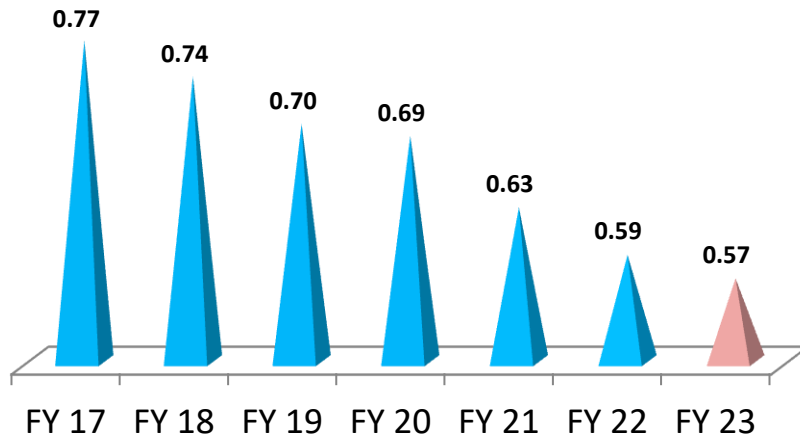
About 21.5 million saplings have been planted.



BSP has taken up project for disposal of Poly Chlorinated Bi-Phenyls (PCBs) in an environment friendly manner in partnership with the MoEF&CC and UNIDO.

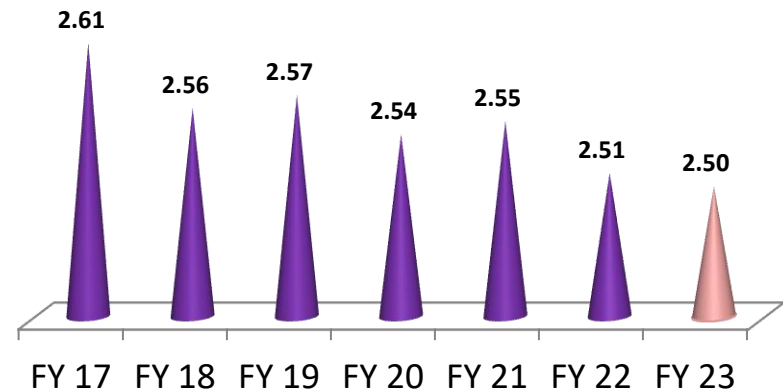
# SUSTENANCE PARAMETERS

PM Emission Load: kg/tcs



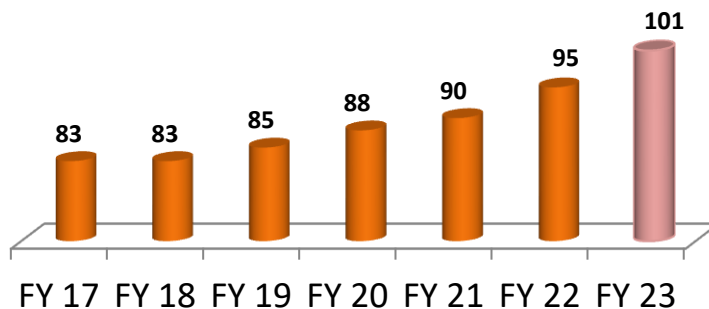
Reduction of 26% over FY17

Specific CO2 Emission: T/tcs



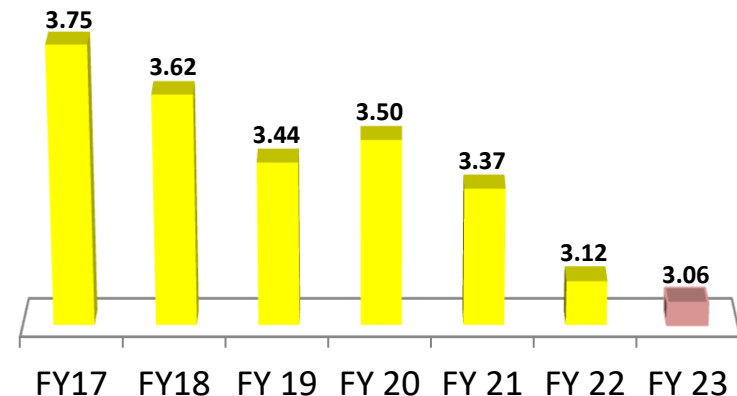
Reduction of 4% over FY17

Solid Waste Utilisation (%)



Increase of 22% over FY17

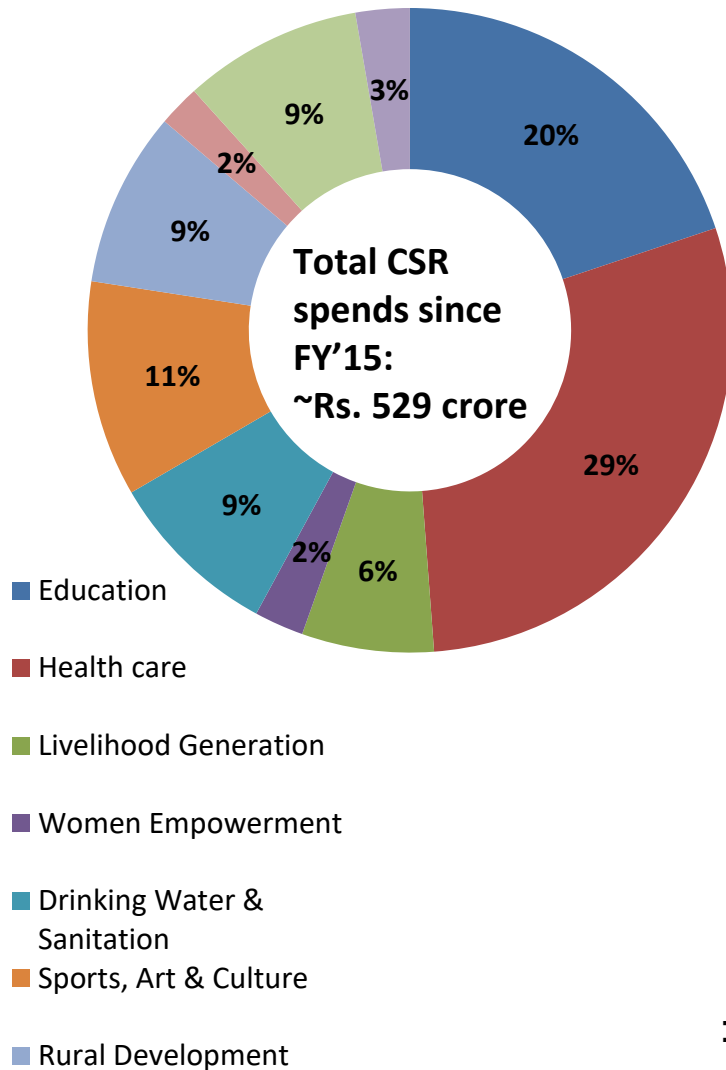
Specific Water Consumption: m3/tcs



Reduction of 18% over FY17

# TOUCHING LIVES....

## Key Activities



Basic and specialised healthcare to more than a million lives annually.



Drinking Water facility to more than 50 lakh people.

More than 80 lakh people connected to mainstream by construction of roads



Quality education to almost 50000 students across more than 96 schools.



Special Schools providing support to needy students.

Mid-day meals to more than 60000 students through Akshay Patra Foundation.

Providing equipment like tricycle, motorized vehicles, callipers, hearing aids, artificial limbs, etc. to Divyangs



Running Eklavya Archery Academy and other sports academies for Hockey, Football, Athletics, etc. Athletes from SAIL academies have won medals at National and International Level.



Integrated Development Centre (IDC) at Digha Village in Saranda Forest with facilities like Bank, Telecom Office, Panchayat Office, Ration Shop, etc.

Development of 79 'Model Steel Villages'.



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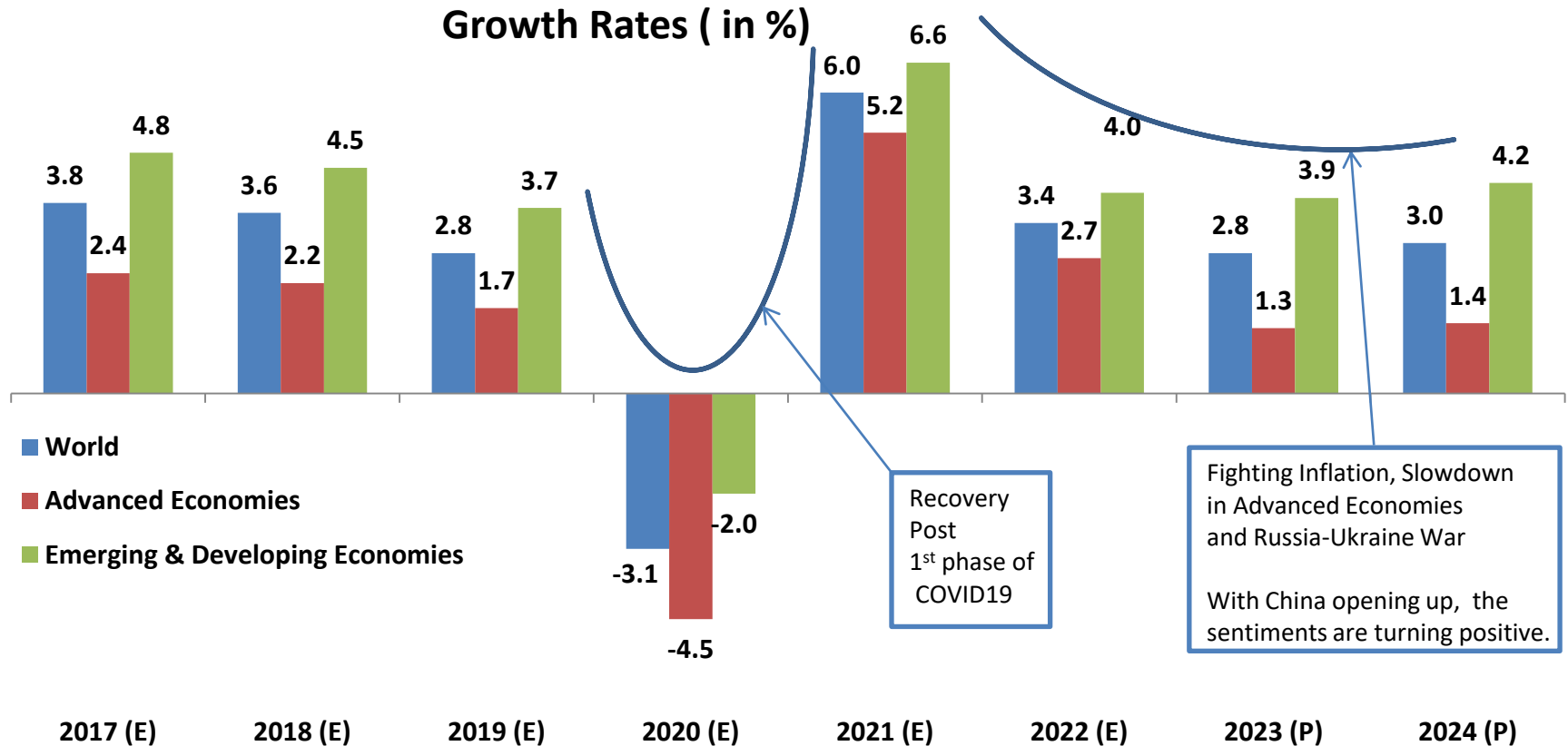


## Global Economic & Steel Scenario





# WORLD ECONOMIC SCENARIO



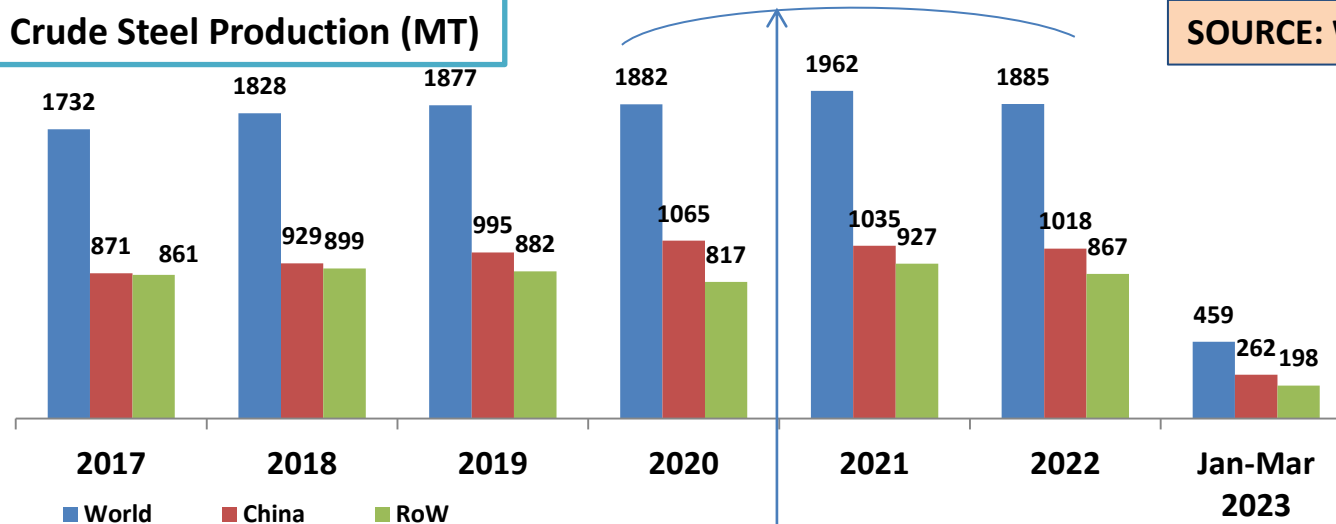
***In the World Economic Outlook released during April'23, IMF is estimating the growth for 2022 at 3.4% while also revising the projections for the year 2023 downwards to 2.8% as against earlier projection of 2.9% during Jan'23. The projection for 2024 released for the first time is pegged at 3.0% majorly on the back of China opening up, gradual recovery from the Russia Ukraine war, subsiding inflation. The developing economies are, expected to fare much better than their advanced counterparts.***

E= Estimates P= Projections

SOURCE: IMF

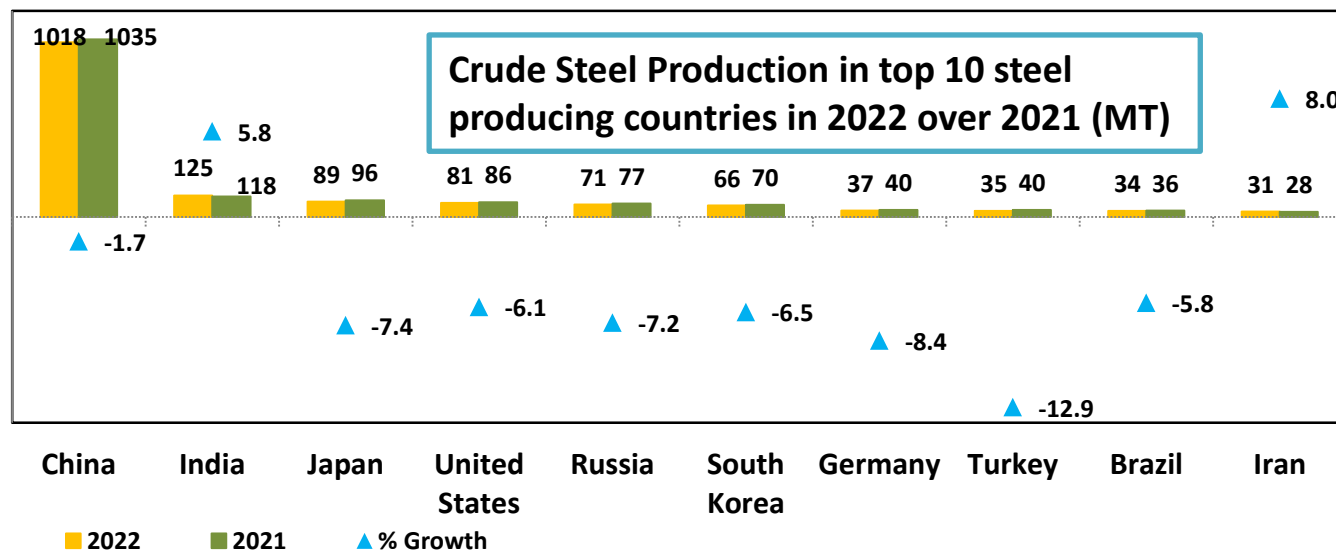
# WORLD STEEL SCENARIO

## Crude Steel Production (MT)



SOURCE: World Steel Association (WSA)

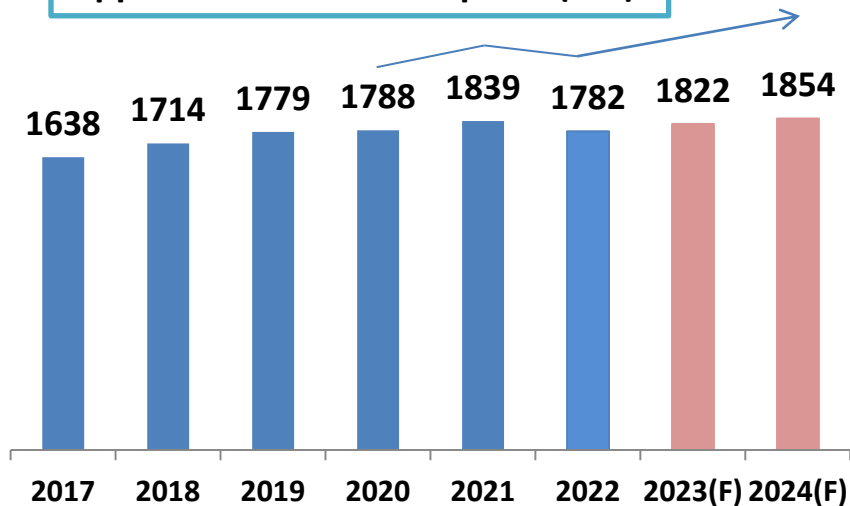
Steel continued its march post 1<sup>st</sup> wave of covid with revival of economic activities and infra-spending globally. However, CY 2022 saw decline (with the exceptions of India and Iran) due to factors like inflation, tightening monetary policies, slowdown in advanced economies, Russia-Ukraine War, etc.



- China continues to dominate the world crude steel production contributing almost 54% of overall global production.
- Reduction in production in all major producers including China leads to world steel production by almost 3.9%.
- Among the major producers, only India (5.8%) and Iran (8.0%) have seen a positive growth in production in 2022.
- During Jan-Mar'23, the crude steel production remains flat over CPL.
- China, however, grows by 6.1% reversing the negative trends of 2022.
- India's growth slows down to 3%.
- All other major producers record negative growth during the period over CPL.

# WORLD STEEL SCENARIO

## Apparent Steel Consumption (MT)



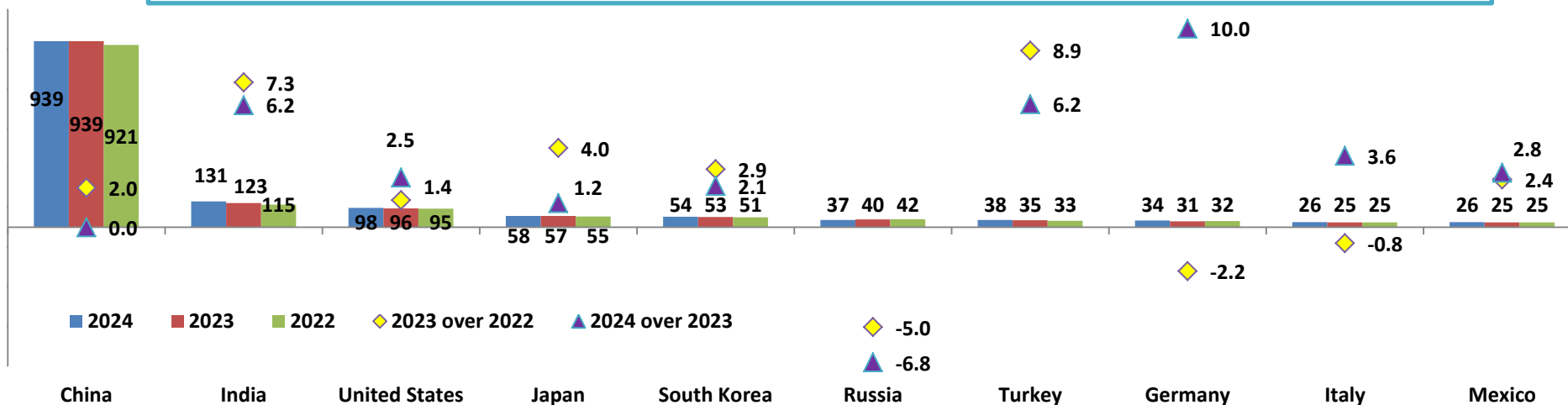
2022 sees a decline in growth. However, as per projections for 2023 and 2024, demand sails again.

SOURCE: World Steel Association (WSA)

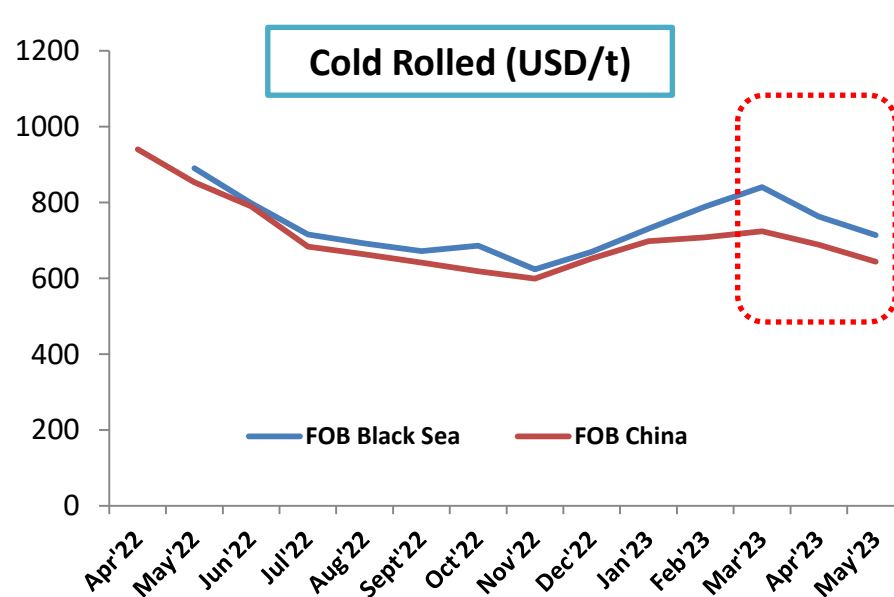
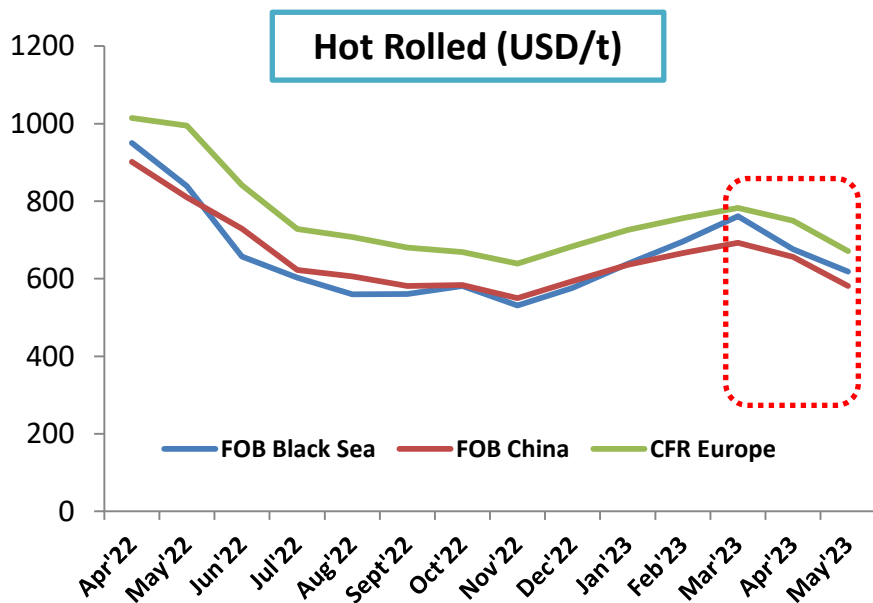
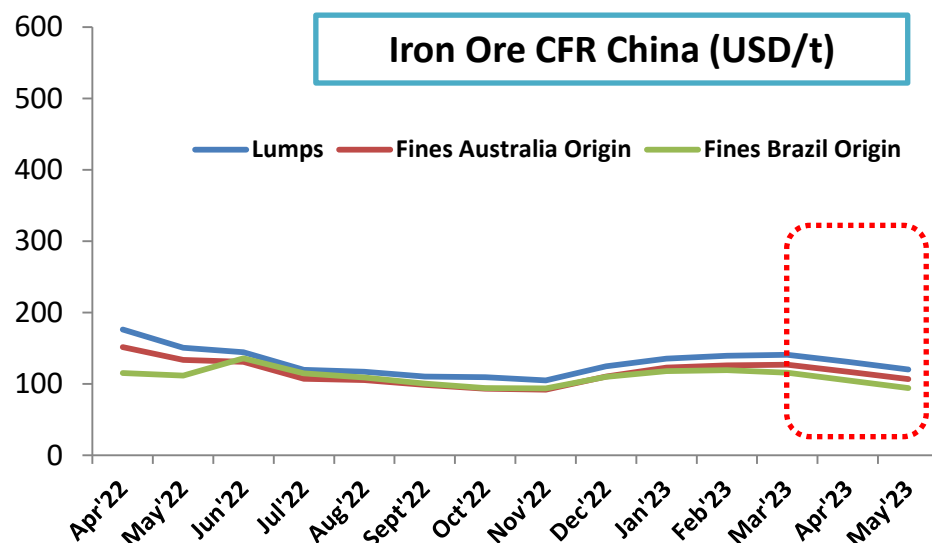
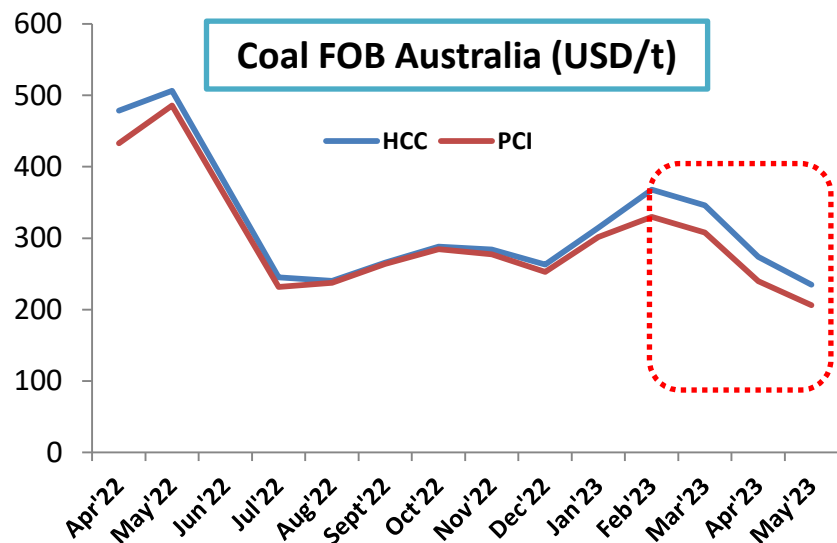
## Short Range Outlook, April'23:

- Global steel demand is expected to increase by 2.3% in 2023 and 1.7% in 2024.
- Demand growth in China, which was earlier being predicted to be NIL is now estimated to grow at 2% in 2023. However, demand in 2024 is again projected to be stagnant.
- Global demand excluding China is expected to grow 2.6% in 2023 and 3.6% in 2024.
- Demand growth in India (7.3% in 2023) is projected second highest after Turkey (8.9%). During 2024, Germany (10%) is projected to see the highest growth in steel demand followed by India (6.2%).

## Demand Projections for top 10 steel consuming countries in 2024 and 2023 vs 2022 (MT)



# INTERNATIONAL PRICE TRENDS



# STEEL AUTHORITY OF INDIA LIMITED

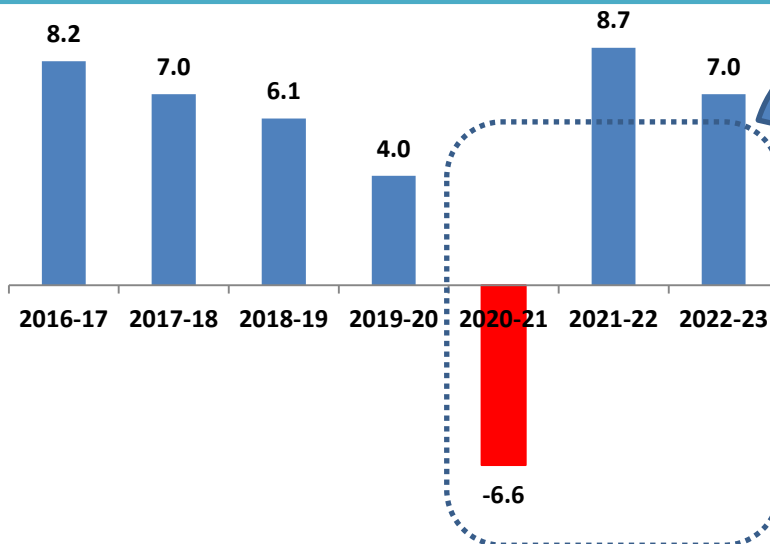


## Domestic Economic & Steel Scenario

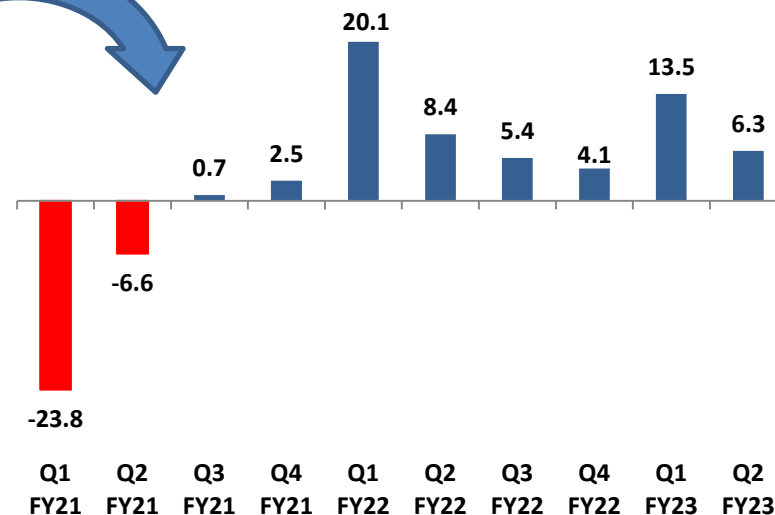


# INDIAN ECONOMIC SCENARIO

**GDP Growth % at Constant (2011-12) Prices**



**Quarterly GDP since COVID19 first wave**

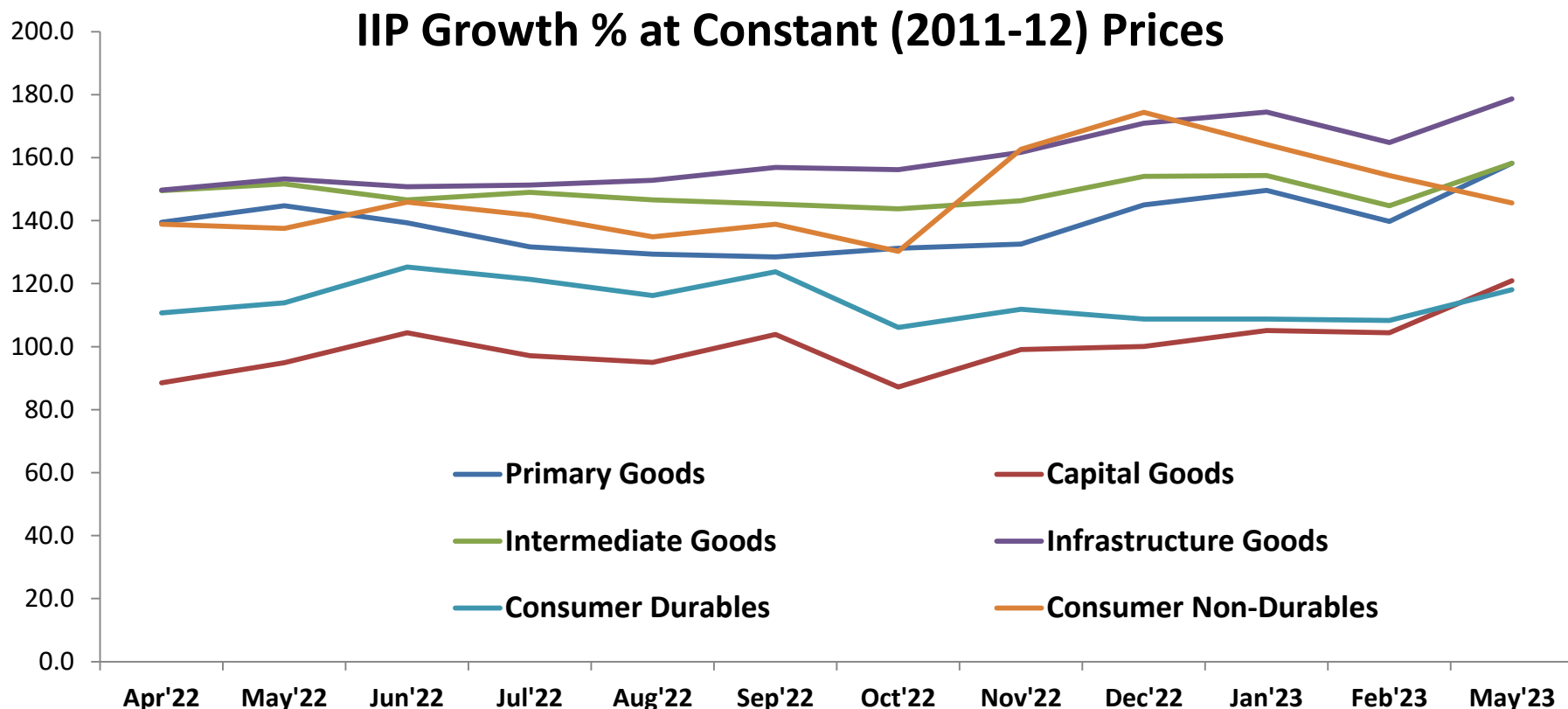


**SOURCE: MOSPI, GOI**

COVID19 Pandemic saw the GDP of Indian economy slide into negative during FY'21 at -6.6%. However, the economy gained ground thereafter and reached 20.1% during Q1 FY22. Since then, factors like inflation have been weighing on the growth rates. The estimates for the FY'22 and FY'23 stand at 8.7% and 7.0% respectively. Despite the projections for future years coming down, India is likely to remain amongst the fastest growing major economies. The projections from major financial agencies are as follows:

Source	Growth Projection	Remarks
WORLD BANK	6.3% (FY24)	Projection is lower than the FY'23 estimates of 6.9%.
IMF	5.9% (CY23) & 6.3% (CY24)	Rate for CY22 has been reduced from 7.4% to 6.8% in line with global projections
RBI	6.5% (FY24)	RBI improves the projections marginally from earlier 6.4%

SOURCE: MOSPI, GOI

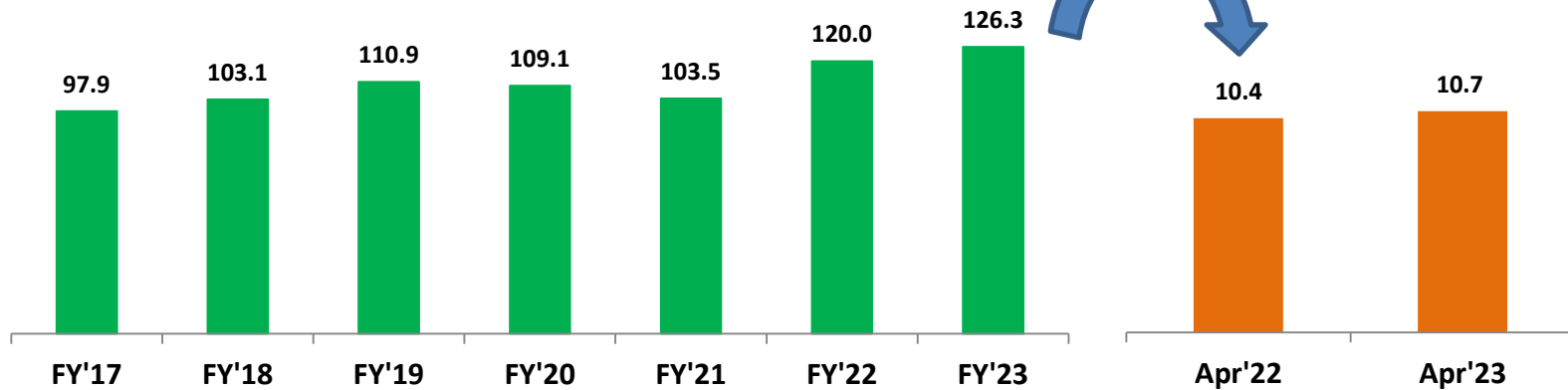


*The manufacturing activities had fallen to historic lows during lockdown due to COVID19 during Q1 FY'21. However, as economy recovered sharply on the back of financial stimulus by the Government and demand rising sharply across sectors post lockdown, the IIP also saw a steep climb. Thereafter, during Q1 FY'22 owing to second wave of COVID19, there was a marginal dip before the index started to rise again. The index has shown marginal improvement in the previous 1-2 months.*

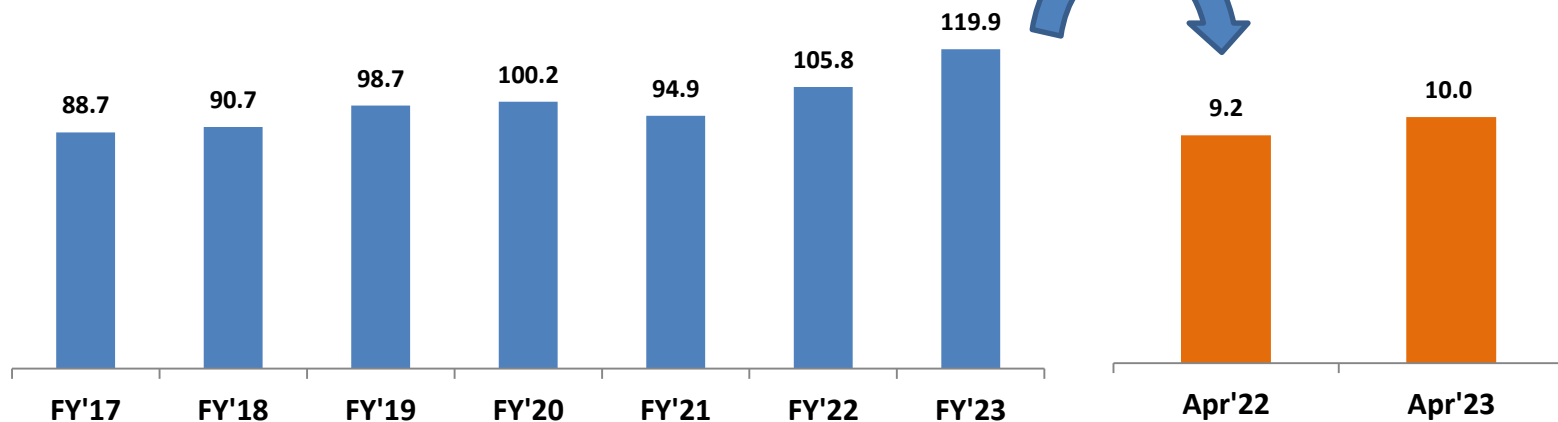


# INDIAN STEEL SCENARIO

## Crude Steel Production (mtpa)



## Finished Steel Consumption (mtpa)



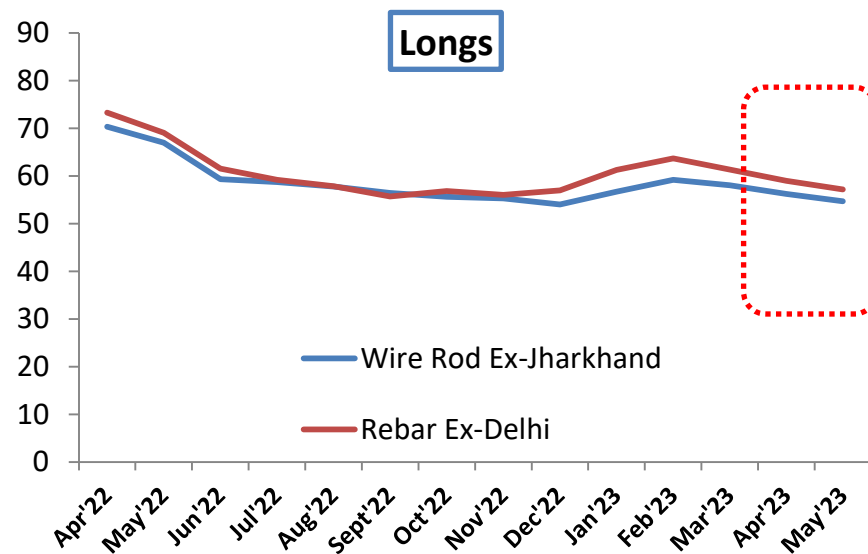
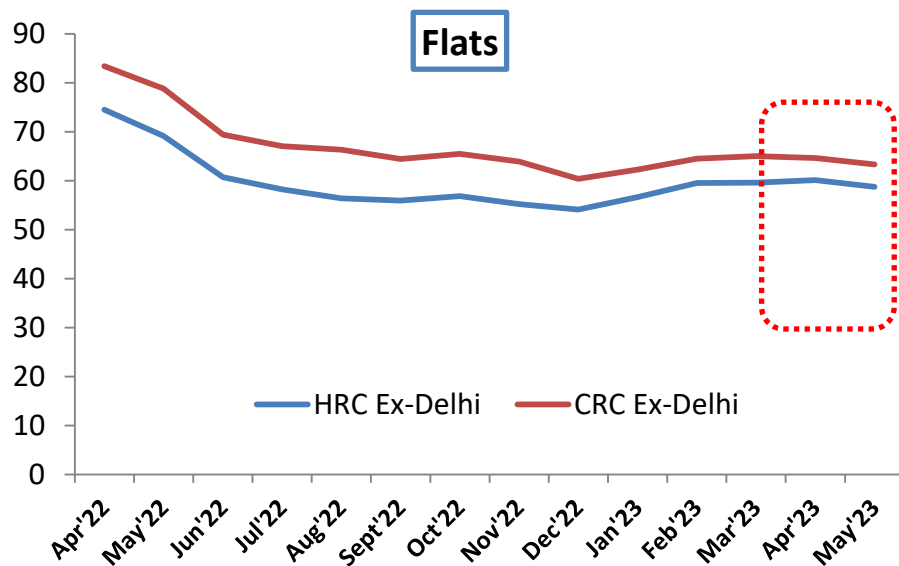
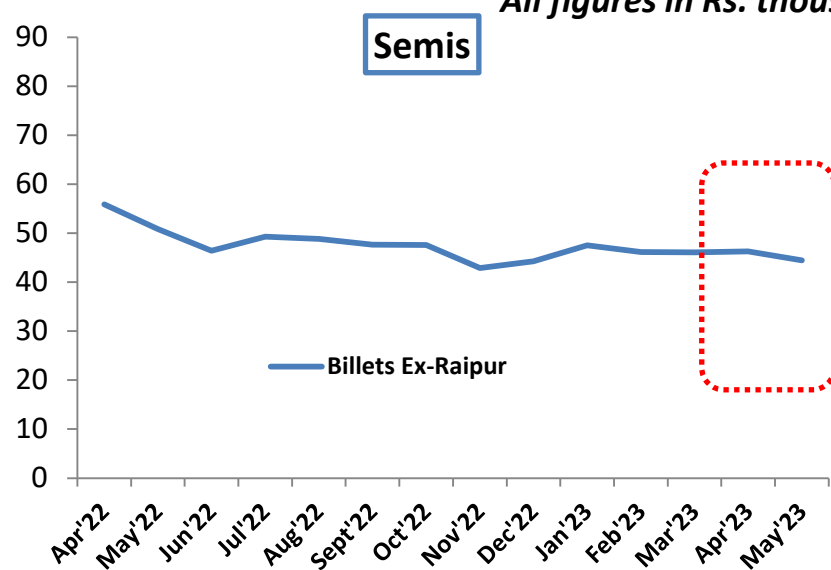
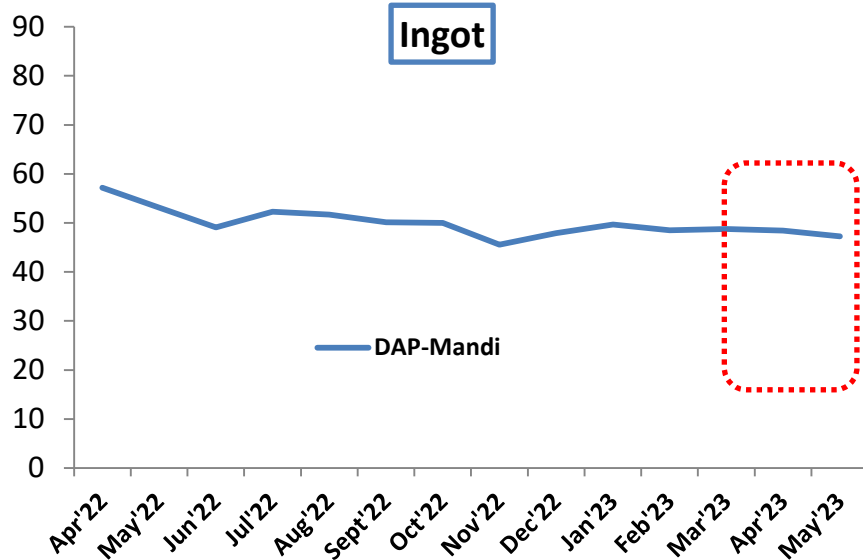
The Short Range Outlook published by WorldSteel Association during April'23, projected steel demand in India to increase by 7.3% in CY2023 and 6.2% in CY2024.

# DOMESTIC PRICE TREND



सेल SAIL

All figures in Rs. thousand



SOURCE: Steel Mint

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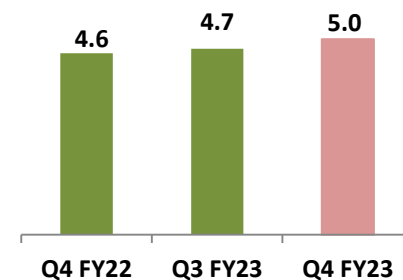
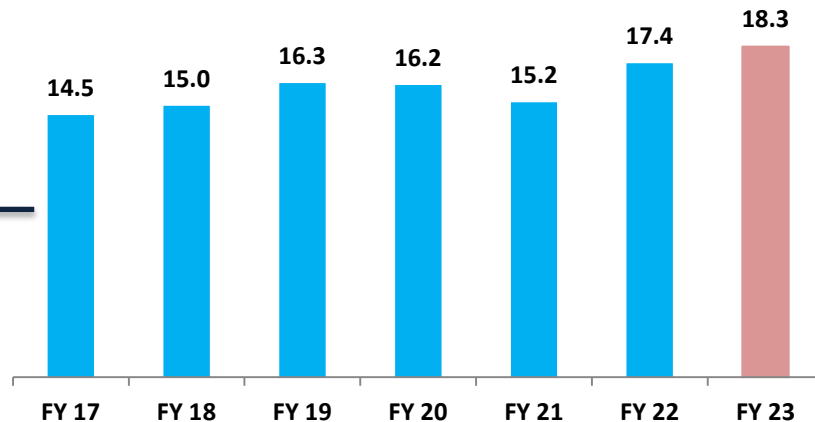
## Operational Performance



# PRODUCTION PERFORMANCE

All figures In Million Tonne

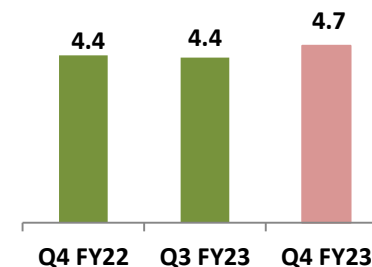
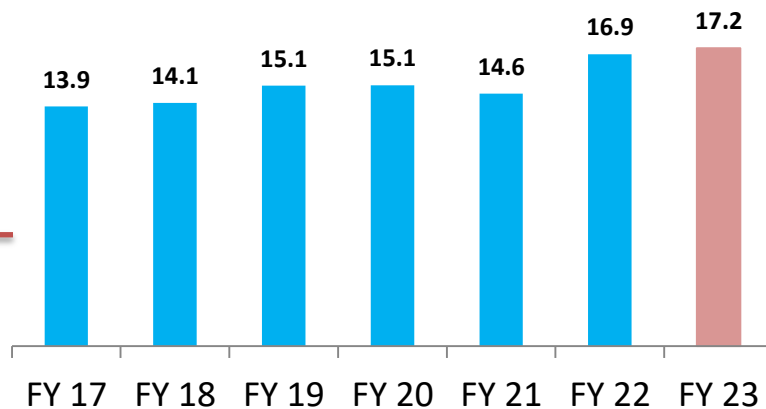
## CRUDE STEEL PRODUCTION



Annual

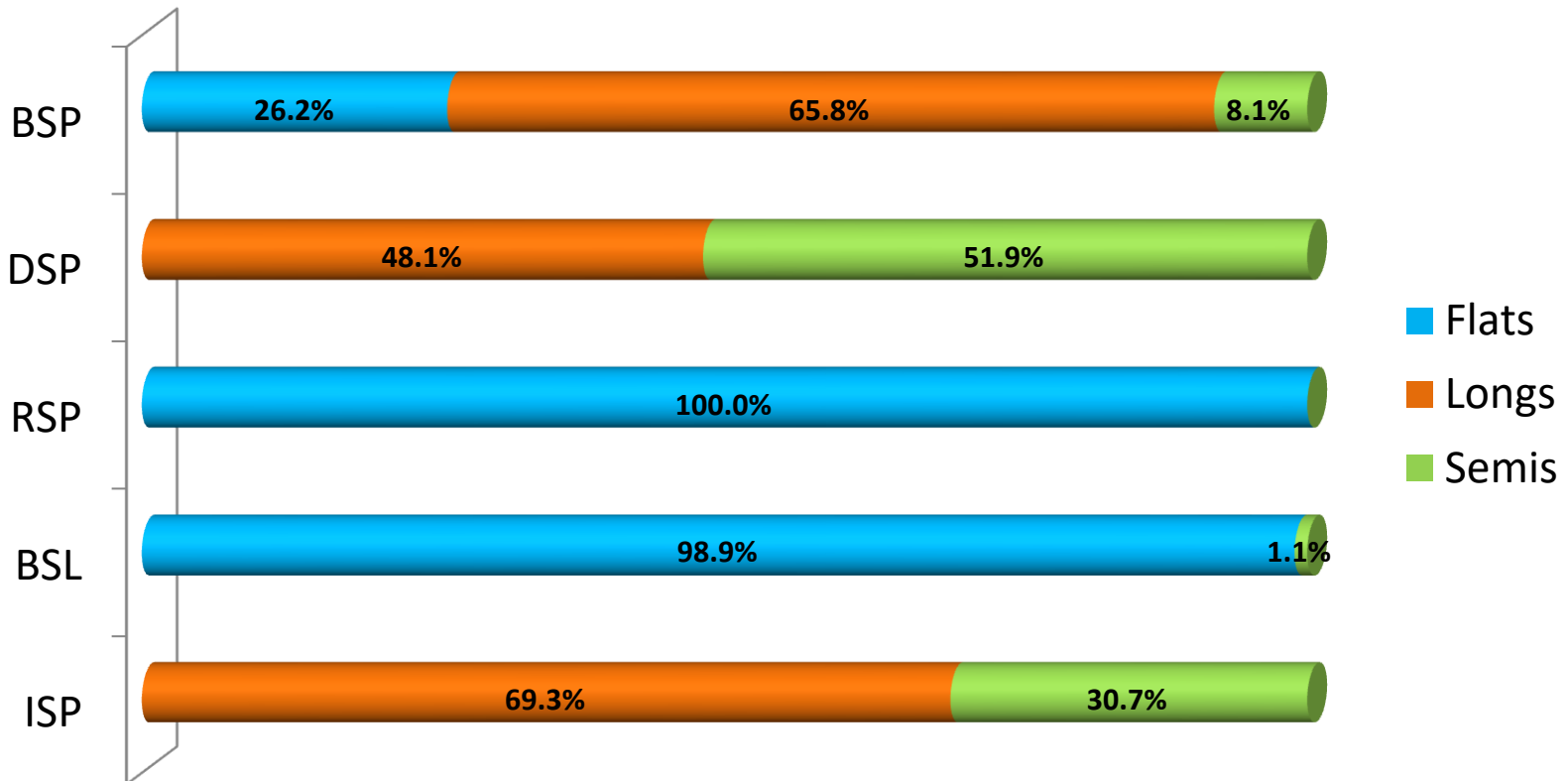
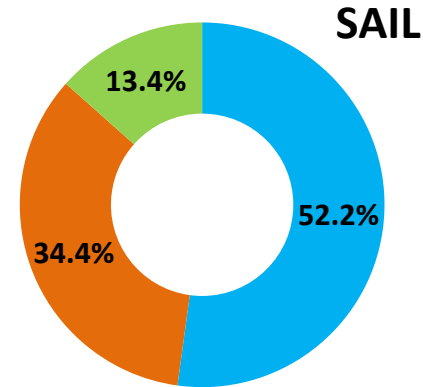
Quarterly

## SALEABLE STEEL PRODUCTION



# PRODUCTION PERFORMANCE : FY'23

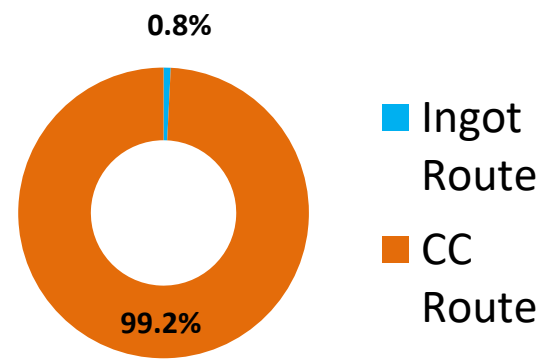
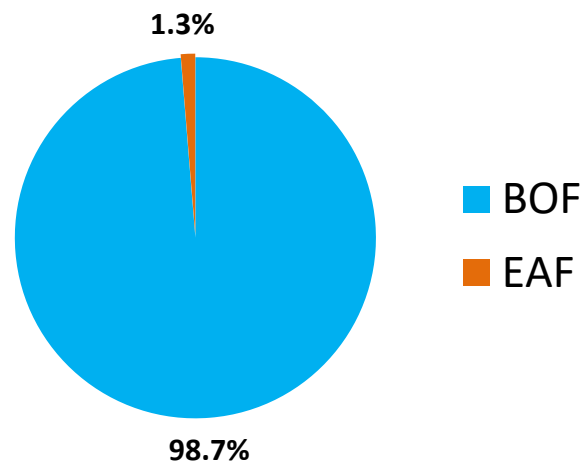
## PRODUCT MIX : 5 ISPs



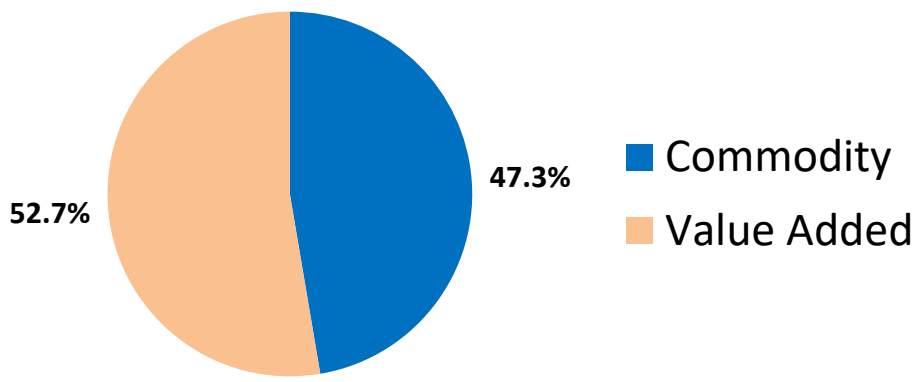
# PRODUCTION PERFORMANCE : FY'23



CRUDE STEEL  
PRODUCTION  
BY PROCESS

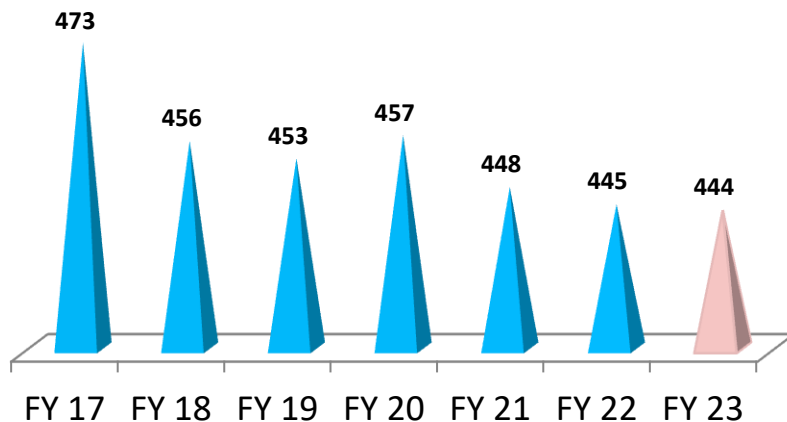


SALEABLE STEEL  
PRODUCTION  
BY PROCESS



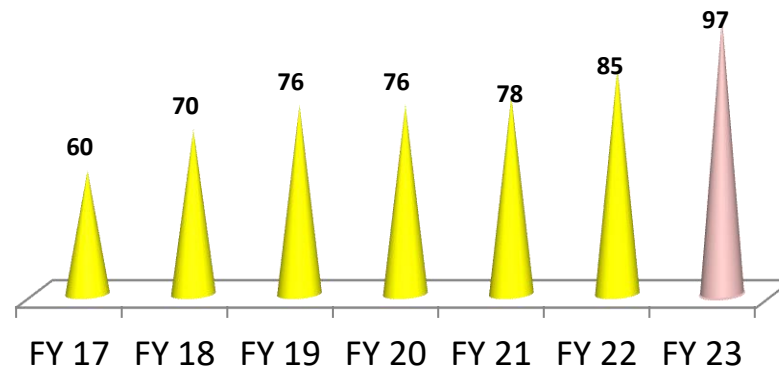
# TECHNO-ECONOMIC PARAMETERS

Coke Rate: kg/thm



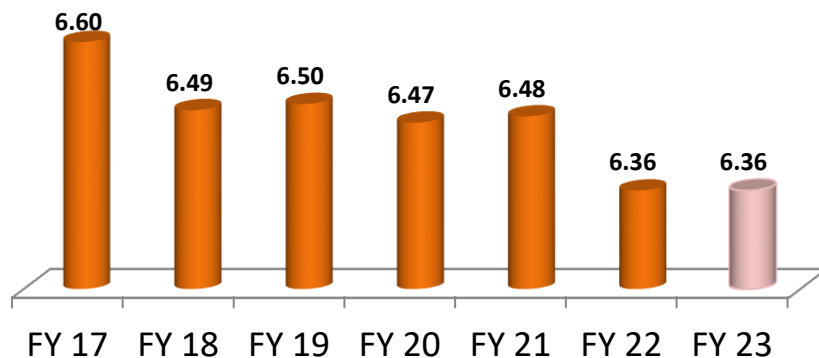
Reduction of 6% over FY17

CDI Rate: kg/thm



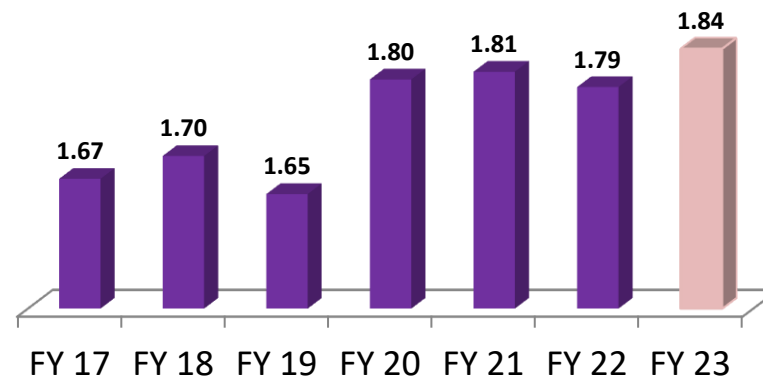
Increase of 62% over FY17

Specific Energy Consumption: GCal/tcs



Reduction of 4% over FY17

BF Productivity: T/m3/Day



Improvement of 10% over FY17



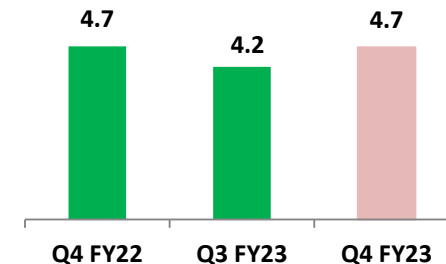
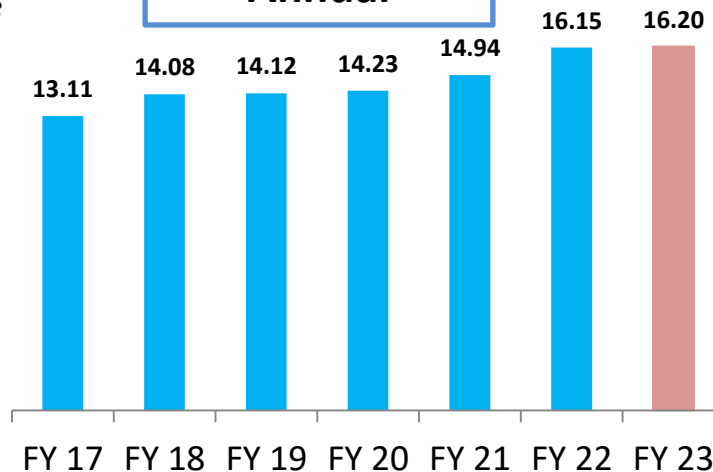
# SALES PERFORMANCE

All figures In Million Tonne

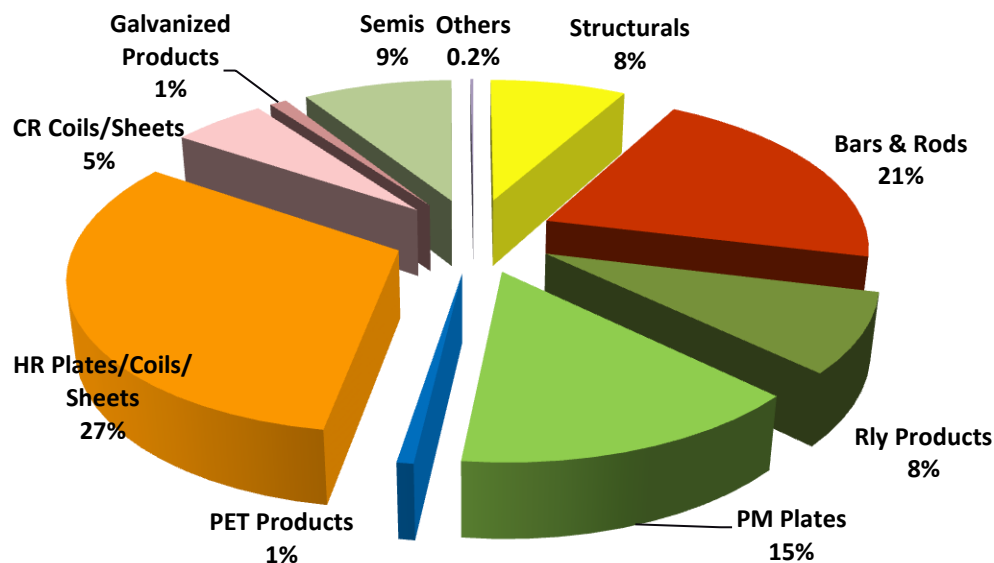
## Annual

## Quarterly

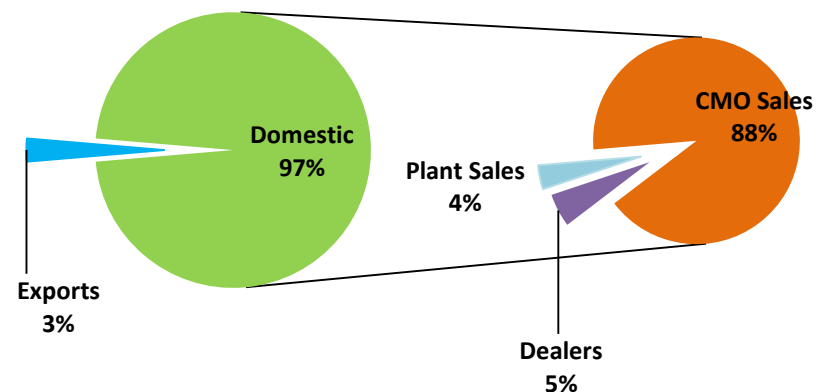
## SALES



## Product Mix 5 ISPs



## Sectoral Breakup



# STEEL AUTHORITY OF INDIA LIMITED



## Financial Performance



# FINANCIAL PERFORMANCE

Rs. Crore (INDAS Compliant figures)	FY22	FY23		Q4 FY 22	Q3 FY 23	Q4 FY 23
Sales Turnover	102805	103768		30585	24860	28957
Total Income	104515	105792		31210	25163	29608
EBITDA	22364	9379		4783	2198	3401
Depreciation	4274	4963		1144	1221	1364
Finance Cost	1698	2037		440	640	517
PBT Before Exceptional Items	16392	2379		3199	337	1520
Exceptional Items	353	-258		-11	298	40
PBT After Exceptional Items	16039	2637		3210	635	1480
Tax	4024	734		792	171	430
Profit After Tax	12015	1903		2418	464	1049

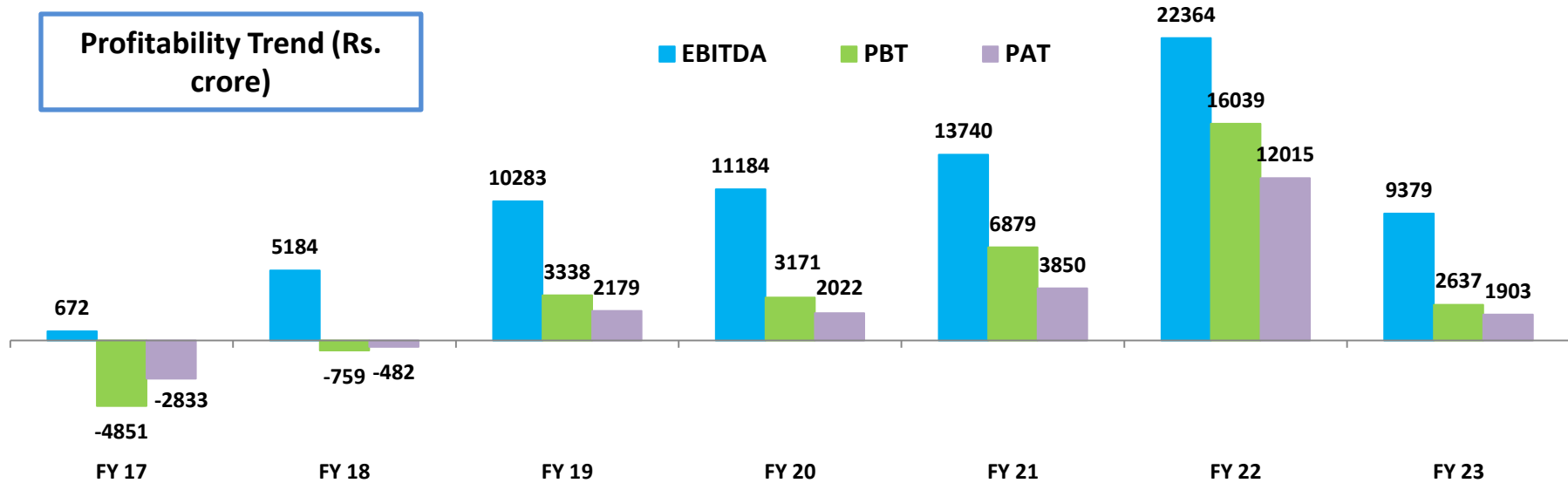
***The financial performance during FY'23 has been driven by two major factors:***

- Sales Volume during FY'23 is marginally higher than previous year and aided by relatively higher realisations, the topline has grown by 1% over CPLY.*
- Profitability had been impacted due to high input costs majorly imported coking coal, foreign exchange variation loss.*

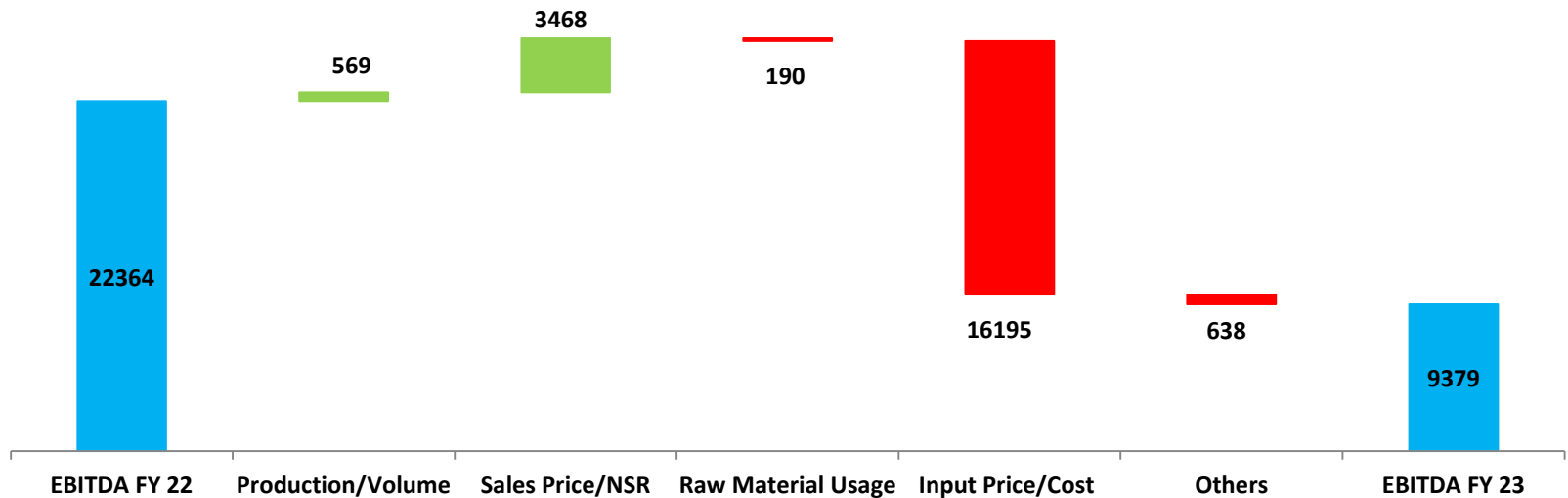
# FINANCIAL PERFORMANCE



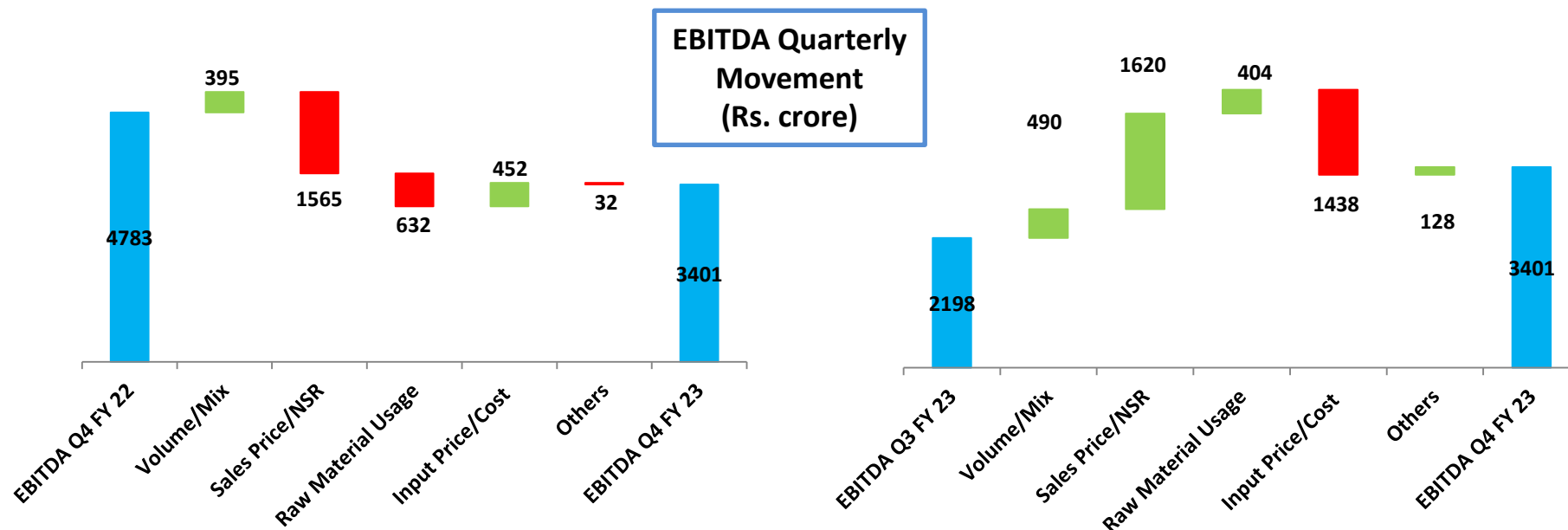
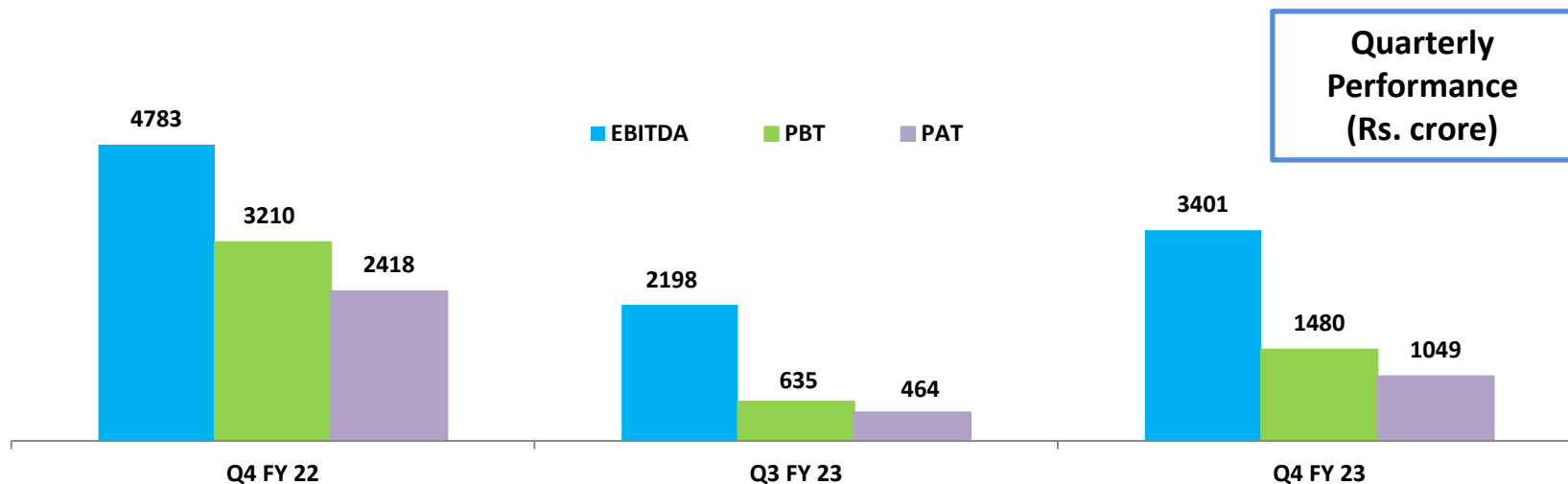
Profitability Trend (Rs. crore)



EBITDA Movement (Rs. crore)

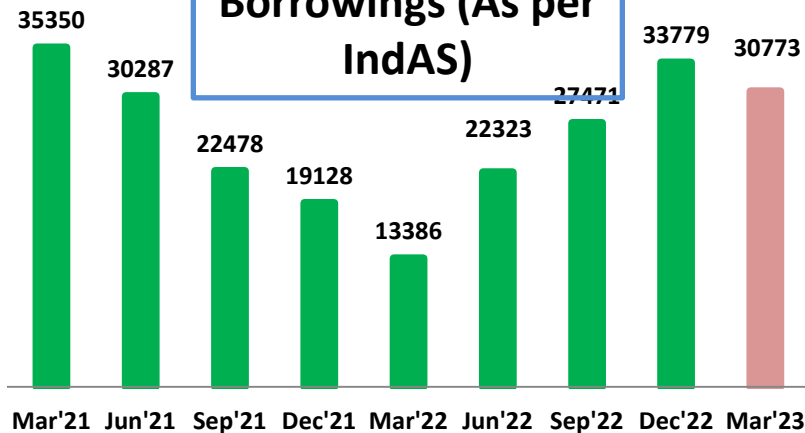


# FINANCIAL PERFORMANCE

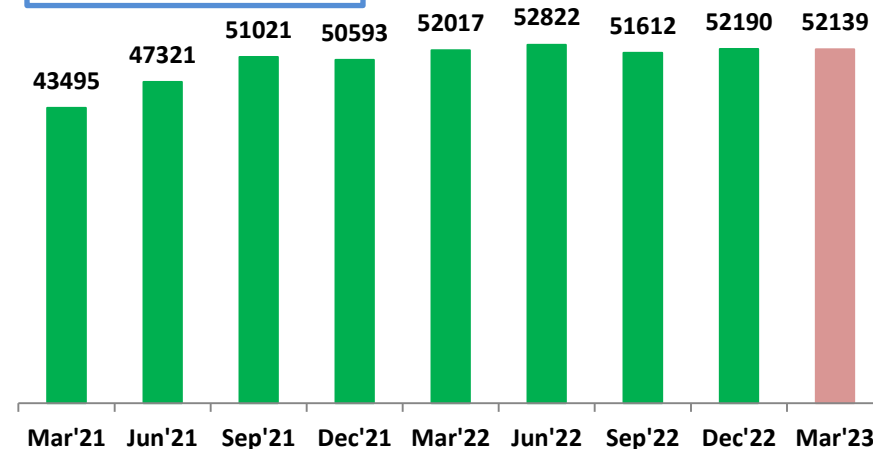


# FINANCIAL PERFORMANCE

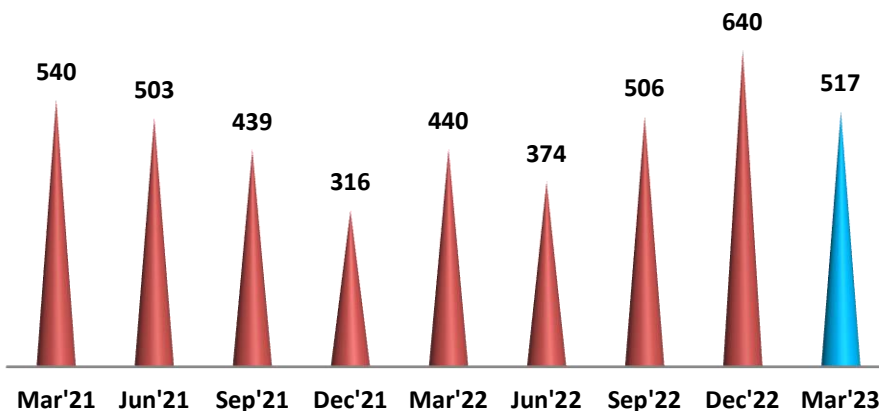
**Borrowings (As per IndAS)**



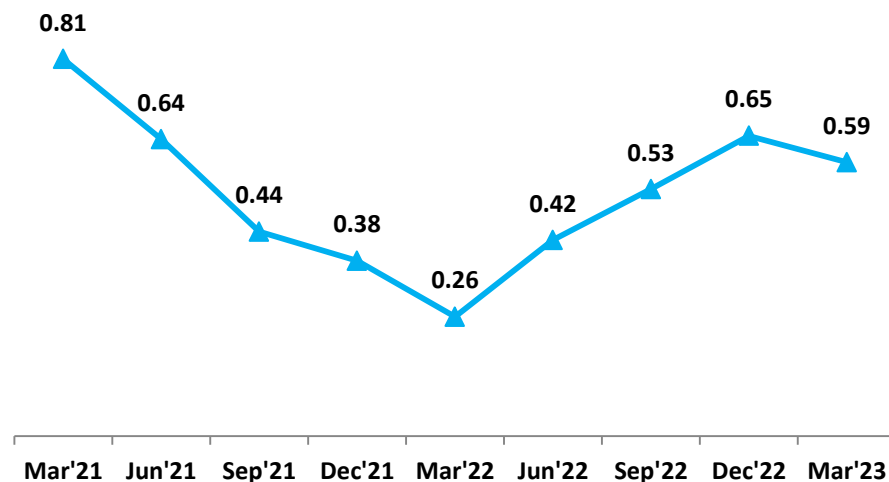
**Net Worth**



**Quarterly Interest**



**Debt-equity (times)**



Borrowings, Interest and Net Worth in Rs. crore

# Abbreviations used

•	<b>BF</b>	<b>Blast Furnace</b>
•	<b>SMS</b>	<b>Steel Melting Shop</b>
•	<b>BOF</b>	<b>Basic Oxygen Furnace</b>
•	<b>THF</b>	<b>Twin Hearth Furnace</b>
•	<b>EBF</b>	<b>Electric Arc Furnace</b>
•	<b>BSP</b>	<b>Bhilai Steel Plant</b>
•	<b>DSP</b>	<b>Durgapur Steel Plant</b>
•	<b>RSP</b>	<b>Rourkela Steel Plant</b>
•	<b>BSL</b>	<b>Bokaro Steel Limited</b>
•	<b>SSP</b>	<b>Salem Steel Plant</b>
•	<b>VISL</b>	<b>Visvesvaraya Iron &amp; Steel Plant</b>
•	<b>ASP</b>	<b>Alloy Steels Plant</b>
•	<b>CPLY</b>	<b>Corresponding Period Last Year</b>
•	<b>G.Cal/tcs</b>	<b>Giga Calories per tonne of Crude Steel</b>
•	<b>ISP</b>	<b>Integrated Steel Plant</b>
•	<b>HDGL</b>	<b>Hot Dip Galvanizing Line</b>
•	<b>CR</b>	<b>Cold Rolled</b>
•	<b>HR</b>	<b>Hot Rolled</b>

•	<b>FOB</b>	<b>Freight On Board</b>
•	<b>JPC</b>	<b>Joint Plant Committee</b>
•	<b>Kg/thm</b>	<b>Kilo Gram Per Tonne of Hot Metal</b>
•	<b>Tpd</b>	<b>Tonnes Per Day</b>
•	<b>MT</b>	<b>Million Tonne</b>
•	<b>Mtpa</b>	<b>Million Tonne Per Annum</b>
•	<b>EBITDA</b>	<b>Earnings Before Interest, Taxes, Depreciation &amp; Amortization.</b>
•	<b>PAT</b>	<b>Profit After Tax</b>
•	<b>PBT</b>	<b>Profit Before Tax</b>
•	<b>RINL</b>	<b>Rashtriya Ispat Nigam Limited</b>
•	<b>CS</b>	<b>Crude Steel</b>
•	<b>CDI</b>	<b>Coal Dust Injection</b>
•	<b>CC</b>	<b>Continuous Casting</b>
•	<b>BOO</b>	<b>Build-Own-Operate</b>
•	<b>Gol</b>	<b>Government of India</b>
•	<b>MOEF</b>	<b>Ministry of Environment &amp; Forests</b>



# Disclaimer



Statements / Data which do not relate to SAIL and are used / made in this presentation are from sources which are considered reliable and Company cannot be held for its authenticity.

Further, statements describing the Company's projections, estimates, expectations are “forward looking statements” within the meaning of applicable securities laws and regulations. Actual results may differ materially from those expressed depending on the circumstances / situations.

Major factors that could affect the Company's operations include, among others, economic conditions affecting demand / supply and prices in the domestic and global markets in which the Company operates, changes in Government regulations, tax laws and other statutes, etc.